

**Final Report**

November 14, 2005

**State of New Mexico  
Consolidated Plan  
FY2006-FY2010**

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Final Report

November 15, 2005

## FY2006-FY2010 State of New Mexico Consolidated Plan

Prepared for

New Mexico Mortgage Finance Authority  
344 4<sup>th</sup> Street SW  
Albuquerque, New Mexico 87102  
505.843.6880  
[www.housingnm.org](http://www.housingnm.org)

Prepared by

BBC Research & Consulting  
3773 Cherry Creek N. Drive, Suite 850  
Denver, Colorado 80209-3827  
303.321.2547 fax 303.399.0448  
[www.bbcresearch.com](http://www.bbcresearch.com)  
[bbc@bbcresearch.com](mailto:bbc@bbcresearch.com)

in association with

Mona K. Koerner  
Koerner Solutions  
7932 Independence Dr NW  
Albuquerque, NM 87120  
505.890.0982  
[mkkoerner@earthlink.net](mailto:mkkoerner@earthlink.net)

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CONSULTING

# EXECUTIVE SUMMARY

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Executive Summary

State of New Mexico  
Consolidated Plan

FY2006-FY2010

## EXECUTIVE SUMMARY

Beginning in 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. In general, the Consolidated Plan identifies a state's housing and community development needs, priorities, goals, and strategies, and stipulates how funds will be allocated to nonprofit organizations and local governments.

In 2005, the State of New Mexico prepared its Five-Year Consolidated Plan, covering the program years 2006 through 2010. The State's 2006-2010 Consolidated Plan contains new information about demographic, economic, and housing market trends in the State; an Analysis of statewide affordable housing needs; findings from the citizen participation process; and a current Analysis of the needs of special populations. The report also contains a new Five-Year Strategic Plan and One-Year Action Plan for allocating the State's federal block grant funds to address housing and community development needs.

**Purpose of the State's Consolidated Plan.** The State of New Mexico's Consolidated Plan serves numerous purposes:

1. The Consolidated Plan identifies New Mexico's greatest housing and community development needs in 2005, from 2006 to 2010
2. The Consolidated Plan includes the State's strategic plan for meeting these needs, specifying how the State will allocate HUD funding to address needs.
3. To assist local areas in understanding their housing and community development needs, the Plan contains an appendix with housing market and economic indicators by county, MSA, pueblo/reservation, and colonias/border areas.

This Executive Summary presents key information from the full Consolidated Plan, including the top needs identified through research, and stakeholder and public input. It also summarizes how the State will use HUD funding to address needs during the 2006-2010 Consolidated Planning period.

### **Compliance with Consolidated Plan Regulations**

The State of New Mexico's Five-Year Consolidated Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations. The Consolidated Plan was completed using HUD's newly developed Consolidated Plan Management Process (CPMP) electronic submission tool.

## Organization of the Report

The Five-Year Plan is organized into six sections and three appendices:

- Section I. Introduction—contains background information on the Consolidated Plan.
- Section II. Socioeconomic Analysis—discusses the demographic and economic trends in New Mexico to set the context for the housing and community development needs and strategies discussed in later sections.
- Section III. Housing Market Analysis—reports updated information about the State’s housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden, and the needs of special populations.
- Section IV. Citizen Input and Needs Identification—reports the findings from the citizen participation process conducted for the Five-Year Plan.
- Section V. Analysis of Impediments to Fair Housing Choice—contains the State’s updated Analysis of Impediments to Fair Housing Choice.
- Section VI. Strategic Plan and Action Plan—contains the State’s Five-Year program strategies, the One-Year Action Plan for program year 2006, and the required HUD tables.

The Appendices include:

- A. Citizen Participation Plan
- B. Detailed Housing Market Data
- C. Public Comments

## Lead and Participating Agencies

New Mexico’s Five-Year Consolidated Plan and One-Year Action Plan was completed by the New Mexico Mortgage Finance Authority (MFA), with assistance from BBC Research & Consulting (BBC) and Koerner Solutions. The planning process involved a Consolidated Planning Team of housing/real estate, social service, and community development professionals representing all areas of the State.

## Citizen Participation Process

The Consolidated Plan was developed with a strong emphasis on community input. The State conducted seven public forums during the research phase and seven public hearings after the Draft Plan was released to collect citizen and stakeholder input for the Consolidated Plan. Citizens participated in the development of the Consolidated Plan through:

- Attending one of the 14 meetings held throughout the Consolidated Planning process;
- Completing a citizen survey that was distributed during the public meetings;

- Being interviewed as part of the stakeholder interviews held during the Plan’s development; and
- Submitting comments during the 30-day public comment period.

### Consultation with Governmental and Nonprofit Organizations

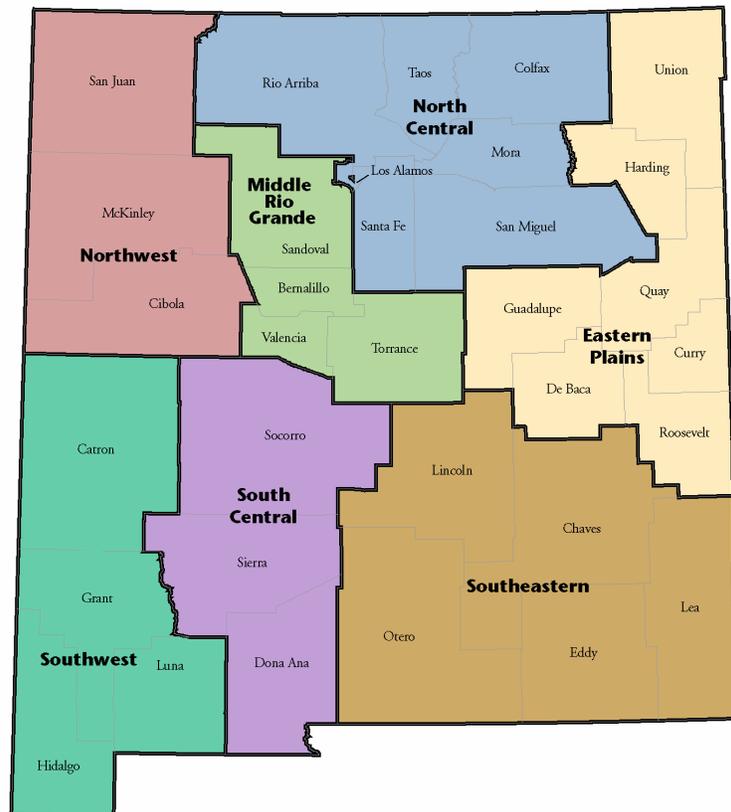
The Consolidated Plan made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. The State held seven public forums during development of the Draft Plan, and seven public hearings after the Draft Plan had been released for public comment. Many of the attendees of the meetings represented units of local government and nonprofit organizations. In addition, key person interviews were conducted of stakeholders throughout the Consolidated Planning process. Among the organizations with which the State exchanged information were policymakers, service providers to the State’s special needs populations, administrators of public and regional housing authorities, and housing development specialists. The materials that these individuals and organizations shared with us are sourced throughout the report. Their participation in the Consolidated Planning process is very much appreciated.

### Geographic Level of Analysis

Sections II. (Socioeconomic Profile) and III. (Housing Market Analysis) present data for the State overall, for counties, and by region. The regions used for the Analysis are those used by MFA. These regions are shown below in Exhibit ES-1.

Exhibit ES-1.  
New Mexico Regions

Source: New Mexico MFA and  
BBC Research & Consulting.



## Socioeconomic and Housing Profile of New Mexico

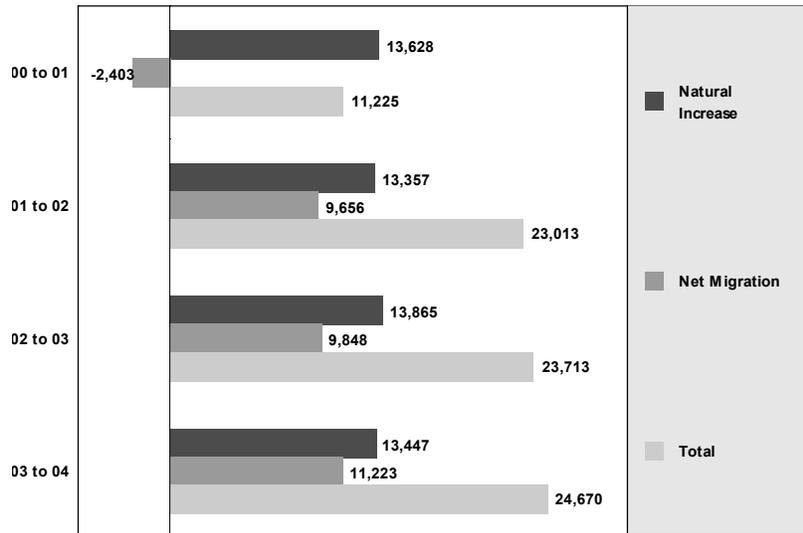
**Demographic Analysis.** The State has experienced a healthy rate of population growth between 2000 and 2005, although the growth varies considerably by area. The Eastern Plains and Southwest portions of the State have experienced population losses recently, while the counties surrounding the State's major cities have sustained moderate to high growth. The State's primary driver of growth continues to be natural increase (more births than deaths), although net migration from other states and countries has been growing, as shown in Exhibit ES-2 below.

**Exhibit ES-2.**  
Components of Population Change in New Mexico, 2000 to 2004

Note: Population changes for each year are from July 1 to July 1 of the next year.

Natural increase is births minus deaths.

Source: U.S. Census Bureau, Population Estimates.



As shown below, population growth during the past 25 years has varied considerably by region. Exhibit ES-3 compares population growth by region from 1980 projected through 2010.

**Exhibit ES-3.**  
Regional Population Growth, New Mexico, 1980 - 2010

Source: UNM - BBER.

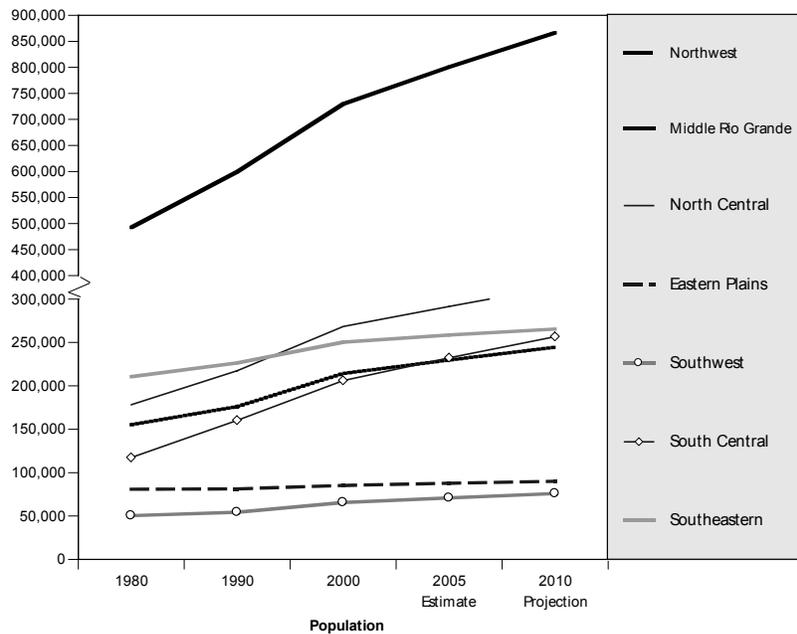
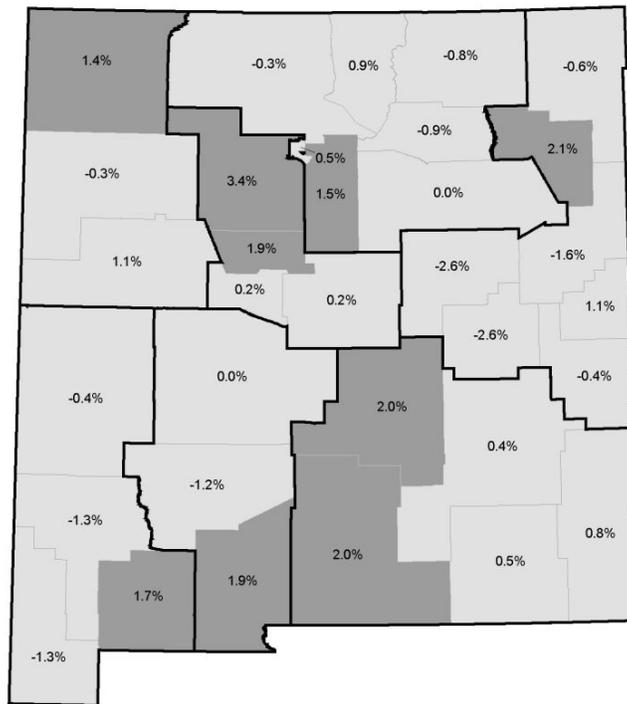


Exhibit ES-4 shows recent trends in population growth by county. Darkly shaded areas indicate counties where population growth was stronger than the State's overall rate (1.3 percent between 2003 and 2004).

Exhibit ES-4.  
Population Change  
of New Mexico Counties,  
2003 to 2004

Note: New Mexico's population growth was 1.3 percent from 2003 to 2004.

Source: UNM-BBER and BBC Research & Consulting.



In general, the counties in the State's metropolitan areas have the strongest population growth, highest incomes, lowest poverty rates, lowest levels of unemployment and highest educational levels. Conversely, there are a number of counties that, based on socioeconomic statistics examined in this report, are experiencing a decline in economic health. These counties have experienced one of the three factors: negative population growth between 2000 and 2005, more than 20 percent of the population living in poverty, more than 30 percent of the population not completing high school, and an unemployment rate of more than 6.5 percent. Six counties in the State have at least one of these conditions. These counties include: Luna, McKinley, Mora, Guadalupe, Doña Ana, and Hidalgo.

**Housing market Analysis** A detailed Analysis of housing market data for the Consolidated Plan found New Mexico's housing market characterized by an above average homeownership rate and relatively high affordability. Compared to surrounding states, in 2003, New Mexico ranked second-lowest in terms of median home value and median gross rent. This is shown in Exhibit ES-5 on the following page.

Exhibit ES-5.  
Median Home Value and Median Gross  
Rent, 2003

Source: 2003 ACS.

State	Median Home	Median Gross
<b>New</b>	<b>\$118,764</b>	<b>\$523</b>
Arizona	\$146,124	\$662
Colorado	\$210,398	\$754
Montana	\$118,887	\$506
Nevada	\$170,333	\$771
Texas	\$99,139	\$639
Utah	\$156,657	\$632

As shown in Exhibit ES-6, the State also has a relatively low level of cost-burdened owners (21.4 percent of all owners) and an average renter cost burden (46.8 percent of renters were cost-burdened). A household is burdened if housing costs (including utilities, insurance, and taxes) exceed 30 percent of gross household income.

Exhibit ES-6.  
Cost-Burdened Households, 2003

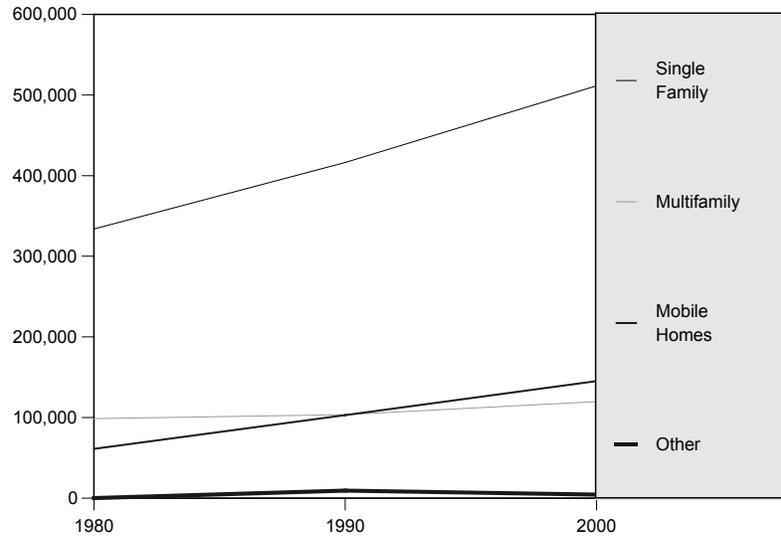
State	Total Owner Occupied Units	Percent of Owners Cost Burdened	Total Renter Occupied Units	Percent of Renters Cost Burdened
<b>New Mexico</b>	<b>360,199</b>	<b>21.4%</b>	<b>189,347</b>	<b>46.8%</b>
Arizona	1,155,699	25.6%	588,873	49.1%
Colorado	1,057,452	28.8%	504,906	48.7%
Montana	172,498	20.7%	96,725	42.5%
Nevada	428,554	31.9%	301,470	46.6%
Texas	4,148,247	23.5%	2,484,960	45.4%
Utah	483,738	24.8%	189,750	47.1%

Source: 2003 ACS.

Part of the reason for the State's relative affordability is the reliance on manufactured/mobile homes. In 2003, 18.7 percent of the State's housing stock consisted of mobile homes. This proportion was far higher than surrounding states' percentages, which ranged between 4 and 14 percent. Exhibit ES-7 shows the three primary types of housing units in the State in 1980, 1990, and 2000. As shown in the exhibit, mobile/manufactured homes are the second most common housing type in 2000, a change from 1990.

Exhibit ES-7.  
Housing Units by Size/Type, New Mexico,  
1980 to 2000

Source: U.S. Census Bureau.



According to 2000 Census data, 2 percent of the State's occupied housing units lacked complete plumbing facilities. The majority of these units (81 percent) were owner occupied, disproportionately so, as 69 percent of the State's occupied units overall are owner occupied.

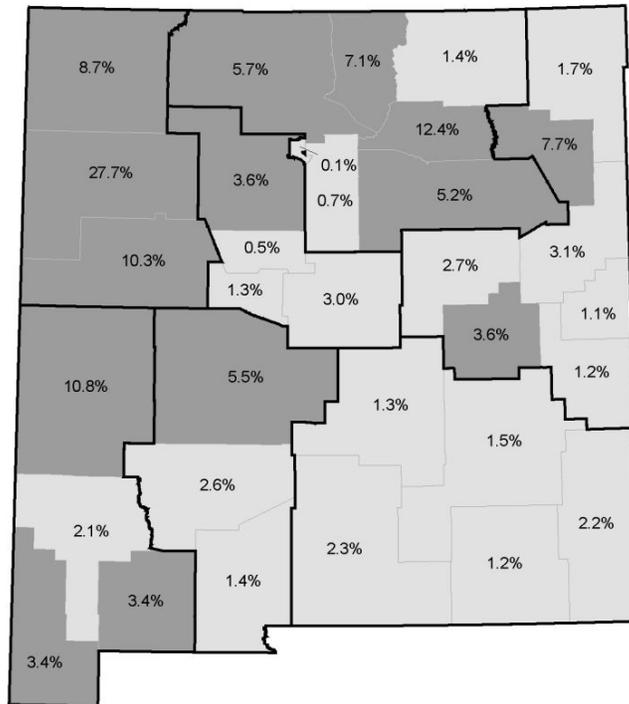
The housing needs in New Mexico vary considerably throughout the State. Housing needs in the State's urban areas are mostly related to affordability. The State's rural areas are mostly challenged by housing stock that is in poor condition and is overcrowded. Areas in the northwestern portion of the State are particularly beset with housing condition issues. In McKinley County for example, 28 percent of the units lacked complete plumbing facilities, 25 percent lacked complete kitchens and 27 percent of the units were overcrowded. Counties in the State's far eastern border have some of the State's oldest housing stock (as a proportion of all housing units), which also can lead to greater rehabilitation needs.

Exhibit ES-8 shows the percent of each county's housing stock that lacks complete plumbing facilities. Exhibit ES-9 shows the percent of each county's housing stock that is over-crowded, in accordance with HUD's definition of overcrowding (more than one person per room).

**Exhibit ES-8.**  
**Percent of Total Units Lacking Complete Plumbing Facilities, 2000**

Note: Shaded counties are equal to or greater than the State's 3.1 percent average.  
 Figures include the percentage of total housing units.

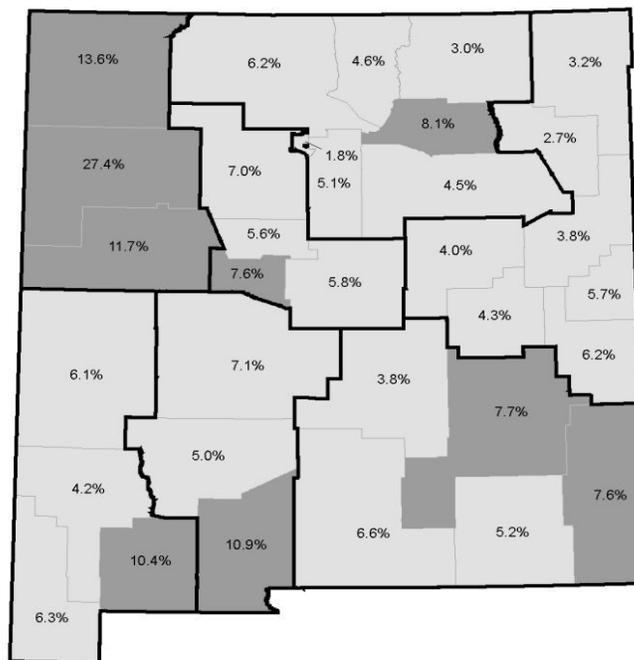
Source: 2000 U.S. Census.



**Exhibit ES-9.**  
**Overcrowded Units, 2000**

Note: Shaded counties are equal to or greater than the State's 7.5 percent average.

Source: 2000 U.S. Census.



## Summary of Housing and Community Development Needs Assessment

The development of the State of New Mexico's Five-Year Consolidated Plan involved collaboration with citizens, community leaders, and the key organizations through which the State's low-income and special needs populations are served.

The citizen and community participation process consisted of the following:

- Comments and input from the Planning Team that assisted in developing the Consolidated Plan and whose members represent some of the State's key populations in need;
- Seven public meetings and seven public hearings for State residents and community groups;
- In person and telephone interviews with people who assist the State's populations with the greatest needs and representatives of a diverse set of community interests;
- A citizen survey; and
- A 30 day public comment period for the Strategic Plan and the Action Plan.

In each of the community participation processes, public input meetings, key person interviews, and the citizen survey, individuals were asked to identify the top activities that they would undertake and use the State's limited resources to improve.

*Top priorities statewide.* The top priorities across all participants were:

- Single family rehabilitation
- Single family new construction
- Housing and services for the homeless
- Economic development
- Public infrastructure
- Housing and services for people with special needs
- Multifamily new construction

In each of the public meetings, participants were asked how they would choose to spend \$2 million in their communities on a variety of housing and community development activities. Participants were asked to choose three activities and showed their preferences for activities by a show of hands. Exhibit ES-10 shows the overall ranking of the activities in all of the forums. The funding allocation exercise identified several consistent needs across forum areas. These included: single family home rehabilitation, new single family construction, housing and services for people who are homeless, and economic development.

Exhibit ES-10.  
Overall Rankings of Activities in All the  
Forums

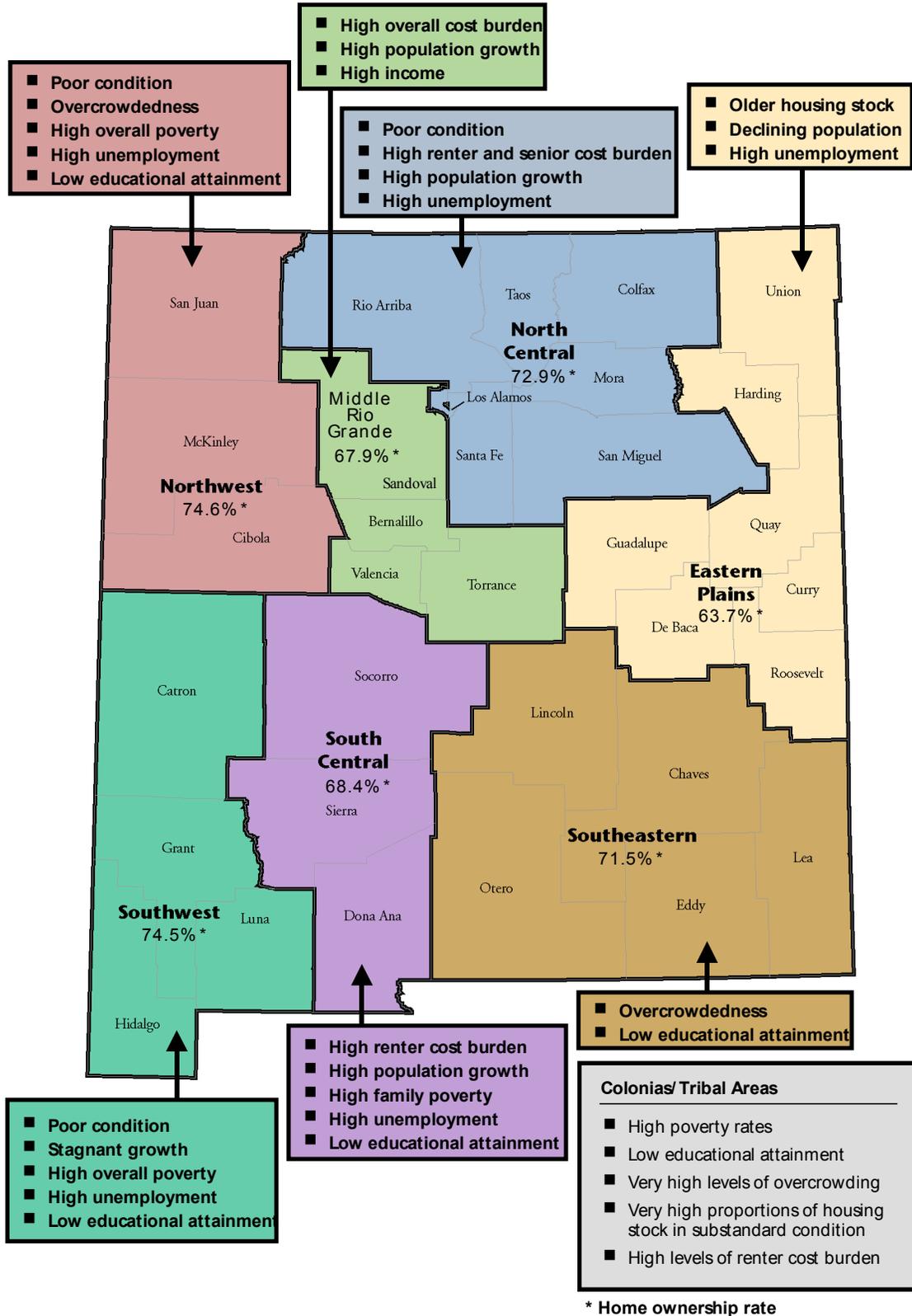
Source: BBC Research & Consulting

	All Forums	
	Number of votes	Percentage of votes
Rehabilitation of single family	54	23%
New single family	42	18%
Provide housing and services for who are homeless	27	12%
Economic	26	11%
Public infrastructure	24	10%
Provide services for people with special needs	19	8%
New multifamily	14	6%
Community facilities	8	3%
Fair housing education and outreach	5	2%
Other (various)	4	2%
Make accessibility	4	2%
Streetscaping	4	2%
Rehabilitation of multifamily units	3	1%
<b>Total</b>	<b>234</b>	<b>100%</b>

**Regional differences in needs.** These priorities are an aggregate across the State; however, the priorities identified for each region are significantly different. To fully understand the priorities, it is necessary to understand the priorities of specific regions.

Exhibit ES-11, on the following page, graphically summarizes the defining housing market and demographic characteristics of the State's regions. The text following the map discusses these features of each region, how they contribute to housing and community development needs, and summarizes the activities that are most needed in each region.

Exhibit ES-II.  
 Summary Housing and Community Development Characteristics and Needs by Regions



Source: New Mexico MFA and BBC Research & Consulting.

**Northwest Region.** The Northwest region comprises San Juan, McKinley and Cibola Counties. It includes the communities of Farmington, Gallup, Grants, and the Navajo Reservation. This region includes 11.7 percent of the State's population. Within the region, San Juan County has experienced the greatest growth in population in the last 15 years. The Northwest region comprises the most overcrowded housing in the State. The increase in population and persistence of overcrowding in the region makes the development of new housings a top priority in this area. Farmington, in particular, needs new multifamily development and new single family development. Grants—which have experienced slower growth—could benefit from new units through acquisition and rehabilitation of existing units. The region also needs an expansion of housing and services for the homeless including substance abuse treatment services, housing for the mentally ill, transitional housing, and housing for the elderly.

**North Central Region.** The North Central region comprises Rio Arriba, Taos, Colfax, Mora, San Miguel, Santa Fe, and Los Alamos Counties. It includes the communities of Taos, Espanola, Los Alamos, Santa Fe, and Las Vegas. The region includes 14.7 percent of the State's population. This region can be characterized as a high cost region. This region also has a significant cost burden among both renters and owners. Upward pressure on housing prices in Santa Fe, Taos, and Rio Arriba Counties means that affordability is the greatest housing problem. The priority housing needs in this region are for special needs populations, especially the mentally ill, homeless families, the elderly, and people with HIV/AIDS. There is also a priority need for deep subsidies for both renters and homeowner/homebuyers. This includes flexible financing and new development.

**Eastern Plains.** The Eastern Plains region comprises Union, Harding, Quay, Guadalupe, De Baca, Curry, and Roosevelt Counties. It includes the communities of Clovis, Tucumcari, and Portales. It makes up 4.4 percent of the State's population. This region is threatened by a loss of population and declining economy. The top priority need for the region is economic development. The region also suffers from a lack of a housing market outside of Clovis and Portales. Additionally, this region includes the greatest proportion of the State's oldest housing stock. The top housing priority in this region is single family rehabilitation. However, many of the units in this region are beyond rehabilitation and need complete replacement. Also, the lack of resale value means that costs not only exceed residents' ability to pay, they also exceed the appraised value of unit. The challenges to overcoming the housing needs in this area are great. This region would benefit from single family rental units. Portales is the one community that that has a need for new units. The priority community development needs (aside from economic development) are substance abuse treatment services, mental health services, and transportation.

**Middle Rio Grande.** The Middle Rio Grande region comprises the Sandoval, Bernalillo, Valencia, and Tarrant Counties—the Albuquerque, MSA. This region includes 40.6 percent of the State's population. This region has the greatest cost burden in the State including both owner-occupied and rental units. The priority housing needs in this region is single family development, homebuyer assistance, single family accessible units, and services for the mentally ill. The priority community development need is for public infrastructure.

**Southwest.** The Southwest region consists of Catron, Grant, Hidalgo, and Luna Counties. It includes 3.6 percent of the State's population. It includes the communities of Silver City, Lordsburg, Deming, and several colonias. This region has experienced little growth in recent years. The priority needs in the Southwest region are single family rehabilitation, single family new construction, public infrastructure and economic development. This region also needs emergency and transitional housing for the homeless, housing for the elderly, and emergency repairs for existing homeowners.

**South Central.** The South Central region comprises Socorro, Sierra, and Doña Ana Counties. It includes the communities of Socorro, Truth or Consequences, Las Cruces, and many of the colonias. Doña Ana County has experienced significant population growth in the last 25 years. However, much of this new population has moved into substandard or illegal subdivisions. The priority needs in Doña Ana County are largely related to the colonias. The priority needs for the region include single family rehabilitation or reconstruction, new single family construction of larger (3-4 bedroom) units, comprehensive housing counseling, and special needs housing. The priority special needs include transitional housing and emergency shelter and services, especially for homeless families, the mentally ill, and people with substance abuse issues. There is a need for supportive housing for the elderly in Las Cruces. The priority community development needs are infrastructure and economic development.

**Southeastern.** The Southeastern region comprises Lincoln, Chaves, Lea, Eddy, and Otero Counties. It includes the communities of Roswell, Hobbs, Artesia, Carlsbad, Alamogordo, and Ruidoso. It consists of 13.1 percent of the State's population. The priority housing needs include single family new construction and multifamily new construction as well as single family rehabilitation, and housing and services for the homeless. The priority for special needs populations is for the elderly, the physically disabled, substance abuse treatment, and mental health services.

**Tribal Lands.** Tribal lands have their own unique housing and community development needs. Housing on trust land is severely overcrowded and substandard. The priority needs on Tribal Lands are large (3-5 bedrooms) single family units and infrastructure especially water, wastewater, and technology. There is also a need for permanent supportive housing on tribal lands.

**Colonias.** The colonias in Luna, Doña Ana, and Otero Counties lack adequate infrastructure, are overcrowded, and substandard. The priority needs in these communities are for infrastructure including streets, curbs and gutters, parks, and sidewalks. The priority housing needs are for single family rehabilitation or reconstruction, including self-help solutions and hook-ups. These areas also need better land use and zoning, improved subdivision enforcement, transportation and economic development.

Summary needs by county. The following exhibits summarize the primary housing characteristics for each county in the State, organized by region.

Exhibit ES-12.  
Summary Housing and Community  
Development Characteristics and Needs,  
Northwest Region

Source: New Mexico MFA and BBC Research & Consulting.

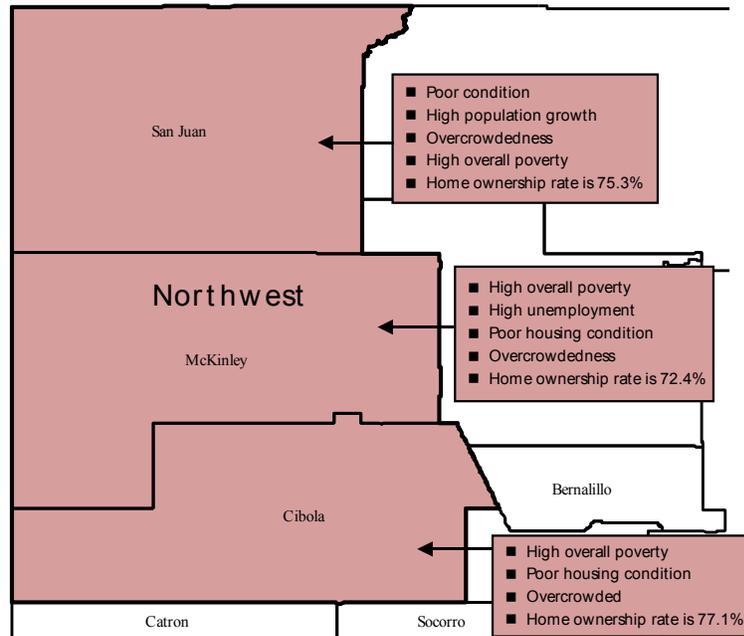


Exhibit ES-13.  
Summary Housing and Community  
Development Characteristics and Needs,  
Middle Rio Grande Region

Source: New Mexico MFA and BBC Research & Consulting.

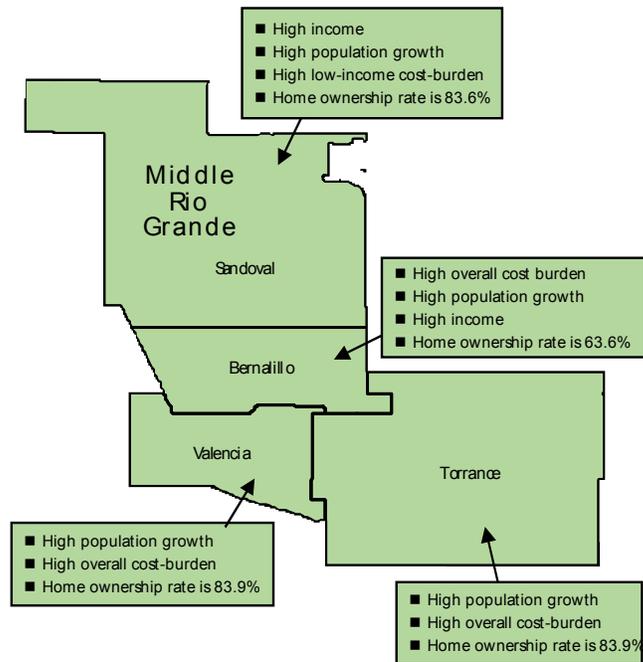
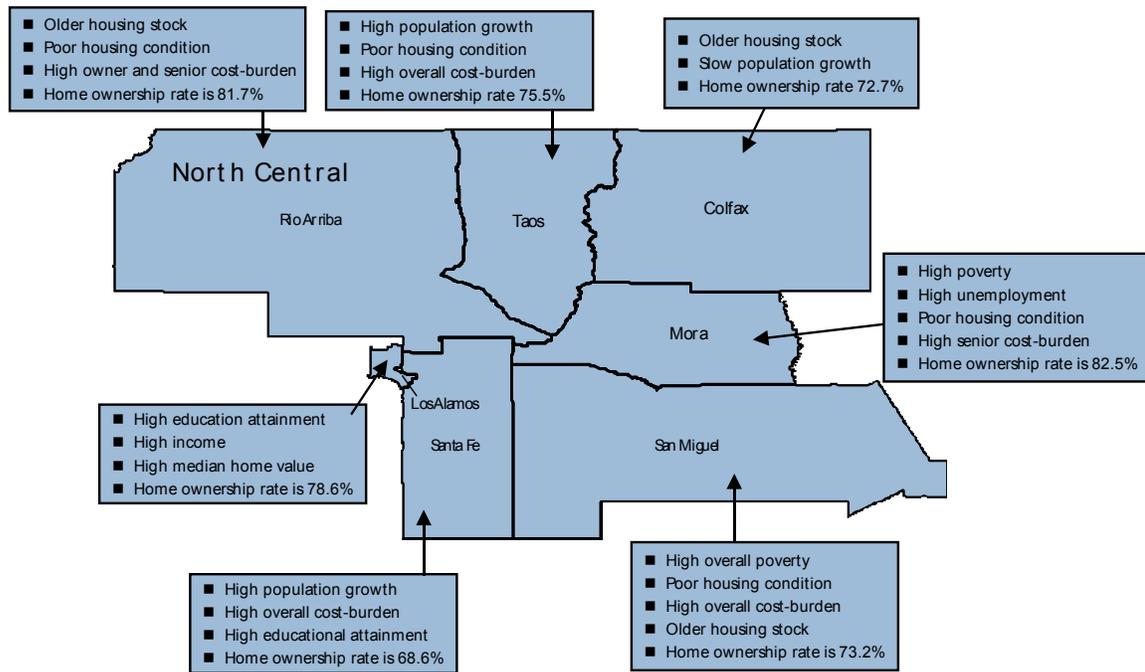


Exhibit ES-14.  
 Summary Housing and Community Development  
 Characteristics and Needs, North Central Region



Source: New Mexico MFA and BBC Research & Consulting.

Exhibit ES-15.  
 Summary Housing and  
 Community Development  
 Characteristics and Needs,  
 Eastern Plains Region

Source: New Mexico MFA and BBC Research & Consulting.

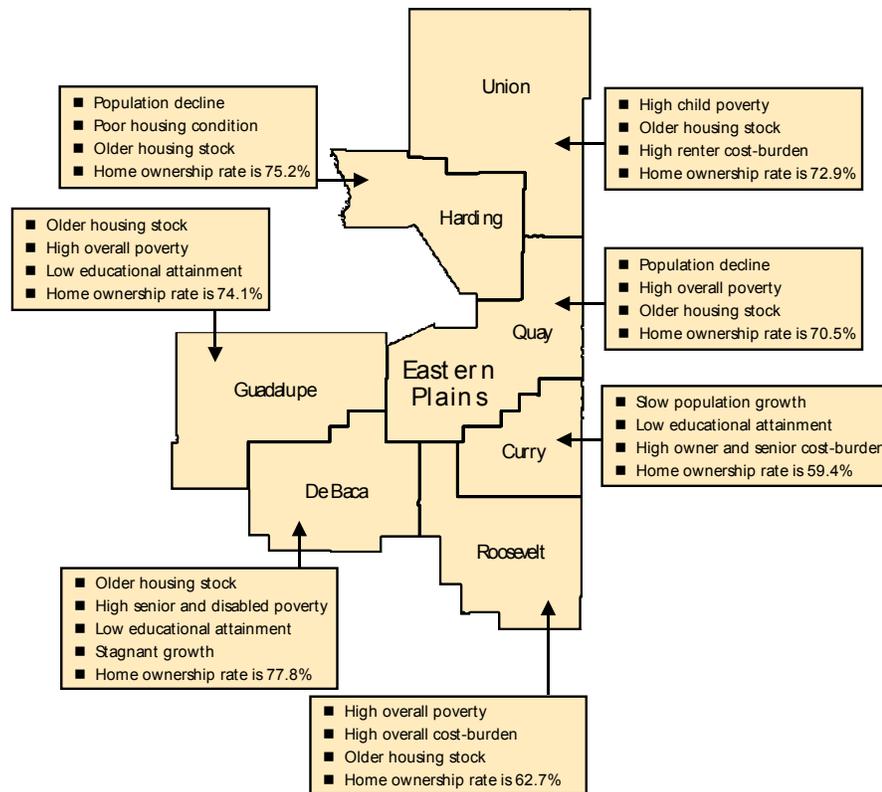
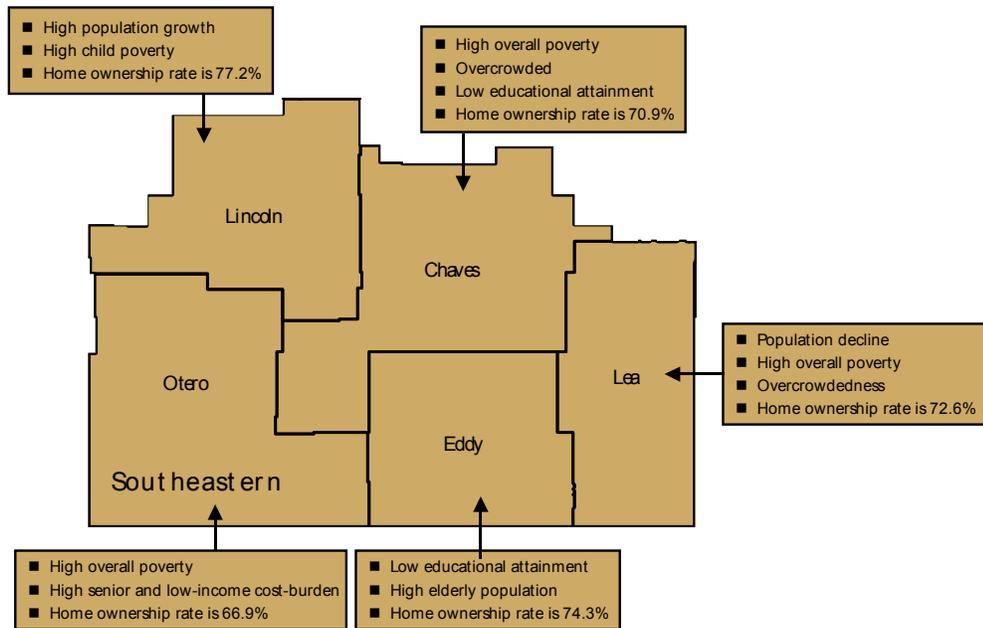
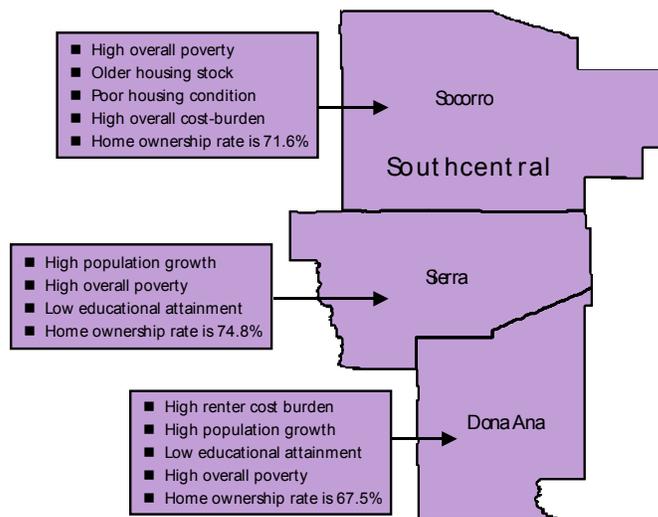


Exhibit ES-16.  
Summary Housing and Community Development  
Characteristics and Needs, Southeastern Region



Source: New Mexico MFA and BBC Research & Consulting.

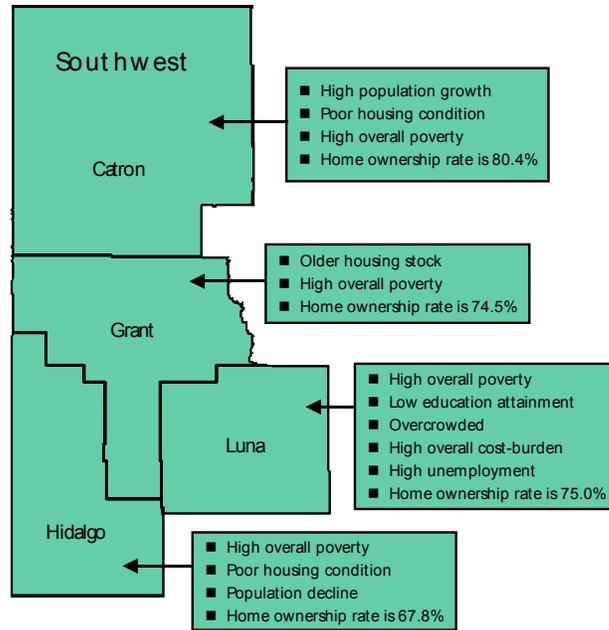
Exhibit ES-17.  
Summary Housing and Community  
Development Characteristics and Needs,  
South Central Region



Source: New Mexico MFA and BBC Research & Consulting.

Exhibit ES-18.  
Summary Housing and Community  
Development Characteristics and Needs,  
Southwest Region

Source: New Mexico MFA and BBC Research & Consulting.



### Summary of Analysis of Impediments to Fair Housing Choice

In addition to completing a Consolidated Plan, states and cities that are eligible to receive Community Development Block Grant (CDBG) funding must complete an Analysis of fair housing conditions in their communities. The official name of this type of study is “Analysis of Impediments to Fair Housing Choice” or AI. This Analysis was done as part of the State of New Mexico’s 2006-2010 Consolidated Plan research process.

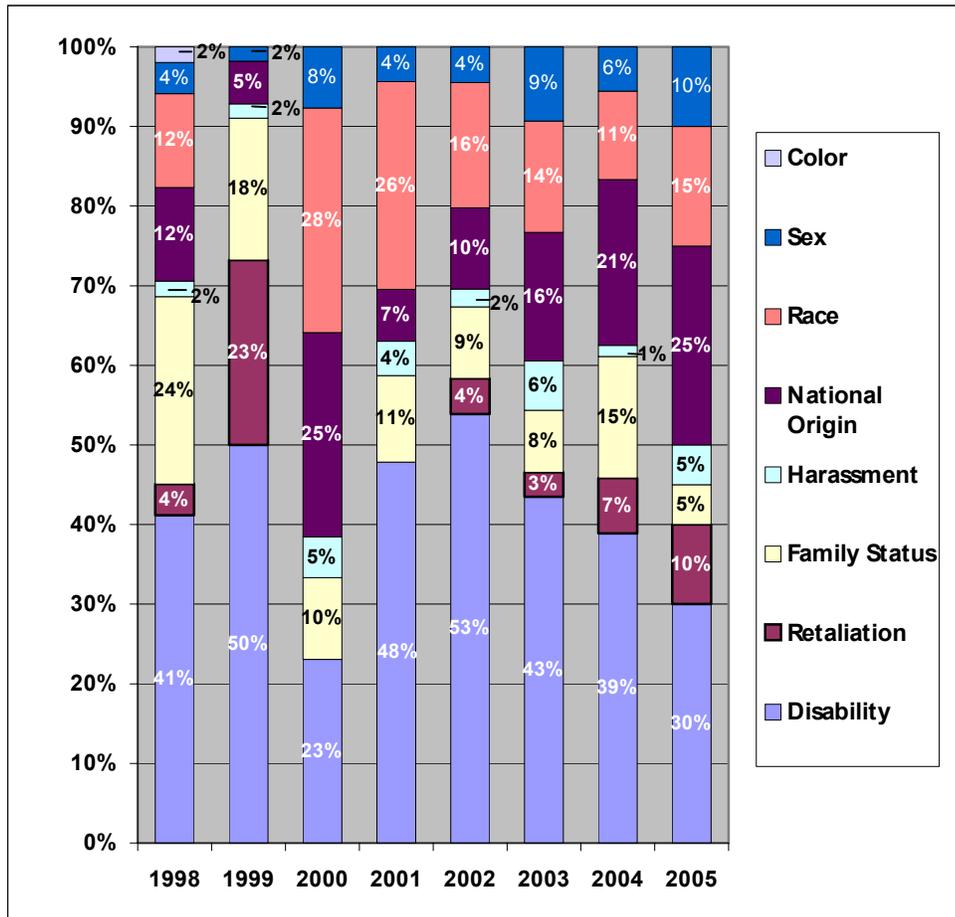
The State of New Mexico AI was conducted using a similar methodology as the Five-Year Consolidated Plan. The AI examined data from a variety of sources including seven public forums; a citizen survey; key person interviews; and reviews and Analyses of data on fair housing complaints, legal cases, and mortgage lending, as well as state barriers to affordable housing.

Identified impediments. The following barriers to fair housing were identified through the research for the AI:

**Presence of discrimination.** A review of complaint data, legal cases, and anecdotal evidence discussed in the public forums and key person interviews suggest that housing discrimination occurs in the State of New Mexico. In the citizen survey conducted for this study, 13 percent of citizens said they had faced housing discrimination. This is very consistent with a nationwide study conducted for HUD, which found 14 percent of adults believed they had experienced housing discrimination. The top reasons for discrimination in the complaint data were disability, race, national origin, and familial status. Attendees at the forums said that discrimination based on familial status is a particular problem in many communities.

Exhibit ES-19 shows the fair housing complaints that were received and investigated by HUD between 1998 and 2005, by type of complaint.

Exhibit ES-19.  
Individual Case Complaints Filed with HUD, 1998 to 2005



Source: U.S. Department of Housing and Urban Development and BBC Research & Consulting.

In addition, a recent study conducted by HUD found that American Indians in the State’s urban areas (Albuquerque, Santa Fe, and Las Cruces) experienced discrimination in rental transactions 25.7 percent of the time and in home-buying transactions 16.6 percent of the time. The study found that American Indians were told that rental housing was unavailable when it actually was, and were “steered” away from areas that were predominantly white by real estate professionals helping them locate a home to purchase.

**State fair housing law.** The State of New Mexico does not have a fair housing law that offers the same protections as the federal Fair Housing Act (FHA). Although the State Human Rights Act prohibits discrimination on the basis of sexual orientation (which is not protected under federal fair housing law), the State’s Act does not cover familial status or have a reasonable accommodations provision related to housing.

The public forums and key person interviews suggest that discrimination based on familial status and discrimination based on disability occur in many communities in New Mexico and create barriers to fair housing choice. If the State were to make its fair housing law equivalent to the federal FHA, citizens would have greater opportunities to pursue housing discrimination complaints at the State level. Currently, citizens who feel they have been discriminated against are referred to HUD to make a complaint, and do so via HUD’s fair housing complaint hot line.<sup>1</sup>

**Disparities in loan origination rates and credit issues.** A review of home mortgage transactions in New Mexico found that in 2003 American Indians had loan denial rates that were much higher than the rates of other racial and ethnic groups (for example, 52 percent of the loans applied for by American Indians in the State’s non-MSAs were denied). The data also show that government-guaranteed loans have much less disparity in loan origination and denial rates than conventional loans. Finally, the data found that the top reason for denials across every racial and ethnic group was poor credit history.

Exhibits ES-20 and ES-21 show loan origination and denial rates by race and ethnicity for areas outside of metropolitan areas in the State (generally those covered by the Consolidated Plan), as well as for the State overall. The charts are separated into conventional loans and government-guaranteed loans.

Exhibit ES-20.  
Action Taken on Conventional Loans by Race/Ethnicity, New Mexico, 2003

Race/ Ethnicity	All Loan Applications			Outside of MSAs		
	Loan originated	Loan denied	Total	Loan originated	Loan denied	Total
American Indian/Alaskan Native	32%	44%	2,665	24%	52%	1,520
Asian/Pacific Islander	62%	14%	1,948	51%	23%	199
African American	45%	27%	1,895	36%	36%	412
Hispanic/Latino	49%	24%	45,521	42%	32%	11,993
White	62%	13%	89,045	55%	20%	23,974
<b>All loan applications</b>	<b>50%</b>	<b>18%</b>	<b>183,219</b>	<b>43%</b>	<b>26%</b>	<b>50,010</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

<sup>1</sup> The City of Albuquerque has a Human Rights Office that does investigate some housing discrimination complaints under the City’s fair housing ordinance. Constraints on funding prevent the office from investigating all complaints that are received.

Exhibit ES-21.  
 Action Taken on Government Guaranteed Loans by Race/Ethnicity, New Mexico, 2003

Race/Ethnicity	All Loan Applications			Outside of MSAs		
	Loan originated	Loan denied	Total	Loan originated	Loan denied	Total
American Indian/Alaskan Native	54%	14%	489	47%	21%	104
Asian/Pacific Islander	52%	6%	235	46%	14%	28
African American	57%	10%	778	55%	14%	157
Hispanic/Latino	57%	11%	9,849	56%	16%	1,250
White	61%	6%	14,564	61%	11%	2,962
<b>All loan applications</b>	<b>51%</b>	<b>7%</b>	<b>33,133</b>	<b>49%</b>	<b>11%</b>	<b>5,830</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

The HMDA Data Analysis also highlighted particular counties in the State where denial rates are much higher than the State's overall. These include Carton, Guadalupe, Hidalgo, Lea, McKinley, Mora, Quay, San Miguel, and Torrance.

Exhibit ES-22 shows loan denial numbers and rates by county and across racial and ethnic groups. The lightly shaded areas show where denial rates are higher than the total denial rate for each county.

Exhibit ES-22.

Percent of Loans Denied by Race and Ethnicity and County, State of New Mexico, 2003

County	American Indian/ Alaskan Native		Asian/ Pacific Islander		African American		Hispanic/ Latino		White		Total Applications	
	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans
Bernalillo	25%	864	13%	1,408	20%	1,416	18%	24,400	9%	43,467	13%	92,076
Carton	0%	1	0%	0	0%	1	29%	14	30%	124	31%	197
Chaves	36%	14	25%	16	35%	46	31%	1,289	16%	2,159	23%	4,452
Cibola	57%	84	100%	1	38%	8	34%	335	26%	437	33%	1,135
Colfax	33%	9	0%	0	50%	4	33%	241	15%	810	21%	1,363
Curry	39%	18	23%	22	29%	94	32%	496	17%	1,695	19%	3,312
DeBaca	0%	0	0%	0	0%	0	45%	11	14%	29	26%	57
Dona Ana	33%	75	10%	105	27%	171	27%	5,187	12%	6,414	18%	16,333
Eddy	28%	25	25%	12	32%	25	31%	689	24%	1,669	27%	3,241
Grant	31%	16	0%	1	0%	8	31%	489	17%	938	23%	1,959
Guadalupe	0%	1	100%	4	0%	0	35%	164	40%	25	38%	261
Harding	0%	0	0%	0	0%	0	33%	9	14%	7	29%	21
Hidalgo	0%	0	0%	0	0%	0	43%	63	39%	74	44%	206
Lea	50%	18	15%	20	48%	79	36%	844	26%	1,591	30%	3,374
Lincoln	8%	12	0%	11	25%	8	25%	397	12%	2,089	15%	3,080
Los Alamos	6%	16	7%	103	33%	12	8%	247	3%	2,435	4%	3,286
Luna	0%	1	50%	4	20%	15	34%	453	24%	539	28%	1,327
McKinley	59%	427	18%	17	33%	21	31%	373	22%	618	34%	2,102
Mora	0%	1	0%	0	100%	2	36%	104	29%	48	33%	206
Otero	46%	46	9%	22	18%	129	27%	684	16%	2,479	20%	4,643
Quay	100%	2	50%	2	0%	1	28%	106	24%	197	30%	416
Rio Arriba	51%	78	0%	8	33%	15	22%	1,734	19%	707	23%	3,149
Roosevelt	17%	6	0%	2	50%	2	41%	160	24%	489	28%	918
Sandoval	38%	341	12%	170	18%	330	17%	3,890	11%	9,500	14%	18,341
San Juan	49%	753	23%	35	43%	46	30%	972	21%	5,472	25%	9,510
San Miguel	73%	15	0%	6	17%	18	36%	1,235	20%	483	32%	2,291
Santa Fe	26%	161	7%	152	13%	104	18%	5,821	10%	11,863	13%	22,935
Sierra	33%	6	0%	1	33%	3	29%	112	21%	546	23%	856
Socorro	58%	12	13%	8	21%	19	38%	359	20%	429	28%	1,057
Taos	37%	35	19%	21	0%	0	28%	1,127	13%	1,934	19%	3,807
Torrance	29%	14	0%	2	14%	7	38%	369	26%	779	31%	1,506
Union	0%	1	0%	0	0%	0	31%	49	25%	138	25%	221
Valencia	33%	95	34%	29	16%	87	27%	2,837	19%	3,297	24%	8,322
NA	14%	7	0%	1	50%	2	35%	110	23%	128	29%	391
<b>Total</b>	<b>40%</b>	<b>3,154</b>	<b>13%</b>	<b>2,183</b>	<b>22%</b>	<b>2,673</b>	<b>22%</b>	<b>55,370</b>	<b>12%</b>	<b>103,609</b>	<b>17%</b>	<b>216,351</b>

Note: The shaded areas indicate a higher percentage of loans denied than the county overall.

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

The HMDA Analysis suggests that the State should invest in credit and homebuyer counseling programs—particularly in nonmetropolitan areas—to improve citizens’ understanding of how to manage personal debt. The State should also work to ensure that minority populations are aware of government-guaranteed loan programs, which appear to better serve these populations than conventional loan programs. The financial literacy and homebuyer educational campaigns should be targeted—largely to American Indians and Hispanics/Latinos—in counties where denial disparities are the greatest and denial rates are high overall. Finally, the key people who were interviewed for the Consolidated Plan and AI repeatedly mentioned a need for New Mexicans to

be better informed about their fair housing rights and better educated about lending products, to avoid being victims of predatory loans.

SECTION I.  
Introduction

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## SECTION I.

### Introduction

#### Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required States and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program (HOME) and Housing Opportunities for People with AIDS (HOPWA) funding, and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every three to five years; updates to the Plan are required annually.

The Purpose of the Consolidated Plan is:

1. To identify a State's housing and community development needs, priorities, goals, and strategies; and
2. To stipulate how funds will be allocated to State housing and community development nonprofit organizations and local governments.

This report is the State of New Mexico Five-Year Consolidated Plan, covering the program years 2006 through 2010. This report contains new information about demographic, economic and housing market trends in the State; an analysis of Statewide affordable housing needs; findings from the citizen participation process; and a current analysis of the needs of special populations. The report also contains a new Five-Year Strategic Plan and One-Year Action Plan for allocating the HUD grant funds to address the State's housing and community development needs. Finally, to assist local areas in understanding their housing and community development needs, this Plan contains an appendix with housing market and economic indicators by county, MSA, pueblo/reservation, and colonias/border areas<sup>1</sup>.

#### Compliance with Consolidated Plan Regulations

The State of New Mexico's Five-Year Consolidated Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations. The Consolidated Plan was completed using HUD's newly developed Consolidated Plan Management Process (CPMP) electronic submission tool.

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<sup>1</sup> The available data were limited for many of the small colonias.

## Organization of the Report

The Five-Year Plan is organized into six sections and three appendices:

- Section II. Socioeconomic Analysis—discusses the demographic and economic trends in New Mexico to set the context for the housing and community development needs and strategies discussed in later sections.
- Section III. Housing Market Analysis—reports updated information about the State’s housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden, and the needs of special populations.
- Section IV. Citizen Input and Needs Identification—reports the findings from the citizen participation process conducted for the Five-Year Plan.
- Section V. Analysis of Impediments to Fair Housing—contains the State’s updated Analysis of Impediments to Fair Housing Choice.
- Section VI. Strategic Plan and Action Plan—contains the State’s Five-Year program strategies, the One-Year Action Plan for program year 2006 and the required HUD tables.

The Appendices include:

- A. Citizen Participation Plan
- B. Detailed Housing Market Data
- C. Public Comments

## Lead and Participating Agencies

New Mexico’s Five-Year Consolidated Plan and One-Year Action Plan was completed by the New Mexico Mortgage Finance Authority (MFA), with assistance from BBC Research & Consulting (BBC) and Koerner Solutions. The planning process involved a Consolidated Planning Team of housing/real estate, social service, and community development professionals representing all areas of the State.

## Citizen Participation Process

The Consolidated Plan was developed with a strong emphasis on community input. The State conducted seven public forums during the research phase and seven public hearings after the Draft Plan was released to collect citizen and stakeholder input for the Consolidated Plan. Citizens participated in the development of the Consolidated Plan through:

- Attending one of the 14 meetings held throughout the Consolidated Planning process;
- Completing a citizen survey that was distributed during the public meetings;

- Being interviewed as part of the stakeholder interviews held during the Plan's development; and
- Submitting comments during the 30-day public comment period.

#### Consultation with Governmental and Nonprofit Organizations

The Consolidated Plan made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. The State held seven public forums during development of the Draft Plan, and seven public hearings after the Draft Plan had been released for public comment. Many of the attendees of the meetings represented units of local government and nonprofit organizations. In addition, key person interviews were conducted of stakeholders throughout the Consolidated Planning process. Among the organizations with which the State exchanged information were policymakers, service providers to the State's special needs populations, administrators of public and regional housing authorities, and housing development specialists. The materials that these individuals and organizations shared with us are sourced throughout the report. Their participation in the Consolidated Planning process is very much appreciated.

SECTION II.  
Socioeconomic Profile

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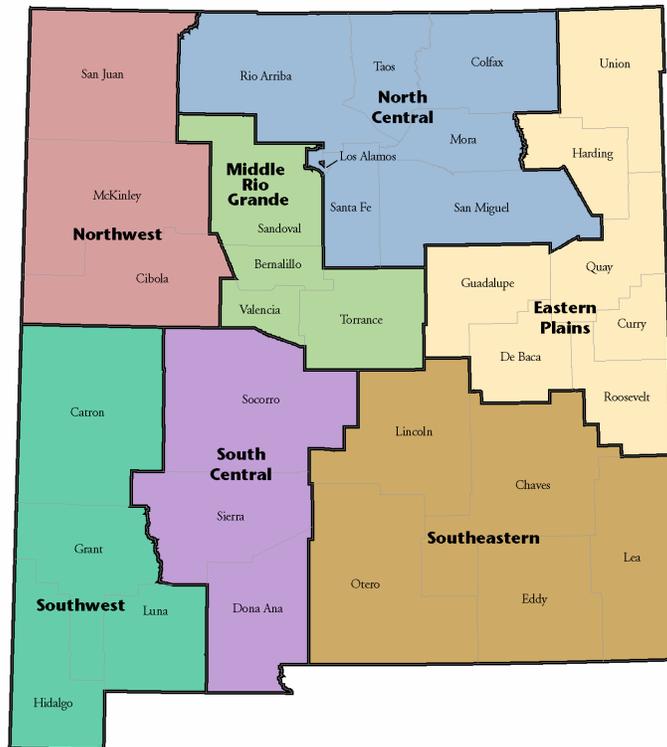
## SECTION II. Socioeconomic Profile

This section discusses the demographic and economic characteristics of the State of New Mexico—including changes in population, household characteristics, income, and employment—to set the context for the housing market and community development analyses in latter sections of the Five-Year Consolidated Plan. This section incorporates the most recently released socioeconomic data from the U.S. Census Bureau and state data sources.

Exhibit II-1 shows a regional breakdown of New Mexico provided by the New Mexico Mortgage Finance Authority (MFA). All regions discussed in this analysis are outlined below.

Exhibit II-1.  
New Mexico Regions

Source: New Mexico MFA and  
BBC Research & Consulting.

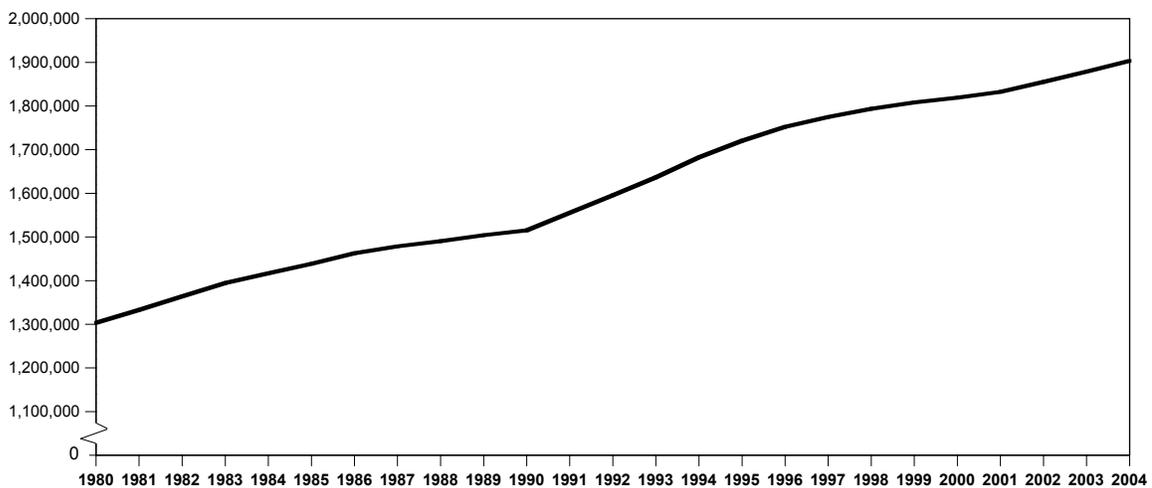


## Population Characteristics

This section presents data on population growth in the state overall, by county, by entitlement and nonentitlement areas, and by region. Detailed data for individual counties can be found in Appendix B., Detailed Housing Market Data.

**Current population trends.** The University of New Mexico's Bureau of Business and Economic Research (BBER) estimates the 2005 population of the State at 1,970,983, up from 1,819,046 in 2000 and 1,878,562 in 2003. From 2000 to 2005, the State's population increased by 8.4 percent at a rate of 1.6 percent annually. This growth rate is slightly higher than neighboring Utah and Colorado, both of which experienced growth of 7 percent over the same period. Arizona grew at a much higher rate of 12 percent between 2000 and 2005. New Mexico has grown by 30.1 percent since 1990, at an average rate of 1.8 percent annually. Exhibit II-2 shows New Mexico's population growth since 1980.

Exhibit II-2.  
Population Growth in New Mexico, 1980 through 2004



Source: University of New Mexico, Bureau of Business & Economic Research and U.S. Census.

**Future growth.** According to BBER, the State's population is projected to reach 2,112,986 by 2010. This equates to an average annual growth rate of 1.4 percent from 2005 to 2010, lower than the average growth rate experienced from 1990 to 2005.

**Components of growth.** According to the Census Bureau, the primary driver of population growth during 2003 was natural increase—i.e., births minus deaths—which added 13,447 people to the State during the year. Net migration added an additional 11,223 people in 2003.

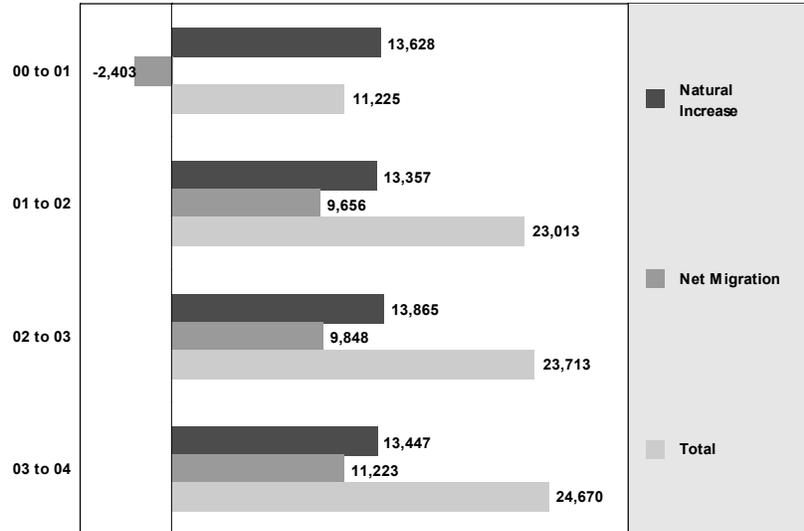
The U.S. Census Bureau reports cumulative estimates of population change from 2000 to 2004. Again, the primary reason for population growth was natural increase through which the State added 54,297 people. Net migration added an additional 28,324 people during the same period. The following exhibit shows the components of the population change for 2000 to 2004.

Exhibit II-3.  
Components of Population Change in New Mexico, 2000 to 2004

Note: Population changes for each year are from July 1 to July 1 of the next year.

Natural increase is births minus deaths.

Source: U.S. Census Bureau, Population Estimates.



**Year of entry.** Exhibit II-4 shows year of entry data for the foreign-born population as reported by the 2000 U.S. Census. The largest share of the foreign-born population (22.5 percent) entered the State between 1995 and March of 2000. The period with the lowest foreign entry (4.5 percent) was the period between 1965 and 1969. Approximately 39 percent of all foreign-born New Mexico residents entered the State after 1990.

Exhibit II-4.  
Year of Entry of the Foreign Born Population, New Mexico

Source: 2000 U.S. Census.

Year of	Population	Percentage
1995 to March 2000	33,660	22.5%
1990 to 1994	24,822	16.6%
1985 to 1989	20,599	13.8%
1980 to 1984	18,766	12.5%
1975 to 1979	15,315	10.2%
1970 to 1974	11,268	7.5%
1965 to 1969	6,766	4.5%
Before 1965	18,410	12.3%
<b>Total Foreign-born population</b>	<b>149,606</b>	

**Population and growth in entitlement v. nonentitlement areas.** Exhibit II-5 shows the distribution of population between entitlement and nonentitlement areas. The nonentitlement areas of the State made up approximately 63 percent of the population in 2004.<sup>1</sup> This is slightly lower than recent years, since the City of Farmington was added to the entitlement area list in 2005.

Exhibit II-5.  
2004 Population, Entitlement and  
Nonentitlement Areas, New Mexico

Source: UNM - BBER.

	<b>Population 2004</b>
New Mexico	1,892,304
Albuquerque	471,239
Farmington	38,965
Las Cruces	77,234
Rio Rancho	67,624
Santa Fe	63,378
<b>Total Entitlement</b>	<b>708,440</b>
<b>Rest of New Mexico</b>	<b>1,183,864</b>

**Population and growth by county.** Nearly 60 percent of the New Mexico population lives in Bernalillo, Sandoval, Santa Fe, San Juan, and Doña Ana Counties according to 2005 BBER estimates. Counties with the smallest share of state population generally lie in the Eastern Plains and Southwest regions of the State. Exhibit II-6 shows the population spread across New Mexico counties in 2005. The counties highlighted with the lightest shade contain less than 2 percent of the State’s population; together they account for 16.2 percent of the state population.

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<sup>1</sup> The term “entitlement areas” refers to cities and counties that, because of their size, are able to receive CDBG funding directly. These areas must complete a Consolidated Plan separately from the State’s to receive funding. The requirements for receiving HOME, ESG, and HOPWA funds are all slightly different, but are generally based on size and need. For purposes of this report, “nonentitlement” refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. The entitlement areas in New Mexico include the cities of Albuquerque, Farmington, Las Cruces, Rio Rancho, and Santa Fe.



Exhibit II-8.  
Historical Population Growth by Region,  
1980 to 2005

Source: U.S. Census Bureau and UNM-BBER.

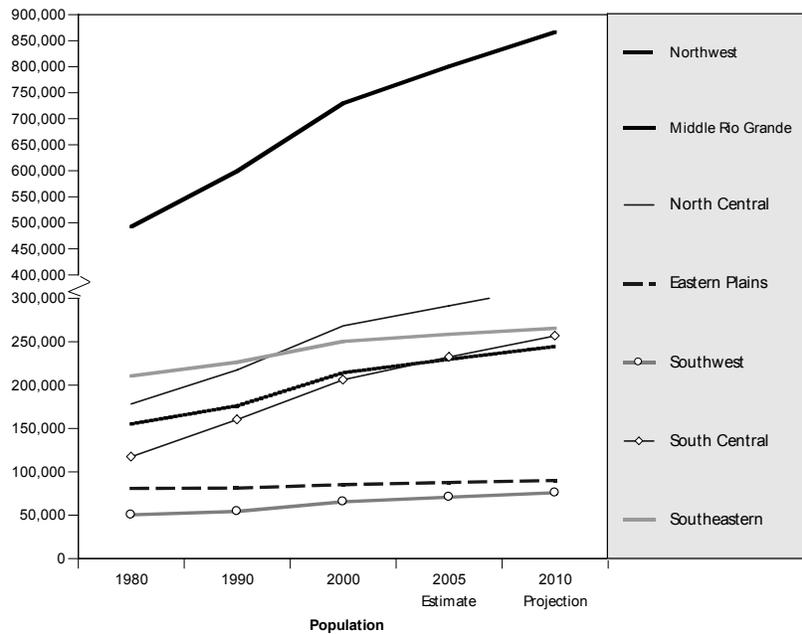
Region	Population increase from 1980 to 2005	Compound annual growth rate
<b>State Overall</b>	<b>686,055</b>	<b>1.7%</b>
South Central	115,005	2.8%
Southwest	20,448	1.4%
Northwest	74,222	1.6%
Middle Rio Grande	307,969	2.0%
North Central	113,276	2.0%
Southeastern	48,015	0.8%
Eastern Plains	6,820	0.3%

The leading region in growth is the South Central region. This region's population nearly doubled in the last 25 years, increasing from 117,272 in 1980 to 232,277 in 2005. This is an increase of 98.1 percent and an average rate of 2.8 percent per year. The Northwest region, powered by the growth of Farmington, increased its population by 74,222 at an average annual rate of 1.6 percent from 1980 to 2005. The steady growth of the Albuquerque metropolitan area led to an increase of 307,969 in the Middle Rio Grande region over the last 25 years. The Middle Rio Grande region grew at a 2.0 percent average annual rate since 1980. The North Central Region grew by 113,276—also at an average annual rate of 2.0 percent between 1980 and 2005.

The slowest growth occurred in the Eastern Plains region. Its population grew by 6,820 between 1980 and 2005, at an average annual rate of 0.3 percent. The Southwest region increased by 20,448 since 1980, at a rate of 1.4 percent annually. The Southeastern region grew slower than the aforementioned regions. Its population increased from 210,551 in 1980 to 258,566 in 2005, an increase of 48,015. The Southeastern region grew at an average annual rate of 0.8 percent. Exhibit II-9 shows regional population growth from 1980 to 2010 (projected), according to BBER.

Exhibit II-9.  
Regional Population Growth, New Mexico,  
1980 to 2010

Source: UNM - BBER.

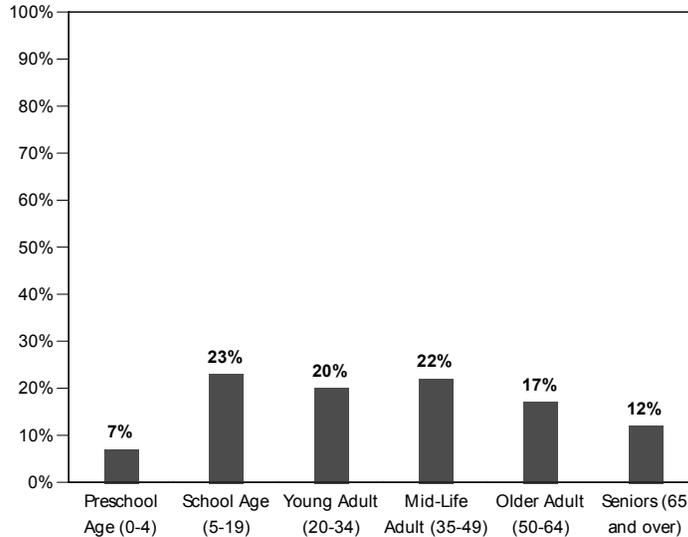


Age. According to the Census' American Community Survey (ACS), the State's median age is estimated to be 35.6 in 2003, down slightly from 35.7 in 2002<sup>2</sup>. Exhibit II-10 on the following page, shows the estimated age distribution of the State's population in 2003 according to the ACS.

<sup>2</sup> The American Community Survey universe is limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.

Exhibit II-10.  
New Mexico Population by Age Group,  
2003

Source: American Community Survey, 2003, U.S. Census Bureau.



In 2003, almost 60 percent of the State’s population was between the ages of 20 and 64 years. Overall, 12 percent of New Mexico’s population was age 65 years and over in 2003.

According to the 2000 U.S. Census, persons of Hispanic/Latino origin in New Mexico had a median age of 28.6. The median age for African Americans was 30, and for Whites, it was 38.8. The youngest racial group was those declaring Two or More Races; they had a median age of 22.9. Exhibit II-11 shows median age by race and ethnicity.

Exhibit II-11.  
Median Age by Race,  
New Mexico, 2000

Source: 2000 U.S. Census.

Ethnicity	Median Age
American Indian and Alaska Native Alone	25.5
Asian Alone	33.3
Black or African American Alone	30.0
Native Hawaiian and Other Pacific Islander Alone	32.6
White Alone	38.8
Other	26.8
Two or More Races	22.9
Hispanic or Latino (of any race)	28.6

Race and ethnicity. In 2004, approximately 67 percent of residents in New Mexico classified their race as White. The next largest race classification was “Some Other Race” at 17 percent.<sup>3</sup> Nearly 10 percent of New Mexico residents classified their race as American Indian/Alaska Native. Exhibit II-12 on the following page shows that, according to Census projections, all racial groups grew almost equally between 2000 and 2004.

<sup>3</sup> Because Hispanic/Latino is not considered a racial category by the Census, persons of Hispanic/Latino descent commonly report their race as “Some other” in addition to White. This category also captures persons who did not identify their race on the Census survey form.

Exhibit II-12.  
Race and Ethnicity, New Mexico, 2000 and 2004

State of New Mexico	2000		2004		Percent change 2000-2004
	Population	Percent of population	Population	Percent of population	
<b>Total Population</b>	<b>1,819,046</b>	<b>100.0%</b>	<b>1,892,304</b>	<b>100.0%</b>	<b>4.0%</b>
American Indian and Alaska Native Alone	173,483	9.5%	180,470	9.5%	4.0%
Asian Alone	19,255	1.1%	20,030	1.1%	4.0%
Black or African American Alone	34,343	1.9%	35,726	1.9%	4.0%
Native Hawaiian and Other Pacific Islander Alone	1,503	0.1%	1,564	0.1%	4.1%
White Alone	1,214,253	66.8%	1,263,154	66.8%	4.0%
Other	309,882	17.0%	322,362	17.0%	4.0%
Two or More Races	66,327	3.6%	68,998	3.6%	4.0%
Hispanic or Latino (of any race)	765,386	42.1%	827,270	43.7%	8.1%

Source: Populations Estimates, Population Division, U.S. Census Bureau.

The U.S. Census defines ethnicity as persons who do or do not identify themselves as being Hispanic/Latino, and treats ethnicity as a separate category from race. Persons of Hispanic/Latino descent represented 43.7 percent of the State's population in 2004. The Hispanic/Latino growth rate is estimated to be double that of any racial group from 2000 to 2004.

**Concentration of race/ethnicity.** New Mexico's American Indian population is largely clustered in the Northwest region of the State. There are several reservations present in San Juan, McKinley, and Cibola Counties. McKinley County had the highest American Indian population in the State; approximately 55,000 persons were estimated to be American Indians in 2003, comprising 76.2 percent of the county's population. (Portions of the Navajo and Zuni Indian reservations are located in McKinley County.) The counties with the second highest proportions of American Indians are Cibola at 41.1 percent and San Juan at 39.5 percent. These figures are considerably higher than the national American Indian population (0.78 percent) and the State overall (10 percent). Exhibit II-13 lists the counties where the American Indian population is higher than the State average. Exhibit II-14 maps these counties.

Exhibit II-13.  
Counties with Higher than Statewide  
Proportion of American Indians, 2003

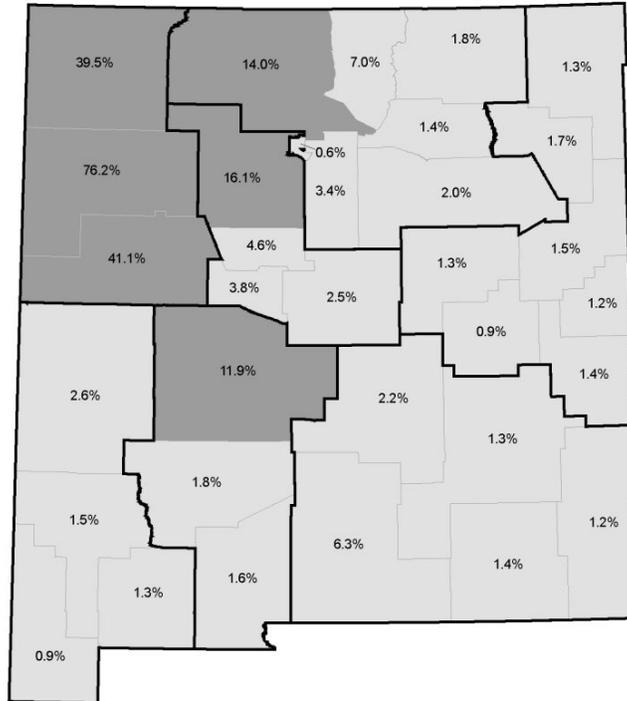
	American Indian Population	Percent of Population
<b>New Mexico</b>	<b>180,470</b>	<b>10.0%</b>
Cibola County	10,870	41.1%
McKinley County	55,255	76.2%
Rio Arriba County	5,719	14.0%
Sandoval County	15,919	16.1%
San Juan County	48,288	39.5%
Socorro County	2,169	11.9%

Source: UNM - BBER

Exhibit II-14.  
Counties with Higher than Statewide  
Proportion of American Indians, 2003

Note: Shaded areas are equal to or greater than the State's average of 10.0%.

Source: UNM - BBER.



In 2003, there were fifteen counties with a higher concentration of Hispanic/Latino residents than the State proportion. Exhibit II-15 lists these counties. Approximately 44 percent of New Mexico's population was of Hispanic/Latino origin in 2003. In comparison, the nation's population of Hispanics/Latinos was 14 percent in 2003.

Exhibit II-15.  
Counties with Higher than Statewide  
Proportion of Hispanic/Latino  
Population, 2003

Source: UNM - BBER.

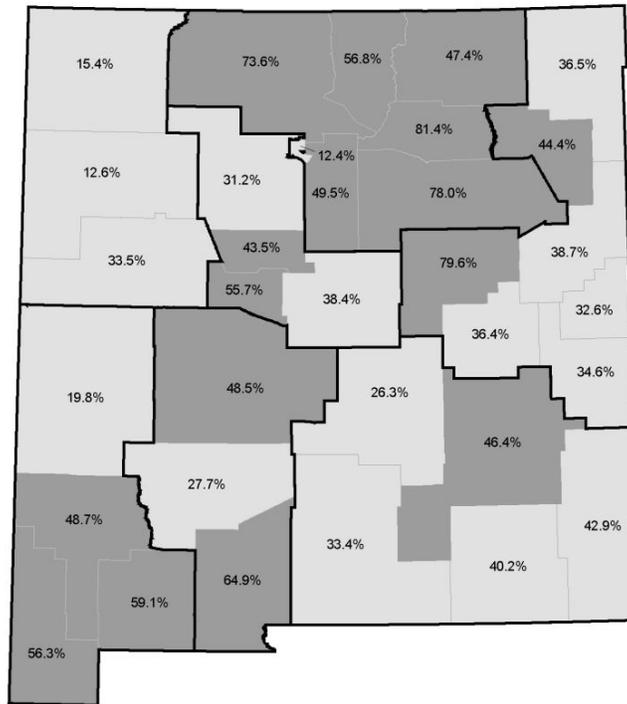
	Hispanic/ Latino Population	Percent of Population
<b>New Mexico</b>	<b>827,270</b>	<b>43.7%</b>
Chaves County	28,091	46.4%
Colfax County	6,664	47.4%
Dona Ana County	118,261	64.9%
Grant County	14,529	48.7%
Guadalupe County	3,639	79.6%
Harding County	332	44.4%
Hidalgo County	2,948	56.3%
Luna County	15,200	59.1%
Mora County	4,248	81.4%
Rio Arriba County	29,960	73.6%
San Miguel County	23,141	78.0%
Santa Fe County	67,512	49.5%
Socorro County	8,821	48.5%
Taos County	17,750	56.8%
Valencia County	37,777	55.7%

Exhibit II-16 shows county proportions of the Hispanic/Latino population. Shaded counties have a higher percentage of Hispanic/Latinos than the State as a whole. These counties are clustered in the North Central and Southwest regions of the State.

Exhibit II-16.  
Percent of Population Hispanic/Latino,  
2003

Note: Shaded areas are equal to or greater than the State's average of 43.7%.

Source: UNM - BBER.



**Race/ethnicity of entitlement v. nonentitlement areas.** Exhibit II-17 on the next page shows race/ethnicity data in the entitlement and nonentitlement areas. The concentration of persons who classified their race as White is higher in entitlement areas (68-78 percent) than in nonentitlement areas (64 percent). The American Indian population is lower in most entitlement areas (2-4 percent) than in nonentitlement areas (13 percent). Farmington is the exception, which is related to its proximity to the Navajo Indian Reservation in the Northwest region of the State.

Exhibit II-17.  
Race/Ethnicity of Entitlement Areas and State, 2004

2004 Estimates	Albuquerque		Santa Fe		Rio Rancho		Las Cruces	
	Population	Percent of Total	Population	Percent of Total	Population	Percent of Total	Population	Percent of Total
<b>Total Population</b>	<b>471,239</b>	<b>100%</b>	<b>63,378</b>	<b>100%</b>	<b>57,624</b>	<b>100%</b>	<b>77,234</b>	<b>100%</b>
American Indian and Alaska Native Alone	18,310	4%	1,376	2%	1,483	3%	1,358	2%
Asian Alone	10,469	2%	771	1%	847	1%	869	1%
Black or African American Alone	14,460	3%	404	1%	1,537	3%	1,819	2%
Native Hawaiian and Other Pacific Islander Alone	478	0%	47	0%	98	0%	54	0%
White Alone	337,222	72%	48,181	76%	45,053	78%	52,834	68%
Some other race a	70,059	15%	9,916	16%	6,230	11%	17,162	22%
Two or More Races	20,241	4%	2,683	4%	2,375	4%	3,139	4%
Hispanic or Latino (of any race)	197,965	42%	31,608	50%	17,608	31%	42,894	56%

2004 Estimates	Farmington		Nonentitlement Areas		New Mexico Overall	
	Population	Percent of Total	Population	Percent of Total	Population	Percent of Total
<b>Total Population</b>	<b>38,965</b>	<b>100%</b>	<b>1,183,864</b>	<b>100%</b>	<b>1,892,304</b>	<b>100%</b>
American Indian and Alaska Native Alone	6,803	17%	151,140	13%	180,470	10%
Asian Alone	204	1%	6,870	1%	20,030	1%
Black or African American Alone	329	1%	17,177	1%	35,726	2%
Native Hawaiian and Other Pacific Islander Alone	25	0%	862	0%	1,564	0%
White Alone	27,364	70%	752,500	64%	1,263,154	67%
Other	3,019	8%	215,976	18%	322,362	17%
Two or More Races	1,221	3%	39,339	3%	68,998	4%
Hispanic or Latino (of any race)	7,196	18%	529,999	45%	827,270	44%

Source: Populations Estimates, Population Division, U.S. Census Bureau.

**Household characteristics.** This section presents information about the State's households, including household composition, household size, and type by race/ethnicity.

**Household type.** According to the ACS, just under half of New Mexico's households in 2003 (49 percent) were married couples, which is about the national rate of 50 percent. The majority of New Mexico married couple households (55 percent) did not have children under 18 years. Of households with children 18 years and under, 26 percent were female-headed with no husband present. The ACS reported that 23 percent of households had one or more persons aged 65 years or over in 2003; this was the same as 2002, and represents elderly people living with spouses, partners, and extended family.

The distribution of the State's households by type is shown in Exhibit II-18. The number of married couple households with children rose nearly 5 percent from 2002 to 2003. Other families with own children under 18 years stayed at 3 percent.<sup>4</sup>

Exhibit II-18.  
Household Composition in New Mexico,  
2003

Note: "Own child" is defined by the U.S. Census as a child under 18 years who is a son or daughter by birth, a stepchild, or an adopted child of the householder.

"Other family household" is the balance of family households less married couple families less female householder families.

Source: American Community Survey 2003, U.S. Census Bureau and BBC Research & Consulting.

<b>Households by Type</b>		
<b>Total households</b>	<b>698,088</b>	<b>100%</b>
Married-couple families	340,003	49%
With own children under 18 yrs	153,258	22%
No own children under 18 yrs	186,745	27%
Female householder, no husband present	94,438	14%
With own children under 18 yrs	60,190	9%
No own children under 18 yrs	34,248	5%
Other family households	38,333	5%
With own children under 18 yrs	21,594	3%
No own children under 18 yrs	16,739	2%
Householder living alone	186,697	27%
Other household types	38,617	6%
Households with one or more people 65 yrs and over	160,475	23%

The ACS also reported the population of households that had unmarried partners. In 2003, there was an estimated household population of approximately 43,000 unmarried partners in the State. This was a 13.6 percent increase from the 2002 estimate and made up approximately 2 percent of the household population in 2003.

<sup>4</sup> "Other families" is the balance of family households less married couple families, less female householder families.

Exhibit II-19 shows a breakdown of household type by race/ethnicity. Whites had the highest percentage of females living alone in nonfamily households, at 6.5 percent. African Americans had the highest percentage of males living alone in non-family households at 6 percent. These compare to 3.1 percent and 3.2 percent for persons of Hispanic/Latino origin, respectively.

Exhibit II-19.  
Household Type by  
Race/Ethnicity,  
State of New Mexico,  
2000

	Total Households	Male Alone	Female Alone	Institutional	Non- institutional
American Indian and Alaska Native Alone	168,670	2.7%	2.2%	1.1%	1.0%
Asian Alone	17,812	4.3%	3.7%	0.3%	2.4%
Black or African American Alone	31,306	6.0%	6.4%	4.2%	2.9%
Native Hawaiian and Other Pacific Islander Alone	1,208	3.6%	1.6%	0.6%	2.7%
White Alone	1,187,919	5.1%	6.5%	1.3%	1.0%
Other	306,813	2.9%	2.3%	0.2%	0.5%
Two or More Races	68,990	3.4%	3.8%	0.6%	1.0%
Hispanic or Latino (of any race)	752,793	3.2%	3.1%	1.1%	0.6%

Source: 2000 U.S. Census.

**Household size.** Exhibit II-20 shows household size for New Mexico in 2004. Most New Mexico residents live in 2-person households (36 percent). The next highest percentage, 18 percent, is 3-person households. The average household size in New Mexico in 2004 was 2.63, slightly higher than the U.S. average of 2.60.

Exhibit II-20.  
Household Size, 2004

Source: Pcenus, 2004 Estimates.

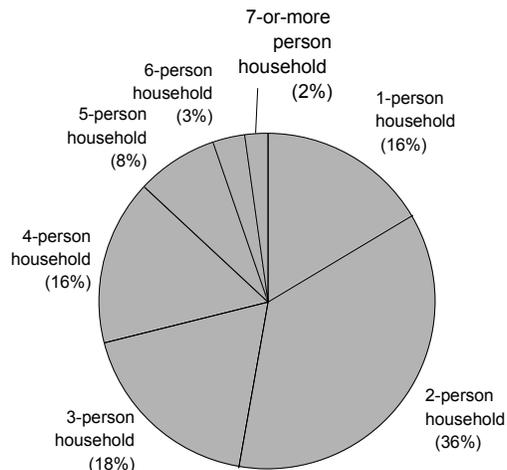


Exhibit II-21 shows average household size by race/ethnicity. American Indian/Alaska Native households had the largest average household size (3.55). Hispanic/Latino households were higher than the state average (2.97). Whites had the smallest household size (2.44).

Exhibit II-21.  
Average Household Size by  
Race/Ethnicity in New Mexico, 2000

Source: 2000 U.S. Census.

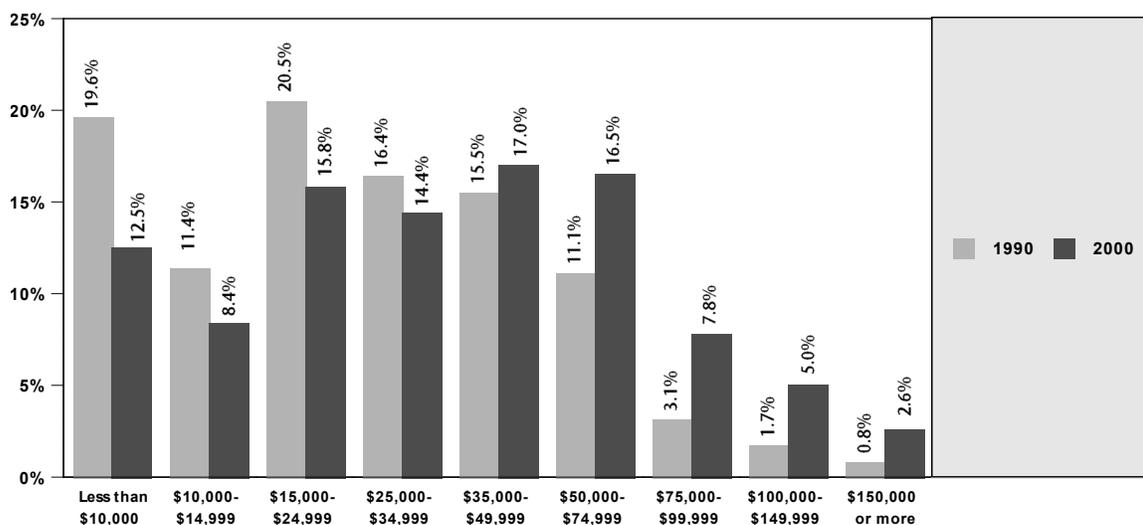
Average Household Size	2000
<b>New Mexico Average</b>	<b>2.63</b>
American Indian and Alaska Native Alone	3.55
Asian Alone	2.75
Black or African American Alone	2.61
Native Hawaiian and Other Pacific Islander Alone	2.97
White Alone	2.44
Some other race	3.13
Two or more races	2.72
Hispanic or Latino (of any race)	2.97

### Income

Median household income in 2000 was \$34,263, up from \$24,256 in 1990, an increase of 41.2 percent. The average annual median household income growth rate from 1990 to 2000 was 3.5 percent annually. Median household income in 2003 was estimated at \$34,804, a 1.6 percent increase from 2000. (The Census began reporting inflation-adjusted income in 2003.)

Income distribution. Exhibit II-22 compares household income in New Mexico in 1990 and 2000. The proportion of households in the lowest three income brackets declined sharply while households in the highest four income brackets rose.

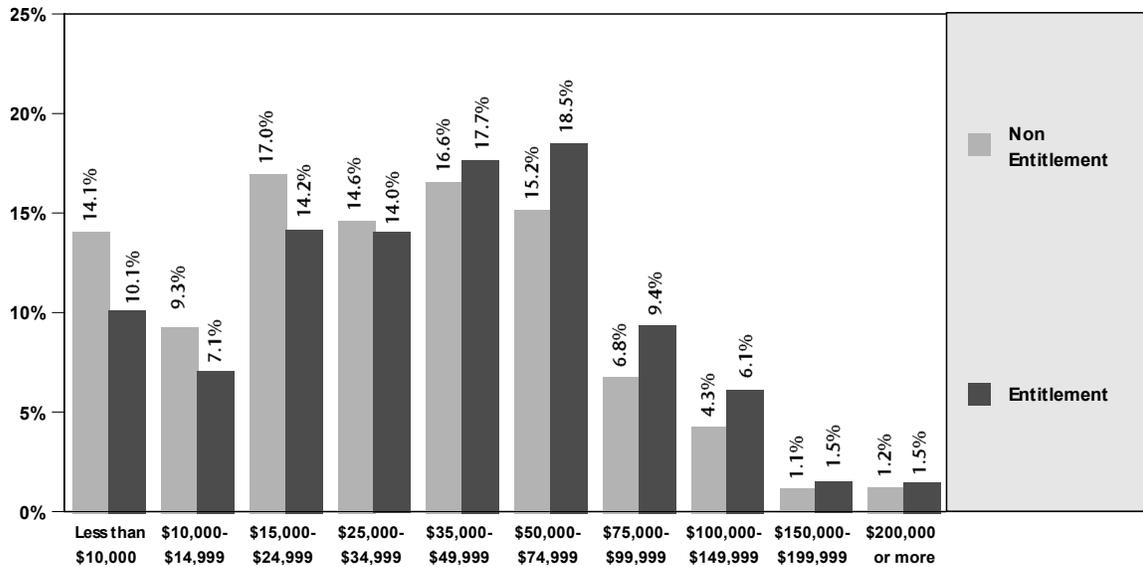
Exhibit II-22.  
Percent of Households by Income Bracket, State of New Mexico, 1990 and 2000



Source: 1990 and 2000 U.S. Census.

Exhibit II-23 compares household income distribution between entitlement and nonentitlement areas in 2000. A larger proportion of people in nonentitlement areas have income in the lowest three income categories (40.3 percent) than in entitlement areas (31.3 percent). Conversely, more people in entitlement areas have income in the highest four income categories (18.5 percent) than in the nonentitlement areas (13.4 percent).

Exhibit II-23.  
Percent of Households by Income Bracket  
Entitlement and Nonentitlement Areas, New Mexico, 2000



Source: 2000 U.S. Census.

Median household income. Exhibit II-24 on the following page shows the ratio of county median income to State median household income, according to the 2000 Census. Ratios that are greater than 1.0 are shaded and represent counties with higher median household income than the State median household income of \$34,266. For example, Santa Fe County's ratio (1.2) indicates that its median household income is 20 percent higher than the statewide median. Los Alamos County had the highest income ratio at 2.3, indicating that its median household income (\$78,877) is 130 percent higher than the statewide median. Geographically, the high-income counties are entirely clustered in the Albuquerque/Santa Fe/Los Alamos metropolitan areas. Luna County's median household income ratio (0.6) indicates that it is 60 percent of the statewide median. Luna County had the lowest median household income in the State (\$20,930).



Exhibit II-25 shows per capita personal income in 2000 and 2003, along with the percent change during the period.

Exhibit II-25.  
Per Capita Personal Income by County,  
New Mexico,  
2000 and 2003

Source: UNM - BBER and U.S. Dept. of Commerce, Bureau of Economic Analysis.

County	2000	2003	Percent change
<b>New Mexico</b>	<b>\$22,135</b>	<b>\$24,995</b>	<b>12.9%</b>
Los Alamos	41,687	48,541	16.4%
Santa Fe	29,627	32,378	9.3%
Bernalillo	27,046	30,064	11.2%
Union	23,859	26,372	10.5%
Sandoval	23,932	25,523	6.6%
Curry	20,620	24,721	19.9%
Eddy	20,594	24,628	19.6%
Roosevelt	19,131	23,484	22.8%
Lea	19,993	22,544	12.8%
Colfax	19,881	22,496	13.2%
Valencia	20,511	21,756	6.1%
Chaves	19,007	21,714	14.2%
Taos	18,006	21,694	20.5%
De Baca	17,591	21,449	21.9%
San Juan	18,969	21,124	11.4%
Lincoln	18,999	20,976	10.4%
Dona Ana	17,829	20,756	16.4%
Rio Arriba	17,035	20,720	21.6%
Torrance	17,631	20,190	14.5%
San Miguel	16,489	19,956	21.0%
Otero	16,929	19,831	17.1%
Quay	18,924	19,812	4.7%
Grant	18,702	19,190	2.6%
Socorro	15,424	18,695	21.2%
Harding	18,350	18,632	1.5%
Sierra	17,168	18,295	6.6%
Hidalgo	15,868	17,370	9.5%
Luna	14,594	17,145	17.5%
Cibola	14,935	16,926	13.3%
McKinley	13,549	16,437	21.3%
Catron	14,377	16,303	13.4%
Mora	13,378	15,867	18.6%
Guadalupe	13,351	14,455	8.3%

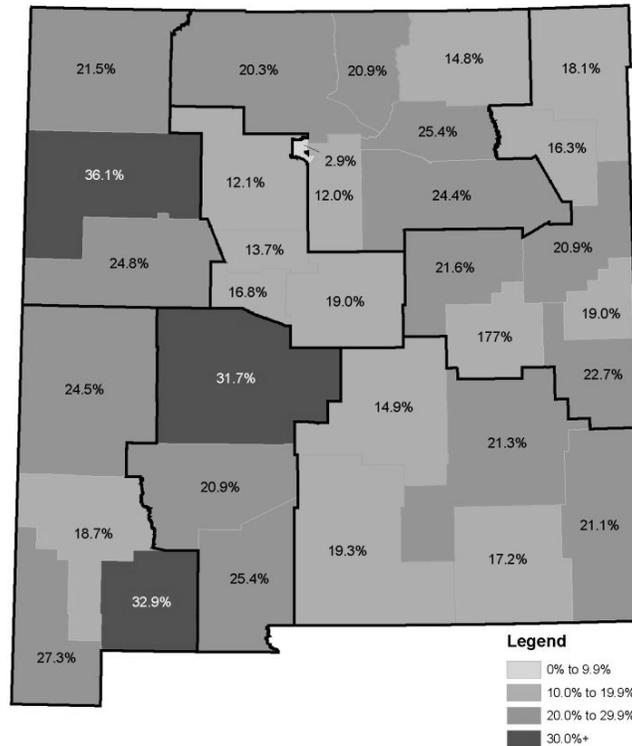
Poverty. The 2000 Census reported that the State of New Mexico had 18.4 percent of its population living below the poverty level, or approximately 329,000 persons. This is much higher than the national poverty rate in 2000 of 12.4 percent. Since 2000, according to the ACS, the State's poverty rate has risen 0.2 percentage points to 18.6 percent in 2003. (By comparison, the national poverty rate rose by 0.3 percentage points to 12.7 in 2003.) New Mexico ranked above Arizona (15.4 percent), Colorado (9.8 percent), and Utah (10.6 percent) in 2003, in its percent of population living in poverty.

**Demographics of persons in poverty.** The 2003 ACS estimated that, of the State's population living in poverty, 35.9 percent were children under the age of 18—11.4 percent of the State's population living in poverty were under the age of 5 years, and 24.5 percent were children aged 5 to 17. Persons who were elderly made up 8.4 percent of the State's persons in poverty in 2003.

Exhibit II-26 shows the poverty rates by county in New Mexico in 2000. McKinley County had the highest poverty rate—approximately 36 percent of its population had household income levels below poverty. Luna and Socorro Counties also had high poverty rates—approximately 33 and 32 percent, respectively. Los Alamos County had the lowest poverty rate—just 3 percent.

Exhibit II-26.  
Percent of Population Living Below  
Poverty, New Mexico, 2000

Source: 2000 U.S. Census



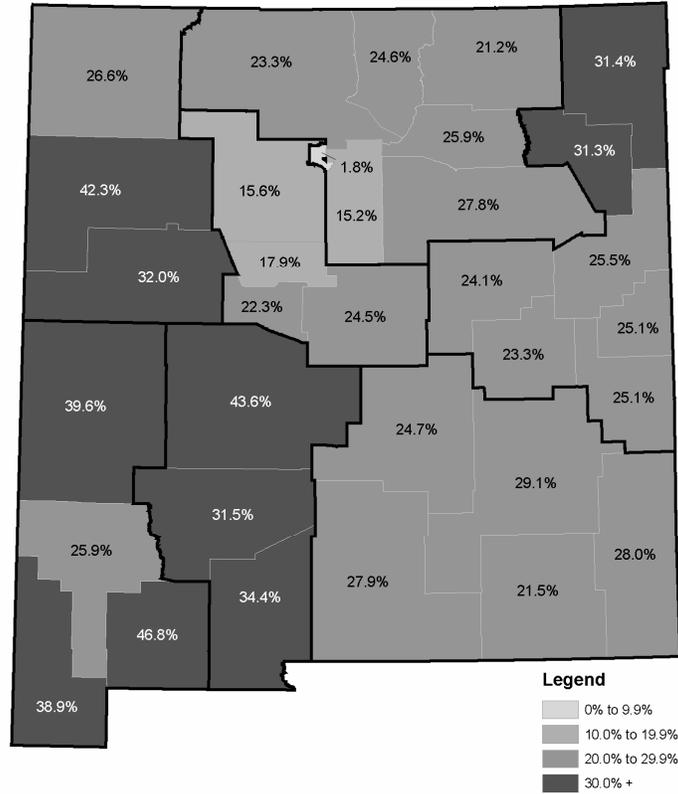
**Child poverty rates.** According to ACS data, children (under the age 18) made up 27 percent of the State’s population overall in 2003. This compares with the 35.9 percent of the State’s poor population that children represent. Therefore, the State’s children disproportionately live below the poverty level. In contrast, elderly persons made up 12 percent of the State’s overall population in 2003, but represented 8.4 percent of the State’s poor population.

Exhibit II-27 on the following page shows the percent of each county’s population of children under age 18 living in poverty, according to the 2000 U.S. Census. (A child is considered to be living in poverty if the adults in their family earned less than the poverty threshold for their family size.)

In Luna County, approximately 47 percent of children lived in poverty. Catron, McKinley, and Socorro Counties also had child poverty rates of 40 percent or higher. Los Alamos County had the lowest child poverty rate—just 2 percent. Santa Fe and Sandoval counties also had low child poverty rates relative to the State overall and other counties—15 and 16 percent, respectively.

Exhibit II-27.  
 Percent Of Population Of Children Under  
 The Age Of 18 Living Below Poverty, 2000

Source: 2000 U.S. Census.

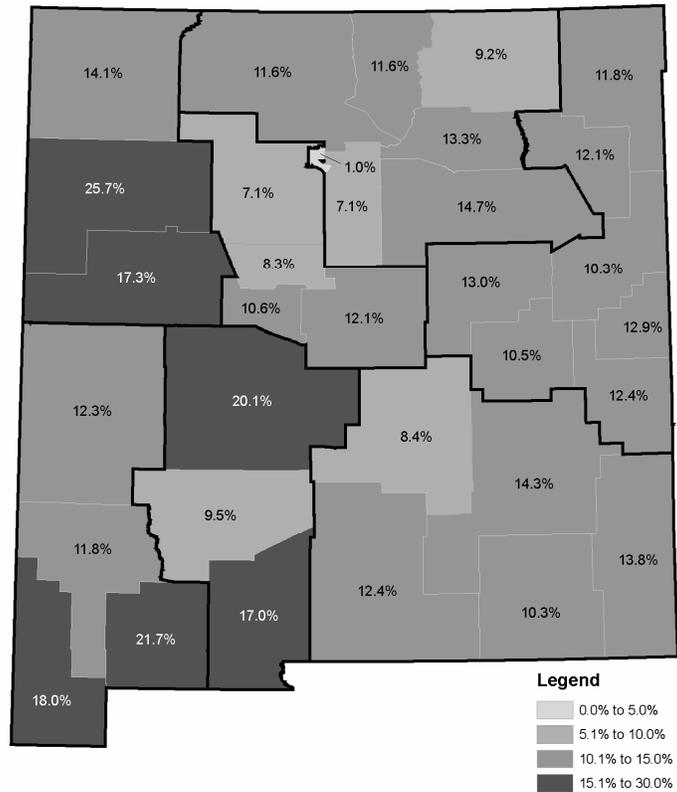


Of New Mexico’s total population under 5 years of age, 30.1 percent were estimated to be living in poverty in 2003, compared to 27.3 percent in 2000. For all children 17 and younger, 25.1 percent were estimated to be living in poverty in 2003, down slightly from 25.7 percent in 2000. These percentages compare with 16.6 percent for adults ages 18 to 64 years, and 13.1 percent for seniors in 2003. In 2000, 15.5 percent of adults ages 18 to 64, and 10.3 percent of seniors were living in poverty.

**Poverty rates of families with children.** Exhibit II-28 shows the percentage of families with children under age 18 that have income below poverty, according to the 2000 U.S. Census. McKinley County had the highest share of its families with children living in poverty (25.7 percent). Other counties with high percentages of poor families with children included Luna County (21.7 percent), Socorro County (20.1 percent), Hidalgo County (18 percent), and Cibola County (17.3 percent). Counties with low percentages of poor families with children included Los Alamos County (1 percent), Santa Fe and Sandoval Counties (both with 7.1 percent), and Bernalillo County (8.3 percent).

Exhibit II-28.  
Percent of Families With Children Under  
The Age Of 18 Living Below Poverty, 2000

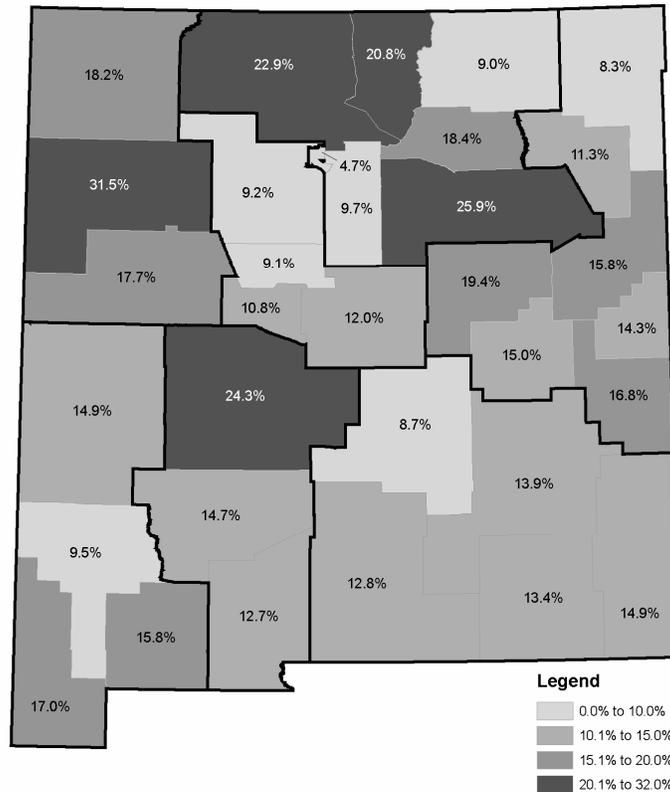
Source: 2000 U.S. Census.



**Elderly poverty rates.** Exhibit II-29 shows the percentage of the population that were age 65 or older having income below poverty, according to the 2000 U.S. Census. McKinley County had the highest percentage of its elderly population living in poverty (31.5 percent). Other counties with high elderly poor populations included San Miguel County (25.9 percent), Socorro County (24.3 percent) and Rio Arriba County (22.9 percent). Los Alamos County had the lowest percentage of elderly poor population (4.7 percent). Other counties with low elderly poor populations include Union County (8.3 percent), Lincoln County (8.7 percent), and Colfax County (9.0 percent).

Exhibit II-29.  
Percent of People 65 Years and Older  
Living Below Poverty, 2000

Source: 2000 U.S. Census.

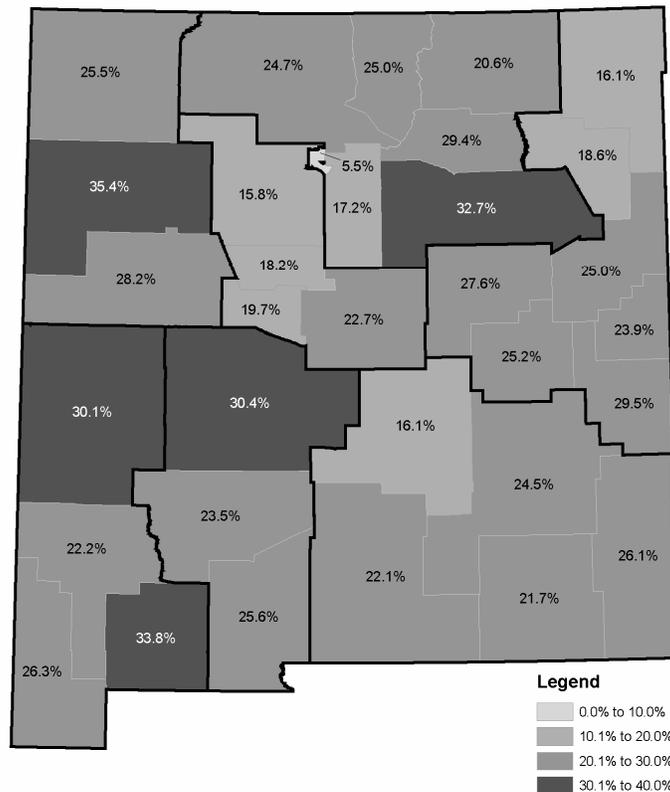


**Poverty and disability.** It is generally accepted that persons with special needs have a higher incidence of poverty than populations without special needs. The percent of New Mexicans with disabilities was 16.9 percent for ages 5 to 64 and 44.8 percent for ages 65 and older, according to the 2000 Census. The 2000 Census also provides data on the rates of poverty for persons with disabilities (in addition to elderly rates of poverty which are presented above), but not for other special needs populations. In 2000, approximately 22 percent of persons in New Mexico who were disabled were living in poverty, compared to 18.4 percent of New Mexico’s population overall and 16.7 percent of persons without disabilities. Therefore, persons with disabilities are more likely to be living in poverty as persons overall and the non-disabled.

Exhibit II-30 shows the percentage of the disabled population that had income below poverty, according to the 2000 U.S. Census. McKinley County had the highest percentage of its disabled population living in poverty (35.4 percent). Other counties with high disabled poverty rates included Luna County (33.8 percent), San Miguel County (32.7 percent), and Socorro County (30.4 percent). Los Alamos County had the lowest percentage of its disabled population living in poverty (5.5 percent). Other counties with low rates include Sandoval County (15.8 percent), Union County (16.1 percent), and Santa Fe County (17.2 percent).

Exhibit II-30.  
Percent of Disabled Population Living  
Below Poverty, 2000

Source: 2000 U.S. Census.



### Employment

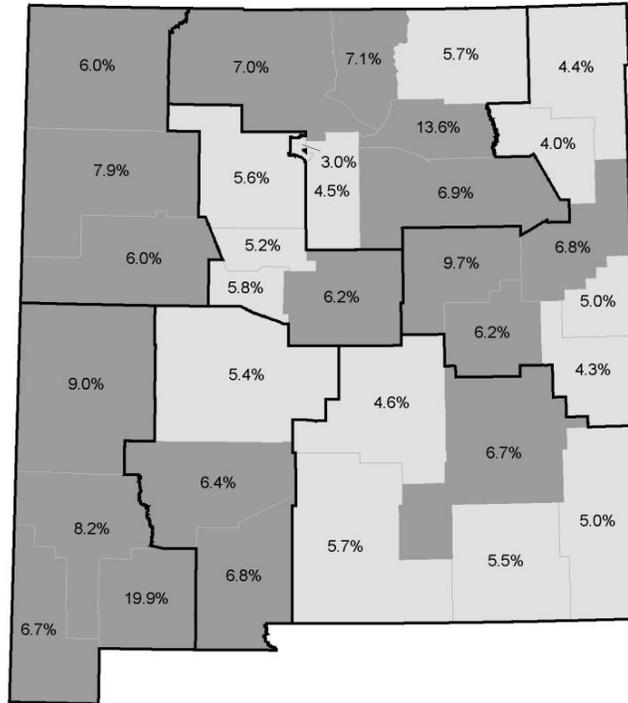
New Mexico's statewide unemployment rate was 5.8 percent in February 2005, a slight decrease from a year ago (5.9 percent). The national unemployment rate in February 2005 was 5.4 percent, according to the Bureau of Labor Statistics.

**County Unemployment Rates.** There is considerable variation in the unemployment across counties. Luna County had the highest unemployment rate (19.9 percent). Other counties with high unemployment rates include Mora County (13.6 percent), Guadalupe County (9.7 percent), and Catron County (9 percent). Los Alamos County had the lowest unemployment rate (3 percent). Other counties with low unemployment rates include Harding County (4 percent), Roosevelt County (4.3 percent), and Union County (4.4 percent). Geographically, all counties in the Northwest and Southwest regions had unemployment rates higher than the statewide unemployment rate. The South Central and North Central regions also had several counties with unemployment rates higher than the State rate. Exhibit II-31 on the following page shows the unemployment rate by county in February 2005.

Exhibit II-31.  
Unemployment Rate, State of New Mexico,  
February 2005

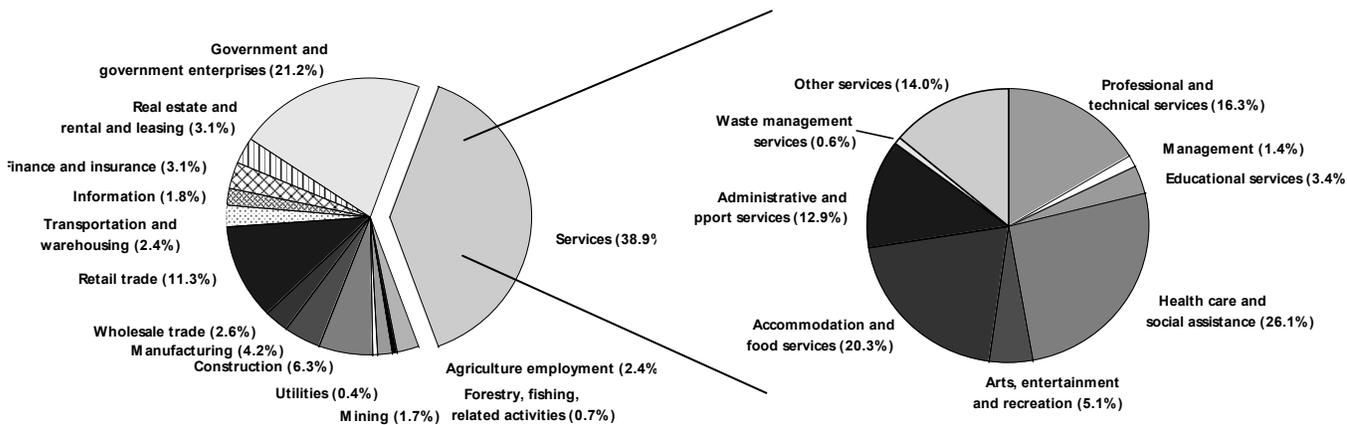
Note: Shaded counties are equal to or greater than the State's 5.8 percent rate.

Source: State of New Mexico, Dept. of Labor.



Employment sectors. The services sector (comprising diverse activities from food service to professional and technical services, health care and education) made up the dominant part of New Mexico's non-agricultural economy (38.9 percent). Goods-producing industries other than agriculture—that is, mining, manufacturing and construction—made up a relatively small portion (12.2 percent). The retail and wholesale trade sectors made up 13.9 percent of the State's employment base, according to the Bureau of Economic Analysis. The shrinking agricultural sector employed just 2.4 percent of New Mexico's workers in 2003. Exhibit II-32 shows the distribution of jobs by industry for 2003.

Exhibit II-32.  
Employment by Industry, State of New Mexico, 2003



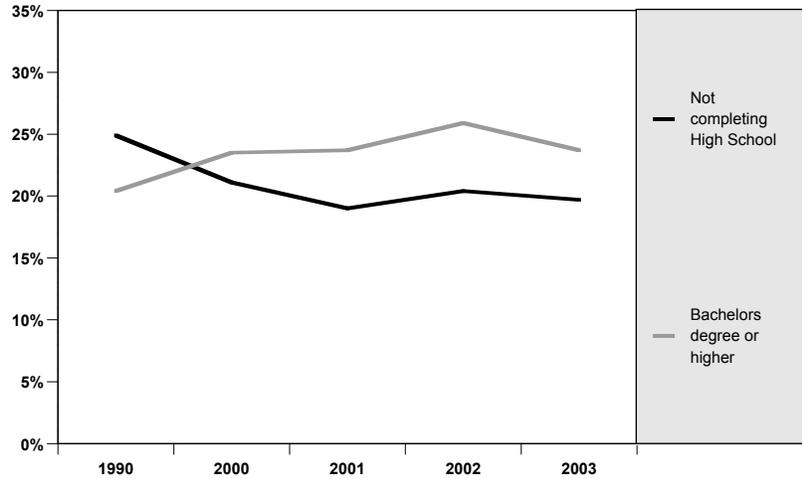
Source: Bureau of Economic Analysis.

Educational attainment. According to the ACS, the percent of New Mexico residents who have earned at least a Bachelor's degree decreased between 2002 and 2003 from 25.9 percent to 23.8 percent. This was slightly lower than the U.S. average (26.5 percent) in 2003.

Since 1990, the percentage of New Mexico's population earning a Bachelor's degree or higher has increased from 20.4 percent in 1990 to 23.7 percent in 2003, according to the 1990 U.S. Census and the ACS. In the same time interval, the percentage of the State population that had not completed high school has decreased from 24.9 percent in 1990, to 19.7 percent in 2003. Exhibit II-33 documents New Mexico's educational attainment trends from 1990 to 2003.

Exhibit II-33.  
Educational Attainment, State of New Mexico, 1990 to 2003

Source: 1990 and 2000 U.S. Census; 2003 ACS.



Three counties that border Texas and Mexico have the highest percentages of population that have not completed high school. These counties include Luna County (40.2 percent), Hidalgo County (31.2 percent), and Doña Ana County (30 percent). McKinley County also ranked high in this category with 34.8 percent of its population not completing high school. Counties with low percentages of their population not completing high school include Los Alamos County (3.7 percent), then Sandoval County (14 percent), and Lincoln and Santa Fe Counties (15.5 percent).



SECTION III.  
Housing Market Analysis

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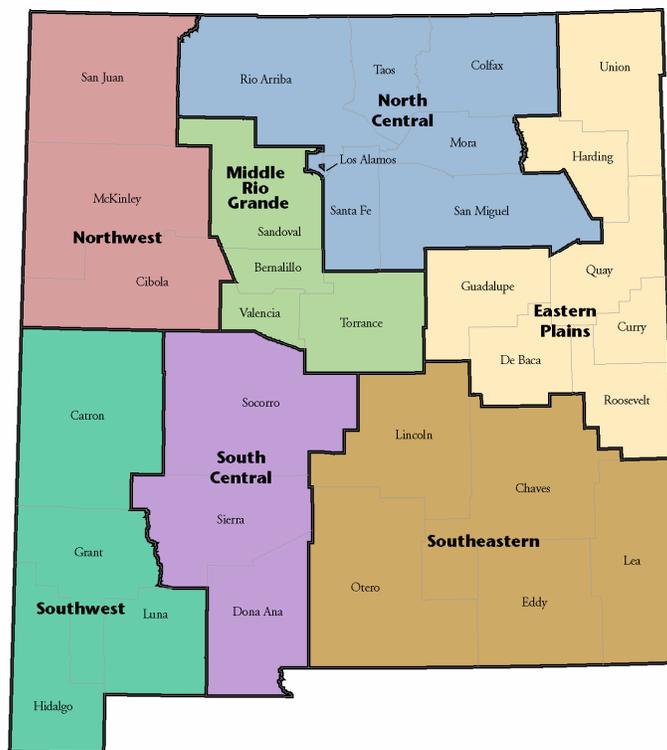
## SECTION III. Housing Market Analysis

This section addresses the requirements of Sections 91.305 and 91.310 of the State Government contents of Consolidated Plan regulations. In contrast to the Citizen Input and Needs Assessment section (Section IV), which contains a qualitative assessment of housing and community development conditions, this section is quantitative in nature. Sections III and IV should be read together for a complete picture of housing and community development needs in the State.

Exhibit III-1 shows a regional breakdown of New Mexico provided by the New Mexico Mortgage Finance Authority. All regions discussed in this analysis are outlined below.

Exhibit III-1.  
New Mexico Regions

Source: New Mexico MFA and  
BBC Research & Consulting.



### Methodology

This analysis of housing market conditions includes data from the 2000 Census, data from the American Community Survey's (ACS) Summary Tables, and the Public Use Microdata Sample (PUMS). The Summary Tables and PUMS data sets are both produced by the U.S. Census and released annually for large geographical areas, such as states. These data sets provide similar data to that found in the 2000 Census. The data are from ongoing surveys that will ultimately replace the long form survey used in prior Censuses.

The ACS uses three modes of data collection—mail, telephone, and personal visit—and is given to a sample of the population during a three month period. The profile universe is currently limited to the household population, and excludes the population living in institutions, college dormitories, and other group quarters. The group quarters population will be included, starting with the 2005 data, when the ACS begins full implementation. Data are based on a sample and are subject to sampling variability.

PUMS data show the full range of responses made on individual surveys—e.g., how one household or member answered questions on occupation, place of work, and so forth. The files contain records for a sample of all housing units, with information on the characteristics of each unit and the people in it. PUMS data allow a more detailed analysis of the Census survey data than is available from the ACS Summary Tables and 2000 Census Tables.

### Housing Units & Characteristics

There were approximately 816,000 housing units in the State in 2003, according to the U.S. Census Bureau’s ACS. This was an increase of approximately 35,000 housing units (4.5 percent) from 2000. Approximately 59 percent of these units were owner-occupied, 26 percent were renter-occupied and 15 percent were vacant. Of the 698,000 units that were occupied, 69 percent were owner-occupied; 31 percent were renter-occupied.

**Homeownership.** According to the Census Bureau’s annual housing vacancy and homeownership statistics, the State’s homeownership rate in 2004 was 71.5 percent—slightly higher than the national homeownership rate of 69.0 percent. New Mexico had a higher homeownership rate than most of its neighbors; only Utah and Montana had higher homeownership rates (74.9 and 72.4 percent, respectively). New Mexico’s homeownership rate was higher than that of Colorado (71.1 percent), Arizona (68.7 percent), Nevada (65.7 percent), and Texas (65.5 percent). Exhibit III-2 shows homeownership rates in 2004 for New Mexico and six comparison states.

Exhibit III-2.  
Homeownership Rate, 2004

Source: U.S. Census Bureau, Housing Vacancy Survey.

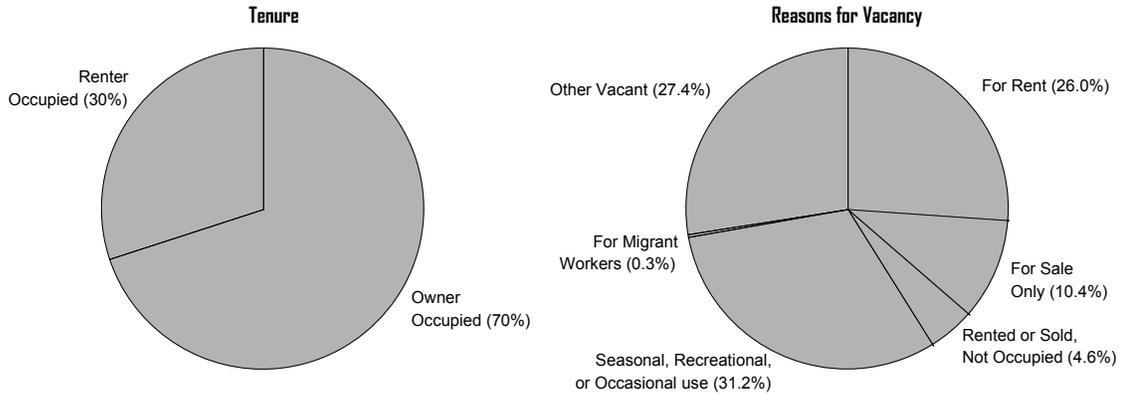
State	Homeownership Rate
<b>New Mexico</b>	<b>71.5%</b>
Arizona	68.7%
Colorado	71.1%
Montana	72.4%
Nevada	65.7%
Texas	65.5%
Utah	74.9%

**Vacant units.** The 2004 statewide homeowner vacancy rate was estimated by the Census Bureau’s Housing Vacancy Survey to be 1.6 percent. The 2004 rental vacancy rate was estimated at 8.1 percent.

Of the 102,608 vacant units reported in the 2000 U.S. Census, 31.2 percent were designated for seasonal, recreational, or occasional use. A little more than a quarter (26 percent), were vacant for rental units, and 10.4 percent of vacant units were designated “for sale” only. A small amount (0.3 percent) of vacant units were set aside for migrant farm workers. A large portion (27 percent) of

vacant units were classified as “other vacant.” This category contains those units that were unclassifiable by the U.S. Census Bureau.<sup>1</sup> Exhibit III-3 shows total housing units by tenure, and the distribution of vacant housing units.

Exhibit III-3.  
Housing Units by Tenure and Vacancy Status, 2000

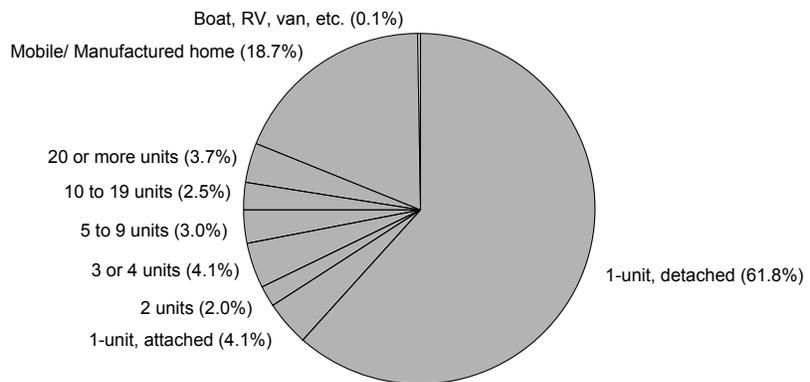


Source: 2000 U.S. Census.

Composition of housing stock. Data from the 2003 ACS indicate that most housing units in New Mexico (61.8 percent of units) were single family, detached homes. The second largest housing type category—mobile homes—made up almost 19 percent of the State’s total housing units. Exhibit III-4 presents the distribution of housing units by size/type in the State.

Exhibit III-4.  
Distribution of Housing Units by Size/Type, State of New Mexico, 2003

Source: 2003 ACS.

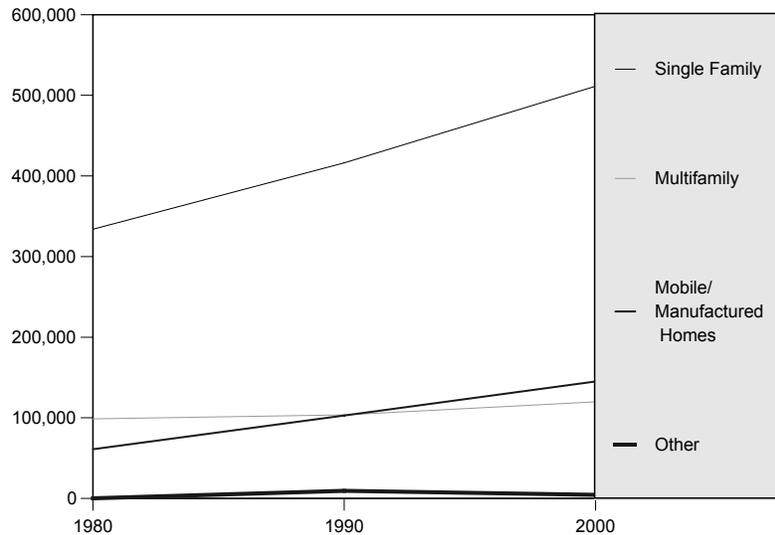


<sup>1</sup> If a vacant unit does not fall into any of the classifications specified above, it is classified as "other vacant." For example, this category includes units held for occupancy by a caretaker or janitor, and units held for personal reasons of the owner.

Exhibit III-5 shows trends in housing units by size/type from 1980 to 2000. Single family housing units have increased by about 53 percent between 1980 and 2000. Over the same period, multifamily housing units increased by approximately 21 percent. The mobile/manufactured home<sup>2</sup> stock increased by 138 percent between 1980 and 2000.

Exhibit III-5.  
Housing Units by Size/Type, State of New Mexico, 1980-2000

Source: U.S. Census Bureau.



New Mexico's housing stock has a much larger share of mobile/manufactured homes than Montana (13.5 percent), Arizona (13.1 percent), Texas (8 percent), Nevada (7.9 percent), Colorado (5.4 percent), and Utah (4.5 percent). Exhibit III-6 shows the mobile/manufactured home stock in New Mexico and six comparison states in 2003.

Exhibit III-6.  
Mobile/Manufactured Home Stock, 2003

Source: 2003 ACS.

State	Total Housing Units	Mobile/Manufactured Homes	Percent Mobile/Manufactured Homes
<b>New Mexico</b>	<b>816,436</b>	<b>152,927</b>	<b>18.7%</b>
Arizona	2,392,746	312,767	13.1%
Colorado	1,973,622	106,015	5.4%
Montana	419,726	56,827	13.5%
Nevada	935,934	73,521	7.9%
Texas	8,658,290	693,589	8.0%
Utah	826,551	37,081	4.5%

<sup>2</sup> For the U.S. Census purposes, both occupied and vacant mobile/manufactured homes to which no permanent rooms have been added, are counted in this category. Mobile/manufactured homes used only for business purposes or for extra sleeping space, and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.

## Condition of Housing Stock

Measures of housing condition are relatively scarce. Age of housing is often used as a proxy for potential condition problems, including lead-based paint. Age can be a better proxy for housing condition needs in rural areas, particularly if redevelopment efforts in urban areas have led to demand for older housing stock.

The Census data cover the most critical indicators of housing quality, including plumbing facilities, type of heating fuel, age and crowding. In addition to measuring housing conditions, such variables are also good indicators of community development needs, particularly of weaknesses in public infrastructure.

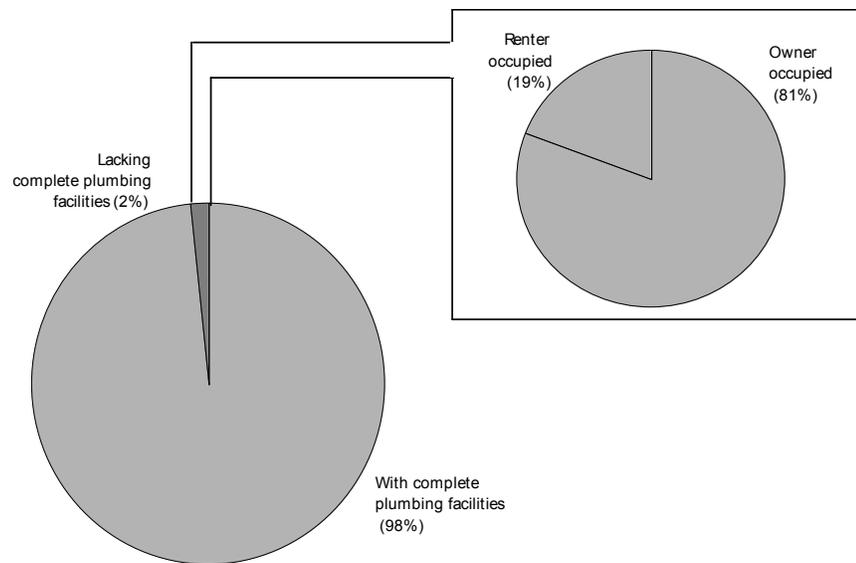
**Plumbing.** The 2000 Census reported 11,905 occupied housing units in New Mexico, or 2 percent of all occupied housing units, lacked complete plumbing facilities. Of those units, 81 percent were owner occupied and the remaining 19 percent were renter occupied. As reported earlier in this section, 69 percent of the State's occupied housing units were owner occupied in 2000. Therefore, a disproportionate percentage of owner occupied units are lacking complete plumbing facilities.

Exhibit III-7 shows the distribution of occupied housing units with incomplete plumbing facilities by tenure.

Exhibit III-7.  
Occupied Housing Units  
Lacking Complete Plumbing  
Facilities, 2000

Note: Figures include occupied housing units only.

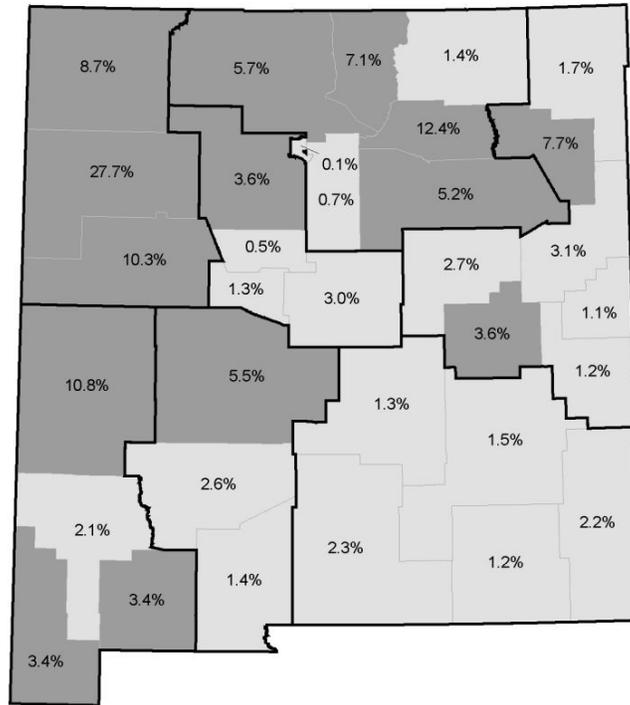
Source: 2000 U.S. Census.



According to the 2000 Census, counties in the Northwest region had the highest share of their total housing units lacking complete plumbing facilities. McKinley County (27.7 percent), and Catron County (10.8 percent) had the largest share of their housing stock lacking complete plumbing facilities. Los Alamos County (0.1 percent), Bernalillo County (0.5 percent), and Santa Fe County (0.7 percent) all had very small portions of their housing stock lacking complete plumbing facilities.

**Exhibit III-8.  
Percent of Total Units Lacking Complete  
Plumbing Facilities, 2000**

Note: Shaded counties are equal to or greater than the state's 3.1 percent average.  
Figures include the percentage of total housing units  
Source: 2000 U.S. Census.

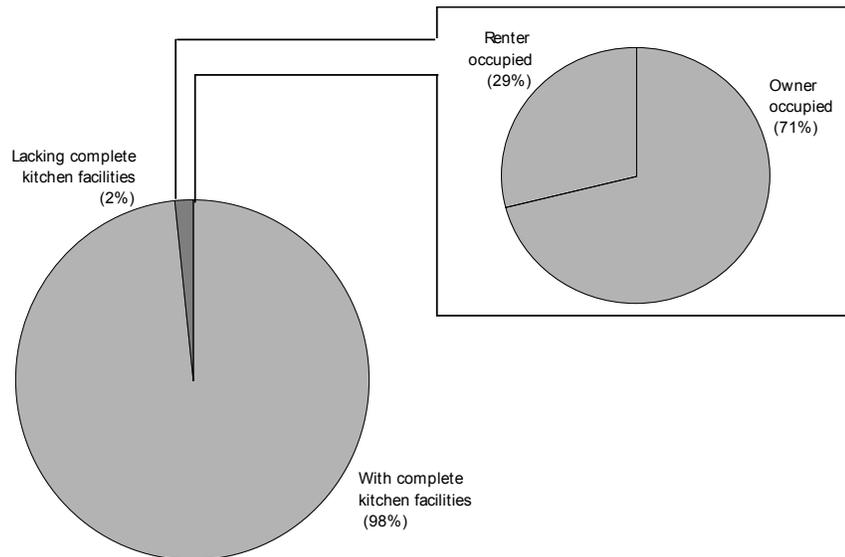


Another indicator of housing condition includes the presence of complete kitchen facilities. About 10,884 occupied units, or 2 percent of occupied units in the State, lacked complete kitchen facilities in 2000. Of those units, 71 percent were owner occupied and 29 percent were renter occupied. Exhibit III-9 shows the distribution of occupied housing units lacking complete kitchen facilities.

**Exhibit III-9.  
Occupied Housing Units  
Lacking Complete Kitchen  
Facilities, 2000**

Note: Figures include occupied housing units only.

Source: 2000 U.S. Census.

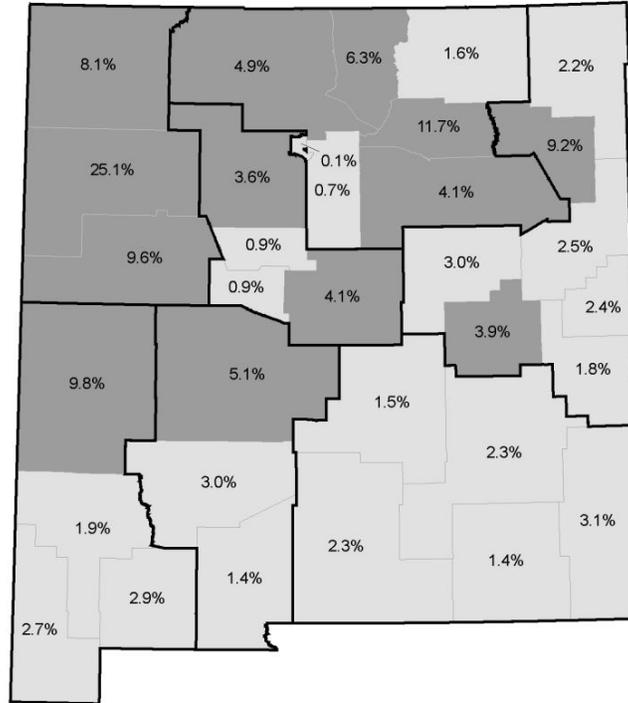


In addition to having a high percentage of units lacking complete plumbing facilities, the Northwest region also had larger portions of its total housing stock lacking complete kitchen facilities. At 25.1 percent, McKinley County had the largest portion of its housing stock lacking complete kitchen facilities. Los Alamos County (0.1 percent) had the smallest portion of housing stock lacking complete kitchen facilities.

Exhibit III-10.  
Percent of Total Units Lacking Complete Kitchen Facilities, 2000

Note: Shaded counties are equal to or greater than the state's 3.1 percent average.  
Figures include the percentage of total housing units.

Source: 2000 U.S. Census.



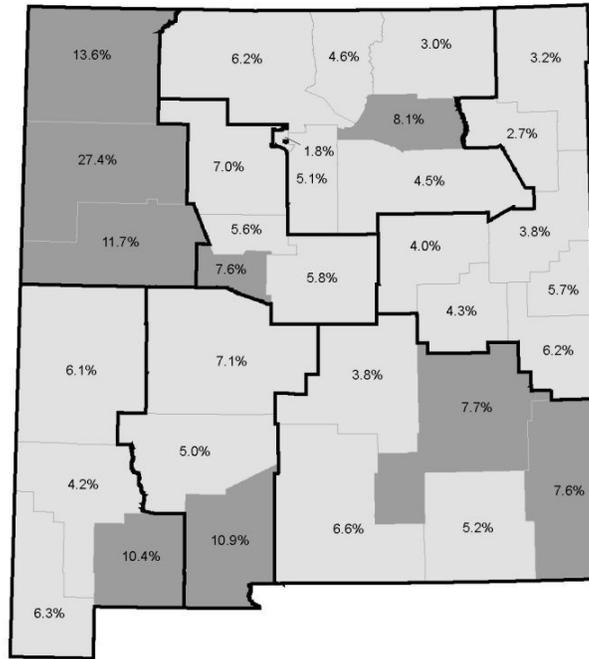
**Overcrowding.** Another measure of housing conditions is overcrowding. The Census Bureau reports that in 2003, 4 percent of the State's occupied housing units, or 28,434, were overcrowded, which is defined as 1.01 persons or more per room. Approximately 1.2 percent of the State's housing units were severely overcrowded (more than 1.51 persons per room). These data are similar to national averages of 3.8 percent of units that were overcrowded and 1.2 percent severely overcrowded in 2003. There has been substantial improvement since 2000, when 7.5 percent of the State's occupied housing units were overcrowded, according to the 2000 U.S. Census. (Part of the reduction in over crowdedness may be related to the different methodologies used in the collection of the 2000 and 2003 data. The 2003 data exclude students living in dormitories or people living in other institutional settings and group quarters.)

Exhibit III-11 on the following page, shows the percentage of occupied housing units that were overcrowded, according to the 2000 U.S. Census. All counties in the Northwest region had overcrowding that was higher than the state average. McKinley County (27.4 percent), San Juan County (13.4 percent), and Cibola County (11.7 percent) all had very high rates of overcrowding. Two counties along the Mexican border also had high rates of overcrowding: Doña Ana County had overcrowding in 10.9 percent of its occupied units, and Luna County had overcrowding in 10.4 percent of its occupied units. Los Alamos County (1.8 percent) and Harding County (2.7 percent) had the lowest rates of overcrowding.

Exhibit III-11.  
Overcrowded Units, 2000

Note: Shaded counties are equal to or greater than the state's 7.5 percent average.

Source: 2000 U.S. Census.



Age of housing stock. Age can also be a proxy for the condition of housing, especially the risk of lead-based paint. Units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation, and other factors.

The shaded area of exhibit III-12 represents the portion of the State's housing stock that was built before 1950 (12 percent). Approximately 40 percent of housing units in New Mexico were built between 1970 and 1989. About 24 percent of the housing stock has been built since 1990, according to the 2003 ACS.

Exhibit III-12.  
Housing Units by  
Year Built, State of New Mexico, 2003

Source: 2003 ACS.

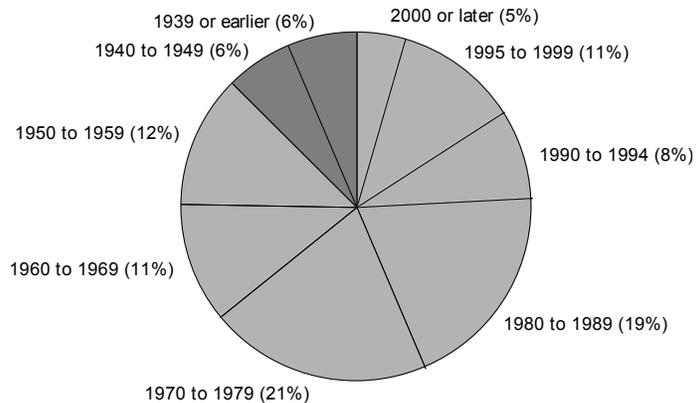


Exhibit III-13 shows the percentage of owner occupied housing units built before 1980 by county, as reported by the 2000 U.S. Census. Harding County (87.8 percent), Union County (78.9 percent), and Lea County (76.4 percent) all had a relatively old owner occupied housing stock. Sandoval County (27.1 percent), and Torrance County (38.1 percent) had a relatively small share of their owner occupied housing stock built before 1980. The Eastern counties bordering Texas and Oklahoma, had an older housing stock than the rest of New Mexico. Both of these counties are home to portions of the recent growth of Albuquerque.

Exhibit III-13.  
Owner Occupied Units Built Before 1980

Source: 2000 U.S. Census.

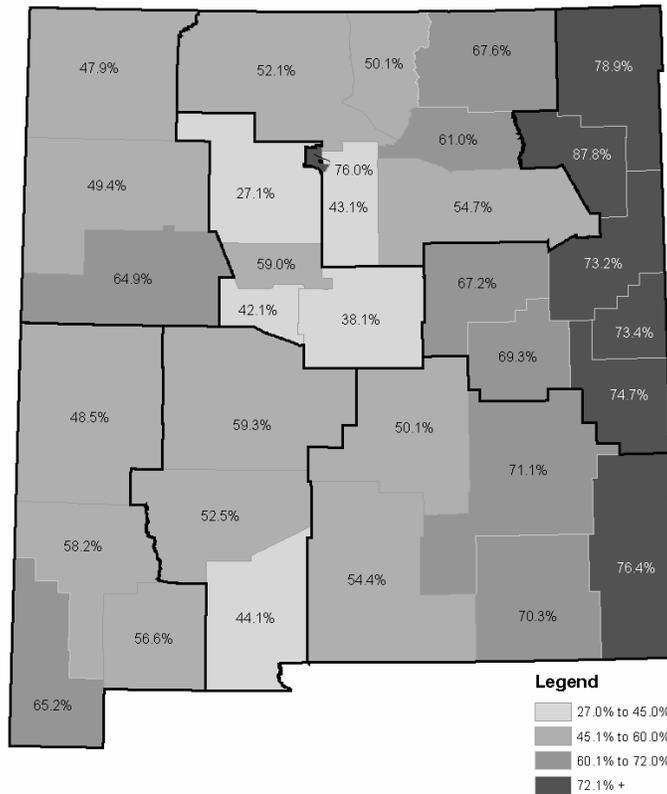
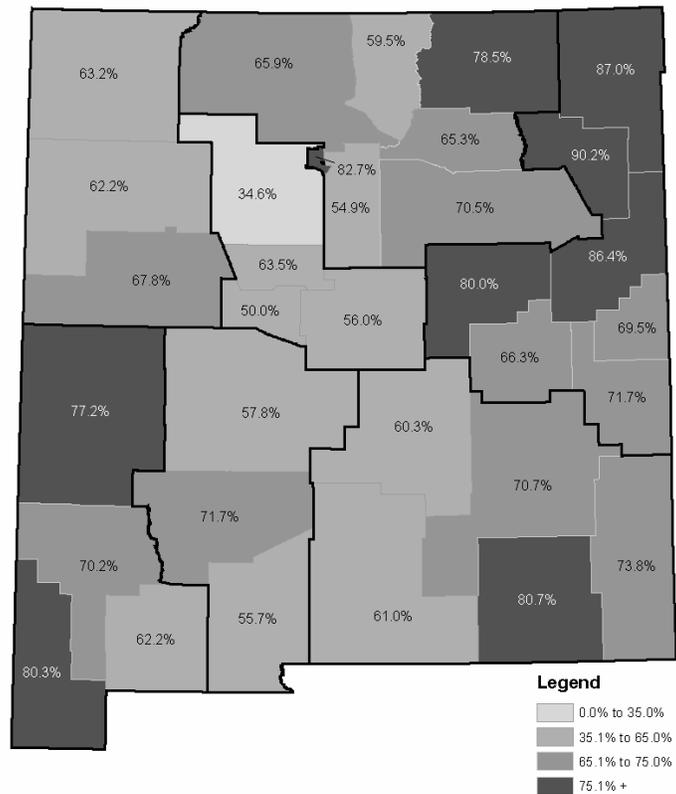


Exhibit III-14 shows the percentage of renter-occupied housing units that were built before 1980 by county, as reported by the 2000 U.S. Census. Trends are similar to the owner-occupied housing stock: counties with an older rental housing stock are generally in the rural Eastern Plains, and counties with a newer rental housing stock are usually near Albuquerque and Santa Fe. Harding County (90.2 percent of rental units were built prior to 1980), Union County (87.0 percent,) and Quay County (86.4 percent) had a relatively old rental housing stock. Sandoval County (34.6 percent), Valencia County (50.0 percent), and Santa Fe County (54.9 percent) had a relatively new rental housing stock.

Exhibit III-14.  
Renter Occupied Units Built Before 1980

Source: 2000 U.S. Census.



### Lead-Based Paint

Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. After 1940, paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. As a result, painted surfaces in homes built before 1940 are likely to have higher levels of lead than homes built between 1940 and 1978. A report completed for HUD in 2001 estimates that heavily leaded paint is found in about two-thirds of the homes built before 1940, one-half of the homes built from 1940 to 1960, and some homes built after 1960.

Children are exposed to lead poisoning through paint debris, dust, and particles released into the air and then settled onto the floor and windowsills, which can be exacerbated during a renovation. The dominant route of exposure is from ingestion and not inhalation. Young children are most at risk because they have more hand-to-mouth activity and absorb more lead than adults.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation, and seizures. In adults, elevated levels can decrease reaction time, cause weakness in fingers, wrists, or ankles, and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated level of lead in the blood.

The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented.

**Extent of the lead-based paint problem in New Mexico.** According to the Center for Disease Control, approximately 1.5 percent of children in New Mexico tested for lead poisoning in 2001 had elevated blood lead levels. The national figure was 3.0 percent. However, because not all children who are at-risk of lead hazards get tested, the percentage of children at risk could be higher than 1.5 percent of children overall in the State.

According to the 2003 ACS, approximately 444,000 housing units in New Mexico—54 percent of the total housing stock—was built before 1978. About 51,000 units, or 6 percent of the housing stock, are pre-1940 and 149,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock—however, the State's nonentitlement areas together have a much higher percentage of pre-1940 units (7 percent) as the State's entitlement areas (4 percent).

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low-income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are low-income and live in housing units that are older or have condition problems.

According to PUMS data, in 2003, there were 3,641 (1.7 percent) renter households who were very low-income (earning less than 50 percent of the state median) and who lived in housing stock built before 1940. There were also 7,746 (1.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

HUD produces specialized tables using data from the 2000 Census to identify specific housing indicators. One of these tables estimates the percentage of housing units that have condition problems, are built before 1940 and 1970 and are occupied by low-income households. Using these data, a more precise number of the households at-risk of lead-based paint hazards can be estimated. Exhibit III-15 on the following page, shows HUD's estimates for the State for 2000. The data suggest that up to 16,281 of the State's households—or about 2.3 percent of the State's households—could be at-risk of lead-based paint hazards.

Exhibit III-15.  
Households at Risk of Lead-Based Paint

Household Income	Occupying Housing Built < 1940 and with Condition Problems	Occupying Housing Built < 1970 and with Condition Problems
------------------	--	--

## Hazards

Extremely Low-Income	433	5313
Very Low-Income	349	4616
Low-Income	<u>286</u>	<u>6352</u>
<b>Total</b>	<b>1,068</b>	<b>16,281</b>

Source: HUD CHAS data and BBC Research & Consulting.

## Homeownership

As mentioned above, the statewide homeownership rate increased to 71.5 percent in 2004, according to the Census Bureau. In 2000, the statewide homeownership rate was 70.0 percent. Exhibit III-16 shows the homeownership rate in New Mexico for 1980, 1990, 2000, and the most recent estimate. The State's homeownership rate has increased slightly over the years.

Exhibit III-16.  
Homeownership Rate, New Mexico, 1980-  
2004

Source: U.S. Census Bureau, 2004 Housing Vacancy Survey, Historical Census of Housing Tables, and 2000 U.S. Census.

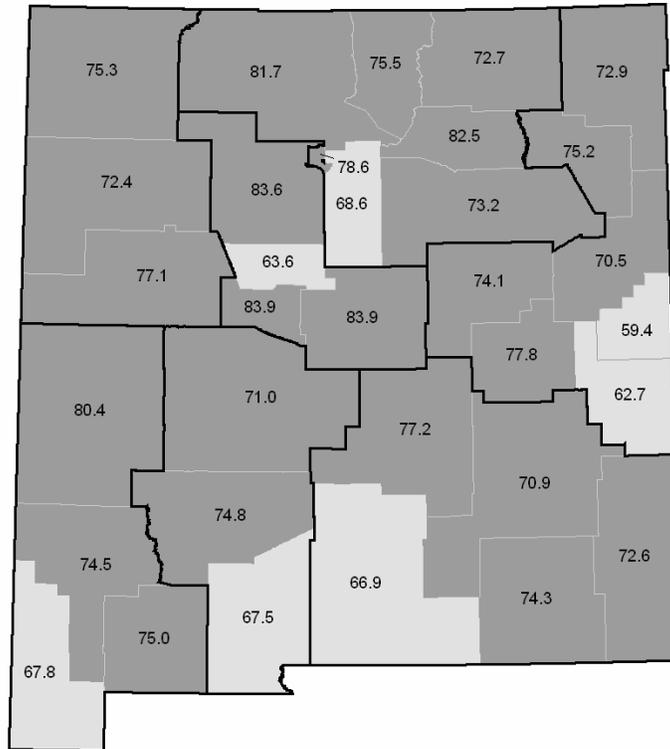
Year	Homeownership Rate
2004	71.5%
2000	70.0%
1990	68.6%
1980	68.1%

Exhibit III-17 examines the homeownership rate by county, according to the 2000 U.S. Census. Torrance, Valencia, and Sandoval Counties all had an approximate 84 percent homeownership rate. Roosevelt County (62.7 percent), Bernalillo County (63.6 percent), and Otero County (66.9 percent) had low homeownership rates.

Exhibit III-17.  
Homeownership Rate, 2000

Note: Shaded counties are equal to or greater than the state's 70.0 homeownership rate average.

Source: 2000 U.S. Census.



Homeownership rate by race/ethnicity. Exhibit III-18 shows the statewide homeownership rate by race/ethnicity in 2000, according to the U.S. Census. Whites had the highest homeownership rate (72 percent), followed by Hispanics/Latinos and American Indians/Alaska Natives (69 percent). The African American population had the lowest homeownership rate (46 percent).

Exhibit III-18.  
Homeownership rate by race/ethnicity, 2000

	Total householders	Homeownership rate
American Indian and Alaska Native alone	47,160	69%
Asian alone	5,782	55%
Black or African American alone	12,290	46%
Native Hawaiian and Other Pacific Islander alone	381	49%
White alone	493,720	72%
Some other race alone	98,422	67%
Two or more races	20,216	61%
Hispanic or Latino (of any race)	244,157	69%

Source: 2000 U.S. Census.

## Housing Affordability

A common measure of housing affordability is the percentage of lower-income owner households who pay more than 30 percent of their income on select housing costs. Households that spend more than 30 percent of annual household income on housing costs are considered cost burdened by HUD. Severe cost burden occurs when households spend 50 percent or more of their incomes on housing costs. For the cost-burdened definition, housing costs include a mortgage or rent payment, utilities, property taxes, and homeowners and renters insurance. Lower-income households are more likely to be cost-burdened in tight housing markets. High-income households can also be cost-burdened, but this is usually an issue of preference—e.g., households may choose to take on a higher mortgage payment than they can afford in anticipation of rising earnings, because they view their home purchase as an investment, etc.

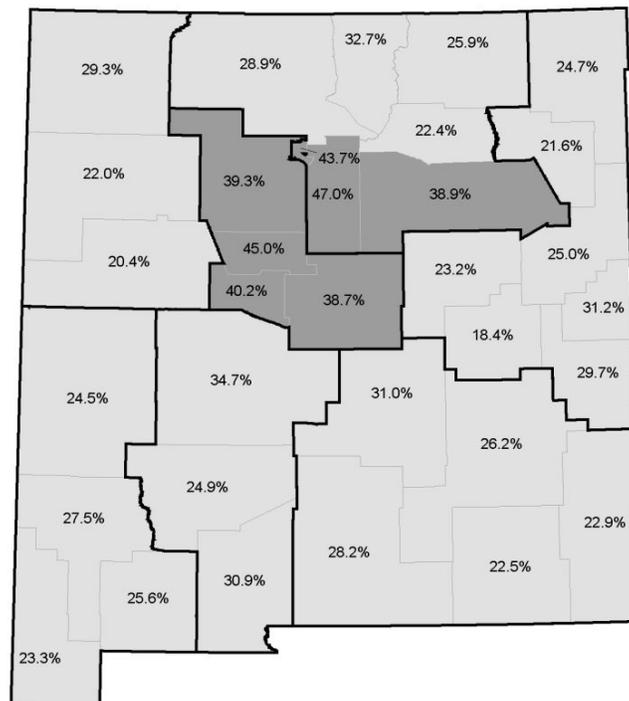
**Cost burden.** In New Mexico, in 2000, 35.3 percent of lower-income households spent more than 30 percent of their annual income on housing costs. This compares favorably to the national figure (38.6 percent).

**Owner cost burden—low- to upper-income households.** Exhibit III-19 shows the percentage of owner households earning less than \$50,000 per year, that spend more than 30 percent of their income on housing costs. These numbers loosely represent the level of cost burden for households earning between 0 and 120 percent of the statewide median household income. Santa Fe County (47 percent), Bernalillo County (45 percent), and Los Alamos County (43.7 percent) had the largest portions of low- to upper-income households who were cost burdened (earning less than \$50,000 spending more than 30 percent of their income on housing costs). De Baca County (18.4 percent), Cibola County (20.4 percent), and Harding County (21.6 percent) ranked lowest of New Mexico Counties in this category.

Exhibit III-19.  
Percent of Owner Households Earning Less Than \$50,000 That Spend More Than 30 Percent of Annual Income On Housing Costs, 2000

Note: Shaded counties are equal to or greater than the state's 35.3 percent average.

Source: 2000 U.S. Census.

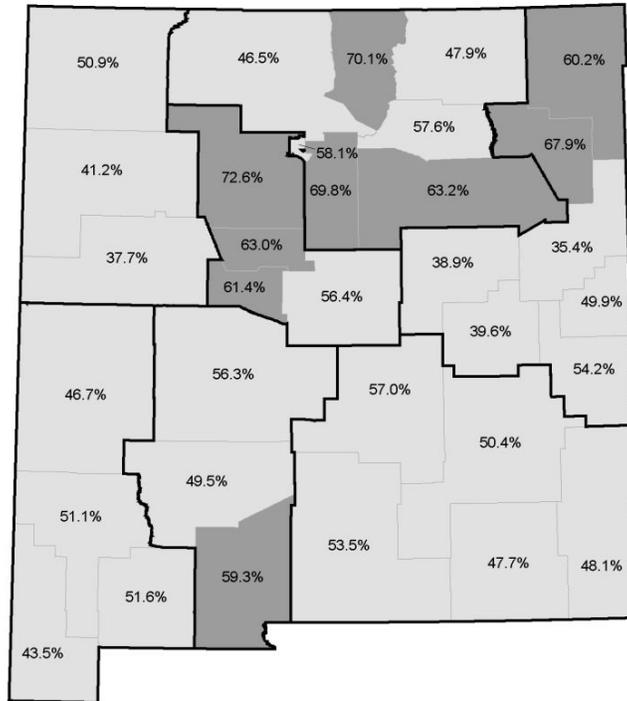


**Renter cost burden—low- to upper-income households.** The same metric can be applied to the renter population<sup>3</sup>. In 2000, 58.7 percent of statewide renter households earning less than \$35,000, spent more than 30 percent of their income on gross rent. This was lower than the national level of renter cost burden (62 percent). Exhibit III-20 shows the cost burden of the State’s low- to upper- income renter population.

Exhibit III-20.  
Percent of Renter Households Earning Less Than \$35,000 That Spend More Than 30 Percent of Annual Income On Housing Costs, 2000

Note: Shaded counties are equal to or greater than the state’s 58.7 percent average.

Source: 2000 U.S. Census.



Sandoval County (72.6 percent), Taos County (70.1 percent), and Santa Fe County (69.8 percent) had the largest portions of their renter households earning less than \$35,000, spending more than 30 percent of their income on housing costs. Quay County (35.4 percent), Cibola County (37.7 percent), and Guadalupe County (38.9 percent) ranked lowest of New Mexico Counties in this category.

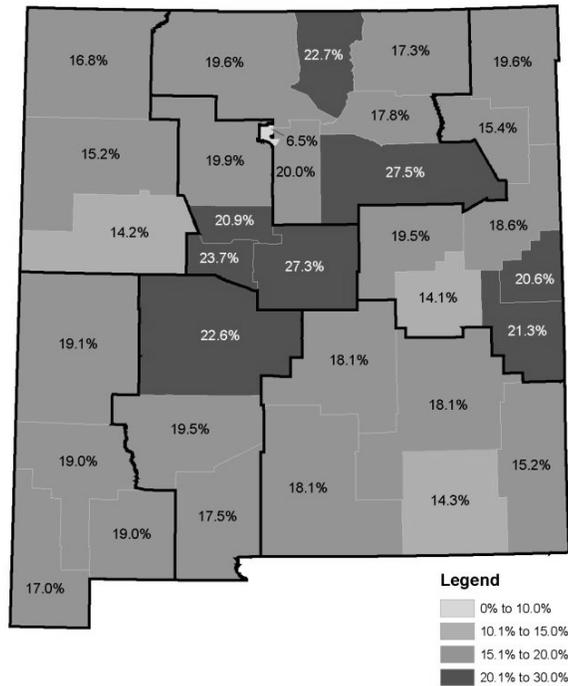
**Cost burden—all owner households.** Exhibit III-21 on the following page, shows the percentage of households that are cost burdened for the entire population of owner households in the State of New Mexico by county, as reported by the 2000 U.S. Census. About 19.3 percent of owner households in New Mexico were classified as cost burdened in 2000.

San Miguel County (27.5 percent), Torrance County (27.3 percent), and Valencia County (23.7 percent) had the largest portions of their owner households spending more than 30 percent of their income on housing costs. Los Alamos County (6.5 percent), De Baca County (14.1 percent), and Cibola County (14.2 percent) ranked lowest of New Mexico Counties in this category. In general, owner cost burden is highest in the central portion of the State.

<sup>3</sup> However, with renter households a lower income range is applied because renters generally have lower incomes than owners.

Exhibit III-21.  
Percent of Owners Cost Burdened, 2000

Source: 2000 U.S. Census.



**Cost burden—all renters.** Exhibit III-22 on the following page, shows the total population of cost-burdened renter households in the State of New Mexico by county, as reported by the 2000 U.S. Census. About 36.3 percent of renter households in New Mexico were classified as cost burdened in 2000.

San Miguel County (43.3 percent), Taos County (42.5 percent), and Doña Ana County (40.7 percent) had the largest portions of their renter households spending more than 30 percent of their income on gross rent. Los Alamos County (20.6 percent), Quay County (23.2 percent), and McKinley County (23.3 percent) ranked lowest of New Mexico Counties.

As shown in the exhibit, cost burden is higher for renters than for owners. It is also more widespread in the State.



The population of cost burdened renter households has risen since 2000, according to the Census Bureau's 2003 ACS. In 2003, approximately 47 percent of the State's renters were cost burdened—this compares to 36 percent in 2000. Exhibit III-24 shows renters' housing costs as a percent of household income in 2003.

Exhibit III-24.  
Renters' Housing Costs  
as Percent of Household Income, 2003

Note: The shaded portion is considered cost burdened.

Source: 2003 ACS

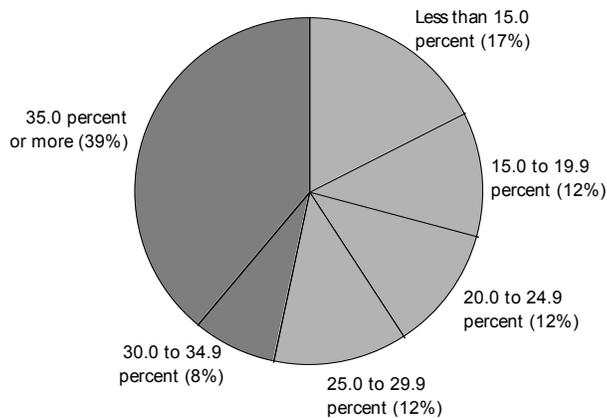


Exhibit III-25 shows the percentage of cost burdened owner and renter households in New Mexico and 6 comparative states. New Mexico had the second lowest percentage of cost burdened owner households (21.4 percent). New Mexico ranked near average, when comparing its cost burdened renter population (46.8 percent) to neighboring states.

Exhibit III-25.  
Cost Burdened Households, 2003

State	Total Owner Occupied Units	Percent of Owners Cost Burdened	Total Renter Occupied Units	Percent of Renters Cost Burdened
<b>New Mexico</b>	<b>360,199</b>	<b>21.4%</b>	<b>189,347</b>	<b>46.8%</b>
Arizona	1,155,699	25.6%	588,873	49.1%
Colorado	1,057,452	28.8%	504,906	48.7%
Montana	172,498	20.7%	96,725	42.5%
Nevada	428,554	31.9%	301,470	46.6%
Texas	4,148,247	23.5%	2,484,960	45.4%
Utah	483,738	24.8%	189,750	47.1%

Source: 2003 ACS.

**Cost burden by age.** The 2000 Census also reports cost burden by age of the primary householder and household income range. As shown in Exhibit III-26 on the following page, the percentage of households who are owners and are cost burdened tends to decrease as householder age increases. It is not uncommon to see cost burden levels the highest for younger households. These households typically have lower earnings and may purchase their first home with the anticipation of earnings' increases.

Exhibit III-26.  
Cost Burdened Owner Households by Age of Householder, 2000

Age of Householder	Number of owner households cost burdened	Percent of owner households cost burdened
15 to 24 years	1,658	38%
25 to 34 years	9,073	27%
35 to 44 years	16,817	23%
45 to 54 years	16,727	21%
55 to 64 years	12,419	21%
65 to 74 years	9,818	19%
75 years and older	7,632	19%
<b>Total</b>	<b>74,144</b>	<b>22%</b>

Source: 2000 U.S. Census.

The Census also reports renter cost burden by age and household income range. As shown in Exhibit III-27, the largest numbers of cost burdened renter households are in the youngest age cohorts. However, the youngest (15 to 24 years) and oldest (75 years and older) households have the largest percentages of households considered cost-burdened—about half of these households are cost burdened.

Exhibit III-27.  
Cost Burdened Renter Households by Age of Householder, 2000

Age of Householder	Number of renter households cost burdened	Percent of renter households cost burdened
15 to 24 years	15,155	50%
25 to 34 years	18,430	35%
35 to 44 years	15,112	33%
45 to 54 years	10,834	34%
55 to 64 years	5,583	35%
65 to 74 years	4,749	42%
75 years and older	5,719	45%
<b>Total</b>	<b>75,582</b>	<b>38%</b>

Source: 2000 U.S. Census.

**Cost burden by income range.** Exhibit III-28 shows cost burden by household income range in 2000. As would be expected, households in the lower income ranges have are more likely to be cost burdened. Approximately 85 percent of renter households earning less than \$10,000, and about 70 percent of owner households earning between \$10,000 and \$19,999, are cost burdened.

For renters, the level of cost burden drops dramatically once households earn \$35,000 per year. For owners, cost burden drops significantly after the \$50,000 income threshold.

Exhibit III-28.  
Cost Burden by Household Income, 2000

Source: 2000 U.S. Census.

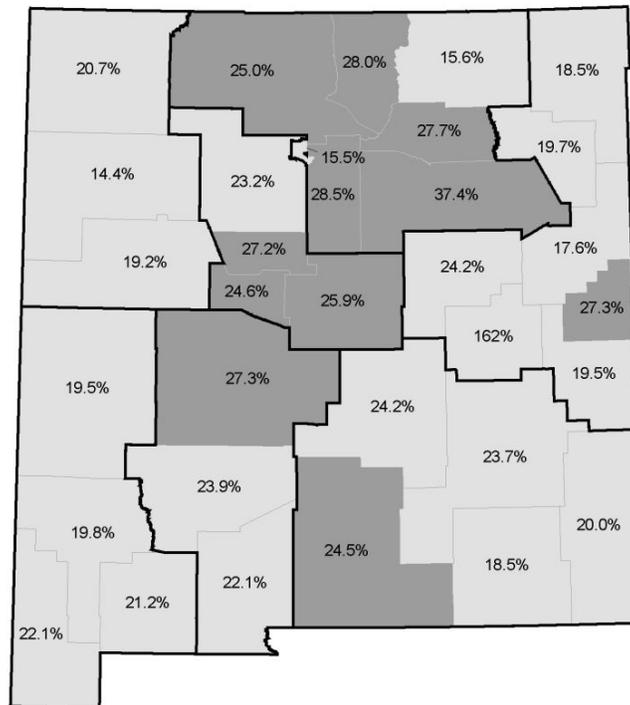
Income Level	Renters	Owners
	% Cost Burdened	% Cost Burdened
Less than \$10,000	85.3%	69.5%
\$10,000 to \$19,999	70.6%	41.0%
\$20,000 to \$34,999	28.2%	33.9%
\$35,000 to \$49,999	8.1%	20.2%
\$50,000 to \$74,999	2.5%	8.8%
\$75,000 to \$99,999	0.9%	3.7%
\$100,000 or more	0.2%	1.6%

**Seniors with cost burden.** Exhibit III-29 shows percentage of the population age 65 and over, that was cost burdened in 2000. Approximately 24 percent of senior households were cost burdened statewide.

Exhibit III-29.  
Percentage of The Population 65 And Over That is Cost Burdened, 2000

Note: Shaded counties are equal to or greater than the state's 24.4 percent average.

Source: 2000 U.S. Census.



San Miguel County (37.4 percent), Santa Fe County (28.5 percent), and Taos County (28.0 percent) had the highest proportion of their senior population that was cost burdened. McKinley County (14.4 percent), Los Alamos County (15.5 percent), and Colfax County (15.6 percent) ranked lowest in this category.

**Cost burden and disability.** According to the ACS, an estimated 16.4 percent of persons in New Mexico reported to have a disability in 2003. PUMS data was used to determine the number of persons with a disability who are also cost burdened. The data show that nearly 20 percent of all cost burdened owners have a disability. The same is true for cost burdened renters. Just under one-fourth of owners with a disability are cost burdened and 53.3 percent of renters with a disability are cost burdened. Disabled persons have higher cost burden rates than the State overall and are disproportionately likely to experience cost burden.

Exhibit III-30.  
Persons with a Disability who are Cost Burdened, 2003

	Owners		Renters		Total	
<b>Persons with a Disability</b>						
Cost burdened	46,059	22.6%	34,775	53.3%	80,834	30.0%
All persons with a disability	204,192	100%	65,231	100%	269,423	100%
<b>Cost Burdened Persons</b>						
With a disability	46,059	19.0%	34,775	19.7%	80,834	19.2%
All cost burdened persons	243,020	100%	176,918	100%	419,938	100%

Source: 2003 ACS-PUMS.

**Cost burden by race/ethnicity.** The 2000 Census also reports cost burden by county and by race/ethnicity. Exhibit III-31 and Exhibit III-32 show these figures for owner and renter households, respectively. To ensure statistically sound sampling procedures, the Census Bureau only reports cost burden statistics if the population of a specific racial group has more than 100 people living in a particular county. Therefore, data are not reported in counties with small minority populations (designated in the exhibit with “N/A”).

Exhibit III-31.  
 Cost Burdened Owner Households by County by Race/Ethnicity, 2000

County	White	African American	American Indian/ Alaska Native	Asian	Native Hawaiian/ Pacific Islander	Some Other Race	2 or More Races	Hispanic/ Latino
Bernalillo	23.0%	31.0%	25.8%	23.1%	26.7%	31.2%	31.6%	29.9%
Catron	20.7%	N/A	N/A	N/A	N/A	17.6%	N/A	23.5%
Chaves	16.9%	30.8%	32.2%	16.4%	N/A	24.2%	25.5%	23.3%
Cibola	14.6%	N/A	11.5%	N/A	N/A	19.3%	3.2%	19.2%
Colfax	17.1%	N/A	N/A	N/A	N/A	22.6%	28.4%	23.4%
Curry	20.1%	28.5%	36.8%	18.6%	N/A	25.0%	36.2%	26.2%
De Baca	13.2%	N/A	N/A	N/A	N/A	22.5%	N/A	18.5%
Dona Ana	17.6%	21.3%	24.4%	22.0%	N/A	27.9%	23.7%	22.9%
Eddy	13.1%	33.1%	32.0%	N/A	N/A	23.3%	18.3%	20.0%
Grant	19.2%	N/A	25.0%	N/A	N/A	27.7%	8.9%	23.0%
Guadalupe	19.3%	N/A	N/A	N/A	N/A	20.6%	22.2%	21.3%
Harding	14.7%	N/A	N/A	N/A	N/A	N/A	N/A	26.4%
Hidalgo	17.3%	N/A	N/A	N/A	N/A	6.5%	36.4%	17.7%
Lea	13.5%	27.3%	38.0%	N/A	N/A	21.5%	12.5%	21.5%
Lincoln	20.4%	N/A	37.0%	N/A	N/A	20.0%	21.3%	18.2%
Los Alamos	11.4%	N/A	N/A	25.4%	N/A	26.6%	40.4%	23.5%
Luna	17.7%	N/A	75.0%	N/A	N/A	23.6%	18.7%	23.8%
McKinley	20.1%	N/A	15.3%	N/A	N/A	20.0%	35.3%	19.4%
Mora	19.0%	N/A	N/A	N/A	N/A	21.8%	N/A	16.7%
Otero	17.6%	34.2%	6.5%	8.6%	N/A	26.3%	40.9%	27.6%
Quay	18.8%	N/A	N/A	N/A	N/A	17.8%	48.1%	22.0%
Río Arriba	22.6%	0.0%	12.9%	N/A	N/A	25.6%	10.3%	22.5%
Roosevelt	19.5%	N/A	N/A	N/A	N/A	34.3%	0.0%	32.9%
Sandoval	23.2%	32.2%	14.3%	23.1%	N/A	30.1%	32.0%	28.7%
San Juan	18.5%	53.4%	13.6%	N/A	N/A	24.6%	30.7%	24.6%
San Miguel	30.3%	N/A	36.8%	N/A	N/A	29.9%	27.1%	31.4%
Santa Fe	26.5%	17.9%	24.3%	39.3%	N/A	28.2%	29.3%	27.4%
Sierra	18.0%	N/A	N/A	N/A	N/A	32.8%	100.0%	20.2%
Socorro	22.4%	N/A	23.2%	N/A	N/A	30.8%	23.0%	28.7%
Taos	25.2%	N/A	27.1%	N/A	N/A	25.3%	42.1%	25.1%
Torrance	25.9%	0.0%	0.0%	N/A	N/A	35.0%	49.0%	30.8%
Union	19.3%	N/A	N/A	N/A	N/A	15.0%	N/A	19.9%
Valencia	25.2%	39.4%	23.2%	N/A	N/A	30.4%	38.5%	30.9%

Note: "N/A" in any column means the sample size was below 100 and is not statistically significant.

Source: 2000 U.S. Census.

Of owner households, 100 percent of owner households who reported being Two or More Races in Sierra County were cost burdened. About 75 percent of American Indians/Native Alaskans in Luna County reported being cost burdened. Owner households with members of Two or More Races and members of Some Other Race generally had higher cost burden rates across New Mexico's counties.

Exhibit III-32 shows cost burden by race and ethnicity for renters.

Exhibit III-32.

Cost Burdened Renter Households by County by Race/Ethnicity, 2000

County	White	African American	American Indian/ Alaska Native	Asian	Native Hawaiian/ Pacific Islander	Some Other Race	2 or More Races	Hispanic/ Latino
Bernalillo	44.3%	43.9%	41.4%	37.1%	31.3%	46.0%	46.5%	47.1%
Catron	35.0%	N/A	N/A	N/A	N/A	0.0%	N/A	33.3%
Chaves	39.3%	65.2%	70.8%	0.0%	N/A	37.4%	45.7%	41.4%
Cibola	21.8%	N/A	35.9%	N/A	N/A	31.6%	44.8%	26.3%
Colfax	37.0%	N/A	N/A	N/A	N/A	29.1%	43.5%	36.5%
Curry	35.1%	46.1%	42.3%	18.6%	N/A	44.3%	49.4%	43.5%
De Baca	26.3%	N/A	N/A	N/A	N/A	53.3%	N/A	45.3%
Dona Ana	46.0%	34.4%	77.3%	39.4%	N/A	48.8%	43.2%	47.9%
Eddy	37.0%	45.8%	36.2%	N/A	N/A	37.1%	34.0%	34.0%
Grant	41.4%	N/A	9.1%	N/A	N/A	43.4%	36.5%	43.0%
Guadalupe	34.8%	N/A	N/A	N/A	N/A	32.0%	0.0%	32.6%
Harding	76.2%	N/A	N/A	N/A	N/A	N/A	N/A	52.6%
Hidalgo	29.7%	N/A	N/A	N/A	N/A	47.8%	26.3%	35.8%
Lea	36.5%	45.2%	43.3%	N/A	N/A	39.5%	39.3%	41.1%
Lincoln	42.6%	N/A	47.4%	N/A	N/A	40.7%	53.3%	41.0%
Los Alamos	26.1%	N/A	N/A	13.9%	N/A	26.1%	0.0%	22.9%
Luna	41.1%	N/A	47.0%	N/A	N/A	59.5%	39.1%	49.8%
McKinley	20.9%	N/A	29.5%	N/A	N/A	45.1%	50.9%	40.5%
Mora	67.6%	N/A	N/A	N/A	N/A	33.3%	N/A	41.7%
Otero	36.2%	36.9%	25.3%	32.3%	N/A	50.8%	47.3%	48.7%
Quay	29.8%	N/A	N/A	N/A	N/A	19.4%	30.8%	28.1%
Rio Arriba	36.8%	18.2%	21.7%	N/A	N/A	41.4%	18.1%	39.1%
Roosevelt	45.2%	N/A	N/A	N/A	N/A	35.0%	54.3%	46.1%
Sandoval	43.6%	21.8%	20.9%	0.0%	N/A	60.6%	43.3%	55.8%
San Juan	40.1%	20.3%	26.0%	N/A	N/A	43.9%	57.2%	43.6%
San Miguel	50.6%	N/A	42.2%	N/A	N/A	55.2%	49.2%	54.6%
Santa Fe	44.8%	34.2%	47.0%	34.3%	N/A	47.0%	58.2%	47.7%
Sierra	45.8%	N/A	N/A	N/A	N/A	24.4%	27.9%	25.9%
Socorro	42.6%	N/A	34.1%	N/A	N/A	53.8%	65.3%	48.3%
Taos	51.9%	N/A	60.7%	N/A	N/A	57.6%	54.3%	52.6%
Torrance	40.7%	100.0%	35.3%	N/A	N/A	45.3%	81.8%	49.2%
Union	42.6%	N/A	N/A	N/A	N/A	68.6%	N/A	62.3%
Valencia	41.1%	66.0%	48.5%	N/A	N/A	51.9%	46.2%	48.4%

Note: "N/A" in any column means the sample size was below 100 and is not statistically significant.

Source: 2000 U.S. Census.

Of renter households, 100 percent of African American renter households in Torrance County were cost burdened. About 77 percent of American Indians/Alaska Natives in Doña Ana County were cost burdened. Renter households with members of Two or More Races and members of Some Other Race generally had higher cost burden rates across New Mexico's counties.

Employment and affordability. Another way of assessing affordability is to examine the difference in how people with different jobs can afford housing. To examine this, PUMS data was used to calculate cost burden percentages by employment sector<sup>5</sup>. People that work in the administrative support

<sup>5</sup> It should be noted that, in contrast to other exhibits containing cost burden information, the cost burden by employment exhibit shows cost burdened persons, not cost burdened households.

sector have the highest renter cost burden percentage (61.6 percent). People who were unemployed with no work experience in the last 5 years had the highest owner cost burden percentage (35.8 percent). The arts/entertainment/recreation and accommodation/food service sectors ranked near the top (high cost burden) for both renters and owners.

Exhibit III-33.  
Cost Burdened Persons by Employment Sector, 2003

Employment Sector	Total Renters	Percent Cost Burdened	Total Owners	Percent Cost Burdened
Agriculture/Forestry/ Fishing	5,006	7.1%	17,639	15.8%
Mining	4,508	15.6%	20,511	5.3%
Utilities	681	20.0%	9,530	22.4%
Construction	15,696	47.9%	63,095	17.4%
Manufacturing	10,660	36.7%	42,431	16.4%
Wholesale Trade	8,784	29.8%	23,304	19.9%
Retail Trade	40,317	32.5%	86,825	29.2%
Transportation and Warehousing	8,492	25.0%	21,418	10.3%
Information	8,700	30.9%	11,062	15.7%
FIRE*	10,810	28.0%	38,922	12.7%
Professional Svcs./Mgmt.	9,367	28.6%	56,640	16.4%
Admin Support	7,426	61.6%	10,246	14.8%
Waste Mgmt/Landscaping	6,016	48.9%	8,257	21.8%
Education	19,037	44.6%	85,598	13.5%
Health Care/Social Assistance	38,302	41.2%	85,647	19.5%
Arts/ Entertainment/ Recreation	6,106	52.9%	16,703	27.1%
Accommodation/Food Services	37,026	51.7%	60,780	25.4%
Other Services	12,623	26.7%	37,810	24.2%
Public Administration	13,887	30.7%	49,604	11.7%
Military	6,293	9.5%	8,692	13.0%
Unemployed**	1,292	0.0%	2,721	35.8%
Not specified	180,664	56.1%	567,496	21.7%
<b>Total</b>	<b>451,693</b>	<b>44.8%</b>	<b>1,324,931</b>	<b>19.9%</b>

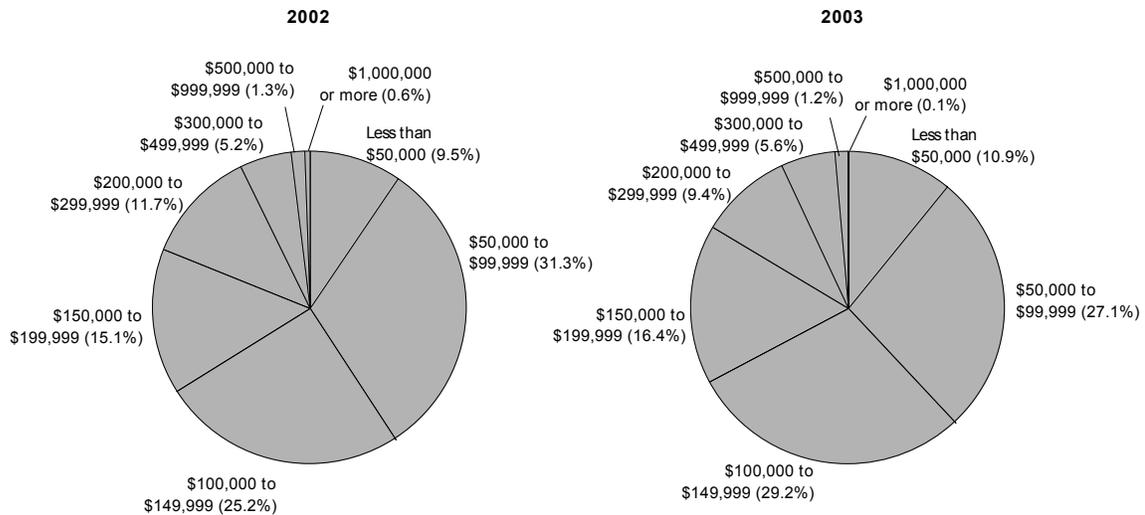
Note: \* FIRE stands for Finance, Insurance, and Real Estate.

\*\* Unemployed, with no work experience in the last 5 years.

Source: 2003 ACS-PUMS.

Cost of housing. The ACS estimated the median value of an owner-occupied home in the State as \$118,764 in 2003. This is lower than the U.S. median of \$147,275. A comparison of home values between 2002 and 2003 shows that housing prices have been on an upward trend. In 2003, 38 percent of owner-occupied units had values less than \$100,000, down from 40.8 percent in 2002. In 2003, 67.2 percent of owner occupied units were valued less than \$150,000, an increase of 1.2 percentage points from 2002 (66 percent). Exhibit III-34 presents the price distribution of owner occupied homes in the State in 2002 and 2003.

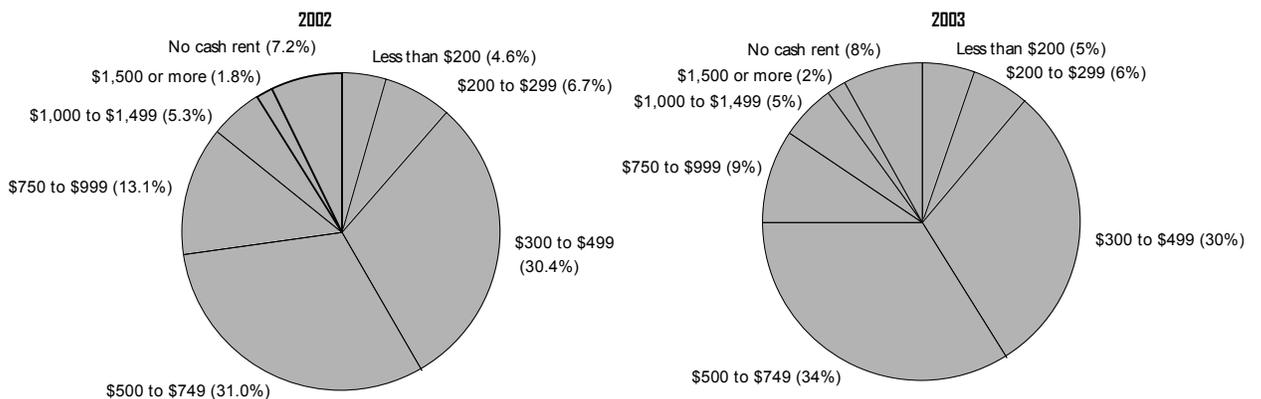
Exhibit III-34.  
Owner Occupied Home Values, 2002 and 2003



Source: American Community Survey, 2002, 2003.

The Census Bureau reports that the median gross rent, statewide, was \$523 per month in 2003. Gross rent includes contract rent, plus utilities and fuels if the renter pays for them. (And most renters do: The Census reports that 82 percent of rental units do *not* include utility payments in the rent price.) About 41 percent of all units statewide were estimated to rent for less than \$499 in 2003, while another 34 percent were estimated to rent for \$500 to \$749. The distribution of statewide gross rents is presented in Exhibit III-35.

Exhibit III-35.  
Distribution of Statewide Gross Rents, 2003



Source: American Community Survey, 2002, 2003.

Exhibit III-36 compares New Mexico’s median home value and median gross rent to neighboring states. New Mexico ranks second-lowest in both categories with a median home value of \$118,764 and a median gross rent of \$523 per month.

Exhibit III-36.  
Median Home Value and Median Gross  
Rent, 2003

Source: 2003 ACS.

State	Median Home	Median Gross
<b>New</b>	<b>\$118,764</b>	<b>\$523</b>
Arizona	\$146,124	\$662
Colorado	\$210,398	\$754
Montana	\$118,887	\$506
Nevada	\$170,333	\$771
Texas	\$99,139	\$639
Utah	\$156,657	\$632

Colorado had the highest median home value (\$210,398), and Nevada had the highest median gross rent (\$771), in 2003. Texas had the lowest median home value (\$99,139), and Montana had the lowest median gross rent (\$506), in 2003.

#### Expiring Use Properties

A growing concern in the country and New Mexico is the preservation of the supply of affordable housing for the lowest income renters. In the past, very low-income renters have largely been served through federal housing subsidies, many of which are scheduled to expire in coming years. The units that were developed with federal government subsidies are referred to as “expiring use” properties.

Specifically, expiring use properties are multifamily units that were built with U.S. government subsidies, including interest rate subsidies (HUD Section 221(d)(3) and Section 236 programs), mortgage insurance programs (Section 221(d)(4)) and long-term Section 8 contracts. These programs offered developers and owners subsidies in exchange for the provision of low-income housing (e.g., a cap on rents of 30 percent of tenants’ income). Many of these projects were financed with 40-year mortgages, although owners were given the opportunity to prepay their mortgages and discontinue the rent caps after 20 years. The Section 8 project-based rental assistance contracts had a 20-year term.

Many of these contracts are now expiring, and some owners are taking advantage of their ability to refinance at low interest rates and obtain market rents. Some of New Mexico’s affordable multifamily housing was built with Section 221 (d)(3) and Section 236 programs. Thus, a share of New Mexico’s affordable rental housing could be at risk of elimination due to expiring use contracts.

According to HUD’s expiring use database, as of March 2005 (the latest data available), New Mexico had approximately 6,000 units in expiring use properties, or approximately 3 percent of the State’s total rental units.

When expiring use units convert to market properties, local public housing authorities issue Section 8 vouchers to residents of the properties that are converting to market rates. In some cases, market rents may be lower than subsidized rents, which could enable residents to stay in their current units. Vouchers may also give residents an opportunity to relocate to a neighborhood that better meets their preferences and needs. The outcomes of expiring use conversions are hard to determine because of the many variables (location, level of subsidized rents, tenant preferences) that influence tenants' situations.

Nonetheless, the loss of the affordable rental units provided by expiring use properties could put additional pressure on rental housing markets, especially in New Mexico's urban counties, where most of these units are located.

In 1997, Congress passed legislation that provides solutions, such as debt restructuring, to the expiring use problem. The legislation requires that HUD outsource the restructuring work to Participating Administrative Entities (PAEs). Nationally, less than 10 percent of owners of expiring use properties have opted out. The National Alliance of HUD Tenants, working with HUD data, estimates that up to 200,000 units have been lost to conversion nationally as of August 2001.

There are 10 counties with *all* of their expiring use units due to expire by January 2010. Exhibit III-37 on the following page shows the percentage of units with affordable provisions that are due to expire in the next five years by county along with the total number of expiring units.

Exhibit III-37.  
 Percentage of Expiring Use Units That Will  
 Expire by January 2010,  
 by County, as of March 2005

Note: Expiration dates are according to the "TRACS Current Expiration Date" as provided by HUD.

Source: U.S. Department of Housing and Urban Development and BBC Research & Consulting.

County	Percent of Expiring Use Units Due to Expire by January 2010, by County	Total Expiring Use Units
Bernalillo	75%	1,908
Catron	0%	0
Chaves	88%	246
Cibola	100%	149
Colfax	0%	0
Curry	78%	278
De Baca	0%	0
Dona Ana	54%	483
Eddy	65%	339
Grant	0%	54
Guadalupe	55%	110
Harding	0%	0
Hidalgo	100%	27
Lea	84%	466
Lincoln	0%	0
Los Alamos	50%	16
Luna	68%	159
McKinley	73%	184
Mora	0%	0
Otero	100%	22
Quay	100%	63
Rio Arriba	100%	27
Roosevelt	100%	8
San Juan	89%	502
San Miguel	100%	70
Sandoval	0%	0
Santa Fe	82%	556
Sierra	100%	31
Socorro	100%	190
Taos	0%	0
Torrance	0%	0
Union	0%	0
Valencia	100%	101
<b>Total Units</b>	<b>77%</b>	<b>5,989</b>

### Special Needs Populations

This section provides estimates of the population levels and needs for the State's special needs populations, including persons who are homeless.

Persons who are homeless. The New Mexico Coalition to End Homelessness conducted a point-in-time (PIT) count on January 25, 2005 for both sheltered and unsheltered homeless persons, to determine the numbers of persons who are homeless and assess their needs in primarily non-urban areas of the State. A two-pronged approach was used for conducting the homeless count and needs assessment: counting homeless persons housed in shelters or transitional housing facilities through the participation of provider agencies, and counting non-housed homeless persons that were encountered by staff or volunteers at shelter and non-shelter programs.

Based on the count, surveys and the CoC methodology used to determine homelessness, there is an annual estimate of 8,191 homeless people in the New Mexico Balance of State Continuum of Care region.

The study also determined the unmet need for housing and services for the State's homeless population. The study determined the following:

- The unmet need for individual emergency shelter beds is very little since many of the emergency shelter beds for individuals were unused on the night of the count. However, the distribution of these beds throughout the state is not necessarily ideal particularly in underserved rural areas. For example, there are no emergency shelters located in Gallup and Roswell, yet both reported a number of unsheltered homeless persons on the night of our count. Based on the PIT count in underserved areas, the unmet need for individual emergency shelter beds is 53.
- The unmet need for permanent supportive housing beds for individuals is determined by the estimated annual number of unsheltered chronically homeless individuals. There is an estimated a total of 1,930 chronically homeless persons who have an existing supply of 181 permanent housing beds. The difference is the unmet need of 1,749 beds.
- The unmet need for transitional housing for individuals is determined by the total individual unmet need (4,060) minus the total of emergency and permanent beds for individuals (1,802). This equals to 2,258 unmet need for transitional beds for homeless individuals.
- The unmet need for family emergency shelter beds is very little since many beds were unused on the night of our PIT count. However, the distribution of these beds throughout the state is not necessarily ideal particularly in underserved rural areas. Based on the PIT count in underserved areas, the unmet need for family emergency shelter beds is 34.
- The unmet need for family permanent housing beds was estimated using the assumption that roughly 25 percent of homeless families are headed by an individual with a serious disabling condition. The need for family permanent supportive housing is 25 percent of the total unmet need of homeless families (2,596) or 649 beds.
- The unmet need for transitional housing for homeless families is computed by the total family unmet need (2,596) minus the total of emergency and permanent beds for families (683). This equals to 1,913 unmet need for transitional beds for homeless families.

**Non-homeless special needs.** Information on the needs of non-homeless special needs populations is very challenging to find, since there are few centralized sources of information on the various groups. HUD provides data (CHAS tables) that help identify the number of persons in various subpopulations that are not homeless but may require housing or supportive services. In addition, needs can be estimated using national incidence rates, applied to the State of New Mexico. Using a combination of the HUD tables and other sources, we developed the following estimated needs for non-homeless special needs populations in New Mexico:

- **Elderly.** According to CHAS data, in 2000, there were 17,000 low-income (earning 50 percent of the AMI or less) elderly households with housing problems in New Mexico's nonentitlement areas. Housing problems also includes being cost-burdened.

- **Frail elderly.** CHAS tables also produce information for “extra elderly,” or elderly with mobility limitations, which can be used as a proxy for frail elderly. In 2000, 5,400 low-income frail elderly in New Mexico had housing problems.
- **Severe mental illness.** Studies of homelessness indicate that between 25 and 40 percent of persons who are homeless also have a severe mental illness. These people have the greatest housing needs of persons with severe mental illnesses. In New Mexico, we estimate between 2,000 and 3,300 people in nonentitlement areas have severe mental illness and housing needs.
- **Disability.** In 2000, there were 41,000 households in New Mexico with some type of mobility or self care limitation and who had housing problems. This includes all households where one or more persons has 1) a long-lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying and/or 2) a physical, mental, or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing, or getting around inside the home.
- **Substance abuse.** National incidence rates suggest that 71 percent of the population experiencing homelessness has a drug and/or alcohol abuse disease. This is equivalent to about 5,800 persons who are homeless in New Mexico.
- **HIV/AIDS.** Statewide, in 2002/2003, there were 1426 people with HIV/AIDS.

#### Disproportionate Need

Affordable housing needs do not affect all types of people equally. In many cases, people and households with certain characteristics may have housing needs that are disproportionate—that is, their needs are greater than their representation in a population overall. This section discusses areas where housing needs are disproportionate for certain population types.

**Persons with disabilities.** According to the ACS, an estimated 16.4 percent of persons in New Mexico reported to have a disability in 2003. PUMS data was used to determine the number of persons with a disability who are also cost burdened. The data show that nearly 20 percent of all cost burdened owners have a disability. The same is true for cost burdened renters. Just under one-fourth of owners with a disability are cost burdened and 53.3 percent of renters with a disability are cost burdened. Disabled persons have higher cost burden rates than the State overall and are disproportionately likely to experience cost burdened.

**Race/ethnicity.** The 2000 Census reports the median rent and mortgage costs as a percentage of household income by race and ethnicity. These data are useful in identifying households (by race and ethnicity) that may have a disproportionate level of affordable housing need. If households of a certain race or ethnicity are more likely to be cost burdened than others, they are likely to have greater housing needs than other households.

Exhibit III-38 shows the median rent and housing costs for households with mortgages by race and ethnicity in 2000.

Exhibit III-38.  
Median Housing Costs as a Percentage of  
Income, by Race and Ethnicity, 2000

Source: 2000 U.S. Census.

	Rent/ Income	Mortgage/ Income
African American	27.3%	25.4%
American Indian/Alaskan Native	21.9%	20.0%
Asian	23.1%	22.2%
Native Hawaiian/ Pacific Islander	21.0%	14.3%
White	26.6%	21.8%
Some other race	28.2%	24.2%
Two or more races	28.7%	24.9%
Hispanic/Latino	28.3%	24.0%

The comparison of housing costs as a percent of income by race and ethnicity shows modest differences between the housing cost burden. Asians, Native Hawaiians/Pacific Islanders and American Indians/Alaska Natives pay a lower percentage of their incomes in rents and mortgages than all other races/ethnic groups. However, in only one case (the comparison of cost burden for Native Hawaiian/Pacific Islander to African American and Hispanic/Latino) is the disparity greater than 10 percent.

**Colonias and reservations.** A study involving New Mexico State University, HUD, the New Mexico Mortgage Finance Authority (MFA), and the North American Development Bank (NADBank) completed a project in 2000 to assess the development status of colonias in New Mexico and Arizona. They used mostly 1990 Census data, supplemented by data from county officials. The study was plagued by data-gathering problems, since the Census Bureau only kept statistics on 15 colonias (11 percent) in New Mexico. BBC has updated this study by gathering 2000 Census data on 23 HUD-designated colonias (16 percent). Appendix B contains the 23 colonias fact sheets.

The data do point to high levels of need—economic and housing needs—in both the colonias and on reservations. The conditions vary considerably across the colonias and reservations. However, in general, these areas in the State tend to have the following characteristics that demonstrate disproportionate needs:

- High poverty rates,
- Low educational attainment,
- Very high levels of overcrowding,
- Very high proportions of housing stock in substandard condition, and
- High levels of renter cost burden than other communities in the State.

## Summary

This section has reviewed historical and current housing market information at the state, regional and county level for New Mexico. New Mexico's housing market is characterized by an above-average homeownership rate and relatively high affordability. Compared to surrounding states, in 2003, New Mexico ranked second-lowest in terms of median home value and median gross rent. The State also has a relatively low level of cost-burdened owners (21.4 percent of all owners) and an average renter cost-burden (46.8 percent of renters were cost-burdened). Part of the reason for the State's relative affordability is the reliance on manufactured/mobile homes. In 2003, 18.7 percent of the State's housing stock consisted of mobile homes. This proportion was far higher than surrounding states' percentages, which ranged between 4 and 14 percent).

According to 2000 Census data, two percent of the State's occupied housing units lacked complete plumbing facilities. The majority of these units (81 percent) were owner-occupied—disproportionately so, as 69 percent of the State's occupied units overall are owner-occupied.

The housing needs in New Mexico vary considerably throughout the State. Housing needs in the State's urban areas are mostly related to affordability. The counties in the State with the highest levels of overall cost burden are clustered around the Albuquerque-Los Alamos-Santa Fe area.

The State's rural areas are mostly challenged by housing stock that is in poor condition and is overcrowded. Areas in the northwestern portion of the State are particularly beset with housing condition issues. In McKinley County for example, 28 percent of the units lacked complete plumbing facilities, 25 percent lacked complete kitchens and 27 percent of the units were overcrowded. Counties in the State's far eastern border have some of the State's oldest housing stock (as a proportion of all housing units), which also creates rehabilitation needs.

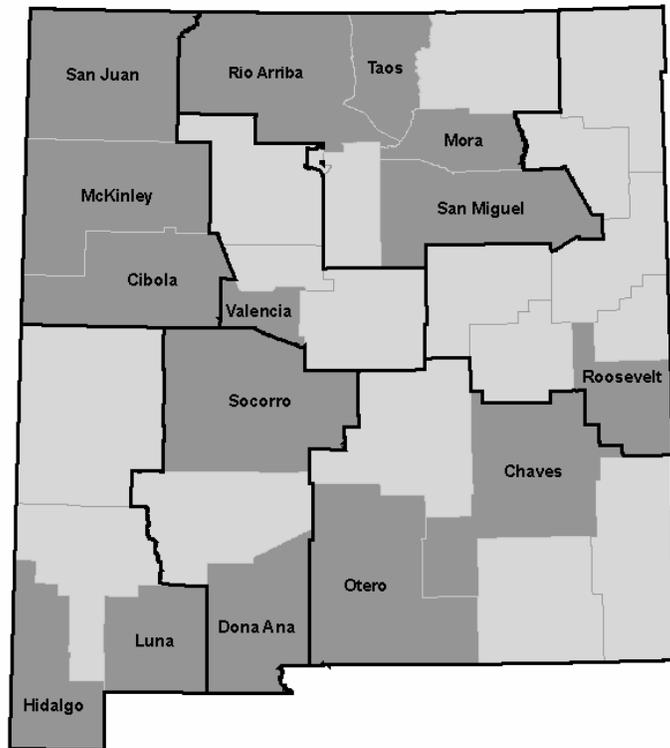
High-needs counties. Exhibit III-39 shows high-needs counties, as identified in the data examined for this housing market analysis. Counties are considered high-needs if they satisfy at least three of the following criteria:

- More than 6 percent of housing units are overcrowded;
- More than 20 percent of housing units are mobile/manufactured homes;
- More than 20 percent of its population living in poverty; or
- More than 50 percent of the county's population earning less than \$20,000 is cost burdened.

Luna, McKinley, Mora, Doña Ana, Hidalgo, Chaves, San Juan, Rio Arriba, Socorro, Otero, Roosevelt, San Miguel, Valencia, Taos, and Valencia Counties satisfy at least three of the four criteria.

Exhibit III-39.  
High Needs Counties, New Mexico

Source: BBC Research & Consulting.



## SECTION III.

### Citizen Input and Needs Assessment

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## SECTION V.

### Analysis of Impediments to Fair Housing Choice

This section contains an updated Analysis of Impediments to Fair Housing Choice (AI) for the State of New Mexico. The AI was conducted using a similar methodology as the Five-Year Consolidated Plan and includes data from the seven public forums; a citizen survey; key person interviews; and reviews and analyses of data on fair housing complaints, legal cases, and mortgage lending, as well as state barriers to affordable housing.

#### Public Forums

Seven public input meetings were held around the State. The meetings were advertised thirty days in advance. Flyers were distributed by housing partners in the community and postcards were mailed to 750 individuals on MFA's mailing list. The meetings were also advertised in newspapers and on the radio across the State. One meeting was held in each of the Northwest, Southwest, and South Central regions. Two meetings were held in the Eastern Plains region and in the Southeastern region. A total of 100 participants attended the meetings. Participants included nonprofit housing development organizations, local (city and county) government, local elected officials, public housing authorities, social-services agencies, councils of government, lenders, realtors, for-profit developers, homeless service providers, representatives of federal elected officials, mental health providers, and individual citizens.

Staff from the New Mexico Mortgage Finance Authority (MFA), the Consolidated Plan consultants and the Department of Finance and Administration (DFA), Local Government Division (LGD), presented information on the Consolidated Plan, the planning process, past activities and priorities, and current programs.

Participants were first asked to identify housing and community development needs in their communities. The Consolidated Plan consultant then lead a discussion on fair housing and asked participants to identify instances of housing discrimination and barriers to fair housing choice. Following the discussion on fair housing, participants were asked to prioritize the needs in their community. Participants were asked to vote for the three housing and community development areas that they would spend money on to improve their communities.

The exhibits on the following page present information from the individual forums on fair housing issues and barriers to housing choice.

Exhibit V-1.  
Top Housing, Community Development, and Fair Housing Needs – Alamogordo

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
Need a statewide ombudsman to educate for fair housing
Lack of code enforcement (substandard rental housing)
No procedure for fair housing complaints
Lack of knowledge about fair housing
Blatant discrimination
Lack of affordability
Increasing utility costs
Census tracks don't show low- to moderate-income populations that are there
Vacant lots owned by absentee owners with higher incomes distort picture of need for low-income households

Source: MFA Consolidated Plan Forums

Exhibit V-2.  
Top Housing, Community Development, and Fair Housing Needs – Farmington

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
Discrimination is based on familial status
Landlords won't rent to women with history of domestic violence
Predatory lending is a barrier

Source: MFA Consolidated Plan Forums

Exhibit V-3.  
Top Housing, Community Development, and Fair Housing Needs – Lordsburg

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
Renters will not ask for repairs because of fear of losing their housing
Discrimination exists based on reputation of family (multigenerational communities)
Groups withhold information on programs (Realtors/lenders)
Fair Housing complaints go out of state – not effective
People fear that they will not be believed, no one will listen
Housing authority priorities – some use, some don't

Source: MFA Consolidated Plan Forums

Exhibit V-4.  
Top Housing, Community Development, and Fair Housing Needs – Portales

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
Single women with children are discriminated against
Housing costs are an impediment to fair housing
Houses don't meet HUD's housing quality standards

Source: MFA Consolidated Plan Forums

Exhibit V-5.  
Top Housing, Community Development, and Fair Housing Needs – Roswell

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
<p>"I've had clients be told they don't look disabled so they don't deserve special considerations."</p> <p>"Sometimes people with children are discriminated against."</p> <p>"There is a lot of discrimination against voucher holders."</p> <p>"A brain injured person was evicted without 30 days notice. He didn't know his rights and was taken advantage of by the landlord."</p> <p>"We're always able to get landlords to fix-up rentals, even if our (disabled) clients aren't assertive."</p> <p>Bad credit stemming from unemployment and/or health care expenses related to workplace injuries can be a barrier to obtaining a mortgage.</p> <p>"A lot of folks in Roswell still don't know about MFA's downpayment assistance program. The banks and Realtors need more brochures to hand out on the subject."</p>

Source: MFA Consolidated Plan Forums

Exhibit V-6.  
Top Housing, Community Development, and Fair Housing Needs – Truth or Consequences

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
<p>Families with children have difficulty finding rental units</p> <p>The mechanism for dealing with Fair Housing complaints is to call HUD</p> <p>Largest landlord in the community is a government agency. As a result there are few issues with regard to fair housing but it creates other affordable housing issues</p> <p>MFA is only associated with one bank in the community. Individuals don't have knowledge of MFA programs as a result</p> <p>Biggest barrier to fair housing is that knowledge is not distributed to appropriate populations - there is a lack of information</p> <p>Need to ask HUD to be a partner rather than only focusing on enforcement</p> <p>Predatory lenders exist because they fill a need not served by the conventional mortgage market. They provide financing to those unable to access conventional lending tools. The victims don't know they are being victimized. These include anyone not ser</p> <p>Predatory lenders use direct mail and are on the corner with bright buildings and big signs</p> <p>Similarly, for sale by owner examples exist which structure the loan with a large balloon payment</p> <p>Some people have left the power grid and are living with solar power but get dinged by lenders.</p> <p>Project Fair Change is a state program offering foreclosure counseling and education regarding predatory lending but it is not active in T or C.</p> <p>The foreclosure rate in the area could be lowered with education and training</p>

Source: MFA Consolidated Plan Forums

<b>Are people discriminated against when trying to find housing in your community? What happens? Are there other barriers that prevent people from finding the housing they need?</b>
Families with children are discriminated against (large families)
Access units for the handicapped
Lending rates discourage people from applying
Farm Bureau discourages Hispanics from applying

Source: MFA Consolidated Plan Forums

Top fair housing issues and barriers. There are several common themes related to fair housing that emerged in the public forums:

**Discrimination based on familial status.** In 5 of the 7 forums, attendees said that families and women with children are discriminated against when trying to find housing. This was the most frequently cited barrier to fair housing across the forums.

**Lending barriers.** The second most frequently mentioned fair housing barrier encompassed a variety of lending practices. Many attendees mentioned concern about predatory lending activities in their communities. Some attendees mentioned that the lack of lending tools to serve clients with bad or poor credit may create barriers. Several attendees said that lack of knowledge about and the limited presence of lending assistance programs, such as MFA’s down payment assistance program, create barriers to fair housing.

**Need for a statewide fair housing organization.** In most of the forums, lack of knowledge about fair housing issues was mentioned as a top barrier. Attendees offered solutions to mitigate this problem, including having a statewide “ombudsman” dedicated to investigating and resolving fair housing issues. In one forum, attendees said they feel it is ineffective for fair housing complaints to be investigated out of state and that these should be handled within the state.

**Lack of affordable housing.** Several attendees cited lack of affordable housing in their communities as a fair housing barrier.

**Discrimination based on disability.** In a few of the forums, attendees said that persons with disabilities have difficulty finding housing, both because of blatant discrimination and the lack of housing in rural areas to serve their needs.

#### Key Person Interviews

The key people interviewed for the Consolidated Plan and AI were asked if their clients had access to fair housing (and why or why not). They were also asked to identify barriers to fair housing choice in their communities.

The interviewees were split on the seriousness of fair housing issues in their communities. Many of them said that fair housing issues were not a concern, and that the knowledge and information on fair housing was adequate in their communities.

In contrast, several interviewees mentioned discrimination against American Indians as problematic (this is documented in a recent HUD testing study, which is discussed later in this chapter).

About half of the interviewees identified specific barriers to fair housing choice in their communities and statewide. These are summarized below:

#### Discrimination.

- For persons with disabilities, the biggest barrier to fair housing for this population are dog policies. Landlords are not willing to make appropriate accommodations for those with service dogs.
- Also, a problem is the zero tolerance policies on violence. The one strike rule kicks out a kid with ADD.
- Discrimination usually can be remedied after the Governor's Commission on Disabilities intervenes.
- Discrimination occurs widely and openly against persons with mental illnesses.
- The most vulnerable populations are those who are disabled and those who do not speak English. Landlords perceive a need to make modifications (even if they don't need to), or that the mentally ill will do damage, or that non-English speakers are illegal immigrants.
- Not a problem getting clients into housing but with staying in. Landlords tend to intimidate them until they move out.

#### Knowledge, education and lending.

- People need training , education, and monitoring. A major barrier is access to credit and predatory lending.
- Most people lack knowledge about their individual rights. Also, predatory lenders are a problem because they get to people after they have been evicted.
- More common are structural barriers to fair housing such as the practice whereby loan officers and realtors are paid on commission and therefore want to do larger loans and sell larger homes.
- Landlords should be licensed and required to take educational classes on fair housing (to receive a license).

#### Citizen Survey

As part of the Consolidated Plan and AI process, a citizen survey that was provided to attendees of the public forums held during the Consolidated Plan public input process. The surveys were also distributed to citizens via stakeholders (e.g., housing authorities, homeless shelters) who attended the public input meetings. About half of the respondents to the survey (51.6 percent) attended a Consolidated Plan meeting<sup>1</sup>.

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<sup>1</sup> It should be noted that the survey was not distributed in such a way that the results are representative of the State's citizens overall. As such, some area bias may exist in the data. For example, the only respondents from north western and central New Mexico were those living in the Family Crisis Center in Farmington. In addition, respondents from the southern part of the State were mostly from the Silver City area.

Citizens and stakeholders returned 91 completed surveys to MFA. A copy of the survey instrument is located in Appendix A. Although the survey data are not statistically representative of the State's residents overall, the data emphasize the greatest areas of need in the State according to citizens mostly living in rural areas. The survey also contained a few questions related to fair housing issues, which are discussed below.

*Experience with housing discrimination.* Twelve of the respondents (13 percent) reported being discriminated against in their life, one of whom said they experienced the discrimination out of state (in California). The cities where the alleged discrimination took place included Tucumcari, Roswell (2 cases), Farmington, and Las Cruces. The top reasons survey respondents said they were discriminated against included race (31 percent) and being low income (another 31 percent)<sup>2</sup>. Another 15 percent cited bad credit and 8 percent said they were discriminated against because they had children. Of those that reported discrimination, only two people acted on the issue and claimed a satisfactory resolution to the problem. The rest did nothing.

*Sources of fair housing information.* Respondents were also asked about where they would go if they wanted to get more information on their fair housing rights. Most said they would consult HUD's website (26 percent) or their unit of local government (21 percent). Other frequent responses included contacting a local housing authority (17 percent) or conducting an Internet search (16 percent).

#### Complaint Data and Legal Analysis

The State of New Mexico has a Human Rights Act that was enacted in 1969 and covers discrimination in employment, housing, credit, and public accommodation. The Act prohibits discrimination based on race, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation, and physical or mental handicap. The Act differs from the Federal FHA in that it covers employment discrimination, in addition to housing discrimination. More importantly, it does not offer protection from discrimination based on familial status. In addition, the reasonable accommodation provision is defined in terms of employment, not housing.

Citizens in New Mexico who believe they have experienced discrimination may report their complaints to HUD's Office of Fair Housing and Opportunity (FHEO), the New Mexico Human Rights Commission, and, in some municipalities, local governmental offices.

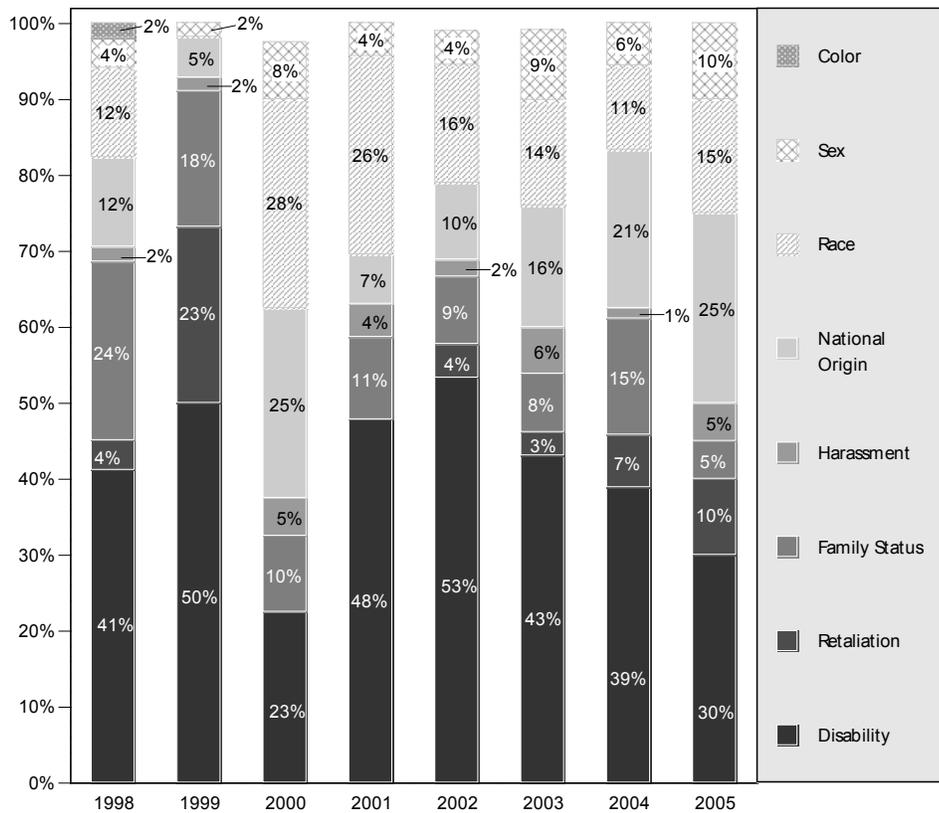
As part of the AI, these organizations were contacted and requested to provide summary information about cases that had been filed by or against organizations or residents in New Mexico. We also reviewed the State Human Rights Law procedures for taking and investigating complaints.

*Complaints filed with HUD.* HUD provided us with summary data on housing discrimination complaints filed between 1998 and 2005. Exhibit V-8 on the following page, displays individual case data for complaints filed in the State of New Mexico during this period. Although the type of complaints vary from year to year, the most consistent reasons for discrimination in the complaints are disability, race, national origin, and familial status.

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<sup>2</sup> It should be noted that being low-income is not a protected class under federal or State fair housing law.

Exhibit V-8.  
Individual Case Complaints Filed in with HUD, 1998 to 2005



Source: U.S. Department of Housing and Urban Development, April 2005

We also examined how the cases were resolved and compared resolutions by type of complaint. These data are presented in Exhibit V-9. As shown below, the majority of complaints were found to have “no cause” or were successfully resolved through conciliation.

Exhibit V-9.  
Disposition of Complaints Filed with HUD, by Type, New Mexico, 1998 to 2005

	No Case Determination	Conciliation/Settlement Successful	Complaint Withdrawn	Dismissed for Lack of Jurisdiction	Unknown	Other	Total
Disability Status	43%	31%	14%	4%	4%	4%	100%
Family Status	38%	43%	11%	0%	4%	4%	9%
Sex	44%	24%	14%	5%	10%	3%	3%
Harassment	54%	23%	15%	8%	0%	0%	3%
National Origin	62%	12%	7%	3%	7%	9%	11%
Race	53%	17%	14%	3%	9%	4%	3%
Retaliation	62%	15%	8%	0%	15%	0%	3%

Source: U.S. Department of Housing and Urban Development, April 2005.

Complaints filed with the State Human Rights Commission. According to the State's Human Rights Division (Division), complaints about housing discrimination are not investigated by the agency, but referred directly to HUD. The agency reports receiving between one and two calls annually that concern housing discrimination.

**Recent Legal Cases.** As part of the fair housing analysis, recent legal cases were reviewed to determine significant fair housing issues and trends in New Mexico. Searches of the Department of Justice case and the National Fair Housing Advocate databases found 10 published cases involving the Fair Housing Act in New Mexico. These cases are described below.

**United States vs. Madrid (2004).** In June 2004, this complaint was filed in response to resident complaints of harassment to tenants living on the properties of Trinity Housing Living Service—owned, operated, and managed by David Madrid who is a resident of Albuquerque. Residents, typically mentally disabled, complained of persistent physical and sexual harassment, as well as abusive and discriminatory harassment, including but not limited to verbal harassment. The allegations include the threatened eviction of discriminated tenants if they sought legal action. In addition, specific instances of sexual abuse to female tenants were followed with threats of eviction or discrimination if legal action was sought.

**United States vs. Javier Villegas and Jose Villegas (2003).** In January 2003, the United States Attorney's Office for the District of New Mexico, on behalf of HUD, alleged a breach of a conciliation agreement on the part of Javier Villegas, the owner of a rental trailer in Albuquerque, and Jose Villegas, the adult son of Javier Villegas. Javier and Jose Villegas entered into a conciliation agreement with HUD regarding two sexual harassment complaints, but then failed to pay the \$1,500 agreed upon in the conciliation process. This case was brought to the courts to enforce the conciliation agreement, enjoin the Villegases from violating the Fair Housing Act, award compensatory and punitive damages to the complainants, and assess a civil penalty.

**United States vs. Queens Point Manor, et. Al (2003).** In January 2003, Queens Point Manor was charged with fair housing discrimination when they refused to rent apartments on the basis of familial status. The Fair Housing Project of the Legal Aid Society of Albuquerque, Inc. conducted testing at Queens Point Manor and found that the apartment complex had stated preferences to rent to families without children and quoted higher rental rates to families with children. In addition, the complex had published advertisements designed to promote renting to families without children. The Court prohibited Queens Point Manor from future acts of discrimination on the basis of familial status and required the implementation of the following ameliorative measures: rescind the policies set forth above, include "Families with Children Welcome" in all advertising, implement fair housing training for employees, submit to record keeping and reporting requirements, and pay \$12,000 for damages to aggrieved persons and a civil penalty. The Court order will remain in effect for three years and nine months and applies to all rental properties owned/managed or operated by the owners/managers of Queens Point Manor.

**United States vs. Fair Plaza Associates, et. Al (2002).** In September 2002, the United States filed a lawsuit against the owners and managers of the El Pueblo Apartments, the Fair Plaza Apartments, and the Playa del Sol Apartments in Albuquerque, alleging familial status and race discrimination. The allegations include the apartment owners/managers refusing to rent an apartment to a man with a small child, and wrongfully evicting a tenant after his African American fiancée moved in. Additionally, the owners/managers gave different information about available units to paired

testers from the local Legal Aid Society and from the Division based on the race of the testers and whether the testers had children.

**United States vs. Sunburst Mobile Home Village, Inc. (2002).** On November 26, 2002, the Housing Division charged Mr. Geiger, the owner of Sunburst Mobile Home Village, and Mr. Riviera, the Mexican American onsite manager, for engaging in a pattern or practice of discrimination on the basis of national origin in violation of the Fair Housing Act. Specifically, their rental practices revealed a pattern of discriminatory treatment of tenants and rental applicants of Cuban national origin. The defendants were charged \$19,000 in monetary damages and a \$1,000 civil penalty. Additionally, the defendants were required to establish nondiscriminatory standards and procedures at the mobile home park, notify all employees and tenants of their nondiscriminatory policies, attend fair housing training, pay for three years of fair housing testing, and file reports with the Justice Department for three years.

**United States vs. Vernon (1999).** Based upon evidence obtained through the Legal Aid Society of Albuquerque's testing program, the Justice Department claimed that the owner and operator of Monterey Manor Apartments discriminated against African Americans and families with children. African American testers who visited the complex were informed that there were no apartment units available, while the paired White tester was told that there was a unit either available or becoming available shortly. The former resident manager admitted liability of the charge and was required to pay \$75,000 in monetary relief, including \$25,000 in civil penalties for the owner of the complex, and \$1,000 in civil penalties for the former resident manager. The court also required the owner to send his employees to fair housing training, implement and advertise non-discriminatory rental policies, and pay for self-testing over the next several years.

**United States Justice Department vs. First National Bank of Doña Ana County (1997).**<sup>3</sup> In 1997, a federal court approved a settlement agreement resolving charges that First National Bank of Doña Ana County engaged in a pattern of discrimination against Hispanic borrowers seeking financing for mobile homes from January 1992 through March 1995. Discriminatory practices allegedly included applying stricter underwriting standards to Hispanics than to similar White applicants, in violation of the Fair Housing Act and Equal Credit Opportunity Act. First National Bank of Doña Ana County, at the time the largest bank in Las Cruces, agreed in the settlement to establish a \$485,000 fund to compensate the Hispanic applicants who were unfairly denied loans. The bank also agreed to create a \$750,000 fund allowing applicants to purchase mobile homes at reduced interest rates, First National Bank also consented to target Doña Ana County's Hispanic population for homeownership seminars and marketing programs.

According to the settlement agreement, First National Bank cooperated voluntarily with the investigation and denied all allegations in the complaint. The bank maintained that its mobile home lending program provides nondiscriminatory assistance to the Hispanic population in Doña Ana County.

It should also be noted that First National Bank received an "Outstanding" CRA rating in 1995 despite the high number of Hispanic application denials. The investigating office reported later that the review of the bank's records did not contain an evaluation of mobile homes loans because it was believed the mobile home loan review was completed in 1993. However, the Justice Department's investigation uncovered discriminatory treatment of the bank's mobile home loans, beginning in 1990.

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<sup>3</sup> United States of America v. First National Bank of Doña Ana County, Civil Action No.: 97-0096 HB.

First National Bank of Doña Ana County was sold to First Security Corporation in 1999. In 2000, First Security corporation merged with Wells Fargo & Company.

**United States Justice Department vs. Village of Hatch, New Mexico (1996).**<sup>4</sup> In a second Doña Ana County case, the Village of Hatch agreed to pay \$260,000 to settle claims that it had violated the Fair Housing Act by discriminating against Hispanic individuals by selectively enforcing a zoning ordinance that banned mobile homes. The lawsuit alleged that Hatch’s zoning ordinance barring mobile homes, was only enforced in areas of the town that were mainly populated by legal migrant farm workers. Due to the ordinance, several persons were forced to relocate from Hatch and live in substandard areas outside of town, known as “colonias.”

**Sandoval vs. Mazer (1995).** In September 1995, Jose Rudy Sandoval and his ex daughter-in-law, Lori Ann Sandoval, filed a claim against Boyd and Carmen Mazer, owners of the North Court Mobile Home Park, for refusal to rent based on familial status, and violation of the Fair Housing Act. Mr. Sandoval attempted to purchase a mobile home for Ms. Sandoval and her children, located in the North Court Mobile Home Park. However, he was unable to purchase the mobile home because the Mazers refused to lease the space upon which the mobile home was located, indicating that they did not want children on their property. The Mazers claim that their refusal to rent was due to problems with the septic system at the time, and because of their policy requiring all homes to be occupied by the owner. However, mobile home park managers, Eugene and Bernadette Padilla, testified that the Mazers repeatedly instructed them not to rent space to families with children or teenagers.

**United States vs. Wes Winters, Jr. (1994).** The United States, on behalf of Clyde and Judy Mercer and Susan Anderson, sued Wes Winters, Jr., in October 1994, for refusing to rent or negotiate on the basis of familial status. Wes Winters, Jr., owns and operates Wes Winters Resort Park, a park for manufactured residential homes. The court found Wes Winters, Jr. liable for fair housing discrimination and ordered him to pay compensatory and punitive damages to the Mercers and Ms. Anderson. Further, the order enjoined him from further fair housing discrimination, required him to take certain ameliorative actions, and ordered him to maintain records by which his compliance with the ruling could be monitored for a period of three years.

#### Discrimination of American Indians in Housing

According to a study done by the Urban Institute for the Department of Housing and Urban Development in 2003, American Indians are more likely to be discriminated against when looking for rental housing in cities than any other group in America. The study, *Discrimination in Metropolitan Housing Markets: Phase 3—Native Americans*, made use of the paired testing method, in which an American Indian prospective renter or homebuyer with a similar economic status as a White prospective renter or homebuyer, would make an inquiry about the same properties. According to the study, the discrimination encountered was not “outright door slamming, but a pattern of treatment that favors Whites and ultimately limits the housing choices and increases the cost of housing search for American Indians.”<sup>5</sup>

The study showed American Indian renters were most likely to be discriminated against, approximately 29 percent of the time. Previous studies of African Americans, Asians and Pacific

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<sup>5</sup> *Discrimination in Housing Markets: Phase 3—Native Americans*, U.S. Department of Housing and Urban Development, September 2003.

Islanders, and Hispanic/Latinos showed discrimination rates of 22 percent for African Americans, 21 percent for Asians and Pacific Islanders, and 26 percent for Hispanic/Latinos.

The study looked at metropolitan areas within three states (Minnesota, Montana and New Mexico). The metropolitan areas tested included in New Mexico included Albuquerque, Las Cruces, and Santa Fe. One hundred twenty-five tests were completed on rental units in New Mexico and 100 tests were completed on homeownership units in New Mexico. Discrimination levels for American Indians for rental units were 25.7 percent and 16.6 percent for homebuyer discrimination.

There are four types of measured discrimination for renters: housing availability (do they lie to you about whether a unit is for rent?), housing inspections (do they let you see the place?), housing costs (the incentives, price citations, or discounts given), and agent encouragement (did they make arrangements for contact, or give you the right phone number?). In New Mexico, *only housing availability* showed a statistically significant chance that American Indians are being discriminated against.

There are five types of measured discrimination for buyers: housing availability, housing inspections, geographic steering (do they encourage you to live in one place rather than another), financing assistance (similar to housing cost for renters), and agent encouragement. The only statistically significant measure was in regards to *geographic steering* where American Indian homebuyers were not shown homes in neighborhoods that were predominantly White.

#### Lending Analysis

This section contains a review of recent New Mexico legislation and State initiatives concerning fair lending practices and an analysis of data for home purchases and home improvement loans made by lending institutions with home offices in New Mexico, as well as lending institutions who are not located in New Mexico but have made loans in the State. It also includes a review of Community Reinvestment Act rankings of financial institutions located in the State that are located outside of the metropolitan areas, and a review of Primary Mortgage Insurance Companies data.

The Federal Financial Institutions Examination Council (FFIEC) is responsible for facilitating public access to data that depository institutions must disclose under the Home Mortgage Disclosure Act of 1975 (HMDA). The FFIEC is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS), and to make recommendations to promote uniformity in the supervision of financial institutions.

Community Reinvestment Act (CRA) ratings and Home Mortgage Disclosure Act (HMDA) data from the FFIEC are commonly used in AIs to examine fair lending practices within a jurisdiction. Used in conjunction, these data sets can identify potential or existing lending discrimination or community disinvestment. A new data set of private mortgage insurance companies (PMIC) was also obtained and reviewed in this analysis.

New Mexico Legislation. New Mexico Governor Richardson recently signed into law The Home Loan Protection Act (SB 449 or HB 649), a law addressing predatory lending issues in New Mexico. The law became effective on January 1, 2004.

The Act's key protections on high-cost home loans include a limitation on the financing of fees to two percent of the loan amount, and a requirement that all potential borrowers first talk with a certified housing counselor who can explain the costs of the loan. On all loans, the bill requires that borrowers receive the best loan they qualify for from a financial institution, regardless of which affiliate they apply to, and that refinancing provide borrowers with a reasonable tangible net benefit. The interest rate (not APR) threshold is set at the comparable Treasury rate plus 7 percent on first liens, comparable Treasury rate plus 9 percent on second liens.

The Act also contains the following provisions, which, in general, prohibit many of the common components of predatory loans:

- Basic loan flipping protection — requires reasonable tangible net benefit on any refinancing;
- Prohibits financing of single-premium credit insurance;
- For all high-cost home loans:
  - Requires home counseling;
  - Ability to repay requirement — safe harbor for lender if meets FHA/VA guidelines;
  - No balloon payments;
  - No negative amortization;
  - No increased interest rate after default;
  - No more than two prepaid payments;
  - No mandatory arbitration clause that limits borrower's legal rights;
  - Fees to modify, renew, extend or amend high-cost loans have to be bona fide, reasonable and actual;
  - No encouragement of default on previous loan;
  - Late payment protections (including limit to 5 percent of payment amount); and
  - No prepayment penalty (all prepaids are already illegal under current New Mexico law aside from the Alternative Mortgage Transaction Parity Act of 1982 (AMTPA) issues; the practical effect of this is just to provide additional remedies on high-cost home loans).<sup>6</sup>

<sup>2005</sup> proposed legislation. At the time this section was produced, there were several bills before the State legislature to regulate more closely the subprime and predatory lending industry:

**HB 372, SB 200, and SB 787 Consumer Loan Act.** These bills would cap interest rates on consumer loans at 36 percent a year and require operators to be licensed.

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<sup>6</sup> Data on the New Mexico Home Loan Protection Act (SB 449 and HB 649) is taken from ACORN, March 8, 2003, <http://www.acorn.org/index.php?id=1036>.

**HB 65 Payday Loan Regulation and HB 674 Regulation of Payday Loans.** These bills relate to financial transactions and provide for the regulations of payday loans.

**SB 675 Mortgage Lenders & Brokers Licensure Act.** The bill creates licensing requirements for mortgage lenders and mortgage brokers; provides power to the Director of Financial Institution's Division of the Regulations and Licensing Department; imposes fees; enacts the Mortgage Lenders and Brokers Licensure Act; and provides penalties.

**SM 42 Loan Originator Licensing & Education.** This bill is requesting a study, a report, and recommendations regarding individual loan originator licensing and education requirements.

**SB 694 Home Loan Flipping Provisions.** This is an act about amending provisions concerning the practice of flipping a home loan.

**SB 258 Legal Education Loan Repayment Program.** This bill is in its final version. It is an act relating to legal education; establishing a legal education Loan Repayment Program for Attorneys serving in public service employment; creating a Public Service Law Advisory Committee.

**Payday loans.** The New Mexico Attorney General, Patricia Madrid, launched an advertising campaign on in March 2005 warning, New Mexico consumers of the potential dangers of high interest payday loans. Payday loans are short term, high interest loans. The advertising campaign includes information on the Attorney General's website ([http://www.ago.state.nm.us/divs/cons/loans/cons\\_loans.htm](http://www.ago.state.nm.us/divs/cons/loans/cons_loans.htm)) and television public service announcements.

**CRA review.** The federal CRA requires that financial institutions progressively seek to enhance community development within the area they serve. On a regular basis, financial institutions submit information about mortgage loan applications as well as materials documenting their community development activity. The records are reviewed as part of CRA examinations to determine if the institution satisfied CRA requirements. The assessment includes a review of records as related to the following:

- Commitment to evaluating and servicing community credit needs;
- Offering and marketing various credit programs;
- Record of opening and closing of offices;
- Discrimination and other illegal credit practices; and
- Community development initiatives.

The data are evaluated and a rating for each institution is determined. Ratings for institutions range from substantial noncompliance in meeting credit needs to an outstanding record of meeting a community's credit needs. Approximately 26 percent of the ratings in New Mexico were completed for banks outside of the entitlement cities.<sup>7</sup> Exhibit V-10 shows the CRA Ratings for 277 examinations of 94 financial institutions with home offices in New Mexico cities outside of the metropolitan areas for which CRA exam data were reported.

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<sup>7</sup> The entitlement cities include Albuquerque, Farmington, Las Cruces, Rio Rancho and Santa Fe.

Exhibit V-10.  
 CRA Ratings, Areas Outside of the MSAs in  
 New Mexico,  
 July 1990 to April 2005

Note: Some banks may have been examined more than once.  
 Source: FFIEC Interagency CRA Rating, April 2005.

Rating	Number of examinations	Percent
Outstanding	63	23%
Satisfactory	208	75%
Needs Improvement	6	2%
Substantial Noncompliance	0	0%

As shown in the exhibit, three-quarters of the institutions currently have a rating of satisfactory, and 23 percent were rated outstanding. This distribution of rankings is similar for banks located in the entire State of New Mexico. However, 9 percent of the ratings for the entire State received a “needs improvement” rating.

In recent years, the significance of CRA ratings in measuring community investment has been questioned by many involved in local community development. As the financial condition of banks has improved, audits have become less frequent, so CRA ratings are not always a recent measure of community investment performance. Furthermore, with the expansion of online lending and bank mergers, measures of local lending have become less important in measuring local access to credit. Therefore, it is important to examine other lending data along with the CRA data when considering the performance of lending institutions.

Home Mortgage Disclosure Act (HMDA) Analysis. The National Fair Housing Alliance reported that in 2003, mortgage lending discrimination was the second largest form of discrimination reported to private fair housing groups throughout the United States.<sup>8</sup> The best source of analysis of mortgage lending discrimination is HMDA data. HMDA data consist of information about mortgage loan applications for financial institutions, savings and loans, savings banks, credit unions, and some mortgage companies.<sup>9</sup> The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data can provide a picture of how different applicant types fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with nonminorities that have similar income and credit characteristics, areas of potential discrimination may be detected.

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<sup>8</sup> 2004 *Fair Housing Trends Report*, National Fair Housing Alliance, April 7, 2004.

<sup>9</sup> Financial institutions are required to report HMDA data if they have assets of more than \$32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than \$10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race, or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

The HMDA data tables in this section present summary HMDA data for the State of New Mexico as a whole, and data outside of three Metropolitan Statistical Areas (MSA) in New Mexico. The MSAs not included are: Albuquerque MSA, Las Cruces MSA, and Santa Fe MSA. It should be noted that discriminatory practices cannot be definitively identified from a review of aggregate HMDA data. Lending discrimination tests require detailed statistical analysis and comparative tests of individual loan files. However, examinations of denial rates and general applicant characteristics can suggest areas for further examination.

**Loan applications and action taken.** HMDA data available for the 2003 calendar year were used in this analysis. During 2003, there were 5,830 government guaranteed home mortgage loan applications made in the areas outside of the MSAs of the State, and 50,010 conventional loan applications in the areas outside of the MSAs of the State.

As for the entire State of New Mexico, there were 33,133 government guaranteed home mortgage loan applications and 183,218 conventional loan applications.

Forty-nine percent of the applications for government guaranteed loans were originated and 11 percent of these applications were denied in the areas outside of the MSAs. Conventional home purchase loans had an origination rate of 43 percent and 26 percent of the applications denied. (Higher origination rates for government guaranteed loans are typical since these loans usually provide more flexible underwriting standards). Most of the loan applications were for refinancing existing home loans; these represented 68 percent of the applications. Twenty-eight percent were for home purchases. Four percent were for home improvement loans.

For the entire State of New Mexico, 51 percent of the applications for government guaranteed loans were originated and 7 percent of these applications were denied. Conventional home purchase loans had an origination rate of 50 percent with 18 percent of the applications denied. Again, most of the loan applications were for refinancing existing home loans; these represented 68 percent of the applications. Twenty-eight percent were for home purchases. Three percent were for home improvement loans.

**Race/ethnicity of loan applicants.** Forty-eight percent of the State's loan applications made outside the MSAs (about 26,900 applications) were from applicants who reported their race to be White. The race/ethnicity for 22 percent of the applicants was unknown or not reported (about 12,400). Twenty-four percent were from persons of Hispanic origin (about 13,200 applications) and 3 percent of the applications were from American Indians (about 1,600).

Forty-eight percent of the entire State of New Mexico's loan applications (about 103,600 applications) were from applicants who reported their race to be White. The race/ethnicity for 21 percent of the applicants was unknown or not reported (about 46,000). Twenty-six percent were from persons of Hispanic origin (about 55,300 applications).

**Loan amounts.** Exhibit V-11 and V-12 shows the loan amounts by loan purpose (purchase, improvement, or refinance), by race and ethnicity for the areas of the State where a MSA was not reported, and for the entire State.

In the areas outside of the MSAs, the loan amounts requested for home purchases were fairly similar, with Whites, African Americans, and persons reporting an Other race or not reporting their race. Asian households requested the highest amounts for loan purchases, with an average amount of \$117,700. For refinances, Asians, Whites, and “Other” had the highest loan balances for refinancing; African Americans had the lowest. In general, however, the average loan requests are similar enough that they would not be a primary factor in explaining variance in denial rates among minority groups.

Exhibit V-II.

Average Loan Amount Requested by Loan Purpose and Race/Ethnicity, Areas Outside of the MSAs of New Mexico, 2003

<b>Race/ Ethnicity</b>	<b>Home Purchase</b>	<b>Home Improvement</b>	<b>Refinance</b>
American Indian/Alaskan Native	\$57,741	\$11,307	\$92,055
Asian/Pacific Islander	\$117,701	\$20,500	\$109,137
African American	\$98,938	\$16,080	\$89,492
Hispanic/Latino	\$71,343	\$17,402	\$90,705
White	\$99,164	\$25,144	\$105,959
Other	\$98,411	\$60,140	\$104,339
Unknown	\$96,081	\$28,794	\$90,598
Not Applicable	\$83,031	\$71,714	\$110,048

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

For the State overall, the loan amounts requested for home purchases were fairly similar, with Whites, African Americans, and persons reporting an Other race or not reporting their race. Asian households requested the highest amounts for loan purchases, with an average amount of \$142,342. For refinances, applications where the race was unknown had the highest loan balances for refinancing, and Asians and Whites had the next loan balances for refinancing; American Indians had the lowest. In general, however, the average loan requests are similar enough that they would not be a primary factor in explaining variance in denial rates among minority groups.

Exhibit V-12.

Average Loan Amount Requested by Loan Purpose and Race/Ethnicity, New Mexico, 2003

Race/ Ethnicity	Home Purchase	Home Improvement	Refinance
American Indian/Alaskan Native	\$77,167	\$12,926	\$106,132
Asian/Pacific Islander	\$142,342	\$36,257	\$130,515
African American	\$122,306	\$26,869	\$117,566
Hispanic/Latino	\$102,306	\$20,194	\$108,901
White	\$133,067	\$32,335	\$133,616
Other	\$132,801	\$35,969	\$125,767
Unknown	\$128,330	\$29,821	\$118,604
Not Applicable	\$114,304	\$98,128	\$145,255

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

**Dispositions of loans.** Overall, 50 percent of loans in New Mexico were originated, while 43 percent of loans in the areas outside of the MSAs were originated. In the areas outside of the MSAs, 7 percent of the loan offers were not accepted by the applicants and 25 percent of the loan applications were denied by the financial institutions. Eleven percent of the loan applications were withdrawn by applicants during the application process; 2 percent of the loan files were closed for incompleteness; and 13 percent of the loans were purchased by an institution.

As shown in Exhibit V-13, in the areas outside the MSAs, American Indian/Alaskan Natives had loan origination rates 30 percent lower than Whites, and “Unknown” applicants were 29 percent lower than Whites. American Indians and “Others” had the highest loan denial rates at 50 percent and 41 percent, respectively.

Exhibit V-13.

Action Taken on Loan by Race/Ethnicity, Areas Outside of the MSAs of New Mexico, 2003

Race/ Ethnicity	Loan originated	Loan not accepted by applicant	Loan denied	Application withdrawn	File closed	Purchased by institution	Total
American Indian/Alaskan Native	25%	8%	50%	12%	1%	3%	1,624
Asian/Pacific Islander	50%	7%	22%	8%	4%	8%	227
African American	41%	8%	30%	9%	4%	9%	569
Hispanic/Latino	43%	8%	31%	10%	2%	6%	13,243
White	56%	7%	19%	8%	2%	9%	26,936
Other	31%	6%	41%	14%	2%	6%	809
Unknown	26%	7%	34%	24%	2%	6%	9,041
Not Applicable	2%	0%	1%	1%	-	96%	3,391
<b>All loan applications</b>	<b>43%</b>	<b>7%</b>	<b>25%</b>	<b>11%</b>	<b>2%</b>	<b>13%</b>	<b>55,840</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

As shown in Exhibit V-14, the State of New Mexico’s American Indian/Alaskan Natives had loan origination rates 27 percent lower than Whites, and “Unknown” applicants were 29 percent lower than Whites. American Indians and “Others” had the highest loan denial rates at 40 percent and 29 percent, respectively.

Exhibit V-14.  
Action Taken on Loan by Race/Ethnicity, New Mexico, 2003

Race/ Ethnicity	Loan originated	Loan not accepted by applicant	Loan denied	Application withdrawn	File closed	Purchased by institution	Total
American Indian/Alaskan Native	35%	7%	40%	11%	1%	6%	3,154
Asian/Pacific Islander	61%	7%	13%	6%	3%	11%	2,183
African American	49%	6%	22%	9%	2%	12%	2,673
Hispanic/Latino	51%	7%	22%	9%	2%	9%	55,370
White	62%	6%	12%	7%	2%	11%	103,609
Other	42%	6%	29%	14%	2%	6%	3,320
Unknown	33%	7%	27%	21%	3%	10%	30,119
Not Applicable	2%	0%	0%	0%	-	97%	15,924
<b>All loan applications</b>	<b>50%</b>	<b>6%</b>	<b>17%</b>	<b>9%</b>	<b>2%</b>	<b>17%</b>	<b>216,352</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

Exhibits V-15 and V-16 show the origination and denial rates for conventional loans and government guaranteed loans by race/ethnicity for the entire State and the areas outside of the MSAs. government guaranteed loans had higher denial rates than conventional loans. Denial rates were also higher in the areas outside of the MSAs than the denial rates for the State of New Mexico.

American Indian/Alaskan Natives had the highest percentage of conventional loans and government guaranteed loans denied for both locations.

Exhibit V-15.  
Action Taken on Conventional Loans by Race/Ethnicity, New Mexico, 2003

Race/ Ethnicity	All Loan Applications			Outside of MSAs		
	Loan originated	Loan denied	Total	Loan originated	Loan denied	Total
American Indian/Alaskan Native	32%	<b>44%</b>	2,665	24%	<b>52%</b>	1,520
Asian/Pacific Islander	62%	14%	1,948	51%	23%	199
African American	45%	<b>27%</b>	1,895	36%	<b>36%</b>	412
Hispanic/Latino	49%	<b>24%</b>	45,521	42%	<b>32%</b>	11,993
White	62%	13%	89,045	55%	20%	23,974
<b>All loan applications</b>	<b>50%</b>	<b>18%</b>	<b>183,219</b>	<b>43%</b>	<b>26%</b>	<b>50,010</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

Exhibit V-16.  
Action Taken on Government Guaranteed Loans by Race/Ethnicity, New Mexico, 2003

Race/ Ethnicity	All Loan Applications			Outside of MSAs		
	Loan originated	Loan denied	Total	Loan originated	Loan denied	Total
American Indian/Alaskan Native	54%	14%	489	47%	21%	104
Asian/Pacific Islander	52%	6%	235	46%	14%	28
African American	57%	10%	778	55%	14%	157
Hispanic/Latino	57%	11%	9,849	56%	16%	1,250
White	61%	6%	14,564	61%	11%	2,962
<b>All loan applications</b>	<b>51%</b>	<b>7%</b>	<b>33,133</b>	<b>49%</b>	<b>11%</b>	<b>5,830</b>

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

**Reasons for loan denials.** The HMDA data contain some information about the reasons for denials of the loan applications. For all loans that were denied in the State of New Mexico, the primary reason was credit history (30 percent), followed by other (20 percent), and incomplete credit application (16 percent). There was little difference between the reasons for denial among minorities and Whites.

The following exhibit shows the reasons for denial by race and ethnicity for the State of New Mexico.

Exhibit V-17.  
Reasons for Denial of Loans by Race and Ethnicity, New Mexico, 2003

Denial Reason	American Indian/Alaskan Native	Asian/Pacific Islander	African American	Hispanic/Latino	White	Other	Unknown	Not Applicable	Total
Debt-to-income ratio	12%	15%	13%	15%	12%	7%	21%	15%	14%
Employment history	3%	4%	1%	2%	2%	2%	1%	5%	2%
<b>Credit history</b>	<b>42%</b>	<b>31%</b>	<b>34%</b>	<b>33%</b>	<b>26%</b>	<b>18%</b>	<b>30%</b>	<b>20%</b>	<b>30%</b>
Collateral	14%	8%	12%	12%	14%	9%	15%	20%	13%
Insufficient cash	2%	2%	2%	2%	2%	1%	2%	5%	2%
Unverifiable information	1%	5%	3%	2%	4%	2%	2%	5%	3%
<b>Credit application incomplete</b>	<b>8%</b>	<b>18%</b>	<b>17%</b>	<b>14%</b>	<b>20%</b>	<b>28%</b>	<b>12%</b>	<b>10%</b>	<b>16%</b>
Mortgage insurance denied	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Other</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>19%</b>	<b>20%</b>	<b>34%</b>	<b>17%</b>	<b>20%</b>	<b>20%</b>
<b>All loan applications</b>	<b>1,138</b>	<b>285</b>	<b>540</b>	<b>11,427</b>	<b>12,606</b>	<b>855</b>	<b>5,335</b>	<b>20</b>	<b>32,206</b>

Note: The Reasons for Denial fields are optional fields where they identify why an application was not approved. As many as three reasons may be reported.

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

As demonstrated in the exhibits, poor credit history is the major reason for application denials. Incomplete credit applications, the category “Other,” high debt-to-income ratio, and lack of collateral are other primary factors for loans to be denied.

**Denials by county.** Seventeen percent of all loan applicants in the State of New Mexico were denied. The following exhibit shows the loan denial rates by county. There are 27 counties with denial rates above the State denial rate of 17 percent. These counties are highlighted in bold below. Hidalgo County and Guadalupe County had the highest denial rates in the State, with 44 percent and 38 percent, respectively, of their loans denied.

Exhibit V-18.  
Percent of Loans Denied by County, New  
Mexico, 2003

Source: FFIEC HMDA Raw Data 2003 and BBC Research &  
Consulting.

County	Percent Denied	Total Applications
Bernalillo	13%	92,076
<b>Carton</b>	<b>31%</b>	<b>197</b>
<b>Chaves</b>	<b>23%</b>	<b>4,452</b>
<b>Cibola</b>	<b>33%</b>	<b>1,135</b>
<b>Colfax</b>	<b>21%</b>	<b>1,363</b>
<b>Curry</b>	<b>19%</b>	<b>3,312</b>
<b>DeBaca</b>	<b>26%</b>	<b>57</b>
<b>Dona Ana</b>	<b>18%</b>	<b>16,333</b>
<b>Eddy</b>	<b>27%</b>	<b>3,241</b>
<b>Grant</b>	<b>23%</b>	<b>1,959</b>
<b>Guadalupe</b>	<b>38%</b>	<b>261</b>
<b>Harding</b>	<b>29%</b>	<b>21</b>
<b>Hidalgo</b>	<b>44%</b>	<b>206</b>
<b>Lea</b>	<b>30%</b>	<b>3,374</b>
Lincoln	15%	3,080
Los Alamos	4%	3,286
<b>Luna</b>	<b>28%</b>	<b>1,327</b>
<b>McKinley</b>	<b>34%</b>	<b>2,102</b>
<b>Mora</b>	<b>33%</b>	<b>206</b>
<b>Otero</b>	<b>20%</b>	<b>4,643</b>
<b>Quay</b>	<b>30%</b>	<b>416</b>
<b>Rio Arriba</b>	<b>23%</b>	<b>3,149</b>
<b>Roosevelt</b>	<b>28%</b>	<b>918</b>
Sandoval	14%	18,341
<b>San Juan</b>	<b>25%</b>	<b>9,510</b>
<b>San Miguel</b>	<b>32%</b>	<b>2,291</b>
Santa Fe	13%	22,935
<b>Sierra</b>	<b>23%</b>	<b>856</b>
<b>Socorro</b>	<b>28%</b>	<b>1,057</b>
<b>Taos</b>	<b>19%</b>	<b>3,807</b>
<b>Torrance</b>	<b>31%</b>	<b>1,506</b>
<b>Union</b>	<b>25%</b>	<b>221</b>
<b>Valencia</b>	<b>24%</b>	<b>8,322</b>
<b>NA</b>	<b>29%</b>	<b>391</b>
<b>Total</b>	<b>17%</b>	<b>216,351</b>

Exhibit V-19 shows denial rates by race/ethnicity for each county in New Mexico. Although some of the minority populations may be small within the counties, it is still a good method to compare denials throughout the State. The shaded areas of the exhibit indicate denial rates by race/ethnicity that are greater than the percentage of loans denied for the county overall.

A look at the exhibit reveals the Hispanic/Latino loan applicants *consistently* have a higher percentage of loan applicants that are denied when compared to the overall county denial rate they are located in, than other race/ethnic categories. Guadalupe County was the only county where White loan applicants had a higher percentage of loans denied (40 percent) relative to the percentage of loans denied in the county (38 percent).

Exhibit V-19.

Percent of Loans Denied by Race and Ethnicity and County, State of New Mexico, 2003

County	American Indian/ Alaskan Native		Asian/ Pacific Islander		African American		Hispanic/ Latino		White		Total Applications	
	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans	% denied	Loans
Bernalillo	25%	864	13%	1,408	20%	1,416	18%	24,400	9%	43,467	13%	92,076
Carton	0%	1	0%	0	0%	1	29%	14	30%	124	31%	197
Chaves	36%	14	25%	16	35%	46	31%	1,289	16%	2,159	23%	4,452
Cibola	57%	84	100%	1	38%	8	34%	335	26%	437	33%	1,135
Colfax	33%	9	0%	0	50%	4	33%	241	15%	810	21%	1,363
Curry	39%	18	23%	22	29%	94	32%	496	17%	1,695	19%	3,312
DeBaca	0%	0	0%	0	0%	0	45%	11	14%	29	26%	57
Dona Ana	33%	75	10%	105	27%	171	27%	5,187	12%	6,414	18%	16,333
Eddy	28%	25	25%	12	32%	25	31%	689	24%	1,669	27%	3,241
Grant	31%	16	0%	1	0%	8	31%	489	17%	938	23%	1,959
Guadalupe	0%	1	100%	4	0%	0	35%	164	40%	25	38%	261
Harding	0%	0	0%	0	0%	0	33%	9	14%	7	29%	21
Hidalgo	0%	0	0%	0	0%	0	43%	63	39%	74	44%	206
Lea	50%	18	15%	20	48%	79	36%	844	26%	1,591	30%	3,374
Lincoln	8%	12	0%	11	25%	8	25%	397	12%	2,089	15%	3,080
Los Alamos	6%	16	7%	103	33%	12	8%	247	3%	2,435	4%	3,286
Luna	0%	1	50%	4	20%	15	34%	453	24%	539	28%	1,327
McKinley	59%	427	18%	17	33%	21	31%	373	22%	618	34%	2,102
Mora	0%	1	0%	0	100%	2	36%	104	29%	48	33%	206
Otero	46%	46	9%	22	18%	129	27%	684	16%	2,479	20%	4,643
Quay	100%	2	50%	2	0%	1	28%	106	24%	197	30%	416
Rio Arriba	51%	78	0%	8	33%	15	22%	1,734	19%	707	23%	3,149
Roosevelt	17%	6	0%	2	50%	2	41%	160	24%	489	28%	918
Sandoval	38%	341	12%	170	18%	330	17%	3,890	11%	9,500	14%	18,341
San Juan	49%	753	23%	35	43%	46	30%	972	21%	5,472	25%	9,510
San Miguel	73%	15	0%	6	17%	18	36%	1,235	20%	483	32%	2,291
Santa Fe	26%	161	7%	152	13%	104	18%	5,821	10%	11,863	13%	22,935
Serra	33%	6	0%	1	33%	3	29%	112	21%	546	23%	856
Socorro	58%	12	13%	8	21%	19	38%	359	20%	429	28%	1,057
Taos	37%	35	19%	21	0%	0	28%	1,127	13%	1,934	19%	3,807
Torrance	29%	14	0%	2	14%	7	38%	369	26%	779	31%	1,506
Union	0%	1	0%	0	0%	0	31%	49	25%	138	25%	221
Valencia	33%	95	34%	29	16%	87	27%	2,837	19%	3,297	24%	8,322
NA	14%	7	0%	1	50%	2	35%	110	23%	128	29%	391
<b>Total</b>	<b>40%</b>	<b>3,154</b>	<b>13%</b>	<b>2,183</b>	<b>22%</b>	<b>2,673</b>	<b>22%</b>	<b>55,370</b>	<b>12%</b>	<b>103,609</b>	<b>17%</b>	<b>216,351</b>

Note: The shaded areas indicate a higher percentage of loans denied than the county overall.

Source: FFIEC HMDA Raw Data 2003 and BBC Research & Consulting.

**What do the data suggest?** There are many reasons that loan approval rates may vary for applicants in the same income brackets—credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Without individual data about the applications analyzed previously, it is difficult to assess the presence of discrimination by race, ethnicity, or gender. Disparities in approval rates between racial and ethnic groups or genders are not definitive proof of housing discrimination; rather, the presence of disparities suggests the need for further inquiry. The data are also useful in determining what government sponsored programs might be needed to fill the gaps between what the private market is willing to provide and what is needed.

The HMDA data highlight areas where governments can work to improve access to credit for citizens. As shown in Exhibit V-17, poor credit histories and incomplete applications are the top reasons that credit is denied to citizens in the State of New Mexico.

The data also show that most minority populations (other than Asians) have higher denial rates than Whites for conventional loans. The denial rates for government guaranteed loans are more similar. However, statewide denial rates are slightly lower than denial rates in areas outside of the metropolitan areas.

**PMIC Analysis.** The Private Mortgage Insurance Companies (PMIC) dataset consists of seven private mortgage insurance companies that *voluntarily* compile and disclose data about the disposition of applications for mortgage insurance on conventional mortgages. The data contains information such as sex, race, national origin, loan amount, income, and property location on applications issued in a calendar year.

Private Mortgage Insurance (PMI) is extra insurance that lenders require from most homebuyers who obtain loans that are more than 80 percent of their new home’s value. In other words, buyers with less than a 20 percent down payment are normally required to pay PMI. However, recently there have been financing tools provided to homebuyers to avoid paying PMI. An example of this are second mortgages that typically are interest only loans.

In the State of New Mexico there were approximately 17,600 PMI applications made in 2003. Eighty-one percent of those applications were approved and one percent was denied. American Indians/Alaskan Natives had the highest denial rates with 5 percent of the PMI applications denied. Overall, there was little difference between the PMI originations and denials among minorities and Whites. These data are presented in Exhibit V-20.

Exhibit V-20.  
PMIC Action Taken on Insurance Applications by  
Race/Ethnicity for Loans Completed in New Mexico, 2003

Race/ Ethnicity	Loan insured	Application approved but not accepted	Application denied	Application withdrawn by applicant	File closed	Total
American Indian/Alaskan Native	81%	15%	3%	1%	0%	121
Asian/Pacific Islander	85%	11%	1%	3%	0%	152
African American	83%	13%	0%	3%	1%	187
Hispanic/Latino	80%	15%	1%	4%	1%	4,194
White	82%	13%	1%	4%	0%	8,520
Other	92%	6%	0%	2%	0%	726
Unknown	78%	16%	2%	3%	0%	3,666
<b>Total</b>	<b>81%</b>	<b>14%</b>	<b>1%</b>	<b>3%</b>	<b>0%</b>	<b>17,566</b>

Source: FFIEC PMIC Raw Data 2003 and BBC Research & Consulting.

When comparing PMI insurance applications made to areas outside of the metropolitan areas to the entire state, similar overall results concerning PMI originations and denials occurred—a 79 percent origination rate and 2 percent denial rate for areas outside of the MSAs. Asians and persons reporting an Other race had the highest approval rates of 94 percent and 92 percent, respectively. American Indians/Alaskan Natives had the highest denial rates with 5 percent of the insurance applications denied. In general, there was little difference between the insurance approval and insurance denial among minorities and Whites.

Exhibit V-21.  
 PMIC Action Taken on Insurance Applications by Race/Ethnicity  
 for Loans Completed in New Mexico Outside of the Metropolitan Areas, 2003

Race/ Ethnicity	Loan insured	Application approved but not accepted	Application denied	Application withdrawn by applicant	File closed	Total
American Indian/Alaskan Native	72%	23%	5%	0%	0.0%	60
Asian/Pacific Islander	94%	6%	0%	0%	0.0%	31
African American	79%	16%	0%	5%	0.0%	43
Hispanic/Latino	78%	15%	2%	5%	0.4%	957
White	79%	15%	2%	3%	0.3%	2,849
Other	92%	6%	0%	2%	0.0%	241
Unknown	78%	17%	1%	3%	0.0%	953
<b>Total</b>	<b>79%</b>	<b>15%</b>	<b>2%</b>	<b>3%</b>	<b>0.3%</b>	<b>5,134</b>

Note: The Metropolitan Areas include Albuquerque, Las Cruces and Santa Fe.  
 Source: FFIEC PMIC Raw Data 2003 and BBC Research & Consulting.

### Summary of Impediments to Fair Housing Choice

This section has examined fair housing impediments to residents in the State of New Mexico, focusing on the State’s nonentitlement areas. The section examined data from a variety of sources including seven public forums; a citizen survey; key person interviews; and reviews and analysis of data on fair housing complaints, legal cases, and mortgage lending, as well as State barriers to affordable housing.

The following barriers to fair housing were identified through this research:

**Presence of discrimination.** A review of complaint data, legal cases, and anecdotal evidence discussed in the public forums and key person interviews suggest that housing discrimination occurs in the State of New Mexico. In the citizen survey conducted for this study, 13 percent of citizens said they had faced housing discrimination. (This is very consistent with a nationwide study conducted for HUD, which found 14 percent of adults believed they had experienced housing discrimination). The top reasons for discrimination in the complaint data were disability, race, national origin, and familial status. Attendees at the forums said that discrimination based on familial status is a particular problem in many communities.

In addition, a recent study conducted by HUD found that American Indians in the State’s urban areas (Albuquerque, Santa Fe, and Las Cruces) experienced discrimination in rental transactions 25.7 percent of the time and in homebuying transactions 16.6 percent of the time. The study found that American Indians were told that rental housing was unavailable when it actually was, and were “steered” away from areas that were predominantly White by real estate professionals helping them locate a home to purchase.

**State fair housing law.** The State of New Mexico does not have a fair housing law that offers the same protections as the Federal Fair Housing Act (FHA). Although the State Human Rights Act prohibits discrimination on the basis of sexual orientation (which is not protected under federal fair housing law), the State’s Act does not cover familial status or have a reasonable accommodations provision related to housing.

The public forums and key person interviews suggest that discrimination based on familial status and discrimination based on disability occur in many communities in New Mexico and create barriers to fair housing choice. If the State were to make its fair housing law equivalent to the Federal FHA, citizens would have greater opportunities to pursue housing discrimination complaints at the State level. Currently, citizens who feel they have been discriminated against are referred to HUD to make a complaint, and do so via HUD's fair housing complaint hot line.<sup>10</sup>

*Disparities in loan origination rates and credit issues.* A review of home mortgage transactions in New Mexico found that, in 2003, American Indians had loan denial rates that were much higher than the rates of other racial and ethnic groups (50 percent of the loans applied for by American Indians in the State's non-MSAs were denied). The data also show that government guaranteed loans have much less disparity in loan origination and denial rates than conventional loans. Finally, the data found that the top reason for denials across every racial and ethnic group was poor credit history.

The HMDA data analysis also highlighted particular counties in the State where denial rates are much higher than the State's overall. These include Carton, Guadalupe, Hidalgo, Lea, McKinley, Mora, Quay, San Miguel, and Torrance.

The HMDA Analysis suggests that the State should invest in credit and homebuyer counseling programs—particularly in nonmetropolitan areas—to improve citizens' understanding of how to manage personal debt. The State should also work to ensure that minority populations are aware of government guaranteed loan programs, which appear to better serve these populations than conventional loan programs. Finally, financial literacy and homebuyer educational campaigns should be targeted—largely to American Indians and Hispanics/Latinos—in counties where denial disparities are the greatest and denial rates are high overall.

Finally, on a related note—the key people who were interviewed for the Consolidated Plan and AI repeatedly mentioned a need for New Mexicans to be better informed about their fair housing rights and better educated about lending products, to avoid being victims of predatory loans.

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<sup>10</sup> The City of Albuquerque has a Human Rights Office that does investigate some housing discrimination complaints under the City's fair housing ordinance. Constraints on funding prevent the office from investigating all complaints that are received.

SECTION VI.  
Five-Year Strategic Plan

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## **SECTION VI.**

# **State of New Mexico Five-Year Strategic Plan**

### **General**

**Geographic areas where assistance will be directed.** MFA administers the HOME, ADDI, ESG and HOPWA HUD block grants. These grants are eligible for allocation statewide except for the entitlement communities of Albuquerque and Las Cruces which receive HOME and ADDI directly. As the State's housing financing agency, the New Mexico Mortgage Finance Authority (MFA) directs available resources for affordable housing to each of the 33 counties in the state. Twenty-two counties in New Mexico have a poverty rate greater than 18.6 percent and all but two counties have a poverty rate that exceeds 12 percent. Six counties, primarily in the northwest portion of the state, have Native American populations that exceed 10 percent, while 15 counties have a Hispanic/Latino population that exceeds 43.7 percent. More than 140 communities in New Mexico have been designated by HUD as Colonias. These areas along with Native American Trust lands represent high concentrations of minority populations, low-income households and some of the state's worst housing conditions. The actual amount of resources that is invested in an area in any one year depends upon several factors. Certain funding sources have specific geographic targets resulting in differences in funding availability. The capacity to build housing and therefore the delivery system for investing in affordable housing varies substantially among communities in New Mexico. Further, the housing and community development needs also differ significantly throughout the state.

The Department of Finance (DFA) Local Government Division, which administers the small cities Community Development Block Grant (CDBG) program, will make funding available to all areas of the state except the cities of Albuquerque, Las Cruces, Santa Fe, Rio Rancho and Farmington.

**Basis for allocating investments geographically.** Funding for the State's HUD block grants is allocated geographically based on three considerations: 1) requirements of the funding source; 2) relative priority need for various types of housing activities and their associated costs; and 3) local support.

MFA determines high priority counties which receive scoring preferences on applications for funds. The prioritization is based on the following characteristics: poverty level, homeownership, cost burden, population change and housing condition based on recent census data. These priorities change from year to year based on the most current census updates.

**Housing priorities** The following five housing priorities were identified during the Consolidated Plan process and will guide the use of MFA administered HUD funding identified in this plan for the following five years:

Priority Number 1: Increase opportunities for homeownership.

Priority Number 2: Preserve the State's existing affordable housing stock.

Priority Number 3: Expand the supply of housing and services to assist the homeless.

Priority Number 4: Expand housing opportunities and access for special needs populations.

Priority Number 5: Expand the supply of decent affordable rental housing.

DFA/LGD has one CDBG funding round, with an application submittal date during the first weeks of January. Each application is reviewed, rated and ranked by DFA/LGD staff based on the following rating criteria:

The needs of the community;

Does the project meet the national objectives of benefiting low-and moderate-income persons, preventing or eliminating blight, or meeting or alleviating immediate threats to the health and welfare of the community;

Other funds leveraged in addition to the cash match;

Citizen participation;

Planning activities undertaken by the community and participation in the ICIP process;

Feasibility and readiness of project; and

CDBG cost per beneficiary benefit.

In the State of New Mexico, the Community Development Council (CDC) is the CDBG allocating authority. The CDC members are five state government representatives and seven Governor-appointed District Representatives. These 12 individuals are responsible for allocating the CDBG funds, holding public hearings to discuss proposed rules changes and adopting the State CDBG regulations for the coming year. The CDC can make selections following the DFA/LGD staff rating and rankings or can select projects using their own selection criteria.

**Community development priorities.** The following five priorities have been identify by DFA to pursue over the next five years:

Priority Number 1: Increase CDBG applications from communities that, in the past, have infrequently participated in the program.

Priority Number 2: Disburse majority of funds for community projects.

Priority Number 3: Encourage more housing related activities.

Priority Number 4: Encourage communities to repair dilapidated streets.

Priority Number 5: Encourage communities to provide adequate and safe drinking water.

**Obstacles to meeting needs.** Lack of sufficient funding is the primary obstacle to meeting needs in the State of New Mexico. The State has many high-poverty, low-employment areas with aging and substandard housing stock. Meeting the needs in the colonias, in particular, is difficult

because many of the colonias are not designated units of local government and, therefore, are ineligible to apply for funds from a variety of funding sources including CDGB. Additionally, using federal funds on tribal lands presents its own set of unique challenges, including having clear title to land, placing encumbrances on land, working with a number of tribal entities and political systems. Finally, there is a lack of capacity or a distribution network in many rural New Mexico communities that makes it difficult to deliver services where they are needed.

### **Managing the Process**

**Lead agencies.** The lead agency for preparing the State of New Mexico Consolidated Plan was the New Mexico Mortgage Finance Authority (MFA). MFA administers the State’s HOME (including ADDI), ESG and HOPWA grants. CDBG is administered by the Department of Finance and Administration (DFA), Local Government Division (LGD).

**Consolidated Plan development and consultation.** MFA convened a Planning Team, made up of representatives of housing, community development and special needs populations statewide, to advise MFA on the development of the Plan. The Team also assisted in getting input and participation from constituents. Individuals on the Team represented local Housing Authorities, persons who are homeless, persons with mental illness, children, reservations/pueblos, rural development, lenders, housing developments and real estate professionals. During the development of the Consolidated Plan, the Planning Team met with MFA, DFA and the Consolidated Plan consultants to discuss research and methodology issues, develop contacts for special needs interviews discuss research findings, identify top housing and community development needs and develop a draft strategic plan.

The housing and community development needs research for the Consolidated Plan was completed by BBC Research & Consulting, a Denver-based housing planning consulting firm, and Koerner Solutions, an Albuquerque-based housing policy consulting firm.

**Citizen participation process.** The development of the Consolidated Plan also involved a very extensive process of public outreach. In-person and telephone interviews were conducted with 27 stakeholders who represent the State’s citizens in need. The State also held seven public meetings throughout the State during the development of the Plan, in addition to eight public hearings after the Draft Consolidated Plan had been released. A citizen survey was distributed to attendees at the public meetings. Ninety-one surveys were received and analyzed.

**Citizen comments.** Section IV—Citizen Input and Needs Assessment contains the detailed methodology and findings from the citizen input and organization consultation processes for the Consolidated Plan. The section also contains a summary of the public comments received on the Draft Consolidated Plan.

Silver City

**Comment:** How many title companies are in this region (referring to the LTTF)? How do we get them to participate?

**Response:** That information available on the MFA website at [www.housingnm.org](http://www.housingnm.org). There are also instructions as to how to enroll in the Land Title Trust Fund.

**Comment:** Recommendation that MFA Increase it outreach efforts for MFA products.

**Response:** Thank you for your comment. MFA is continuously reviewing the effectiveness of its outreach plans and will make the necessary changes as necessary.

**Comment:** Representatives from El Refugio and Habitat for Humanity thanked MFA for all our help and support over the years.

**Response:** Thank you for your comment.

Clovis

**Comment:** CDBG Housing: More information is needed on eligible activities and how to apply. Specifically, can a profit and non-profit partner on a housing project and how would that work?

**Response:** Housing rehabilitation is an eligible activity and all eligible entities may apply for a housing rehab grant. The State of New Mexico has one competitive funding round per year. Applications are due on one designated day generally in early January. Applications for the next funding round are available from the Department of Finance and Administration (DFA) usually sometime in the summer. DFA holds an application workshop which coincides with the release of the application. The application includes the State regulations which outlines what information needs to be contained in the application and how each item will be scored. Scoring is based on a 100-point scale. DFA staff then score and rank all funding applications (except Planning) and the rankings are submitted to the State Community Development Council (CDC) for approval. In the State of New Mexico, the CDC is the CDBG allocating authority. The CDC members are five state government representatives and seven Governor-appointed District Representatives. These twelve individuals are responsible for allocating the CDBG funds, holding public hearings to discuss proposed rules changes and the adoption of state CDBG regulations for the coming year.

Eligible entities include all counties and municipalities in the State of New Mexico. Entitlement communities are ineligible to apply to the State for CDBG funding. Those entitlement communities are the cities of Albuquerque, Farmington, Las Cruces, Rio Rancho and Santa Fe. An eligible community can apply for CDBG funding from the State on behalf of a non-profit or for-profit corporation. The non-profit and for-profit cannot be a co-grantee to the State. Therefore, DFA recommends that the eligible community apply to the State and have a separate agreement between the eligible community and the non-profit or for-profit.

**Comment:** Recommend MFA use MLS data for the median price of a home in a particular area, vs. census data.

**Response:** Thank you for your comment. MFA has looked into this as an option. However, because Multiple Listing Service data from realtors is only generated for metropolitan areas, it does not accurately reflect home prices in the rural communities. Generally speaking, the prices of homes in rural communities are somewhat lower than those in the metro areas. Census data is based on an actual sample home sales prices from across the state. MFA will continue to seek the most accurate data available.

**Comment:** It's nice to see Curry and Roosevelt counties on something. –referring to priority areas.

**Response:** Thank you for your comment.

**Comment:** There are not enough affordable rental units in Curry County.

**Response:** In the 2006 Action Plan, Curry County has been designated as a targeted area for the conversion of single family units to rental units in an attempt to help meet this need.

**Comment:** Region IV Housing Authority has a hard time serving Union county, if they would better serve that area we could rent out units.

**Response:** Thank you for your comment.

**Comment:** Clovis needs more units to serve the 55 to 62 age range and for 60 to 80% of AMI.

**Response:** MFA has determined under priority number four to expand the opportunities and access for special needs populations. This demographic group would fall into that category.

**Comment:** It is very difficult to get a housing voucher if a person is single and more difficult to use the voucher because of the limited housing.

**Response:** Thank you for your comment. MFA has determined under priority number five to expand the supply of decent affordable rental housing over the next five years.

Gallup

**Comment:** MFA should hold the hands of governments because they need help with housing to identify resources. There should be more education for those in government, for example, county commissions, mayors, etc. Government needs to be better consumers.

**Response:** Thank you for your comment. MFA is actively working with local governments across the state on how we can partner to create more affordable housing in their communities.

**Comment:** There is a need for more multifamily and single family rental units in Gallup.

**Response:** MFA has determined under priority number five to expand the supply of decent affordable rental housing over the next five years.

**Comment:** MFA should collect and warehouse data to it can be aggregated and disaggregated on a household level.

**Response:** Thank you for your comment.

**Comment:** There is a need for a data-clearing house.

**Response:** MFA hopes the 2006-2010 Consolidated Plan will help meet that need.

**Comment:** GIS Training is needed for government entities and COGS so they can do their own mapping.

**Response:** Thank you for your comment.

Las Cruces

**Comment:** MFA should prioritize elderly in their owner-occupied rehab program.

**Response:** When we review the homes completed under this program we have found the majority of funds in the program go to elderly single persons, single head of households with minor children, disabled individuals and others, in that order. The intent of the program is to rehabilitate existing housing stock, regardless of the demographics of the population. Currently our data indicates this objective is being met.

**Comment:** MFA should have a set-aside for down-payment assistance funds for Hispanics in southern New Mexico.

**Response:** Currently, upwards of 65% of down-payment assistance funds are provided to those identifying themselves as Hispanic.

**Comment:** “I would like to see the income limits for the HOME Owner-Occupied Rehabilitation Program increased to at least 60% of AMI, preferably to 80% AMI for the Tier 1 level. Most clients between the 50% and 80% AMI struggle to make ends meet and cannot afford to repair their home or make an additional payment”

**Response:** Annually, MFA reviews these requirements and will take this under advisement.

Santa Fe

**Comment:** Recommend MFA add to Objective 3, the words, “mentally” in addition to physically disabled.

**Response:** Thank you for your comment, we have amended the language.

**Comment:** There is a need for funds to retrofit owner-occupied and rental housing for accessibility.

**Response:** This is currently an option under our owner-occupied rehab program. It is at the discretion of the homeowner to decide if these retrofits are necessary and desired. MFA encourages the use of universal design requirements in all new multi-family construction as well.

**Comment:** MFA needs to require universal design standards for all single and multi family new construction projects.

**Response:** MFA encourages the use of universal design standards in our Qualified Allocation Plan. Projects demonstrating these standards are given more points and hence more likely to be funded with MFA administered funds.

**Comment:** Thank you to MFA for providing 0% due on sale loans for homeless providers is great.

**Response:** This was an error in the draft plan and has been corrected.

**Comment:** Homeless shelters need to be accessible.

**Response:** Thank you for your comment.

**Comment:** We need to help people stay in their homes prior to foreclosure.

**Response:** MFA agrees and uses some of the federal funds we receive from HUD in homeless prevention activities.

**Comment:** Senior developments need to allow children as many grandparents are now taking care of the minor grandchildren.

**Response:** Thank you for your comment.

San Felipe

**Comment:** Recapture is not an option for tribes.

**Response:** MFA has chosen the recapture option as opposed to resale for the state as it provides the local community, which includes those homes on tribal land, as a means of keeping these homes affordable. Recapture, or the repayment of funds, is only necessary when the home is not sold or the title transferred to an income eligible applicant. The intent of the program is to keep these homes affordable to low income New Mexicans. All applicable notes and mortgages are approved by both the tribe and the Bureau of Indian Affairs.

**Comment:** Tribes want specific tribal outputs for tribal land.

**Response:** MFA has made housing on tribal land a priority for the 2006 Action Plan Year. However, MFA has not created specific outputs for tribal land. It is difficult to determine how many applications for housing will be received and from which tribal entities. MFA does not develop specific unit outputs for other priority activities or areas for the same reason. Priority areas are MFA's way of providing incentive for housing in areas where it is needed and would be supported by the local economy.

**Comment:** What is the applicability of the Consolidated Plan to the tribes?

**Response:** The Consolidated Plan is a tool to be used by the public, industry professionals, HUD and MFA. For all of these groups, it describes how federal funds will be used over the coming five years, describes the public participation process and provides a considerable sum of data which can be used to support funding applications.

**Comment:** MFA should streamline the 184 loan process with BIA.

**Response:** Thank you for your comment. MFA will advocate with the BIA for the streamlining of processes such as this.

Hobbs

**Comment:** There is a need for a web-based program for homeowner counseling, homebuyer education, etc., especially in the rural areas.

**Response:** Thank you for your comment, MFA will look into this.

**Comment:** MFA needs to develop a package on what is affordable housing, for example, the price per square foot.

**Response:** Thank you for your comment. MFA has not done this as the price of construction materials and labor vary over different parts of the state and can change rapidly. Our staff is currently on these trends as they affect the state and can evaluate funding requests as they are received.

**Written Comment** received from Rebecca Shuman, Executive Director of The ARC:

“The Arc of New Mexico advocates on behalf of individuals with developmental disabilities and their families throughout New Mexico. Our comments today address the anticipated housing needs for individuals with developmental disabilities between now and 2010.

Today, individual with developmental disabilities in New Mexico that receive services through the Developmental Disabilities Waiver Program (DDWP) typically are housed in provider owned or leased homes and apartments. This is due in large part because it is assumed that recipients of DDWP cannot afford housing nor can manage to live safely on their own. Individuals that are eligible for DDWP represent the most significantly disable individuals in New Mexico. Most have intellectual disabilities. All are eligible for Medicaid, as DDWP is a Medicaid program. All receive cash benefits through either Supplemental Security Income or Social Security Disability Insurance. About one-third have small earnings in addition. This financial data means that they are among the poorest people in New Mexico. For instance, those relying only on SSI have less than \$7,000 in annual income. Today, 3,800 individuals receive services through DDWP. By 2010, it is estimated that 4,800 individual will be receiving services through DDWP or a new wavier program.

The new program will create a self-directed waiver (SDW) for people with developmental disabilities, physical disabilities, or the elderly. The SDW will give individuals more flexibility and choice in the services and support they wish to purchase with their Medicaid dollars. So, how does this relate to housing?

Individuals with developmental disabilities will be more interested in obtaining housing on their own because with the SDW they will not need to rely upon provider agencies. The SDW will allow recipients to design services in ways tat meet their lifestyle, in their own homes and communities. Also, the SDW will make it possible fore recipients to get the support they need to be successful homeowners and renters.

The Arc estimates that 10% of the individuals who utilize one of the wavier programs will want to purchase or rent their own housing, or 480 people. Of these, one-third will reside in the Albuquerque metro area, or 158 individuals. These are people that currently are expected to reside in residential facilities operated by developmental disability waiver providers, so they represent a new need for affordable housing.

Because this population of individuals that will be seeking homeownership or leasing are very low income, they will depend upon low income housing programs. The Arc therefore would like the Consolidated Plan for 2006 to 2010 to reflect this need. We expect this to increase the demand for no interest housing loans, substantial down payment assistance and additional, Section 8 vouchers for rental assistance and mortgage payment.

It is important as well to recognize that the desired housing arrangements for people with developmental disabilities must be completely integrated into the generic housing in New Mexico communities. This is a group of citizens that has been isolated in segregated housing arrangements and this segregation must be rectified. Thus, individuals seeking to buy housing must be able to choose housing that is located in typical neighborhoods. It is particularly important not to build or develop large multi-unit housing complexes that congregate people with disabilities in one location.

Individuals using the SDW will not be able to use their Medicaid funds to purchase or rent housing. However, they will be able to use Medicaid for environmental modifications that meet their unique support needs and for accessibility. They can also use Medicaid funds for some ongoing expenses related to maintaining their home.

For ordinary home rehabilitation, homeowners with developmental disabilities need to be able to access funds for this purpose. One solution for low income homeowners could be to purchase low cost housing accessing homeownership programs and rehabilitation and environmental modification programs to make the housing suitable and in good repair.

Also, many of these low income homeowners will not be able to save enough money to cover higher cost maintenance and repair items, like roofs. They will need to access low income rehabilitation programs for this need.

Thank you for giving us the opportunity to provide this input into the development of the Consolidated Plan for New Mexico.”

**Response:** Thank you for your comments. The group of potential homeowners you describe we refer to as special needs populations. Providing housing opportunities for this population has been made a priority for MFA over the next five years.

### **Citizen Participation**

**Citizen participation process.** MFA convened a Planning Team, made up of representatives of housing, community development and special needs populations statewide, to advise MFA on the development of the Plan. The Team also assisted in getting input and participation from constituents. Individuals on the Team represented local Housing Authorities, persons who are homeless, persons with mental illness, children, reservations/pueblos, rural

development, lenders, housing developers and real estate professionals. During the development of the Consolidated Plan, the Planning Team met with MFA, LGD and the Consolidated Plan consultants to discuss research and methodology issues, develop contacts for special needs interviews, discuss research findings, identify top housing and community development needs and develop a draft strategic plan.

**Public outreach efforts.** The development of the Consolidated Plan also involved a very extensive process of public outreach. In-person and telephone interviews were conducted with 27 stakeholders who represent the State's citizens in need. The State also held seven public meetings throughout the State during the development of the Plan, in addition to seven public hearings after the Draft Consolidated Plan had been released. A citizen survey was distributed to attendees at the public meetings. Ninety-one surveys were received and analyzed.

**Citizen comments.** Section IV.—Citizen Input and Needs Assessment contains the detailed methodology and findings from the citizen input and organization consultation processes for the Consolidated Plan. The section also contains a summary of the public comments received on the Draft Consolidated Plan.

Comments received from the public can be summarized into three categories:

- Those relating to services or products administered by MFA/DFA;
- Those relating to the relationships between MFA and service providers; and
- And those of an editorial nature.

There were no comments which were not accepted. All of the comments received a response.

### **Institutional Structure**

**Current institutional structure.** MFA and DFA administer most of the housing and community development programs on a state level. Although MFA is not a state agency, they have the responsibility of administering housing related programs on behalf of the state.

MFA uses a network of service providers or “partners” to deliver products and services to qualifying low-income New Mexicans. Partners range from developers to small non-profits, local and regional Housing Authorities, homeless shelters and so on. They provide products in the form of down payment assistance, rehabilitation, emergency shelter, counseling, etc.

MFA has taken a number of steps to grow the network over the past 5 years. Without our partners, MFA could not fulfill its mission.

Partners are added through a variety of methods including but not limited to CHDO designation, application rounds which award funds, funds awarded through a Response for Proposal round or individual contract. Generally, the method is determined by the program guidelines and statutory regulations.

**Strengths and gaps in system.** The strength of this network is in the number and quality of organizations and persons who comprise it. MFA products and services are delivered throughout the State of New Mexico. The expertise of the staff in these organizations has a direct

affect on the quality and quantity of the services delivered. Much of this expertise comes directly from MFA in the form of training and technical assistance (T&TA). MFA has recently formalized its Training and Technical Assistance Program. MFA has pursued and been awarded T&TA funds to invest in these partners. Additionally, MFA will use T&TA funds to assist new service providers obtain the experience they need to be productive and successful.

At the same time, MFA recognizes that the number, capacity and service areas of housing service providers in this state remain extremely limited. Moreover, most qualified service providers are clustered around the larger metropolitan areas (Albuquerque, Las Cruces and Santa Fe); not unlike their counterparts in other labor- and material-intensive industries, affordable housing service providers are not likely to realize economic gains from significantly expanding their service areas, particularly if they are non-profit organizations.

The primary weakness in the existing institutional structure is the limited number of partners who can develop, own, and/or manage affordable housing in all areas of the state and a lack of available contractors to perform rehabilitation services. MFA works continuously to increase both the capacity of its housing partners and the geographic coverage of their activities. Activities aimed at improving the institutional structure include the following:

*Operating funds.* MFA recognizes that many times, the difference between success and failure in a partner is in their ability to operate and pay salaries to qualified staff. In an effort to help organizations develop capacity, MFA has developed a new loan fund to help eligible borrowers with working capital for operating funds. This fund will work as a loan or revolving line of credit, in which the eligible borrower (a non-profit whose primary work is to provide housing, a public housing authority or tribal entity) may apply for the lesser of a 10% of an RFP award or \$50,000 for a one year term. Payments will be made monthly and deducted from draws made under an RFP award in the amounts required to pay off the loan balance within a year of the origination.

*Training and technical assistance program.* Under the Training and Technical Assistance Program, MFA currently partners organizations that are interested in developing, owning and or managing affordable housing with successful industry professionals. This symbiotic relationship allows the new agency to learn in a hands-on-manner, with the help of the experienced professional, the development process, everything from site identification and acquisition, to predevelopment, to acquiring financing to completion of construction. In this manner, MFA leverages the skills and talents of those who know and have been successful in the process with those who are learning. This creates more capacity at a reasonable cost while providing valuable networking opportunities for all participants.

The MFA Training and Technical Assistance Program is prepared to provide group training for various programs funded with federal and other funds on an as needed basis. These training sessions will include certifying nonprofit organizations to participate in the PaymentSaver program, as well as providing application training for the HOME/Tax Credits program, homeless programs, Response for Proposal Training and Environmental Review. Training also addresses program requirements and processes. Lender Training, available through our Homeownership Department, is designed assist lenders and other industry professionals in the program

requirements of our loan products. This training is held statewide a number of times during the year.

MFA staff members will also meet with program participants and sub-recipients throughout the year to provide technical assistance that may include mentoring by other housing organizations or units of local government. MFA will provide tailored training to partners around the state on an as needed basis.

*Housing services directory.* Annually, MFA publishes a statewide directory of housing and homeless service providers. The directory includes all types of affordable housing organizations and is indexed by service area, housing services provided and supportive services provided. The directory is available free of charge throughout the year to all interested parties.

*Support for the New Mexico Coalition to End Homelessness.* MFA continues to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group made up of representatives from various state agencies dealing with homelessness or peripheral issues as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition provides include:

- Developing a Statewide strategy;
- Implementing a financial plan that will lead to self-sufficiency;
- Developing of an information sharing network among homeless service providers;
- Providing technical assistance and coordinating educational activities for member service providers;
- Developing the Continuum of Care competitive grant application on behalf of the State;
- Conducting an educational campaign; and
- Creating a statewide low-income rental housing development organization.

MFA continues to provide financial support to the Coalition, furnish meeting facilities and provide technical assistance to its members.

*Homeless Management Information Systems (HMIS).* Under a directive from Congress via the Housing and Urban Development Department (HUD) to begin collecting information on homeless individuals by 2004, MFA, in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness, has developed and implemented the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and was implemented in 2004. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be use by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

*Use of advisory and oversight committees.* MFA receives input several times per year from a number of external advisory and oversight committees comprising representatives from

various housing-related industries, political parties and geographic areas of the state to advise and comment on activities undertaken with federal dollars. These committees include the Mortgage Finance Authority Act Legislative Oversight Committee, the New Mexico Housing Advisory Committee, the Homeownership Advisory Committee, the Land Title Trust Fund Advisory Committee and the Tax Credit Allocation Committee. MFA will continue to work with and consult with these committees regarding activities undertaken or proposed changes in activities to be undertaken throughout the tenure of this plan.

**Research and development.** MFA allocates sufficient staff time to the research and development of new programs. These initiatives have included: coordinating funds for housing rehabilitation particularly HOME and CDBG funds; identifying ways to subsidize or otherwise encourage energy efficiency upgrades by coordinating with utility companies; researching new financing products for reaching underserved populations; identifying ways to increase the number of qualified contractors and certified lead-based paint abatement contractors; identifying funding sources for emergency repair, weatherization and accessibility improvements without substantial rehabilitation; and researching ways to maintain the affordability of existing expiring use or troubled rental properties. While the majority of resources dedicated to research and development will be staff time, a portion of HOME and other funding sources will be available to provide trial or pilot projects in order to test the viability of new ideas. Funds under the Research and Development category are expended on eligible HOME Program activities in HOME-eligible jurisdictions to address the housing needs of low- and very low-income New Mexicans at the MFA's discretion.

### **Monitoring**

**HOME, ESG and HOPWA monitoring.** By using a database specifically designed for tracking monitoring visits, MFA has ensured that monitoring requirements are carried out in accordance with the HUD rules for HOME, ESG and HOPWA. MFA's Contract Administration staff is highly skilled in monitoring all program requirements, including beneficiary income qualification, habitability standards, financial capability, adherence to program regulations and environmental clearance procedures.

MFA's Asset Management staff conducts long-term compliance monitoring for HOME-funded single-family and multi-family rentals in accordance with the guidelines set out in 24 CFR Part 92, including income eligibility, certification and recertification, and habitability. The database assists in tracking the timeliness of those monitoring visits so that all monitoring frequency requirements are met.

**CDBG monitoring.** Applicants are limited to the amount of funding necessary to complete a basic, meaningful and targeted project within a 24-month period. Within this period of time, monitoring is conducted to ensure that the grantee is complying with all the requirements of the CDBG program. Monitoring dates are entered in a database specifically designed for tracking monitoring visits. The Community Development Bureau staff is highly skilled in monitoring all program requirements and utilizes an audit check-off list to ensure that those monitoring visits are conducted in accordance with HUD rules and regulations. The check-off list includes application review, documentation for the grant agreement including amendments, general program administration, financial management including all pay requests with backup documentation, procurement, small purchases, professional services, documentation for competitive sealed bids

for construction; citizen participation, environmental review, fair housing and equal employment opportunity, labor standards including federal and state wage rates, housing rehabilitation or repair, real property acquisition, eligibility for national objective and finally the closeout documents for the project.

The Community Development Bureau staff conducts routine monitoring or technical assistance visits during the life of the project and at the completion of the project. The audit review ensures compliance with program requirements and identifies any findings, concerns or comments.

All grantee information is entered into a database, which is used to generate reports that detail the performance of the grantee in meeting its goals and objectives. For example, a report can be generated giving a percentage of the funds expended. If no funds have been expended, a review of the project will be conducted to determine what measures need to be implemented to move the project forward. The program manager plays a vital role in knowing the status of the project and identifying potential issues. Once these issues have been identified, the grantee is notified to resolve the issue and move the project forward.

Pay requests are a priority for the Community Development Bureau staff. There are steps in place to ensure that the pay request is processed for payment in a timely manner. If the pay request is rejected for any reason, the grantee is immediately notified so that they can provide the proper documentation. In addition, if there are any issues that come up relating to the project, the program manager is responsible for identifying them and resolving them in a timely manner. These steps will help to insure compliance with program requirements.

#### **Priority Needs Analysis and Strategies**

MFA determines high priority counties, which receive scoring preferences on applications for funds. These high priority counties were identified through the housing condition and market indicators analyzed in the housing market analysis for the Consolidated Plan (see Section III of the full report). The prioritization is based on the following characteristics: poverty level, homeownership, cost burden, population change and housing condition.

MFA will consider the relative priority need for an area when making funding decisions. Each county has been assigned a relative priority need of High, Medium or Low based on a number of indicators for each type of housing activity. A high priority indicates an area where, ideally, the greatest amount of resources should be invested and projects or programs proposing to meet that need have the greatest opportunity for funding. A medium priority indicates areas where a moderate amount of resources should be invested and projects or programs proposing to meet those needs are likely to be funded. A low priority indicates an area where the least amount of resources should be invested.

A project proposing to serve a low priority need will not necessarily be excluded from funding; however, such projects will receive a lower priority. The relative priority needs were assigned by housing activity based on a number of indicators which are included for each county in Appendix B: Detailed Housing Market Data of the Consolidated Plan and described below.

**Community development priorities.** The following five priorities have been identify by DFA to pursue over the next five years:

Priority Number 1: Increase CDBG application from communities that, in the past, have infrequently participated in the program.

Priority Number 2: Disburse majority of funds for community projects.

Priority Number 3: Encourage more housing related activities.

Priority Number 4: Encourage communities to repair dilapidated streets.

Priority Number 5: Encourage communities to provide adequate and safe drinking water.

**Housing priorities.** The following five housing priorities were identified during the Consolidated Plan process and will guide the use of MFA-administered HUD funding identified in this plan for the following five years:

Priority Number 1: Increase opportunities for homeownership.

Priority Number 2: Preserve the State's existing affordable housing stock.

Priority Number 3: Expand the supply of housing and services to assist the homeless.

Priority Number 4: Expand housing opportunities and access for special needs populations.

Priority Number 5: Expand the supply of decent, affordable rental housing.

In terms of which of these priorities takes precedence over the others, each will be evaluated annually to determine the order of priority during that year. Funding for each year will be given to the highest priorities.

**Obstacles to meeting needs.** Lack of sufficient funding is the primary obstacle to meeting needs in the State of New Mexico. The State has many high-poverty, low-employment areas with aging and substandard housing stock. Meeting the needs in the colonias, in particular, is difficult because many of the colonias are not designated units of local government and, therefore, are ineligible to apply for funds from a variety of funding sources including CDGB. Additionally, using federal funds on tribal lands presents its own set of unique challenges including having clear title to land, placing encumbrances on land, working with a number of tribal entities and political systems. Finally, the lack of capacity or a distribution network in many rural New Mexico communities makes it difficult to deliver services where they are needed.

### **Lead-based Paint**

**Estimated units with lead-based paint.** Housing units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors. About 12 percent of the State's housing stock that built before 1950. Approximately 40 percent of housing units in New Mexico were built between 1970 and 1989.

According to the Center for Disease Control, approximately 1.5 percent of children in New Mexico tested for lead poisoning in 2001 had elevated blood lead levels. The national figure was 3.0 percent. However, because not all children who are at-risk of lead hazards get tested, the percentage of children at risk could be higher than 1.5 percent of children overall in the State.

According to the 2003 ACS, approximately 444,000 housing units in New Mexico—54 percent of the total housing stock—was built before 1978. About 51,000 units, or 6 percent of the housing stock, are pre-1940 and 149,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock however, the State’s nonentitlement areas together have a much higher percentage of pre-1940 units (7 percent) as the State’s entitlement areas (4 percent).

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are low income and live in housing units that are older or have condition problems.

According to PUMS data, in 2003, there were 3,641 (1.7 percent) renter households who were very low income (earning less than 50 percent of the State median) and who lived in housing stock built before 1940. There were also 7,746 (1.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

HUD produces specialized tables using data from the 2000 Census to identify specific housing indicators. One of these tables estimates the percentage of housing units that have condition problems, are built before 1940 and 1970 and are occupied by low-income households. Using these data, a more precise number of the households at-risk of lead-based paint hazards can be estimated. The table below shows HUD’s estimates for the State for 2000. The data suggest that up to 16,281 of the State’s households or about 2.3 percent of the State’s households could be at-risk of lead-based paint hazards.

#### Households at Risk of Lead-Based Paint Hazards

##### **Extremely Low Income:**

Occupying units built prior to 1940 with condition problems = 433

Occupying units built prior to 1970 with condition problems = 5,313

##### **Very Low Income:**

Occupying units built prior to 1940 with condition problems = 349

Occupying units built prior to 1970 with condition problems = 4,616

##### **Low Income:**

Occupying units built prior to 1940 with condition problems = 286

Occupying units built prior to 1970 with condition problems = 6,352

**Actions to mitigate lead-based paint hazards.** MFA continues to work in partnership with the regional Environmental Protection Agency office, Local Government Division, public Housing Authorities and other local partners to increase the number of trained, licensed and certified personnel able to determine the risks of lead hazards—and any corresponding remediation measures—of pre-1978 housing in New Mexico. Although housing rehab activities are underway and MFA applies the Lead-Safe Housing Rule uniformly, there still appear to be insufficient personnel trained in lead-safe work practices, licensed risk assessors and abatement contractors available in the state to perform remediation.

MFA will again set aside a percentage of the State’s formula HOME allocation for eligible lead-based paint assessment and remediation activities. This effort to make available additional funds for lead hazard remediation and abatement has encouraged additional businesses and organizations to receive appropriate training in order to provide these remediation services. Additionally, MFA will continue to train its 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 an effort to improve the efficiency of the rehabilitation services delivery system.

### **Housing Needs**

Estimated housing needs for the next five years for low-income and specific population categories include the following:

Extremely low income: 98,720

Low income: 57,908

Moderate income: 60,582

Middle income: 68,676

Renters (all incomes): 94,553

Owners (all incomes): 241,432

Elderly: 18,190

Persons with disabilities: 43,870

Persons with HIV/AIDS: 1,525

Small households: 95,437

Large families: 45,473

Please see Section III—Housing Market Analysis for data and tables on estimated housing needs including cost burden, substandard housing, overcrowding and disproportionate needs. Also see the Housing Needs table attached to this section.

**Relative priority housing needs** The housing and community development needs statewide far exceed the available resources to address those needs. Therefore, it is necessary to prioritize needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. For example, some communities have a greater need for new housing development while other communities would best be served by rehabilitation of existing housing.

Please see the Housing Needs table attached to this section for priority need by category.

**Housing market characteristics and determining prioritization.** MFA determines high priority counties, which receive scoring preferences on applications for funds. These high priority counties were identified through the housing condition and market indicators analyzed in the housing market analysis for the Consolidated Plan (see Section III of the full report). The prioritization is based on the following characteristics: poverty level, homeownership, cost burden, population change and housing condition.

Annually, MFA will consider the relative priority need for an area when making funding decisions. Each county will be assigned a relative priority need of High, Medium, or Low based on a number of indicators for each type of housing activity. A high priority indicates an area where, ideally, the greatest amount of resources should be invested and projects or programs proposing to meet that need have the greatest opportunity for funding. A medium priority indicates areas where a moderate amount of resources should be invested and projects or programs proposing to meet those needs are likely to be funded. A low priority indicates an area where the least amount of resources should be invested. A project proposing to serve a low priority need will not be excluded from funding; however, such projects will receive a lower funding priority. The relative priority needs are assigned by housing activity based on a number of indicators which are included for each county in the Appendix B: Detailed Housing Market Data of the Consolidated Plan and described below.

**Homebuyer assistance.** Homebuyer assistance is a broad activity that encompasses any activity that serves to assist low-income (often first-time) homebuyers in the purchase of a home. Homebuyer assistance includes below market rate mortgage financing as well as down payment or closing cost assistance, interest rate reduction and principal reduction. The primary need for homebuyer assistance is to address issues of affordability. Indicators of affordability include median home value, percent of cost-burdened owners and percent of owner households earning less than \$50,000 who are paying more than 30 percent of their income on housing (cost burdened). If a county exceeds the state average on any two of these indicators, that county is given a high priority for homebuyer assistance. If a county exceeds the state average on one of these indicators, it is given a priority of medium and a county that does not exceed the state average on any of these indicators is given a low priority for homebuyer assistance.

**New single family development.** New single family development includes housing activities that increase the supply of affordable single family units. This includes new construction, new manufactured housing installations on permanent foundations and acquisition and rehabilitation of existing units. Indicators of a need for new single family housing include population growth and percent of overcrowded units. Areas were prioritized as follows. Counties

that had both population growth that exceed the state average of 8.4% from 2000 to 2005 and overcrowding that exceeded the state average were prioritized high; counties which were higher than the state average on either of the two indicators were prioritized as medium; and counties that had both slower growth and less overcrowding were prioritized low. Because it is difficult to compare growth rates among counties with significantly different populations, an adjustment was made such that higher population counties (as indicated in Section II, page 4 of the Consolidated Plan) were given greater priority if their population grew by more than 5% between 2000 and 2005. This affected only Bernalillo and San Juan counties which increased their priorities from low to medium and from medium to high respectively.

*Acquisition and rehabilitation.* The need for new single family development above is driven by population growth; however, some areas that have not experienced significant population growth may still benefit from acquisition and rehabilitation of existing units. Those counties that have an owner-occupied vacancy rate that exceeds the state's average represent an opportunity to increase the stock of available housing through acquisition and rehabilitation.

*Single family rehabilitation.* Single family rehabilitation refers to rehabilitation of owner-occupied housing. It may also include reconstruction or replacement where units are in such poor repair that rehabilitation is not appropriate and it may include replacement of substandard units with new manufactured housing that is fixed to a permanent foundation or a new site built home. Indicators of the need for single family rehabilitation are those that measure housing condition including percent built before 1940, percent lacking complete plumbing facilities, percent lacking complete kitchen facilities and percent using non-traditional heating sources. High priorities are assigned to areas where housing conditions are poorest such that a county exceeds the state average on three of the above indicators. Those with a medium priority for rehab are areas that exceed the state's average on two of the four indicators, and low priority are those areas that exceed the state's average on fewer than two of the indicators.

*Rental acquisition or assistance.* Rental acquisition or assistance includes those activities intended to make existing rental units more affordable. Indicators of the need to create affordable rental units through acquisition or rental assistance include median rents, percent of renters who are cost burdened (spend more than 30 percent of the their income on housing) and the percent of renter households earning less than \$35,000 that are cost burdened. Counties which exceed the state average on two out of three of the indicators have a high priority for rental acquisition. Those that are above the state average on one indicator are assigned a medium priority, and those where none of the indicators exceed the state average are given a low priority.

*Rental new construction.* Rental new construction refers to the development of new multifamily rental units. The need for new multifamily rental units is indicated by population growth, areas of population concentration and low rental vacancy rates. The thresholds for assigning an area a high priority for new multifamily units included a 2000-2005 population growth greater than 5%, the county is part of an MSA or includes a community that is larger than 10,000 people in 2003 and had a rental vacancy rate less than the state average. Areas were considered to have a medium priority for rental new construction if they had population growth over 5% and a concentration of population. Areas with slower growth or less population were given a lower priority for multifamily projects. However, some of these areas that have low vacancy rates may have a need for very small rental projects or even single family rental units.

**Obstacles to meeting underserved needs.** Lack of sufficient funding is the primary obstacle to meeting needs in the State of New Mexico. The State has many high-poverty, low-employment areas with aging and substandard housing stock. Meeting the needs in the colonias, in particular, is difficult because many of the colonias are not designated units of local government and, therefore, are ineligible to apply for funds from a variety of funding sources including CDGB. Additionally, using federal funds on tribal lands presents its own set of unique challenges, including having clear title to land, placing encumbrances on land, working with a number of tribal entities and political systems. Finally, there is a lack of capacity or a distribution network in many rural New Mexico communities, which makes it difficult to deliver services where they are needed.

### **Housing Market Analysis**

New Mexico's housing market is characterized by an above-average homeownership rate and relatively high affordability. Compared to surrounding states, in 2003, New Mexico ranked second-lowest in terms of median home value and median gross rent. The State also has a relatively low level of cost-burdened owners (21.4 percent of all owners) and an average renter cost-burden (46.8 percent of renters were cost-burdened). Part of the reason for the State's relative affordability is the reliance on manufactured/mobile homes. In 2003, 18.7 percent of the State's housing stock consisted of mobile homes. This proportion was far higher than surrounding states' percentages, which ranged between 4 and 14 percent).

According to 2000 Census data, two percent of the State's occupied housing units lacked complete plumbing facilities. The majority of these units (81 percent) were owner-occupied—disproportionately so, as 69 percent of the State's occupied units overall are owner-occupied.

The housing needs in New Mexico vary considerably throughout the State. Housing needs in the State's urban areas are mostly related to affordability. The counties in the State with the highest levels of overall cost burden are clustered around the Albuquerque-Los Alamos-Santa Fe area.

The State's rural areas are mostly challenged by housing stock that is in poor condition and is overcrowded. Areas in the northwestern portion of the State are particularly beset with housing condition issues. In McKinley County for example, 28 percent of the units lacked complete plumbing facilities, 25 percent lacked complete kitchens and 27 percent of the units were overcrowded. Counties in the State's far eastern border have some of the State's oldest housing stock (as a proportion of all housing units), which also creates rehabilitation needs.

Please see Section III. Housing Market Analysis for additional data and tables describing the State's housing market, as well as information on assisted housing and expiring use units.

In determining how to allocate funds to rental assistance, production of new units, rehabilitation of old units or acquisition, MFA and LGD evaluated data on renter and owner cost-burden, vacancy rates, housing condition indicators and key socioeconomic indicators of need such as unemployment rates, educational attainment and income levels.

### **Specific Housing Objectives**

**Goals and priorities.** The New Mexico Mortgage Finance Authority will pursue five housing priorities in the next year. These priorities were identified through the citizen

participation process and correspond to the housing goals identified in the Governor's Invest New Mexico Plan.

These priorities include:

- Increase opportunities for homeownership;
- Preserve the State's existing affordable housing stock;
- Expand the supply of housing and services to assist the homeless;
- Expand housing opportunities and access for special needs populations; and
- Expand the supply of decent affordable rental housing.

**Resources expected to be available.** 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 five federal block grant programs. These block grants include the Small Cities Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) including the American Dream Downpayment Initiative (ADDI), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The HOME program is expected to produce program income that will also be available for housing activities in the State. In addition, several HUD-funded competitive grants are also available. It is expected that the New Mexico Mortgage Finance Authority (MFA) and its partner agencies will compete for additional resources under the Supportive Housing Program (SHP), Shelter Plus Care (S+C), Rural Housing and Economic Development (RHED), Section 811 Housing for Persons with Disabilities, Section 202 Housing for the Elderly, Training and Technical Assistance grants and Housing Counseling.

Additional Federal resources include Mortgage Revenue Bonds (MRBs) and Low Income Housing Tax Credits (LIHTC) available from the IRS, Weatherization Assistance (WAP) awarded by the Department of Energy and resources available to rural areas through several programs funded by the U.S. Department of Agriculture. These Rural Development programs include: Guaranteed Rural Housing Program; Section 502 Direct Loan Program, Section 504 Loan/Grant Repair Program; Section 514/516 Farm Labor Housing Program and Section 515 Rural Rental Housing Loan Program.

Other non-federal resources expected to be available include resources from the MFA Housing Opportunity Fund and General Fund, taxable bonds, 501(c)3 bonds, the Land Title Trust Fund, state appropriations for weatherization and homelessness and resources that will become available through three recent State initiatives which include the Affordable Housing Act, State Affordable Housing Tax Credit Program and the New Mexico Housing Trust Fund.

**Funding availability.** The U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development through several different grant programs. In order to understand how HUD funds are available to communities in New Mexico, it is useful to divide communities into one of three categories:

Entitlement 1. Entitlement 1 communities include the City of Albuquerque and the City of Las Cruces. These communities receive funding directly from HUD for both HOME and CDBG

and therefore are not eligible to receive such funding from the MFA or DFA. However, many other MFA funding sources such as mortgage revenue bonds, Low Income Housing Tax Credits and State affordable housing resources will be directed to these communities. In the past, both the City of Albuquerque and the City of Las Cruces have allocated funds that they receive directly from HUD to the MFA for distribution within their city limits. This represents an important collaboration, which allows for greater leveraging of resources and expertise within the State. MFA will continue to work with these communities to meet their affordable housing needs. The City of Albuquerque is the only community in the State that receives ESG funding directly and therefore organizations within the city limits are not eligible for ESG funding from the MFA, although, they are eligible to apply for State homeless funding through the same competitive process.

**Entitlement 2.** Entitlement 2 communities include the City of Santa Fe, the City of Rio Rancho and the City of Farmington. These communities receive Community Development Block Grant (CDBG) funds directly from HUD and therefore are not eligible to apply for small cities CDBG funds through DFA. However, these communities do not receive HOME funds and therefore MFA will direct HOME funds as well as all other appropriate affordable housing resources to these communities. These communities represent a unique opportunity to combine HOME, CDBG and other resources in new ways to better meet the housing and community development needs in these areas. MFA will seek to invest in projects that exploit that opportunity in order to create an example or model that might be replicated elsewhere in the state.

**Non-entitlement.** Non-entitlement communities receive none of their funding directly from HUD and therefore are eligible to receive CDBG funding through DFA and HOME, ADDI, ESG and HOPWA funding through the MFA. These communities are eligible for most of the funding that is available through the MFA and DFA.

Additional funding sources that are expected to be available to the state may be restricted to certain geographic areas. These include Rural Development programs and competitive grant programs such as Training and Technical Assistance, Housing Counseling and Rural Housing and Economic Development. These sources are targeted to specific geographic needs including areas that have been underserved in the past.

### **Needs of Public Housing**

**Addressing State PHA needs.** MFA plans to continue its successful partnerships with Public Housing Authorities (PHAs) on the new Section 8 Homeownership initiative. MFA will provide PaymentSaver funds for down payment and closing cost assistance—“Smart Choice”—to complement Section 8 funds used by former public housing residents to purchase their homes under this innovative program. Furthermore, to the extent PHAs pursue development of USDA Rural Development REPOs, MFA will coordinate with them to provide HOME funding.

MFA is also working with PHAs to help them transition from managers of public housing units to partners in the development and maintenance of affordable housing. Currently, MFA is working with several PHAs who will undertake new affordable housing development, provide owner-occupied rehabilitation services, or engage in acquisition, rehabilitation and resale of single family units.

**Public housing strategy.** This is not applicable for the State of New Mexico.

### **Barriers to Affordable Housing**

**Barriers to affordable housing.** A number of barriers to affordable housing exist in the State of New Mexico. In the north central and middle Rio Grande regions, high land costs are a barrier to affordability. In addition, anti-growth initiatives, impact fees and codes further increase costs. In the very rural areas of the State, the lack of a housing market creates large barriers to buying, selling and even financing rehabilitation of existing units in these areas. In the remainder of the State, barriers include household credit issues, lack of knowledge, lack of a construction industry and lack of contractors to perform rehabilitation.

The greatest barriers to homeownership are credit issues of potential borrower households. A large number of these are working poor with sufficient income to purchase housing but who lack medical insurance and as a result have unpaid medical bills. In addition, there is a general lack of knowledge about the home buying process, financial management and the real estate market. Lack of knowledge is a significant barrier for a number of New Mexico households who are recent immigrants, have limited English proficiency or who have not completed high school.

These populations, including residents of the colonias, are particularly vulnerable to predatory lending and other predatory practices such as illegal land sales and subdivisions. Households that lack knowledge are also more likely to purchase manufactured housing or land with higher financing costs. Unique barriers exist on Native American trust lands which include an inability to prove income due to artisan cash trade and continuing challenges of financing on trust lands. For people with disabilities, the lack of available affordable and accessible or adaptable housing units is a barrier.

The rural nature of the State results in a situation where outside the metro areas there is little or no construction industry. The lack of a construction industry in small town New Mexico is a barrier to affordable housing in that it results in higher material and labor costs and restricts housing supply. This problem is exacerbated by a lack of contractors willing to rehabilitate existing housing. The lack of available contractors threatens the State's ability to preserve existing affordable housing units. Further, there are very few contractors who are certified to do lead-based paint abatement.

In addition to the lack of available contractors, there are a number of additional challenges to doing owner-occupied rehabilitation in the state including differences in code interpretation among jurisdictions, rising insurance costs, liability and a large number of substandard manufactured housing units which can not be rehabilitated, leveraging of resources which creates complexity in terms of additional contracts and environmental reviews and HOME regulations which prevent accessibility modifications without bringing the entire unit up to code.

**Affordable housing affected by public policy.** Local jurisdictions largely determine land use, zoning, growth limits, fees and charges that affect the return on residential investment in New Mexico. Residential development in many areas of the state is constrained by water supply. Some communities in New Mexico have adopted strategies to limit or slow growth. These areas are generally high cost communities, where return on residential investment is generally high.

Slow and no-growth policies in areas where demand for housing is strong are likely to contribute to increasing housing costs.

**Strategies to removing barriers to affordable housing.** MFA and the State of New Mexico will take the following actions to remove barriers to affordable housing:

Research new financing tools to lower the cost of mortgage financing;

Launch the New Mexico Affordable Housing Trust Fund;

Implement the New Mexico Affordable Housing Tax Credit Act;

Promote the Affordable Housing Act;

Identify ways to increase the number of available contractors in the state;

Strengthen delivery channels and build capacity to develop and rehab housing in underserved areas;

Promote the development of new organizations to provide housing counseling and financial fitness education around the state; and

Encourage universal design or adaptability in new construction of single and multi-family homes.

#### **HOME/ADDI Funding**

**Forms of investment.** HOME funds will be invested, at a minimum, as a 0% interest due-on-sale loan for all activities except CHDO operating expenses and TBRA, which may be grants. Rental projects will be below-market rate amortizing loans except for those projects exclusively serving homeless individuals which will be 0% due-on-sale loans.

MFA is currently developing guidelines that would allow CHDOs to keep a portion of the proceeds from CHDO development set-aside funds rather than return them to the MFA for redistribution in the HOME program.

**Resale and Recapture Guidelines.** When necessary, HOME funds will be recaptured due to a unit's noncompliance with HOME affordability requirements. Affordability is ensured through the recordation of restrictive covenants accompanied by a lien filed on the property. To ensure affordability, MFA has chosen the recapture provision over the resale option as discussed in 24 CFR 92.

Historically, MFA has used and continues to use a combination of "reduction during affordability period" and "shared net proceeds." There have been subtle variations of this policy over the years as detailed below, ending with the current policy on recapture.

Pre 1997- pre MFA. MFA assumed responsibility for the administration of the HOME program in 1997. Prior to 1997, the program was operated by the State of New Mexico. HOME funds were primarily used for rehabilitation activities on qualifying single family homes occupied

by homeowner. To ensure compliance during the affordability period, the State recorded deed restrictions as a lien against the property for the established affordability period. All HOME-related recorded documents were endorsed to MFA as the successor for the State.

**Recapture.** MFA enforces the deed restrictions if a homeowner no longer meets the compliance requirements during the period of affordability. Under the restrictions, a pro-rata amount of the loan is payable. If paid, it is recorded as program income. Following the period of affordability, the deed restriction is released.

In the event of a foreclosure during the period of affordability, MFA pursues a judgment against the borrower through a cross-claim. This demonstrates that every effort has been made to recover the funds on HUD's behalf, in accordance with HUD's notice in Homefires [Vol. 5 No. 5, November, 2003](#).

In the case of a bankruptcy during the period of affordability, MFA files an answer and proof of claim on the property in order to establish MFA's interest in the property.

**MFA HOME administration - 1998 and subsequent allocations.** Beginning with the 1998 HOME allocation, MFA established a number of different activities for the use of HOME program funds. Those activities included: down payment assistance (DPA), Owner-Occupied Rehabilitation, and Rental New Construction and Rehabilitation.

In general, all of these activities require the borrower to execute, at a minimum, a Restrictive Covenants Agreement. All loans are due upon sale, transfer or refinance of the property. In the case of the DPA program, mortgage liens are placed in second position behind MFA's first time homebuyer mortgage backed security (MBS) program loans. In our Owner-Occupied Rehabilitation program, these liens can assume a variety of positions including first. Finally, in the case of our Rental New Construction and Rehabilitation programs, a Land Use Restriction Agreement is executed along with the note and mortgage to ensure long term compliance with HUD guidelines.

All guidelines under which repayment must be made are spelled out in the Note, Mortgage and/or Restrictive Covenant documents. The period of affordability varies according to the amount of HOME subsidy.

For **Homebuyer** Projects, the length of the affordability period is based on the amount of HOME funds invested in the property.

**Affordability Period for Homebuyer Projects**

HOME Funds Provided	Affordability Period
<\$15,000	5 years
\$15,000 - \$40,000	10 years
>\$40,000	15 years

For **Rental** Projects, the length of the affordability period is based on the amount of HOME funds invested in the property, as well as on the nature of the activity funded.

**Affordability Period for Rental Projects**

<b>Activity</b>	<b>Average Per-Unit HOME</b>	<b>Minimum Affordability Period</b>
Rehabilitation or Acquisition of Existing Housing	<\$15,000 \$15,000 - \$40,000 >\$40,000	5 years 10 years 15 years
Refinance of Rehabilitation Project	Any dollar amount	15 years
New Construction or Acquisition of New Housing	Any dollar amount	20 years

If a borrower or property fails to meet the compliance requirements of the HOME program during the period of affordability, the note becomes due immediately. For our Down Payment Assistance program, if the value of the property is less than the value of the subsidy, the recapture amount is based on the owner's investment and the amount of the HOME investment or subsidy.

In the case of foreclosure on the property during the period of affordability, MFA will pursue a judgment against the borrower, via a cross-claim. This demonstrates that MFA has made every effort to recover the HOME funds on behalf of HUD. After the period of affordability, MFA files a disclaimer to the property.

In the case of a bankruptcy during the period of affordability, MFA files an answer and proof of claim on the property thus establishing MFA's interest in the property. After the period of affordability, a disclaimer is filed.

Effective April 30, 2003, MFA changed the circumstances under which we would recapture HOME funds. These new guidelines were incorporated into new note and mortgage documents for all loans made with HOME funds.

In general, repayment of HOME funds is due on the sale, transfer or refinance of the property during the period of affordability. The period of affordability varies in accordance to the amount of HOME subsidy and is defined above.

Recapture guidelines vary by activity:

Down Payment Assistance program. Notes and mortgages are executed by the borrower for these loans. However, the HOME subsidy is forgiven after the period of affordability plus 5 years. Beginning with the anniversary date of the first year following the end of the period of affordability, 1/20<sup>th</sup> of the loan amount will be forgivable until the end of the 5 year period, at which time the entire loan amount is forgiven.

HOME loans under this activity are due immediately if the borrower fails to meet the terms of the HOME compliance or if the loan goes into default within the period of affordability. In the event the property is sold during the period of affordability and the value of the property is less than the

total indebtedness of both the first and second mortgage, the amount of the HOME repayment is calculated based on the owner's investment and the HOME investment.

If the property should go into foreclosure during the period of affordability, MFA will pursue a judgment against the borrower via a cross-claim in order to ensure MFA's ability to demonstrate every effort has been made to recover HUD funds. After the period of affordability, MFA will file a disclaimer to the property.

In the event the property is named in a bankruptcy case during the period of affordability, MFA will file an answer and proof of claim on the property in order to establish MFA's interest in the property. The property is released via a disclaimer after the period of affordability has expired.

**Owner-Occupied Rehabilitation program.** Effective in May 2005, the entire amount of the HOME subsidy is due on the sale, transfer or refinance of the property to an individual not meeting the program guidelines. In the case of death of the homeowner, the entire amount of the loan will be forgiven. The loan is forgiven at a rate of 20% per year for 5 years beginning on the 6<sup>th</sup> anniversary of the date of the loan for loan amounts under \$40,000. For loans in excess of \$40,000, the rate of forgiveness is 20% per year for 5 years beginning on the 11<sup>th</sup> anniversary of the date of the loan.

**Rental New Construction and Rehabilitation programs.** These loans are due in full during the period of affordability or upon the sale or transfer to an ineligible party.

**Match.** Match requirements of the HOME program will be met by three primary sources: resources committed by grantees and local governments, proceeds from mortgage revenue bonds and MFA general fund interest subsidy.

**American Dream Down Payment Initiative (ADDI).** American Dream Downpayment Initiative funds will be used to fund the PaymentSaver program described earlier. The MFA will work closely with Public Housing Authorities operating Housing Choice Voucher programs to provide targeted outreach to public housing residents seeking to become homeowners. MFA will also work closely with nonprofit organizations, community housing development organizations and local groups including those on Native American Trust lands and in the colonias to ensure that PaymentSaver loans are available to residents in difficult to serve areas.

For all households that receive ADDI funded PaymentSaver loans, the MFA requires they receive a minimum of four hours of homebuyer education. MFA has taken several steps to ensure that homebuyer education is not only available in most areas of the State, but that it also meets minimum guidelines for quality. The MFA pays a counseling fee to nonprofit organizations that provide homebuyer education. MFA also provides training and certification opportunities for housing counselors statewide and assistance with curriculum development and materials. Further, MFA is taken steps to encourage the statewide availability of housing counseling programs that assist households in becoming mortgage ready.

**Refinance of existing debt.** MFA may, at its discretion, use additional HOME funds under the following circumstances. When considering investing additional HOME funds on projects already financing with HOME, the following guidelines would apply:

Only when needed in order to permit or continue affordability of single family and rental units.

Rehabilitation is the primary activity.

The same underwriting standards would apply as when we make an initial investment of HOME funds in the project, which include:

Adequacy of management and owner;

Feasibility of project to meet operational and debt service requirements, consistent with market; and

Review of total development costs and sources available to meet these needs.

The required period of affordability will be consistent with the HOME regulations based on the activity and the HOME per unit subsidy.

This would be available jurisdiction wide.

The HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

### **Homeless Needs**

The New Mexico Coalition to End Homelessness conducted a point-in-time (PIT) count on January 25, 2005 for both sheltered and unsheltered homeless persons to determine the numbers of persons who are homeless and assess their needs in primarily non-urban areas of the State. A two-pronged approach was used for conducting the homeless count and needs assessment: counting homeless persons housed in shelters or transitional housing facilities through the participation of provider agencies and counting non-housed homeless persons that were encountered by staff or volunteers at shelter and non-shelter programs.

Based on the count, surveys and the CoC methodology used to determine homelessness, there is an annual estimate of 8,191 homeless people in the New Mexico Balance of State Continuum of Care region.

Unmet need was found to be as follows:

Family emergency shelter beds = 34

Individual emergency shelter beds = 53

Family permanent housing beds = 649

Individual permanent housing beds = 1,749

Family transitional housing beds = 1,913

Individual transitional housing beds = 2,258

Total Family Beds = 2,596

Total Individual Beds = 4,060

**Priority homeless needs.** The State's priority needs for the homeless are to end chronic homelessness, expand housing and services for those who are currently homeless and prevent future homelessness.

The State's Homeless Strategy is primarily carried out through the New Mexico Coalition to End Homelessness. MFA will continue to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group made up of representatives from various state agencies dealing with homelessness or peripheral issues, as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition will continue to provide include:

Developing a statewide strategy;

Implementing a financial plan that will lead to self-sufficiency;

Building the membership of the Coalition;

Developing an information sharing network among homeless service providers;

Providing technical assistance and coordinating educational activities for member service providers;

Developing the Continuum of Care competitive grant application on behalf of the state;

Conducting an educational campaign; and

Creating a statewide low-income rental housing development organization.

Going forward, MFA will continue to provide financial support to the Coalition, furnish meeting facilities and provide technical assistance to its members.

In addition, MFA is working in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness to develop the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and its organizations have begun entering data. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be used by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

For more information on homeless priority needs, see the Homeless Strategic Plan section below.

**Homeless inventory.** Please refer to the Continuum of Care Housing Activity Chart and Service Activity Chart attached to this section.

### **Homeless Strategic Plan**

**Institutional structure.** The State's Homeless Strategy is primarily carried out through the New Mexico Coalition to End Homelessness. MFA will continue to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group made up of representatives from various state agencies dealing with homelessness or peripheral issues, as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition will continue to provide include:

Developing a statewide strategy;

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Building the membership of the Coalition;

Developing an information sharing network among homeless service providers;

Providing technical assistance and coordinating educational activities for member service providers;

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In addition, MFA is working in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness to develop the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and its organizations have begun entering data. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be used by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

**Homeless Strategic Plan including ending chronic homelessness.** A number of resources are expected to be available to address homeless needs in the State. These include Emergency Shelter Grants, competitive Supportive Housing Program and Shelter Plus Care grants and State Homelessness Assistance funds. The MFA provides resources from its General Fund to support The New Mexico Coalition to End Homelessness which will be primarily responsible for implementing the State's strategy to end homelessness. This strategy stresses a "Housing First" model of assistance and emphasizes the creation of permanent supportive housing and homeless prevention over emergency shelters.

As a first step, the Coalition is working to create a statewide permanent supportive housing development organization. The intent of the statewide developer is to develop permanent housing for the homeless by working with existing community groups throughout New Mexico. Ideally, local groups will own and manage the housing while providing appropriate supportive services. The Enterprise Foundation and the Daniels Fund have indicated a willingness to support the development team financially. The Albuquerque Mental Health Housing Coalition, with a successful track record of developing supportive housing, has offered to sponsor the group.

The lack of capacity to develop supportive housing at the local level is an obstacle to increasing the supply of supportive housing. The development of a statewide expert will help to overcome this obstacle.

**Chronic homelessness.** The New Mexico Coalition to End Homelessness with financial support from MFA, will pursue the following goals and action steps over the next year aimed at eliminating chronic homelessness:

Goal 1: Work for official recognition of a statewide plan to end homelessness to be adopted by the Governor.

Goal 2: Enlist Public Housing Authorities to house chronically homeless people (600 people by 2012).

Action Steps

Advocate for more housing vouchers.

Develop pilot programs in several cities to combine state-funded supportive services with public housing to create supportive housing environments for the chronically homeless in public housing.

Use Shelter Plus Care funds to develop units of tenant-based rental housing in Valencia County.

Develop Shelter Plus Care units in specific counties in the State.

Through the Governor's Behavioral Health Purchasing Collaborative, develop funding mechanism to provide state funds for supportive services for disabled people living in public housing.

Goal 3. Develop permanent supportive housing for the disabled chronically homeless throughout the state.

Action Steps

Develop additional units of housing for the mentally ill including homeless mentally ill in specific locations in the State.

Develop units of Shelter Plus Care housing in specific locations in the State.

Develop units of Section 811 projects in specific locations in the State.

Recruit organizations in New Mexico to apply for Section 811 projects that focus on mentally ill homeless people.

Recruit agencies to develop new Shelter Plus Care programs in New Mexico.

Goal 4: Build the capacity in New Mexico to develop and operate more supportive housing in various settings.

Action Steps

Create a statewide nonprofit housing developer to work in partnership with NMCEH member organizations to develop supportive housing in New Mexico that would meet the needs of the chronically homeless in a variety of settings.

Create a private fund to support acquisition, construction, rehabilitation and operation of supportive housing for the homeless in New Mexico.

Goal 5: Develop housing for the seriously mentally ill, chronically homeless in five regions under the new single behavioral health entity.

Goal 6: Improve access to mainstream resources for chronically homeless people.

Action Steps

Work with the Social Security Administration to speed up access to SSI and SSDI for chronically homeless people drawing from the experience of Maryland and using volunteer advocates.

Work with the Human Services Dept. to have caseworkers on site at day services centers to improve access to Medicaid, food stamps and general assistance for chronically homeless people.

Provide annual workshop for homeless agencies on creative ways to access mainstream resources.

Expand pilot Day Services Centers in Santa Fe and Las Cruces to provide case management for chronically homeless people to help increase access to mainstream resources.

Educate homeless agencies about presumptive eligibility for state general assistance.

Goal 7: Develop and strengthen case management models that keep homeless people in housing once they are housed.

Action Steps

Work with the Social Security Administration to speed up access to SSI and SSDI for chronically homeless people drawing from the experience of Maryland and using volunteer advocates.

Work with the Human Services Dept. to have caseworkers on site at day services centers to improve access to Medicaid, food stamps and general assistance for chronically homeless people.

Provide annual workshop for homeless agencies on creative ways to access mainstream resources.

Expand pilot Day Services Centers in Santa Fe and Las Cruces to provide case management for chronically homeless people to help increase access to mainstream resources.

Educate homeless agencies about presumptive eligibility for state general assistance.

**Homelessness prevention.** The New Mexico Coalition to End Homelessness, with financial support of MFA, will also pursue the following goals and action steps to address individuals and families with children that are at imminent risk of becoming homeless or for those that have become homeless to get them into housing as quickly as possible.

Goal 1: Work on strengthening services and funding for homeless prevention.

Action Steps

Work to create a statewide homeless prevention fund.

Goal 2: Increase supply of supportive housing

Action Steps

Work with statewide affordable housing trust fund to develop transitional and permanent supportive housing for homeless persons.

Create a partnership with two more local Housing Authorities willing to work with service agencies to house homeless people.

Implement the State's affordable housing act that allows government to donate land for affordable and accessible housing.

Create a partnership with private developers to build affordable and accessible housing and to work with service agencies to house homeless people.

Goal 3: Increase incomes of homeless people

Action Steps

Work with State Labor Department to implement Day Laborer Law insuring fair employment practices of day laborers.

Increase enrollment in mainstream services, food stamps, TANF, Medicaid, etc.

Encourage job skills training as part of transitional housing programs.

Goal 4: Improve services for homeless people

Action Steps

Establish Inter-Agency Homeless Task Force as permanent continuation of Lt. Governor's Homeless Strategy Group and the Discharge Planning Working Group.

Develop continuum-wide best practices policies for homeless agencies.

**Discharge coordination policy.** The New Mexico Coalition to End Homelessness, in conjunction with the New Mexico Mortgage Finance Authority has a Discharge Planning Work Group, which works to improve statewide discharge planning by four key state agencies. The

committee has discussed the protocols that are in place for discharge planning at the Department of Corrections, Department of Children, Youth and Families, Behavioral Health Services Division and the Human Services Department. Also under discussion is the need to improve discharge planning protocols in the area of physical health and individuals exiting public health care facilities. MFA will support the Coalition to bring these protocols to the community.

**Emergency Shelter Grants (ESG) program.** Emergency Shelter Grant funds will be distributed to eligible emergency shelters on a formula basis through a competitive application, with the exception of the Emergency Shelter Operations category, which will be discussed later in this text. New emergency shelter and shelters engaging in homelessness prevention activities funded with Emergency Shelter Grants must adhere to the regulation and requirements of the federal ESG program. While federal ESG funds cannot be used within the City of Albuquerque, it is important to understand that the RFP process also provides for distribution of State of New Mexico Homeless Assistance Program funds, which may be used statewide.

**MFA Homeless Program qualifications.** The MFA Homeless Program provides assistance to all units of local government, including tribal governments, who are eligible to apply for funding to serve homeless persons in their community. In addition, nonprofit organizations are eligible to apply if they meet the following requirements:

The primary mission of the nonprofit organization must be to provide housing or services to the homeless;

The nonprofit organization must demonstrate support from the unit of local government it intends to serve; and

The non-profit organization must have received its 501(c)(3) IRS determination letter prior to submitting an application.

MFA Homeless Program funding may be used for essential or supportive services, operating expenses and prevention activities associated with providing shelter or services to homeless individuals. Applicants must have the support of the local jurisdiction, be able to meet match requirements and provide monthly service reports. The activities receiving funding under the MFA Homeless Program are: Emergency Shelter Operations, Essential Services Only, Homeless Prevention, Permanent Supportive Housing and Continuum of Care Match. The requirements for application under these activities are listed below.

**Emergency Shelter Operations funding.** Funding for Emergency Shelter Operations is allocated based on a competitive round to eligible emergency shelters on a formula based on bed nights. An organization may also request funding under this category for related essential services and homeless prevention to be funded from this part, in addition to shelter operations funds. Eligible activities include the following:

**Shelter operations**—100 % of the award for this activity may be used to pay for maintenance, operation, insurance, utilities and furnishings and for appropriate staffing costs associated with the operation of the shelter. **However, no more than 10% of the amount of the award under this activity may be used for costs of operations staff.**

**Essential services**—Funds may be used to pay for services concerned with employment, health, drug abuse and education. Eligible costs include staff salaries necessary to provide such services and other costs directly associated with the provision of such services. **However, Essential Services is capped at 30% of the total award under the Emergency Shelter Operations activity.** Examples of activities include the following:

Assistance in obtaining permanent housing;

Medical and psychological counseling and supervision;

Employment counseling;

Nutritional counseling;

Substance abuse treatment and counseling;

Assistance in obtaining federal, state and local assistance including mental health benefits, employment counseling, medical assistance, Veteran's benefits and income support; and

Other services such as child care, transportation, job placement and job training.

*Congregate meals and healthcare are **not** eligible.*

**Homeless prevention**—Funds may be used for activities to prevent homelessness such as financial assistance to families who have received eviction notices or notices of termination of utility services, provided there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time. Refer to Homeless Prevention under this Section (pages 20 and 21) for a complete list of eligible activities. **However, Homeless Prevention is capped at 30% of the recipient's award under the Emergency Shelter Operations activity.**

**Administration**—There are up to 2% of admin fees available for this activity only. MFA will disburse these funds based on bed nights.

Units of local government and nonprofit organizations that operate emergency shelters for the homeless will be considered eligible emergency shelters if they meet the threshold criteria:

The entity must be a municipality, county, or a nonprofit 501(c)(3) organization in New Mexico.

For nonprofit organizations, they must have as their primary mission, provision of services to the homeless.

The entity must provide emergency shelter to homeless persons, as defined by the U.S. Department of Housing and Urban Development or the State of New Mexico, as appropriate. An emergency shelter is defined as a temporary place for persons in an emergency situation to stay and must have the capacity to shelter and accept inquiries at all hours.

The entity must demonstrate the capacity to provide safe, decent emergency shelter

nightly, have at least 6 beds available and average at least 15 bed nights per month with an average length of stay of less than 90 days for each resident.

The entity must demonstrate staff capacity to conduct intake and assessment of homeless persons.

The entity must provide supervision and referrals to appropriate supportive services.

The entity must operate its shelter facility in compliance with all applicable federal, state and local building codes, laws and regulations, not be delinquent with any debt payments and have resolved any issues identified through prior MFA monitoring.

The entity must be current in the required monthly reporting with the MFA, if applicable.

The entity must be able to demonstrate the administrative and financial management capacity necessary to accept and account for the use of public funds.

The entity must not exert religious influence in operating its shelter.

**Restrictions on funding amounts include:**

No organization will receive more than 15% of the total funds available for combined homeless activities, unless proposals submitted for any one activity are insufficient to award all funds allocated to that activity.

Contract amounts may not make up more than 50% of any organization's total budget.

Essential Services Only funding. Beginning July 1, 2005, in accordance with the Behavioral Health Purchasing Collaborative implemented by the New Mexico State Legislature, a statewide entity became responsible for the administration of all the New Mexico public behavioral health service system, including MFA's essential services activities. All Essential Services Only funding is part of the State homeless allocation.

Essential Services Only funding is made available only to nonprofit agencies that do not operate an emergency shelter, but still have as their primary mission the provision of services to the homeless. This funding will be distributed on a competitive basis to nonprofit organizations serving the homeless. To be eligible for Essential Services Only funding, organizations must meet the following criteria:

The organization must be a nonprofit 501(c)(3) organization in New Mexico.

The organization must have as its primary mission the provision of services to the homeless and the program for which the organization is applying does not provide emergency shelter as part of that program.

The organization must demonstrate the staff capacity to provide supportive services and the administrative and fiscal capacity to account for the use of public funds.

The organization demonstrates that it does not duplicate services provided by

another organization in the community and works in cooperation with the local emergency shelters.

The organization must not exert religious influence in providing supportive services.

*Homeless Prevention Funding.* Homeless Prevention funding is made available to units of local government or 501(c)(3) organizations whose primary mission is to serve the homeless or to provide housing to homeless individuals. The criteria listed above apply for this activity as well.

*Permanent Supportive Housing Funding.* Funding for Permanent Supportive Housing with disabilities is made available only to local and tribal governments or nonprofit organizations providing permanent supportive housing for homeless persons with disabilities. To be eligible for Permanent Supportive Housing Operations, organizations must meet the following criteria:

The organization must be a local or tribal government or nonprofit 501(c)(3) organization in New Mexico.

The organization must operate a permanent housing facility for homeless persons with disabilities.

The organization must receive funding from HUD's Continuum of Care Supportive Housing program award.

The organization must demonstrate the staff capacity to provide supportive services and the administrative and fiscal capacity to account for the use of public funds.

*Continuum of Care match.* Funds to match Continuum of Care Supportive Housing and Shelter Plus Care Programs are made available only to recipients of HUD's Continuum of Care Supportive Housing Program (SHP) or Shelter Plus Care (SPC) grants and from funds received from the State of New Mexico. The purpose of this funding is to help SHP/SPC grant recipients to meet the match requirements for the first operating year under their SHP/SPC grants. Funding under this category is limited to no more than the amount of match required under the SHP/SPC grants. Funding may be used for operations, supportive services and/or leasing.

To be eligible for funds to match Continuum of Care programs, organizations must meet the following criteria:

The organization must be a recipient of a new or renewed SHP/SPC grant for transitional and/or permanent supportive housing;

The organization is currently operating the transitional or permanent supportive housing program for which the SHP/SPC award was granted by HUD; and

The organization can demonstrate the match requirement for operations, supportive services and/or leasing for year one of the SHP/SPC grant only.

ESG match. Match requirements of the ESG program will be met by primarily five sources and will vary depending on the agency: resources raised by local fund raising or cash, in-kind donations, the United Way, State of New Mexico appropriated funds and other non-profit grants.

### **Community Development**

**Community development priorities.** The DFA/LGD will pursue seven community development priorities over the next year. They are:

- Increase CDBG applications from communities that, in the past, have infrequently participated in the program;
- Disburse majority of CDBG funds for community projects;
- Encourage more housing related activities;
- Encourage communities to repair dilapidated streets; and
- Encourage communities to provide adequate and safe drinking water.

Objectives and Output Measures:

**Priority 1:                    Increase CDBG applications from communities that, in the past, have infrequently participated in the program.**

*Objective 1.1:*            Revise threshold requirements in CDBG Rules and Regulations to dissuade repeat applicants from applying each year.

Resource Utilization:    CDBG Staff, Community Development Council Board

Output Measure:        Number of applicants who have not received CDBG funding within the last two years.

*Objective 1.2:*            Increase community outreach and technical assistance to local governments to increase awareness of the potential uses of CDBG funds.

Resource Utilization:    CDBG Staff, Local Councils of Government

Output Measure:        Meetings with elected officials and other interested parties to explain the CDBG.

<p><i>Priority 1 Outcome Measurement:        Five applicants that have not been funded with CDBG funds in the past two years will submit applications.</i></p>
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**Priority 2:                    Disburse majority of CDBG funds for community projects.**

*Objective 2.1:*            To receive enough substantial applications for funding to enable DFA/LGD to disburse all CDBG funds throughout the State based on approval decisions by the CDC.

Resource Utilization: CDBG Staff, Local Council of Governments, Local Governments, Other State Governmental Agencies

Output Measure: All CDBG funds, with the exception of TA and Administrative costs will be disbursed to local governments.

*Priority 2 Outcome Measurement: All CDBG funds, with the exception of TA and Administrative costs will be utilized for community projects which meet the CDBG program national objectives.*

**Priority 3: Encourage more housing related activities.**

*Objective 3.1:* Revise threshold requirements to allow local governments to apply for CDBG funds for housing projects without first having to apply to MFA and be rejected.

Resource Utilization: CDBG Staff

Output Measure: Number of applicants who apply for housing before applying to the MFA.

*Objective 3.2:* Ten percent set aside for colonias be available for housing located in a designated colonias.

Resource Utilization: CDBG Staff, Local Council of Governments

Output Measure: Number of applications received from colonias for housing related activities.

*Objective 3.3:* Increase community outreach and technical assistance to local governments to increase awareness of the potential uses of CDBG funds for housing related activities.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, MFA

Output Measure: Meetings with elected officials and other interested parties to encourage local governments to apply for housing using CDBG funds.

*Priority 3 Outcome Measurement: Two housing applications will be funded and one funded application will be from a colonia.*

**Priority 4: Encourage communities to repair dilapidated streets.**

*Objective 4.1:* Increase applications for street repairs.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Department of Transportation

Output Measure: Number of applications submitted.

*Priority 4 Outcome Measurement: Eight projects for street repairs will be funded.*

**Priority 5: Encourage communities to provide adequate and safe drinking water.**

*Objective 5.1:* Work more closely with NMED to target communities with unsafe drinking water.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Environment Department

Output Measure: Joint meetings and trainings with NMED regarding community water systems.

*Objective 5.2:* Increase applications for water system improvements.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Environment Department

Output Measure: Number of applications for water system improvements received.

*Priority 5 Outcome Measurement: Four applications for water system improvements will be funded.*

**Antipoverty Strategy**

Many agencies throughout New Mexico actively pursue the elimination of poverty. The role the MFA performs in this overall endeavor is to foster and promote self-sufficiency and independence. To better empower individual and families toward this goal, the following strategies will be put to work:

Promote sustainable economic development through affordable housing and other community development activities;

Assist households in purchasing homes, developing stability and net worth and reducing the likelihood for poverty;

Evaluate projects, in part, on the basis of their ability to foster self-sufficiency when awarding funding for projects;

Maintain a strong relationship with the New Mexico Coalition to End Homelessness to enhance and promote stabilization of homeless families and encourage transition to stable, permanent housing situations;

Explore partnership opportunities with the Human Services Department regarding its administration of the Community Services Block Grant, a program that helps organization that provide a range of services and activities having a measurable and potentially major impact on the causes of poverty in their communities; and

Enhance efforts to educate the public and interested persons about available supportive services that foster self-sufficiency and independent living arrangements.

## **Low Income Housing Tax Credit (LIHTC) Coordination**

The New Mexico LIHTC Qualified Allocation Plan (“QAP”) is drafted on an annual basis to be consistent with the State of New Mexico Consolidated Plan and Annual Action Plans. The QAP supports the development of affordable housing by setting priorities for those rental development projects that target the highest levels of affordability, for the longest period of time, in areas the rental housing is most needed and for the populations in most need of housing. Point categories are reviewed annually. Examples of point categories in the Qualified Action Plan that support the priorities are as follows:

30 points available for the rehabilitation and preservation or conversion of affordable housing.

65 points available to projects that target an average gross median income of 50% or less and 45 points for projects that target an average gross median income of 65% or less.

15 points for projects committing to an extended use period of 45 years.

15 points for projects that reserve 25% of the units for Special Needs Households or that are specifically designated for exclusive use by elderly residents and that provide social services to these targeted populations.

5 points for projects that reserved 25% of the units for households comprised of individuals with children and provide social services to that targeted population.

15 points for projects on Native American Trust Lands.

5 points that provide a commitment to market the units to households on public housing agency wait lists.

5 points for projects in qualified census tracts or difficult to develop areas.

5 points for projects in qualified census tracts that the development of which contributes to a concerted community revitalization plan.

5 points for projects that provide a comprehensive program to facilitate eventual homeownership.

15 points for projects in priority geographic areas, consistent with the Action Plan.

## **Non-Homeless Special Needs**

**Specific special needs objectives.** Through the citizen participation process and research for the Consolidated Plan, non-homeless special needs housing was identified as a priority in the State. In fact, most communities and key stakeholders prioritized the needs of the elderly, the disabled (physically, mentally and developmentally) and other special needs populations above the need for new multifamily rental housing.

However, research further showed that the housing needs of these populations are primarily available: decent, safe and affordable rental housing that is affordable to households below 30 percent of AMI. When such housing is available, local service agencies are able to link these populations to services which will keep them housed. Therefore, the strategy for meeting the housing needs of special populations is to utilize existing financing tools for multifamily rental housing in order to expand the supply of available rental units and to give preference in funding decisions to those projects that will serve, in whole or in part, special needs populations.

The exception to the need for more affordable rental housing is for physically disabled households seeking to purchase housing. These households face difficulty in finding accessible single-family units. Therefore, MFA will encourage universal design or adaptability standards in all newly constructed affordable single family housing.

The MFA will pursue five housing priorities in the next year. All of these could potentially benefit special needs populations, but two of them (Goals 3 and 4) are specifically designated to assist special needs populations and persons who are homeless. These priorities include:

- Increase opportunities for homeownership.
- Preserve the State's existing affordable housing stock.
- Expand the supply of housing and services to assist the homeless.
- Expand housing opportunities and access for special needs populations.
- Expand the supply of decent affordable rental housing.

The Non-Homeless Special Needs table and the Housing Needs tables show the MFA's goals for meeting the needs of special needs populations.

**Non-homeless special needs analysis (including HOPWA).** Information on the needs of non-homeless special needs populations is very challenging to find since there are few centralized sources of information on the various groups. HUD provides data (CHAS tables) that help identify the number of persons in various subpopulations that are not homeless but may require housing or supportive services. In addition, needs can be estimated using national incidence rates applied to the State of New Mexico. Using a combination of the HUD tables and other sources, we developed the following estimated needs for non-homeless special needs populations in New Mexico:

- **Elderly.** According to CHAS data, in 2000 there were 17,000 low-income (earning 50 percent of the AMI or less) elderly households with housing problems in

New Mexico's nonentitlement areas. Housing problems also includes being cost-burdened.

- **Frail elderly.** CHAS tables also produce information for “extra elderly,” or elderly with mobility limitations, which can be used as a proxy for frail elderly. In 2000, 5,400 low-income frail elderly in New Mexico had housing problems.
- **Severe mental illness.** Studies of homelessness indicate that between 25 and 40 percent of persons who are homeless also have a severe mental illness. These people have the greatest housing needs of persons with severe mental illnesses. In New Mexico, we estimate between 2,000 and 3,300 people in nonentitlement areas have severe mental illness and housing needs.
- **Disability.** In 2000, there were 41,000 households in New Mexico with some type of mobility or self care limitation and who had housing problems. This includes all households where one or more persons has 1) a long-lasting condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting or carrying and/or 2) a physical, mental or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing or getting around inside the home.
- **Substance abuse.** National incidence rates suggest that 71 percent of the population experiencing homelessness has a drug and/or alcohol abuse disease. This is equivalent to about 5,800 persons who are homeless in New Mexico.
- **HIV/AIDS.** Statewide, in 2002/2003, there were 1426 people with HIV/AIDS.

**Priority needs.** The need for an emergency shelter for people who are homeless was identified in each of the seven public input meetings. The services identified as being needed in these communities were substance abuse treatment, mental health and domestic violence services for people who are homeless, as well as services for homeless families. Two communities cited the need for transitional housing as well.

The need for housing for the elderly was identified in each of the public input meetings. Different types of housing were identified as being needed for seniors including multifamily rental, assisted living, rehabilitation and emergency repair for elderly homeowners, accessibility modifications and in-home supports. Other needs identified for special needs populations included accessible housing (both multifamily and single family), accessibility improvements, supportive housing for the mentally ill and people with substance abuse issues.

Information on facilities is not readily available.

### **Specific Special Needs Objectives**

MFA will pursue five housing priorities in the next year. All of these could potentially benefit special needs populations, but two of them (Goals 3 and 4) are specifically designated to assist special needs populations and persons who are homeless. These priorities include:

- Increase opportunities for homeownership.
- Preserve the State's existing affordable housing stock.
- Expand the supply of housing and services to assist the homeless.
- Expand housing opportunities and access for special needs populations.
- Expand the supply of decent affordable rental housing.

The Non-Homeless Special Needs table and the Housing Needs tables show the MFA's goals for meeting the needs of special needs populations.

#### **Housing Opportunities for People with AIDS (HOPWA)**

**HOPWA funding and allocation.** Funding under the HOPWA program will be available to non-profit organizations that serve people who are HIV-positive and/or are living with AIDS to provide short-term rent, mortgage and utility payments to prevent the homelessness of the tenant or owner of a dwelling.

Funding under the HOPWA Program will be made available to nonprofit organizations that service low-income persons with HIV/AIDS for continued rental assistance. Persons receiving rental assistance must pay as rent the higher amount of 30% of the family's monthly-adjusted income, 10% of the family's monthly gross income or welfare assistance specifically designated for housing.

Supportive services include health, mental health assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutrition services, intensive care when required, and assistance in gaining access to local, state and federal government benefits and services; health services may only be provided to individuals with AIDS or related diseases and not to their family members.

A percentage of the HOPWA grant will be divided between MFA and subgrantees for program administration. The specific allocation is determined annually but will not exceed any statutory limit.

**Obstacles to meeting underserved needs.** More than 60 percent of the HOPWA funds are being used by subgrantees to provide rental assistance under the STRMU or TBRA activities. MFA feels that this is a good use of the HOPWA funds in that AIDS clients are finding it extremely difficult to obtain any rental assistance or vouchers from the various Housing Authorities throughout the state. The Housing Authorities will not allow the case managers to interact or work on behalf of the client. With the declining health of many of the clients, forcing them to go to the Housing Authority or stay on top of the requirements to stay on waiting lists is not manageable. This program would be more effective if HOPWA case managers were allowed to act on behalf of their clients and work directly with the Housing Authorities.

**Specific HOPWA objectives.** HOPWA funding is allocated under a competitive process, with RFPs issued every three years. The last funding round was for the years 2003, 2004 and 2005. The next round will be for the years 2006, 2007 and 2008. Subgrantees receiving the HOPWA awards will have exclusive service responsibility for any one of the four designated service areas within the State. Successful subgrantees will have the management task of independently implementing the work program which ranges from initial participant identification, certification, and documentation of participant eligibility through actual provision of program services.

The objective of the HOPWA Formula Grant Program is to address the high incidence of immunodeficiency syndrome cases that may cause low-income persons in New Mexico to become homeless by providing housing assistance and related supportive services for said persons and their families.

Funding under the HOPWA program will be available to serve people who are HIV-positive and/or are living with AIDS to provide short-term rent, mortgage and utilities payments to prevent the homelessness of a tenant or mortgagor of a dwelling as further described by the regulations.

Tenant-based rental assistance including assistance for shared housing arrangements, as further described by the regulations.

Supportive services as described in this RFP and as further described in the regulations.

Administrative expenses to the extent allowed by the regulations.

#### **Other Narrative**

**Governor's Innovations in Housing Awards program.** The MFA Board of Directors has approved the concept of the Governor's Innovations in Housing Awards program as follows. Three "pots" of money will be established. Specific program guidelines will be subject to MFA Board approval at a later time. MFA reserves the right to reallocate the funds among the funds based on market demand.

**Governor's Invest New Mexico.** Recently, Governor Richardson released a 10 year plan for the infrastructure of New Mexico which focused on six areas: water, education, higher education, transportation, economic development and housing. Specifically, the plan identified seven goals associated with housing in New Mexico.

Increase the homeownership rate;

Build more than 11,000 new homes, including 4,500 single family homes and 6,840 new rental homes;

Repair and improve at least 10,000 existing homes;

Reduce the water and energy consumption of new and existing housing;

Reduce the use of high-cost mortgage loans;

Strengthen the capacity of local governments, nonprofits, Housing Authorities and the private sector to implement innovative housing programs; and

Invest \$3.5 billion in New Mexico's housing infrastructure.

MFA in its capacity as the State's housing agency will strive to meet these goals with our housing partners around the State.

**New Mexico Housing Trust Fund Coalition.** The Governor's Invest New Mexico plan called for the creation of the New Mexico Housing Trust Fund as a way to provide venture capital for innovative housing initiatives that will leverage additional federal and private investment.

During the 2005 Legislative Session, the Legislature passed—and Governor Richardson enacted—the New Mexico Housing Trust Fund including a one-time appropriation of \$10 million to capitalize the Fund. Housing Trust Fund monies will be invested with the New Mexico State Investment Council in order to realize the highest possible returns.

The New Mexico Mortgage Finance Authority (MFA) is working closely with the recently appointed Housing Trust Fund Advisory Committee to draft program and funding guidelines so that the Fund will be distributed and used to generate and finance affordable housing throughout the State in the most effective way possible.

The New Mexico Housing Trust Fund will:

Create a substantial source of revenue to finance and undertake affordable housing activities throughout New Mexico.

Provide a flexible source of funds unlike existing restricted resources to better meet New Mexico's unique affordable housing needs.

Reduce reliance on uncertain federal housing appropriations.

Create an affordable housing legacy that will continue to benefit New Mexicans for generations.

Each 100 housing units developed through the Housing Trust Fund will produce an estimated \$430,500 in gross receipts and property taxes and fees in the *first year of development*. The National Association of Home Builders estimates that the construction of 100 single-family homes supports about 115 full-time equivalent jobs. Additionally, this fund will create wealth and greater prosperity for New Mexico families by building equity in their homes. Home equity is by far the greatest source of wealth for most Americans and lower housing costs will provide New Mexico households more disposable income for basic necessities, savings, and investments.

SECTION VII.  
One-Year Action Plan

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## **SECTION VII.**

### **State of New Mexico One-Year Action Plan**

#### **Executive Summary**

The State of New Mexico is required by the U.S. Department of Housing and Urban Development (HUD) to prepare an Action Plan for Housing and Community Development (HUD) to prepare an Action Plan for Housing and Community Development annually. Timely completion of the Plan in a HUD-acceptable format helps ensure continued funding of housing and community development activities throughout the State. In 2005, the State of New Mexico prepared its Five-Year Consolidated Plan, covering the program years 2006-2010. The State's 2006-2010 Consolidated Plan contains new information about demographic, economic, and housing market trends in the State; analysis of statewide affordable housing needs; findings from the citizen participation process; and a current analysis of the needs of special populations. The following represents the One-Year Action Plan for allocating the State's federal block grant funds to address housing and community development needs.

In order to make the document more informative for citizens and more useful for policy makers and those engaged in the production of affordable housing, the document describes actions and activities to be undertaken with resources beyond the federal grant programs and by organizations other than those administering the federal grant programs. It is intended to represent a comprehensive Action Plan for affordable housing activities statewide. The goals and activities identified here can by no means be accomplished through the use of the federal grant programs alone. Where possible, the plan specifies those actions or activities that are expected to be undertaken with other resources as well as the related outputs expected to be achieved; however, since many of these other resources are more flexible than the federal grant programs, it is difficult to estimate how these resources may be utilized. In addition, the State Legislature has recently passed a number of legislative initiatives that make new resources available for affordable housing in the State. As this plan covers the first year in which those resources will become available, it is difficult to predict how many resources will be brought to bear on affordable housing needs and in what manner. This plan is a guide to the best use of those resources.

#### **Resources Expected to be Available**

Housing and community development resources are expected to be available to the State of New Mexico through the US Department of Housing and Urban Development under five federal block grant programs. These block grants include the Small Cities Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) including the American Dream Downpayment Initiative (ADDI), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The HOME program is expected to produce program income that will also be available for housing activities in the State. In addition, several HUD-funded competitive grants are also available. It is expected that the New Mexico Mortgage Finance Authority and its

partner agencies will compete for additional resources under the Supportive Housing Program (SHP), Shelter Plus Care (S+C), Rural Housing and Economic Development (RHED), Section 811 Housing for Persons with Disabilities, Section 202 Housing for the Elderly, Training and Technical Assistance grants and Housing Counseling.

Additional federal resources include Mortgage Revenue Bonds (MRBs) and Low Income Housing Tax Credits available from the IRS, Weatherization Assistance awarded by the Department of Energy and resources available to rural areas through several programs funded by the US Department of Agriculture. These rural development programs include: Guaranteed Rural Housing Program, Section 502 Direct Loan Program, Section 504 Loan/Grant Repair Program, Section 514/516 Farm Labor Housing Program and Section 515 Rural Rental Housing Loan Program.

Other nonfederal resources expected to be available include resources from the MFA Housing Opportunity Fund and General Fund, taxable bonds, 501(c)3 bonds, the Land Title Trust Fund, State appropriations for weatherization and homelessness and resources that will become available through three recent State initiatives which include the Affordable Housing Act, State Affordable Housing Tax Credit Program and the New Mexico Housing Trust Fund.

### **General**

**Geographic areas where assistance will be directed.** MFA administers the HOME, ADDI, ESG and HOPWA HUD block grants. These grants are eligible for allocation statewide except for the entitlement communities of Albuquerque and Las Cruces which receive HOME and ADDI directly. As the State's housing financing agency, the New Mexico Mortgage Finance Authority (MFA) directs available resources for affordable housing to each of the 33 counties in the state. Twenty-two counties in New Mexico have a poverty rate greater than 18.6 percent and all but two counties have a poverty rate that exceeds 12 percent. Six counties, primarily in the northwest portion of the state, have Native American populations that exceed 10 percent, while 15 counties have a Hispanic/Latino population that exceeds 43.7 percent. More than 140 communities in New Mexico have been designated by HUD as Colonias. These areas along with Native American Trust lands represent high concentrations of minority populations, low-income households and some of the state's worst housing conditions. The actual amount of resources that is invested in an area in any one year depends upon several factors. Certain funding sources have specific geographic targets resulting in differences in funding availability. The capacity to build housing and therefore the delivery system for investing in affordable housing varies substantially among communities in New Mexico. Further, the housing and community development needs also differ significantly throughout the state.

The Department of Finance (DFA) Local Government Division, which administers the small cities Community Development Block Grant (CDBG) program, will make funding available to all areas of the state except the cities of Albuquerque, Las Cruces, Santa Fe, Rio Rancho and Farmington.

**Basis for allocating investments geographically.** Funding for the State's HUD block grants is allocated geographically based on three considerations: 1) requirements of the funding source; 2) relative priority need for various types of housing activities and their associated costs; and 3) local support.

MFA determines high priority counties which receive scoring preferences on applications for funds. The prioritization is based on the following characteristics: poverty level, homeownership, cost burden, population change and housing condition based on recent census data. These priorities change from year to year based on the most current census updates.

**Housing priorities** The following five housing priorities were identified during the Consolidated Plan process and will guide the use of MFA administered HUD funding identified in this plan for the following five years:

- Priority Number 1: Increase opportunities for homeownership.
- Priority Number 2: Preserve the State’s existing affordable housing stock.
- Priority Number 3: Expand the supply of housing and services to assist the homeless.
- Priority Number 4: Expand housing opportunities and access for special needs populations.
- Priority Number 5: Expand the supply of decent affordable rental housing.

DFA/LGD has one CDBG funding round, with an application submittal date during the first weeks of January. Each application is reviewed, rated and ranked by DFA/LGD staff based on the following rating criteria:

1. The needs of the community;
2. Does the project meet the national objectives of benefiting low-and moderate-income persons, preventing or eliminating blight, or meeting or alleviating immediate threats to the health and welfare of the community;
3. Other funds leveraged in addition to the cash match;
4. Citizen participation;
5. Planning activities undertaken by the community and participation in the ICIP process;
6. Feasibility and readiness of project; and
7. CDBG cost per beneficiary benefit.

In the State of New Mexico, the Community Development Council (CDC) is the CDBG allocating authority. The CDC members are five state government representatives and seven Governor-appointed District Representatives. These 12 individuals are responsible for allocating the CDBG funds, holding public hearings to discuss proposed rules changes and adopting the State CDBG regulations for the coming year. The CDC can make selections following the DFA/LGD staff rating and rankings or can select projects using their own selection criteria.

**Community development priorities.** The following five priorities have been identify by DFA to pursue over the next five years:

- Priority Number 1: Increase CDBG applications from communities that, in the past, have infrequently participated in the program.
- Priority Number 2: Disburse majority of funds for community projects.
- Priority Number 3: Encourage more housing related activities.
- Priority Number 4: Encourage communities to repair dilapidated streets.
- Priority Number 5: Encourage communities to provide adequate and safe drinking water.

### **Managing the Process**

**Lead agencies.** The lead agency for preparing the State of New Mexico Consolidated Plan was the New Mexico Mortgage Finance Authority (MFA). MFA administers the State’s HOME (including ADDI), ESG and HOPWA grants. CDBG is administered by the Department of Finance and Administration (DFA), Local Government Division (LGD).

**Consolidated Plan development and consultation.** MFA convened a Planning Team, made up of representatives of housing, community development and special needs populations statewide, to advise MFA on the development of the Plan. The Team also assisted in getting input and participation from constituents. Individuals on the Team represented local Housing Authorities, persons who are homeless, persons with mental illness, children, reservations/pueblos, rural development, lenders, housing developments and real estate professionals. During the development of the Consolidated Plan, the Planning Team met with MFA, DFA and the Consolidated Plan consultants to discuss research and methodology issues, develop contacts for special needs interviews discuss research findings, identify top housing and community development needs and develop a draft strategic plan.

The housing and community development needs research for the Consolidated Plan was completed by BBC Research & Consulting, a Denver-based housing planning consulting firm, and Koerner Solutions, an Albuquerque-based housing policy consulting firm.

**Citizen participation process.** The development of the Consolidated Plan also involved a very extensive process of public outreach. In-person and telephone interviews were conducted with 27 stakeholders who represent the State’s citizens in need. The State also held seven public meetings throughout the State during the development of the Plan, in addition to eight public hearings after the Draft Consolidated Plan had been released. A citizen survey was distributed to attendees at the public meetings. Ninety-one surveys were received and analyzed.

**Citizen comments.** Section IV—Citizen Input and Needs Assessment contains the detailed methodology and findings from the citizen input and organization consultation processes for the Consolidated Plan. The section also contains a summary of the public comments received on the Draft Consolidated Plan.

Silver City

**Comment:** How many title companies are in this region (referring to the LTTF)? How do we get them to participate?

**Response:** That information available on the MFA website at [www.housingnm.org](http://www.housingnm.org). There are also instructions as to how to enroll in the Land Title Trust Fund.

**Comment:** Recommendation that MFA Increase it outreach efforts for MFA products.

**Response:** Thank you for your comment. MFA is continuously reviewing the effectiveness of its outreach plans and will make the necessary changes as necessary.

**Comment:** Representatives from El Refugio and Habitat for Humanity thanked MFA for all our help and support over the years.

**Response:** Thank you for your comment.

Clovis

**Comment:** CDBG Housing: More information is needed on eligible activities and how to apply. Specifically, can a profit and non-profit partner on a housing project and how would that work?

**Response:** Housing rehabilitation is an eligible activity and all eligible entities may apply for a housing rehab grant. The State of New Mexico has one competitive funding round per year. Applications are due on one designated day generally in early January. Applications for the next funding round are available from the Department of Finance and Administration (DFA) usually sometime in the summer. DFA holds an application workshop which coincides with the release of the application. The application includes the State regulations which outlines what information needs to be contained in the application and how each item will be scored. Scoring is based on a 100-point scale. DFA staff then score and rank all funding applications (except Planning) and the rankings are submitted to the State Community Development Council (CDC) for approval. In the State of New Mexico, the CDC is the CDBG allocating authority. The CDC members are five state government representatives and seven Governor-appointed District Representatives. These twelve individuals are responsible for allocating the CDBG funds, holding public hearings to discuss proposed rules changes and the adoption of state CDBG regulations for the coming year.

Eligible entities include all counties and municipalities in the State of New Mexico. Entitlement communities are ineligible to apply to the State for CDBG funding. Those entitlement communities are the cities of Albuquerque, Farmington, Las Cruces, Rio Rancho and Santa Fe. An eligible community can apply for CDBG funding from the State on behalf of a non-profit or for-profit corporation. The non-profit and for-profit cannot be a co-grantee to the State. Therefore, DFA recommends that the eligible community apply to the State and have a separate agreement between the eligible community and the non-profit or for-profit.

**Comment:** Recommend MFA use MLS data for the median price of a home in a particular area, vs. census data.

**Response:** Thank you for your comment. MFA has looked into this as an option. However, because Multiple Listing Service data from realtors is only generated for metropolitan areas, it does not accurately reflect home prices in the rural communities. Generally speaking, the prices of homes in rural communities are somewhat lower than those in the metro areas. Census data is based on an actual sample home sales prices from across the state. MFA will continue to seek the most accurate data available.

**Comment:** It's nice to see Curry and Roosevelt counties on something. –referring to priority areas.

**Response:** Thank you for your comment.

**Comment:** There are not enough affordable rental units in Curry County.

**Response:** In the 2006 Action Plan, Curry County has been designated as a targeted area for the conversion of single family units to rental units in an attempt to help meet this need.

**Comment:** Region IV Housing Authority has a hard time serving Union county, if they would better serve that area we could rent out units.

**Response:** Thank you for your comment.

**Comment:** Clovis needs more units to serve the 55 to 62 age range and for 60 to 80% of AMI.

**Response:** MFA has determined under priority number four to expand the opportunities and access for special needs populations. This demographic group would fall into that category.

**Comment:** It is very difficult to get a housing voucher if a person is single and more difficult to use the voucher because of the limited housing.

**Response:** Thank you for your comment. MFA has determined under priority number five to expand the supply of decent affordable rental housing over the next five years.

Gallup

**Comment:** MFA should hold the hands of governments because they need help with housing to identify resources. There should be more education for those in government, for example, county commissions, mayors, etc. Government needs to be better consumers.

**Response:** Thank you for your comment. MFA is actively working with local governments across the state on how we can partner to create more affordable housing in their communities.

**Comment:** There is a need for more multifamily and single family rental units in Gallup.

**Response:** MFA has determined under priority number five to expand the supply of decent affordable rental housing over the next five years.

**Comment:** MFA should collect and warehouse data so it can be aggregated and disaggregated on a household level.

**Response:** Thank you for your comment.

**Comment:** There is a need for a data-clearing house.

**Response:** MFA hopes the 2006-2010 Consolidated Plan will help meet that need.

**Comment:** GIS Training is needed for government entities and COGS so they can do their own mapping.

**Response:** Thank you for your comment.

Las Cruces

**Comment:** MFA should prioritize elderly in their owner-occupied rehab program.

**Response:** When we review the homes completed under this program we have found the majority of funds in the program go to elderly single persons, single head of households with minor children, disabled individuals and others, in that order. The intent of the program is to rehabilitate existing housing stock, regardless of the demographics of the population. Currently our data indicates this objective is being met.

**Comment:** MFA should have a set-aside for down-payment assistance funds for Hispanics in southern New Mexico.

**Response:** Currently, upwards of 65% of down-payment assistance funds are provided to those identifying themselves as Hispanic.

**Comment:** “I would like to see the income limits for the HOME Owner-Occupied Rehabilitation Program increased to at least 60% of AMI, preferably to 80% AMI for the Tier 1 level. Most clients between the 50% and 80% AMI struggle to make ends meet and cannot afford to repair their home or make an additional payment”

**Response:** Annually, MFA reviews these requirements and will take this under advisement.

Santa Fe

**Comment:** Recommend MFA add to Objective 3, the words, “mentally” in addition to physically disabled.

**Response:** Thank you for your comment, we have amended the language.

**Comment:** There is a need for funds to retrofit owner-occupied and rental housing for accessibility.

**Response:** This is currently an option under our owner-occupied rehab program. It is at the discretion of the homeowner to decide if these retrofits are necessary and desired. MFA encourages the use of universal design requirements in all new multi-family construction as well.

**Comment:** MFA needs to require universal design standards for all single and multi family new construction projects.

**Response:** MFA encourages the use of universal design standards in our Qualified Allocation Plan. Projects demonstrating these standards are given more points and hence more likely to be funded with MFA administered funds.

**Comment:** Thank you to MFA for providing 0% due on sale loans for homeless providers is great.

**Response:** This was an error in the draft plan and has been corrected.

**Comment:** Homeless shelters need to be accessible.

**Response:** Thank you for your comment.

**Comment:** We need to help people stay in their homes prior to foreclosure.

**Response:** MFA agrees and uses some of the federal funds we receive from HUD in homeless prevention activities.

**Comment:** Senior developments need to allow children as many grandparents are now taking care of the minor grandchildren.

**Response:** Thank you for your comment.

San Felipe

**Comment:** Recapture is not an option for tribes.

**Response:** MFA has chosen the recapture option as opposed to resale for the state as it provides the local community, which includes those homes on tribal land, as a means of keeping these homes affordable. Recapture, or the repayment of funds, is only necessary when the home is not sold or the title transferred to an income eligible applicant. The intent of the program is to keep these homes affordable to low income New Mexicans. All applicable notes and mortgages are approved by both the tribe and the Bureau of Indian Affairs.

**Comment:** Tribes want specific tribal outputs for tribal land.

**Response:** MFA has made housing on tribal land a priority for the 2006 Action Plan Year. However, MFA has not created specific outputs for tribal land. It is difficult to determine how many applications for housing will be received and from which tribal entities. MFA does not develop specific unit outputs for other priority activities or areas for the same reason. Priority areas are MFA's way of providing incentive for housing in areas where it is needed and would be supported by the local economy.

**Comment:** What is the applicability of the Consolidated Plan to the tribes?

**Response:** The Consolidated Plan is a tool to be used by the public, industry professionals, HUD and MFA. For all of these groups, it describes how federal funds will be used over the coming five years, describes the public participation process and provides a considerable sum of data which can be used to support funding applications.

**Comment:** MFA should streamline the 184 loan process with BIA.

**Response:** Thank you for your comment. MFA will advocate with the BIA for the streamlining of processes such as this.

Hobbs

**Comment:** There is a need for a web-based program for homeowner counseling, homebuyer education, etc., especially in the rural areas.

**Response:** Thank you for your comment, MFA will look into this.

**Comment:** MFA needs to develop a package on what is affordable housing, for example, the price per square foot.

**Response:** Thank you for your comment. MFA has not done this as the price of construction materials and labor vary over different parts of the state and can change rapidly. Our staff is currently on these trends as they affect the state and can evaluate funding requests as they are received.

**Written Comment** received from Rebecca Shuman, Executive Director of The ARC:

“The Arc of New Mexico advocates on behalf of individuals with developmental disabilities and their families throughout New Mexico. Our comments today address the anticipated housing needs for individuals with developmental disabilities between now and 2010.

Today, individual with developmental disabilities in New Mexico that receive services through the Developmental Disabilities Waiver Program (DDWP) typically are housed in provider owned or leased homes and apartments. This is due in large part because it is assumed that recipients of DDWP cannot afford housing nor can manage to live safely on their own. Individuals that are eligible for DDWP represent the most significantly disable individuals in New Mexico. Most have intellectual disabilities. All are eligible for Medicaid, as DDWP is a Medicaid program. All receive cash benefits through either Supplemental Security Income or Social Security Disability Insurance. About one-third have small earnings in addition. This financial data means that they are among the poorest people in New Mexico. For instance, those relying only on SSI have less than \$7,000 in annual income. Today, 3,800 individuals receive services through DDWP. By 2010, it is estimated that 4,800 individual will be receiving services through DDWP or a new wavier program.

The new program will create a self-directed waiver (SDW) for people with developmental disabilities, physical disabilities, or the elderly. The SDW will give individuals more flexibility and choice in the services and support they wish to purchase with their Medicaid dollars. So, how does this relate to housing?

Individuals with developmental disabilities will be more interested in obtaining housing on their own because with the SDW they will not need to rely upon provider agencies. The SDW will allow recipients to design services in ways tat meet their lifestyle, in their own homes and communities. Also, the SDW will make it possible fore recipients to get the support they need to be successful homeowners and renters.

The Arc estimates that 10% of the individuals who utilize one of the wavier programs will want to purchase or rent their own housing, or 480 people. Of these, one-third will reside in the Albuquerque metro area, or 158 individuals. These are people that currently are expected to reside in residential facilities operated by developmental disability waiver providers, so they represent a new need for affordable housing.

Because this population of individuals that will be seeking homeownership or leasing are very low income, they will depend upon low income housing programs. The Arc therefore would like the Consolidated Plan for 2006 to 2010 to reflect this need. We expect this to increase the demand for no interest housing loans, substantial down payment assistance and additional, Section 8 vouchers for rental assistance and mortgage payment.

It is important as well to recognize that the desired housing arrangements for people with developmental disabilities must be completely integrated into the generic housing in New Mexico communities. This is a group of citizens that has been isolated in segregated housing arrangements and this segregation must be rectified. Thus, individuals seeking to buy housing must be able to choose housing that is located in typical neighborhoods. It is particularly important not to build or develop large multi-unit housing complexes that congregate people with disabilities in one location.

Individuals using the SDW will not be able to use their Medicaid funds to purchase or rent housing. However, they will be able to use Medicaid for environmental modifications that meet their unique support needs and for accessibility. They can also use Medicaid funds for some ongoing expenses related to maintaining their home.

For ordinary home rehabilitation, homeowners with developmental disabilities need to be able to access funds for this purpose. One solution for low income homeowners could be to purchase low cost housing accessing homeownership programs and rehabilitation and environmental modification programs to make the housing suitable and in good repair.

Also, many of these low income homeowners will not be able to save enough money to cover higher cost maintenance and repair items, like roofs. They will need to access low income rehabilitation programs for this need.

Thank you for giving us the opportunity to provide this input into the development of the Consolidated Plan for New Mexico.”

**Response:** Thank you for your comments. The group of potential homeowners you describe we refer to as special needs populations. Providing housing opportunities for this population has been made a priority for MFA over the next five years.

### **Citizen Participation**

**Citizen participation process.** MFA convened a Planning Team, made up of representatives of housing, community development and special needs populations statewide, to advise MFA on the development of the Plan. The Team also assisted in getting input and participation from constituents. Individuals on the Team represented local Housing Authorities, persons who are homeless, persons with mental illness, children, reservations/pueblos, rural

development, lenders, housing developers and real estate professionals. During the development of the Consolidated Plan, the Planning Team met with MFA, LGD and the Consolidated Plan consultants to discuss research and methodology issues, develop contacts for special needs interviews, discuss research findings, identify top housing and community development needs and develop a draft strategic plan.

**Public outreach efforts.** The development of the Consolidated Plan also involved a very extensive process of public outreach. In-person and telephone interviews were conducted with 27 stakeholders who represent the State's citizens in need. The State also held seven public meetings throughout the State during the development of the Plan, in addition to seven public hearings after the Draft Consolidated Plan had been released. A citizen survey was distributed to attendees at the public meetings. Ninety-one surveys were received and analyzed.

**Citizen comments.** Section IV.—Citizen Input and Needs Assessment contains the detailed methodology and findings from the citizen input and organization consultation processes for the Consolidated Plan. The section also contains a summary of the public comments received on the Draft Consolidated Plan.

Comments received from the public can be summarized into three categories:

- Those relating to services or products administered by MFA/DFA;
- Those relating to the relationships between MFA and service providers; and
- And those of an editorial nature.

There were no comments which were not accepted. All of the comments received a response.

### **Institutional Structure**

Activities aimed at improving the institutional structure include the following:

**Operating funds.** MFA recognizes that many times, the difference between success and failure in a partner is in their ability to operate and pay salaries to qualified staff. In an effort to help organizations develop capacity, MFA has developed a new loan fund to help eligible borrowers with working capital for operating funds. This fund will work as a loan or revolving line of credit, in which the eligible borrower (a non-profit whose primary work is to provide housing, a public housing authority or tribal entity) may apply for the lesser of a 10% of an RFP award or \$50,000 for a one year term. Payments will be made monthly and deducted from draws made under an RFP award in the amounts required to pay off the loan balance within a year of the origination.

**Training and technical assistance program.** Under the Training and Technical Assistance Program, MFA currently partners organizations that are interested in developing, owning and or managing affordable housing with successful industry professionals. This symbiotic relationship allows the new agency to learn in a hands-on-manner, with the help of the experienced professional, the development process, everything from site identification and acquisition, to predevelopment, to acquiring financing to completion of construction. In this manner, MFA leverages the skills and talents of those who know and have been successful in the

process with those who are learning. This creates more capacity at a reasonable cost while providing valuable networking opportunities for all participants.

The MFA Training and Technical Assistance Program is prepared to provide group training for various programs funded with federal and other funds on an as needed basis. These training sessions will include certifying nonprofit organizations to participate in the PaymentSaver program, as well as providing application training for the HOME/Tax Credits program, homeless programs, Response for Proposal Training and Environmental Review. Training also addresses program requirements and processes. Lender Training, available through our Homeownership Department, is designed assist lenders and other industry professionals in the program requirements of our loan products. This training is held statewide a number of times during the year.

MFA staff members will also meet with program participants and sub-recipients throughout the year to provide technical assistance that may include mentoring by other housing organizations or units of local government. MFA will provide tailored training to partners around the state on an as needed basis.

**Housing services directory.** Annually, MFA publishes a statewide directory of housing and homeless service providers. The directory includes all types of affordable housing organizations and is indexed by service area, housing services provided and supportive services provided. The directory is available free of charge throughout the year to all interested parties.

**Support for the New Mexico Coalition to End Homelessness.** MFA continues to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group made up of representatives from various state agencies dealing with homelessness or peripheral issues as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition provides include:

- Developing a Statewide strategy;
- Implementing a financial plan that will lead to self-sufficiency;
- Developing of an information sharing network among homeless service providers;
- Providing technical assistance and coordinating educational activities for member service providers;
- Developing the Continuum of Care competitive grant application on behalf of the State;
- Conducting an educational campaign; and
- Creating a statewide low-income rental housing development organization.

MFA continues to provide financial support to the Coalition, furnish meeting facilities and provide technical assistance to its members.

**Homeless Management Information Systems (HMIS)**. Under a directive from Congress via the Housing and Urban Development Department (HUD) to begin collecting information on homeless individuals by 2004, MFA, in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness, has developed and implemented the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and was implemented in 2004. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be use by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

**Use of advisory and oversight committees.** MFA receives input several times per year from a number of external advisory and oversight committees comprising representatives from various housing-related industries, political parties and geographic areas of the state to advise and comment on activities undertaken with federal dollars. These committees include the Mortgage Finance Authority Act Legislative Oversight Committee, the New Mexico Housing Advisory Committee, the Homeownership Advisory Committee, the Land Title Trust Fund Advisory Committee and the Tax Credit Allocation Committee. MFA will continue to work with and consult with these committees regarding activities undertaken or proposed changes in activities to be undertaken throughout the tenure of this plan.

**Research and development.** MFA allocates sufficient staff time to the research and development of new programs. These initiatives have included: coordinating funds for housing rehabilitation particularly HOME and CDBG funds; identifying ways to subsidize or otherwise encourage energy efficiency upgrades by coordinating with utility companies; researching new financing products for reaching underserved populations; identifying ways to increase the number of qualified contractors and certified lead-based paint abatement contractors; identifying funding sources for emergency repair, weatherization and accessibility improvements without substantial rehabilitation; and researching ways to maintain the affordability of existing expiring use or troubled rental properties. While the majority of resources dedicated to research and development will be staff time, a portion of HOME and other funding sources will be available to provide trial or pilot projects in order to test the viability of new ideas. Funds under the Research and Development category are expended on eligible HOME Program activities in HOME-eligible jurisdictions to address the housing needs of low- and very low-income New Mexicans at the MFA's discretion.

### **Monitoring**

**HOME, ESG and HOPWA monitoring.** By using a database specifically designed for tracking monitoring visits, MFA has ensured that monitoring requirements are carried out in accordance with the HUD rules for HOME, ESG and HOPWA. MFA's Contract Administration staff is highly skilled in monitoring all program requirements, including beneficiary income qualification, habitability standards, financial capability, adherence to program regulations and environmental clearance procedures.

MFA's Asset Management staff conducts long-term compliance monitoring for HOME-funded single-family and multi-family rentals in accordance with the guidelines set out in 24 CFR Part 92, including income eligibility, certification and recertification, and habitability. The database

assists in tracking the timeliness of those monitoring visits so that all monitoring frequency requirements are met.

**CDBG monitoring.** Applicants are limited to the amount of funding necessary to complete a basic, meaningful and targeted project within a 24-month period. Within this period of time, monitoring is conducted to ensure that the grantee is complying with all the requirements of the CDBG program. Monitoring dates are entered in a database specifically designed for tracking monitoring visits. The Community Development Bureau staff is highly skilled in monitoring all program requirements and utilizes an audit check-off list to ensure that those monitoring visits are conducted in accordance with HUD rules and regulations. The check-off list includes application review, documentation for the grant agreement including amendments, general program administration, financial management including all pay requests with backup documentation, procurement, small purchases, professional services, documentation for competitive sealed bids for construction; citizen participation, environmental review, fair housing and equal employment opportunity, labor standards including federal and state wage rates, housing rehabilitation or repair, real property acquisition, eligibility for national objective and finally the closeout documents for the project.

The Community Development Bureau staff conducts routine monitoring or technical assistance visits during the life of the project and at the completion of the project. The audit review ensures compliance with program requirements and identifies any findings, concerns or comments.

All grantee information is entered into a database, which is used to generate reports that detail the performance of the grantee in meeting its goals and objectives. For example, a report can be generated giving a percentage of the funds expended. If no funds have been expended, a review of the project will be conducted to determine what measures need to be implemented to move the project forward. The program manager plays a vital role in knowing the status of the project and identifying potential issues. Once these issues have been identified, the grantee is notified to resolve the issue and move the project forward.

Pay requests are a priority for the Community Development Bureau staff. There are steps in place to ensure that the pay request is processed for payment in a timely manner. If the pay request is rejected for any reason, the grantee is immediately notified so that they can provide the proper documentation. In addition, if there are any issues that come up relating to the project, the program manager is responsible for identifying them and resolving them in a timely manner. These steps will help to insure compliance with program requirements.

### **Lead-based Paint**

**Estimated units with lead-based paint.** Housing units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors. About 12 percent of the State's housing stock that built before 1950. Approximately 40 percent of housing units in New Mexico were built between 1970 and 1989.

According to the Center for Disease Control, approximately 1.5 percent of children in New Mexico tested for lead poisoning in 2001 had elevated blood lead levels. The national figure was

3.0 percent. However, because not all children who are at-risk of lead hazards get tested, the percentage of children at risk could be higher than 1.5 percent of children overall in the State.

According to the 2003 ACS, approximately 444,000 housing units in New Mexico—54 percent of the total housing stock—was built before 1978. About 51,000 units, or 6 percent of the housing stock, are pre-1940 and 149,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock however, the State’s nonentitlement areas together have a much higher percentage of pre-1940 units (7 percent) as the State’s entitlement areas (4 percent).

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are low income and live in housing units that are older or have condition problems.

According to PUMS data, in 2003, there were 3,641 (1.7 percent) renter households who were very low income (earning less than 50 percent of the State median) and who lived in housing stock built before 1940. There were also 7,746 (1.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards. HUD produces specialized tables using data from the 2000 Census to identify specific housing indicators. One of these tables estimates the percentage of housing units that have condition problems, are built before 1940 and 1970 and are occupied by low-income households. Using these data, a more precise number of the households at-risk of lead-based paint hazards can be estimated. The table below shows HUD’s estimates for the State for 2000. The data suggest that up to 16,281 of the State’s households or about 2.3 percent of the State’s households could be at-risk of lead-based paint hazards.

#### Households at Risk of Lead-Based Paint Hazards

##### **Extremely Low Income:**

Occupying units built prior to 1940 with condition problems = 433

Occupying units built prior to 1970 with condition problems = 5,313

##### **Very Low Income:**

Occupying units built prior to 1940 with condition problems = 349

Occupying units built prior to 1970 with condition problems = 4,616

##### **Low Income:**

Occupying units built prior to 1940 with condition problems = 286

Occupying units built prior to 1970 with condition problems = 6,352

**Actions to mitigate lead-based paint hazards.** MFA continues to work in partnership with the regional Environmental Protection Agency office, Local Government Division, public Housing Authorities and other local partners to increase the number of trained, licensed and certified personnel able to determine the risks of lead hazards—and any corresponding remediation measures—of pre-1978 housing in New Mexico. Although housing

rehab activities are underway and MFA applies the Lead-Safe Housing Rule uniformly, there still appear to be insufficient personnel trained in lead-safe work practices, licensed risk assessors and abatement contractors available in the state to perform remediation.

MFA will again set aside a percentage of the State's formula HOME allocation for eligible lead-based paint assessment and remediation activities. This effort to make available additional funds for lead hazard remediation and abatement has encouraged additional businesses and organizations to receive appropriate training in order to provide these remediation services. Additionally, MFA will continue to train its 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 an effort to improve the efficiency of the rehabilitation services delivery system.

### **Specific Housing Objectives**

**Goals and priorities.** The New Mexico Mortgage Finance Authority will pursue five housing priorities in the next year. These priorities were identified through the citizen participation process and correspond to the housing goals identified in the Governor's Invest New Mexico Plan.

These priorities include:

1. Increase opportunities for homeownership;
2. Preserve the State's existing affordable housing stock;
3. Expand the supply of housing and services to assist the homeless;
4. Expand housing opportunities and access for special needs populations; and
5. Expand the supply of decent affordable rental housing.

The Department of Finance, Local Government Division will pursue five community development priorities in the next year. These priorities are:

1. Increase CDBG applications from communities that, in the past, have infrequently participated in the program.
2. Disburse majority of funds for community projects.
3. Encourage more housing related activities.
4. Encourage communities to repair dilapidated streets.
5. Encourage communities to provide adequate and safe drinking water.

**Relative priority housing needs** The housing and community development needs statewide far exceed the available resources to address those needs. Therefore, it is necessary to prioritize needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. For example, some communities have a greater need for new housing development while other communities would best be served by rehabilitation of existing housing.

MFA determines high priority counties, which receive scoring preferences on applications for funds. These high priority counties were identified through the housing condition and market indicators analyzed in the housing market analysis for the Consolidated Plan (see Section III of the full report). The prioritization is based on the following characteristics: poverty level, homeownership, cost burden, population change and housing condition.

Annually, MFA will consider the relative priority need for an area when making funding decisions. Each county has been assigned a relative priority need of High, Medium or Low based on a number of indicators for each type of housing activity. A high priority indicates an area where, ideally, the greatest amount of resources should be invested and projects or programs proposing to meet that need have the greatest opportunity for funding. A medium priority indicates areas where a moderate amount of resources should be invested and projects or programs proposing to meet those needs are likely to be funded. A low priority indicates an area where the least amount of resources should be invested. A project proposing to serve a low priority need will not necessarily be excluded from funding; however, such projects will receive a lower priority. The relative priority needs were assigned by housing activity based on a number of indicators which are included for each county in Appendix B: Detailed Housing Market Data of the Consolidated Plan and described below.

*Homebuyer assistance.* Homebuyer assistance is a broad activity that encompasses any activity that serves to assist low-income (often first-time) homebuyers in the purchase of a home. Homebuyer assistance includes below market rate mortgage financing as well as down payment or closing cost assistance, interest rate reduction and principal reduction. The primary need for homebuyer assistance is to address issues of affordability. Indicators of affordability include median home value, percent of cost-burdened owners and percent of owner households earning less than \$50,000 who are paying more than 30 percent of their income on housing (cost burdened). If a county exceeds the state average on any two of these indicators, that county is given a high priority for homebuyer assistance. If a county exceeds the state average on one of these indicators, it is given a priority of medium and a county that does not exceed the state average on any of these indicators is given a low priority for homebuyer assistance.

*New single family development.* New single family development includes housing activities that increase the supply of affordable single family units. This includes new construction, new manufactured housing installations on permanent foundations and acquisition and rehabilitation of existing units. Indicators of a need for new single family housing include population growth and percent of overcrowded units. Areas were prioritized as follows. Counties that had both population growth that exceed the state average of 8.4% from 2000 to 2005 and overcrowding that exceeded the state average were prioritized high; counties which were higher than the state average on either of the two indicators were prioritized as medium; and counties that had both slower growth and less overcrowding were prioritized low. Because it is difficult to compare growth rates among counties with significantly different populations, an adjustment was made such that higher population counties (as indicated in Section II, page 4 of the Consolidated Plan) were given greater priority if their population grew by more than 5% between 2000 and 2005. This affected only Bernalillo and San Juan counties which increased their priorities from low to medium and from medium to high respectively.

Acquisition and rehabilitation. The need for new single family development above is driven by population growth; however, some areas that have not experienced significant population growth may still benefit from acquisition and rehabilitation of existing units. Those counties that have an owner-occupied vacancy rate that exceeds the state's average represent an opportunity to increase the stock of available housing through acquisition and rehabilitation.

Single family rehabilitation. Single family rehabilitation refers to rehabilitation of owner-occupied housing. It may also include reconstruction or replacement where units are in such poor repair that rehabilitation is not appropriate and it may include replacement of substandard units with new manufactured housing that is fixed to a permanent foundation or a new site built home. Indicators of the need for single family rehabilitation are those that measure housing condition including percent built before 1940, percent lacking complete plumbing facilities, percent lacking complete kitchen facilities and percent using non-traditional heating sources. High priorities are assigned to areas where housing conditions are poorest such that a county exceeds the state average on three of the above indicators. Those with a medium priority for rehab are areas that exceed the state's average on two of the four indicators, and low priority are those areas that exceed the state's average on fewer than two of the indicators.

Rental acquisition or assistance. Rental acquisition or assistance includes those activities intended to make existing rental units more affordable. Indicators of the need to create affordable rental units through acquisition or rental assistance include median rents, percent of renters who are cost burdened (spend more than 30 percent of their income on housing) and the percent of renter households earning less than \$35,000 that are cost burdened. Counties which exceed the state average on two out of three of the indicators have a high priority for rental acquisition. Those that are above the state average on one indicator are assigned a medium priority, and those where none of the indicators exceed the state average are given a low priority.

Rental new construction. Rental new construction refers to the development of new multifamily rental units. The need for new multifamily rental units is indicated by population growth, areas of population concentration and low rental vacancy rates. The thresholds for assigning an area a high priority for new multifamily units included a 2000-2005 population growth greater than 5%, the county is part of an MSA or includes a community that is larger than 10,000 people in 2003 and had a rental vacancy rate less than the state average. Areas were considered to have a medium priority for rental new construction if they had population growth over 5% and a concentration of population. Areas with slower growth or less population were given a lower priority for multifamily projects. However, some of these areas that have low vacancy rates may have a need for very small rental projects or even single family rental units.

**Obstacles to meeting underserved needs.** Lack of sufficient funding is the primary obstacle to meeting needs in the State of New Mexico. The State has many high-poverty, low-employment areas with aging and substandard housing stock. Meeting the needs in the colonias, in particular, is difficult because many of the colonias are not designated units of local government and, therefore, are ineligible to apply for funds from a variety of funding sources including CDGB. Additionally, using federal funds on tribal lands presents its own set of unique challenges, including having clear title to land, placing encumbrances on land, working with a number of tribal entities and political systems. Finally, there is a lack of capacity or a distribution

network in many rural New Mexico communities, which makes it difficult to deliver services where they are needed.

**Resources expected to be available.** 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 five federal block grant programs. These block grants include the Small Cities Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) including the American Dream Downpayment Initiative (ADDI), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The HOME program is expected to produce program income that will also be available for housing activities in the State. In addition, several HUD-funded competitive grants are also available. It is expected that the New Mexico Mortgage Finance Authority (MFA) and its partner agencies will compete for additional resources under the Supportive Housing Program (SHP), Shelter Plus Care (S+C), Rural Housing and Economic Development (RHED), Section 811 Housing for Persons with Disabilities, Section 202 Housing for the Elderly, Training and Technical Assistance grants and Housing Counseling.

Additional Federal resources include Mortgage Revenue Bonds (MRBs) and Low Income Housing Tax Credits (LIHTC) available from the IRS, Weatherization Assistance (WAP) awarded by the Department of Energy and resources available to rural areas through several programs funded by the U.S. Department of Agriculture. These Rural Development programs include: Guaranteed Rural Housing Program; Section 502 Direct Loan Program, Section 504 Loan/Grant Repair Program; Section 514/516 Farm Labor Housing Program and Section 515 Rural Rental Housing Loan Program.

Other non-federal resources expected to be available include resources from the MFA Housing Opportunity Fund and General Fund, taxable bonds, 501(c)3 bonds, the Land Title Trust Fund, state appropriations for weatherization and homelessness and resources that will become available through three recent State initiatives which include the Affordable Housing Act, State Affordable Housing Tax Credit Program and the New Mexico Housing Trust Fund.

**Funding availability.** The U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development through several different grant programs. In order to understand how HUD funds are available to communities in New Mexico, it is useful to divide communities into one of three categories:

**Entitlement 1.** Entitlement 1 communities include the City of Albuquerque and the City of Las Cruces. These communities receive funding directly from HUD for both HOME and CDBG and therefore are not eligible to receive such funding from the MFA or DFA. However, many other MFA funding sources such as mortgage revenue bonds, Low Income Housing Tax Credits and State affordable housing resources will be directed to these communities. In the past, both the City of Albuquerque and the City of Las Cruces have allocated funds that they receive directly from HUD to the MFA for distribution within their city limits. This represents an important collaboration, which allows for greater leveraging of resources and expertise within the State. MFA will continue to work with these communities to meet their affordable housing needs. The City of Albuquerque is the only community in the State that receives ESG funding directly and therefore organizations within the city limits are not eligible for ESG funding from the MFA,

although, they are eligible to apply for State homeless funding through the same competitive process.

**Entitlement 2.** Entitlement 2 communities include the City of Santa Fe, the City of Rio Rancho and the City of Farmington. These communities receive Community Development Block Grant (CDBG) funds directly from HUD and therefore are not eligible to apply for small cities CDBG funds through DFA. However, these communities do not receive HOME funds and therefore MFA will direct HOME funds as well as all other appropriate affordable housing resources to these communities. These communities represent a unique opportunity to combine HOME, CDBG and other resources in new ways to better meet the housing and community development needs in these areas. MFA will seek to invest in projects that exploit that opportunity in order to create an example or model that might be replicated elsewhere in the state.

**Non-entitlement.** Non-entitlement communities receive none of their funding directly from HUD and therefore are eligible to receive CDBG funding through DFA and HOME, ADDI, ESG and HOPWA funding through the MFA. These communities are eligible for most of the funding that is available through the MFA and DFA.

Additional funding sources that are expected to be available to the state may be restricted to certain geographic areas. These include Rural Development programs and competitive grant programs such as Training and Technical Assistance, Housing Counseling and Rural Housing and Economic Development. These sources are targeted to specific geographic needs including areas that have been underserved in the past.

**Specific housing priorities, objectives, and output measures.** The MFA will pursue five housing priorities over the next year. Each of these priorities was identified as a priority need through the citizen participation process. In addition, each of these priorities also corresponds to one or more of the Governor's Invest New Mexico goals.

1. Increase opportunities for homeownership.  
(Invest NM Goal #1, #2, #5)
2. Preserve the State's existing affordable housing stock.  
(Invest NM Goal #3, #4)
3. Expand the supply of housing and services to assist the homeless.  
(Invest NM Goal #6)
4. Expand housing opportunities and access for special needs populations.  
(Invest NM Goal #2, #5, #6)
5. Expand the supply of decent affordable rental housing.  
(Invest NM Goal #2, #6)

The priorities and objectives listed on the following page are presented in no particular order. A number of the priorities listed below include both MFA's goals and those of our partners. It is important to bear this in mind when comparing these production numbers to those in the Con Plan Tool which is reported to HUD in CAPER. Additionally, some of these funds and units are duplicative in nature. The final decision on where the funds will be allocated will be determined by need and the overall direction of MFA management and the



*Objective 1.4: Research and identify new funding products to address and reduce the cost of mortgage loans for low-income households who are unable to access traditional mortgage financing (a barrier to homeownership). For example: homebuyers with poor credit, manufactured home installations, and affordability gaps in high cost areas.*

Resource Utilization:	<b>MFA Administered Resources:</b>	
	\$5,00,000/50	Tax Exempt Bonds
	\$50,000/5	Land Title Trust Fund
	\$441,000/1345	State Housing Tax Credits
	\$1,000,000/10	HOME
	\$500,000/5	MFA General Fund
	<u>**/**</u>	State Housing Trust Fund
	\$6,650,000	Total

**Other Available Resources:**

Output Measure: 80 households to receive innovative loan financing.  
 \*\* Unable to project at this time.

*Objective 1.5: Increase the capacity of MFA's partners to develop affordable housing. Units here indicate the number of partners to be assisted.*

Resource Utilization:	<b>MFA Administered Resources:</b>	
	\$120,000/20	HUD Training and Technical Assistance
	\$300,000/9	Rural Community Development Initiative
	\$225,000/10	HOME/CHDO Capacity Building
	<u>\$70,000/300</u>	MFA General Fund*
	\$745,000	Total

**Other Available Resources:**

\$\*\*/\*\* Affordable Housing Act

Output Measure: 339 partners assisted. \*\*Unable to project numbers at this time.  
 \*Number duplicated and should not be double counted. Funds will be allocated to the activity demonstrating the most need as determined by MFA.

*Objective 1.6: Develop and support a statewide network of housing counseling agencies in order to promote and maintain ownership.*

Resource Utilization:	<b>MFA Administered Resources:</b>	
	\$45,000/130	HOME/PaymentSaver
	\$60,000/200	Rural Community Development Initiative
	\$200,000/511	HUD Housing Counseling
	<u>\$20,000/60</u>	MFA General Fund
	\$325,000	Total

**Other Available Resources:**

\$570,000/809 Counseling Agency Leverage

Output Measures: \$50,000/200 Leveraged Private Resources\*  
 Provide homebuyer education to 1710 first-time homebuyers.  
 Provide one-on-one housing counseling to 430 households.  
 Provide financial fitness education and counseling to 170 individuals.\*indicates duplicative unit number and should not be included in total unit counts.

**Priority 1 Outcome Measurement: Increase homeownership rate from 70% to 75% by 2010.**

Priority 2: Improve and preserve the State's affordable housing stock that is occupied by low-income homeowners.

*Objective 2.1: Improve the capacity of MFA's partners to provide owner-occupied rehabilitation.*

Resource Utilization: **MFA Administered Resources:**

\$2,133,000/120	HOME
\$900,000/80	LIHEAP
\$1,945,915/710	DOE Weatherization
\$500,000/180	State Weatherization
<u>\$500,000/**</u>	PNM
\$5,978,915	Total

**Other Available Resources:**

Output Measure: 1090 units that receive rehabilitation.\*\*\*Unable to project numbers at this time. Program specifics have not yet been identified. However, this program will be used to obtain measurable reduction in energy consumption within low-income households within the PNM operating territory.

*Objective 2.2: Improve the partner's capacity to preserve homeowner affordable housing.*

Resource Utilization: **MFA Administered Resources:**

<u>\$250,000/10</u>	HOME/CHDO Capacity Building*
\$225,000	Total

**Other Available Resources:**

Output Measure: \*This is a duplicative number and is represented under 1.6 above.

*Objective 2.3: Identify resources to provide for replacement of existing units that are in such poor condition that rehabilitation is not a viable option.*

Resource Utilization: **MFA Administered Resources:**

\$237,000/4	HOME
<u>\$600,000/10</u>	MRB/HOME (MH replacement program)
\$837,000	Total

**Other Available Resources:**

Output Measure: 4 units replaced. \*represents a duplicative number in which no new funds are expected, rather these funds have been carved from existing

allocations. The unit numbers are also included in the original allocations and thus should not be double counted here.

*Objective 2.4: Research and identify funding sources to provide for emergency repair, weatherization, or accessibility improvements without substantial rehabilitation.*

Resource Utilization:     **MFA Administered Resources:**  
\$300,000/300            State Weatherization  
\$194,000/650           DOE Weatherization\*  
\$494,000                Total

**Other Available Resources:**

Output Measure:         300 units for which emergency repairs were made. \*This is a duplicative number which is also included in the DOE allocation.

**Priority 2 Outcome Measure: Reduce the number of substandard housing units in the State occupied by low-income households by 15 percent.**

Priority 3: Expand the supply of housing and services to assist the homeless

*Objective 3.1: Expand the supply of permanent supportive housing statewide.*

Resource Utilization:     **MFA Administered Resources:**  
\$500,000/50            Low Income Housing Tax Credits  
\$2,000,000/20          501(c) Risk Share Loans  
\$500,000/25            HOME Rental  
\$3,000,000              Total

**Other Available Resources:**

Output Measure:         95 rental units for very low income tenants.

*Objective 3.2: Expand the supply of transitional housing for the homeless.*

Resource Utilization:     **MFA Administered Resources:**  
\$500,000/12            HOME Rental  
\$100,000/10            State Tax Credit  
\$600,000                Total

**Other Available Resources:**

Output Measure:         22 transitional units for the homeless.

*Objective 3.3: Homeless Prevention.*

Resource Utilization:     **MFA Administered Resources:**  
\$237,000/351           HOME-TBRA  
\$150,000/200           ESG  
\$150,000/200           HOPWA  
\$537,000                Total

**Other Available Resources:**

Output Measure: 751 Persons Assisted.

**Priority 3 Outcome Measure: Reduce the number of unsheltered homeless people in the State by 15 %.**

Priority 4: Expand housing opportunities and access for special needs populations.

*Objective 4.1: Provide low interest loans to make accessibility improvements to existing single family homes for people with disabilities. Encourage accessible design in new construction of affordable housing units.*

Resource Utilization: **MFA Administered Resources:**

\$**/**	State Housing Trust Fund
\$1,000,000/32	HOME
\$194,000/650	DOE Weatherization Program
<u>\$300,000/300</u>	State Weatherization Program
\$1,494,000	Total

**Other Available Resources:**

Output Measure: \*Represents a duplicative number in 2.1 above.  
\*\*Unable to made a determination at this time.  
\*\*\*Represents a duplicative number in 3.1 and 3.2 above.  
Duplicative numbers should not be double counted.

*Objective 4.2: Provide incentives for or encourage development of elderly, physically, mentally, disabled and other special needs with services.*

Resource Utilization: **MFA Administered Resources:**

\$500,000/25	HOME Rental
\$500,000/50	Low Income Housing Tax Credits
<u>\$2,000,000/40</u>	542(c)Risk Share Loans
\$3,000,000	Total

**Other Available Resources:**

Output Measure: 115 affordable rental units for elderly and special needs tenants.

**Priority 4 Outcome Measure: Expand housing opportunities and access for special needs populations by 15%.**

Priority 5: Expand and preserve the supply of decent safe and affordable rental

*Objective 5.1: Increase the supply of decent, safe and affordable rental housing.*

Resource Utilization: **MFA Administered Resources:**

\$1,000,000/100	Federal Tax Credits
<u>\$1,000,000/50</u>	HOME Rental
\$2,000,000	Total

**Other Available Resources:**

Output Measure: Develop 150 new affordable rental units.

*Objective 5.2: Increase MFA partner capacity to develop affordable rental housing\*.*

Resource Utilization: **MFA Administered Resources:**  
\$150,000/20 HOME T&TA  
\$300,000/9 Rural Community Development Initiative  
\$225,000/10 HOME/CHDO Capacity Building  
\$70,000/300 MFA General Fund\*  
\$745,000 Total

**Other Available Resources:**  
\$\*\*/\*\* Affordable Housing Act

Output Measure: 339 partners assisted. \*Duplicative numbers represented in 1.6 above.  
\*\* Unable to project at this time.

*Objective 5.3: Preserve the affordability of expiring use properties.*

Resource Utilization: **MFA Administered Resources:**  
\$500,000/25 HOME Rental  
\$300,000/9 Federal Tax Credits  
\$10,000,000/200 Risk Share/and or Bond Financing  
\$11,500,000 Total

**Other Available Resources:**

Output Measure: 200 units rehabilitated.

***Priority 5 Outcome Measure: Reduce the proportion of renters who are cost-burdened.***

#### **How Resources Will BE Used to Address Needs**

**Below market-rate first mortgages.** Several resources are available to provide first mortgages to low-income, first-time (and other special populations) homebuyers. The MFA's MortgageSaver Program is funded by tax-exempt mortgage revenue bonds and provides a 30-year fixed rate loan available at one of two interest rates to first-time homebuyers earning less than 125% of the area median income. The MortgageSaver interest rate is a below market interest rate providing affordable financing for the first-time homebuyer. The MortgageSaver Plus interest rate is similar to conventional market rates however the buyer receives a rebate of up to 3.5% to help defray down payment and closing costs and pre-paid escrow expenses. It can also be used as a temporary interest rate reduction or to reduce the principal loan amount. With \$180,000,000 in mortgage revenue bonds, the MFA expects to create 1600 new first-time homebuyers in the next year.

The MFA will also provide approximately \$240,000 in resources through the MFA Housing Opportunity Fund to finance MFA's Partners Program. Under the Partner's Program qualified nonprofit housing organizations originate below-market rate first mortgages to low-income homebuyers. It is expected that 6 homebuyers will be created through the Partners Program.

Several Public Housing Authorities in the State have implemented a Section 8 Homeownership Voucher program which utilizes Section 8 vouchers or Housing Choice Vouchers to subsidize home purchases by public housing residents. It is expected that relatively 5% public housing residents will become homebuyers in the next year through Section 8 Homeownership programs statewide.

The U.S. Department of Agriculture, Rural Development will also have resources available to subsidize home buying by low-income residents in rural areas. Funds are expected from the Guaranteed Rural Housing program and the Direct Loan program both of which provide below-market rate first mortgages. It is expected that these programs will assist rural homebuyers.

**Additional homebuyer assistance.** In addition to low cost financing of first mortgages, resources will also be utilized to provide additional homebuyer assistance. Homebuyer assistance programs are intended to provide down payment or closing cost assistance, and may also be used to reduce the principal loan amount or buy-down the interest rate. The American Dream Downpayment Initiative (ADDI) resources plus additional HOME resources will be used to fund the MFA's PaymentSaver program.

PaymentSaver provides down payment and closing cost assistance to low-income households.<sup>1</sup> The PaymentSaver subsidy is a soft second, 0% non-amortizing loan. If the borrower sells, refinances, or transfers the home to an ineligible household within the first five years of the date of the note, the entire amount of the note will be due and payable. After the five-year affordability period, the loan is forgiven at a rate of 20% per year for the next five years, such that it is completely forgiven ten years from the date of the note.

PaymentSaver is available to borrowers earning less than 70% AMI in Bernalillo, Sandoval, and Valencia counties (*i.e.*, the Albuquerque MSA) and Santa Fe or Los Alamos counties (the Santa Fe MSA). It is available to borrowers in all other areas of the State earning less than 80% AMI.<sup>2</sup>

PaymentSaver will be available through MFA's participating lender network statewide, including USDA Rural Development and Habitat for Humanity affiliates. Nonprofit and public housing organizations will participate in the program by providing pre-purchase counseling and referring eligible homebuyers to participating lenders; PaymentSaver borrowers must complete pre-purchase counseling.<sup>3</sup> Nonprofit organizations are encouraged to market their services to, and develop a working relationship with, lenders in their communities. In order to fully leverage available resources, the PaymentSaver program must be used with one of the following first mortgage programs:

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<sup>1</sup> MFA calculates client eligibility based on the HUD Part 5 definition of Household Annual Gross Income adjusted for family size. This formula includes the value of any assets to ensure the buyer needs this type of assistance.

<sup>2</sup> MFA will administer the PaymentSaver program in the cities of Albuquerque and Las Cruces with allocations of HOME funds from those jurisdictions. Variations in the program exist in those cities. The State allocation of HOME funds will not be used in the cities of Albuquerque or Las Cruces.

<sup>3</sup> MFA requires a minimum of four hours of pre-purchase homebuyer counseling. Participating lenders should give counseling service providers enough notice such that the service providers can conduct required counseling *at least* several days prior to time of closing.

- **MFA’s MortgageSaver Program**—below-market rate mortgages financed with tax-exempt mortgage revenue bonds.
- **MFA’s Partners Program**—below-market rate mortgages originated by qualified nonprofit housing organizations and financed by MFA’s Housing Opportunity Fund.
- **HUD Section 8 Homeownership Program**—Section 8 voucher subsidies are used to assist low-income first-time homebuyers meet monthly homeownership expenses instead of offsetting rental expenses.
- **Guaranteed Rural Housing or Rural Development Direct Loan**—below-market rate mortgages financed by USDA Rural Development.
- **Any institutional loan product** that demonstrates interest rates and key terms that benefits the homebuyer as much as or more than comparable MFA loan products throughout the term of the loan.

Upwards of \$1.2 million dollars is expected to be available for PaymentSaver loans which will provide assistance to approximately 226 first-time homebuyers most of whom will also receive MortgageSaver, Partners, Housing Choice Vouchers, or Rural Development first mortgages.

The MFA General Fund also provides resources to finance the HELP program which provides up to \$4,000 of down payment or closing cost assistance in the form of a 10-year 6% interest rate second mortgage. Recipients of HELP loans are also required to participate in a homebuyer education program. MFA expects \$260,000 will be available for the HELP program which will assist approximately 85 first-time homebuyers. Again, most of these homebuyers will also receive assistance through the various first mortgage programs identified above.

The Mortgage Booster Program provides downpayment and closing cost assistance between 4% and 8% of the first mortgage amount in the form of a second 30-year 7.5% fixed rate mortgage.

Similarly, the HERO (Home Equity and Required Occupation) program provides downpayment and closing cost assistance between 4% and 8% of the first mortgage amount in the form of a second 30-year 7.5% fixed rate mortgage for households in which at least one member is a teacher, police officer, nurse or firefighter. Recipients of HERO loans are not required to be first-time homebuyers.

The Rural Plus program is a second mortgage product that provides between 20% and 23% of the sales price as downpayment and closing cost assistance. Rural Plus was designed to serve borrowers with good credit who wish to avoid paying private mortgage insurance on rural property loans that don’t qualify for FHA financing. These borrowers would typically seek conventional loans, which would require them to pay private mortgage insurance if the loan-to-value ratio is greater than 80%. With Rural Plus, the borrower receives an 8% second mortgage for up to 23% of the purchase price of the home, which is less expensive than private mortgage insurance. Recipients of Rural Plus loans are not required to be first-time homebuyers.

In addition to the above financing products intended to help low-income first-time and other special homebuyers, the MFA will allocate staff time and administrative resources toward researching new ways of addressing the needs of harder to serve homebuyers including households with credit issues, residents of very rural areas, residents of Native American Trust

Lands, and residents in the Colonias. Staff with input from various stakeholders will explore how resources such as tax-exempt bonds, the Land Title Trust Fund, State Housing Tax Credits, State Housing Trust Fund, HOME, and MFA's General Fund can be utilized to assist harder to reach populations.

**Single family new development.** Following recent action by the State Legislature, several new resources will become available for financing new single family affordable housing development. These resources include the New Mexico Affordable Housing Tax Credit Program, the New Mexico Housing Trust Fund Act, and the Affordable Housing Act. The New Mexico Affordable Housing Tax Credit Program provides an investment voucher to persons who make investments in land, buildings, cash or services for affordable housing projects approved by the MFA in a county with a population of less than 100,000. The voucher is equivalent to 50% of the invested value and can be used as a tax credit against the holder's liability for combined taxes, personal income taxes or corporate income taxes. The voucher can be carried forward for up to five years and may be sold, exchanged or transferred once in whole or in part to one or more persons. The MFA has been authorized to issue investment vouchers up to \$200,000 in 2006 which equates to \$400,000 in resources available for investment in affordable housing. It is expected that this will produce 20 new single family units in 2006.

The New Mexico Housing Trust Fund Act was established to provide flexible funding for housing initiatives in order to produce significant additional housing investment in New Mexico. The fund has been capitalized with a \$10,000,000 appropriation from the State Legislature and funds will be awarded on a competitive basis to applicants who develop responsive solutions to local needs consistent with sound housing policy.

Finally, the under the Affordable Housing Act, the State and local governments are authorized to donate land for construction of affordable housing or an existing building for conversion or renovation into affordable housing or may pay the costs of infrastructure necessary to support affordable housing projects. The act creates potentially unlimited resources for affordable housing statewide and it is impossible to estimate at this time the value of this resource.

While these resources may be used for any number of different housing activities it is expected that the majority of these resources will be directed to activities that create new single family housing. Due to the availability of these new flexible State resources, significantly fewer HOME resources will be allocated to single family development than in previous years. Still approximately 8% of the total HOME funding will be utilized for single family new development in ways that will leverage the new State resources. HOME funding is expected to produce 50 new single family units in 2006.

The HOME/Single Family Development Program provides partial financing to nonprofit and for-profit developers, public and tribal entities, and CHDOs for the construction, acquisition and rehabilitation, or refinancing of single-family homes. Units financed with HOME funds must be affordable to households earning below 80% of the area median income adjusted for family size, may not exceed 95% of the median purchase price for the area, and must meet the Model Energy Code, accessibility requirements under the Fair Housing Act, and local building codes.

In these projects, HOME funds may be used in combination with other down payment and closing cost assistance programs. However, all HOME subsidies combined cannot exceed \$20,000 per unit for permanent financing. However, up to \$40,000 may be allowed for interim (acquisition and/or construction financing) as long as it is paid down to no more than \$20,000 for permanent financing. Projects must demonstrate that HOME funds are needed and will enhance affordability. HOME funds may be drawn down during construction, but personal guaranties of the developer's principals will be required, or a suitable alternative. Some exceptions may be made for CHDO's and not-profit agencies on a case-by-case-basis. These funds may be recovered or converted to "junior" homebuyer loans when an eligible buyer purchases the house. Alternatively, funds can be drawn down initially at the time of sale to an eligible buyer.

Market studies will be required for all projects of 16 or more units. MFA will accept and review applications on a continuous basis. Additional CHDO set-aside funds are also available to projects meeting these guidelines and developed, sponsored, or owned by certified CHDOs.

Applicants will be encouraged to produce units that are energy efficient and developed for low water usage. The MFA will coordinate with the Department of Energy and Minerals and the Construction Industries Division on ways to ensure energy and water efficiency in new affordable housing developments. MFA will also seek to coordinate funding from the utility companies (PNM) to subsidize energy efficient upgrades in affordable housing developments.

**Housing counseling.** Several resources will be used to provide housing counseling to New Mexico households. Housing counseling includes both group and individual one-on-one counseling. Group session may include homebuyer education classes, financial fitness sessions, and post-purchase education. One-on-one counseling may include becoming mortgage ready, default and foreclosure prevention, and counseling for predatory lending. The MFA received a Rural Communities Development Initiative (RCDI) grant which will provide \$18,000 in 2006 to create between 5 and 20 newly certified housing counselors in several rural communities, to expand and improve an existing rural housing counseling program, and to launch four new housing counseling programs in rural areas. In addition, MFA has committed to helping these organizations secure additional local funding to support these programs into the future.

In addition the MFA, hopes to receive additional funding under HUD's Housing Counseling Grant to provide housing counseling statewide. MFA expects to receive between \$140,000 and \$380,000 for housing counseling in 2006. Housing counseling agencies which will participate in this program have committed to leveraging an additional \$570,000 in local resources for housing counseling activities. If fully funded, this program is expected to provide housing counseling to 1600 households.

HOME funds and MFA General Funds will be used to leverage additional resources for housing counseling. Approximately \$45,000 in HOME funds will be used as housing counseling fees paid to nonprofit organizations that provide homebuyer education to households that purchase a home and receive a PaymentSaver down payment assistance loan. The fee of \$350.00 per household is expected to be paid to fifteen different agencies that will provide homebuyer education to at least 60 first-time homebuyers. MFA General Fund resources in the amount of \$20,000 will be used to provide training, curriculum development, and housing counseling agency development.

**Owner-occupied housing rehabilitation.** HOME funds will be used to finance a statewide housing rehabilitation program. The program’s objective is to assist low-income homeowners throughout the State to rehabilitate. Assistance can be used to pay for the costs of rehabilitation required to meet applicable codes, standards or ordinances (including HQS standards), essential improvements, energy-related improvements, lead-based paint hazard reduction, accessibility for disabled persons, repair or replacement of major housing systems, incipient repairs and general property improvements of a non-luxury nature, and site improvements and utility connections.

This program is designed to be affordable to households with very low incomes. Depending on the household’s annual gross anticipated income, adjusted for family size, assistance will take the form of either a non-amortizing, 0% interest loan, due on sale, transfer or refinance or a twenty-year, 1%- 4% amortizing loan. Considering that no more than \$40,000 in HOME funds (\$50,000 in the Colonias or on tribal trust land) may be used per unit (excluding the costs incurred to test for and abate lead-based paint hazards as well as any rehabilitation of units in Colonias or on tribal trust lands), MFA strongly encourages the leveraging of multiple resources from the subgrantees that will deliver this program.

The program consists of three components: the first is a rehabilitation “block grant” program in which subgrantees apply through a competitive RFP process, and the second is a “house-by-house” program where the MFA continuously accepts and reviews applications. The intent of the second program component is to give small or less-experienced rehabilitation service providers the opportunity to build capacity with MFA’s technical assistance. The third program component is a set aside to carry out lead-based paint testing, remediation, and abatement measures in eligible owners’ homes in one of the first two categories.

Recent changes in the Rehab Program include:

- Reduced affordability period (affordability period is the term during which the homeowner must repay the loan amount if the property is sold or transferred to non-income eligible parties, or refinanced)
  - 10 years if the loan amount is less than \$40,000 – forgiven at 20% per year beginning in the 6<sup>th</sup> year.
  - 15 years if the loan amount is more than \$40,000 – forgiven at 20% per year beginning the 11<sup>th</sup> year.
  - The same applies in the Colonias and on tribal trust land at the \$50,000 amount.
- Affordability period requirements are forgiven in the event the homeowner(s) dies during the affordability period.
- Mortgage and Note are no longer required – instead a Restrictive Covenants Agreement is used.
- Payoff of Real Estate Contract (REC) can be rolled into the costs associated with the rehab.

**Rental development** . A number of different resources are available for developing new affordable rental housing. These include allocated Low Income Housing Tax Credits (or 9% credits), Bond Financed Low Income Housing Tax Credits (or 4% credits), Multifamily Mortgage Revenue Bonds, Taxable Bonds, 501(c)3 bonds, 542(c) Risk Share and USDA RHS 538, Project Based Section 8, MFA's Housing Opportunity Fund and the Primero Program and the new State resources which include the New Mexico Housing Trust Fund and the Affordable Housing Act. Together these programs are expected to provide resources to finance over 7000 affordable rental units. HOME funds will be used to leverage a number of these resources by providing gap financing. The priority for multifamily rental financing is for projects that will serve homeless individuals and special needs populations.

HOME/Rental Development funds will provide “gap” financing to nonprofit and for-profit developers, public and tribal entities, and CHDOs for construction, acquisition, or acquisition and rehabilitation of affordable rental housing. Units financed with HOME must be affordable to households earning below 60% of the area median income adjusted for family size, and awards may be further restricted by other federal funding limits. HOME funds will be used to fill the gap between the cost of development and other sources of funding. To the extent projects are able to carry senior market-rate debt, HOME dollars will be reduced accordingly in order to maximize their efficiency. Projects must have demonstrated financing gaps and will be subject to underwriting standards that—among other criteria—verify that HOME funds are needed and will enhance affordability. These awards will be in the form of below-market rate debt. Market studies will be required for all projects of 16 or more units. If HOME/Rental funds are drawn prior to completion and lease-up, personal guaranties by the principals of the developer will be required, or a suitable alternative. Some exceptions may be made for CHDO's and non-profit agencies, on a case-by-case basis.

The HOME/Rental Development program includes two components. HOME/Tax Credits that are simultaneously awarded tax credits for new construction, acquisition and rehabilitation, or refinancing and rehabilitation of affordable rental housing. Projects using HOME funds in conjunction with the tax credit program must meet all the conditions and requirements set forth in the 2005 QAP. HOME funds will be awarded on the basis of highest level of affordability and tax credit scoring until all HOME funds allocated for this purpose have been awarded. Based on availability of funds, HOME/Tax Credit awards may not exceed the lesser of \$20,000 per unit for all units in a project of 25 units or less, \$10,000 per unit for all units in a project of 26 or more units, or \$500,000. Award amounts and payment structures will be determined by the debt capacity of the individual project, and underwriting terms used to determine principal and payment amounts will meet the standards adopted for the tax credit and HOME programs.

A separate pool of HOME funds, HOME/Rental Incentives, cannot be used for projects that receive allocated tax credits, although projects receiving tax credits associated with private activity bond volume cap (*i.e.*, 4% credits) are eligible. These awards may not exceed the lesser of \$40,000 per unit for all units in the project, \$800,000 for the entire project, or 80% of the project's total development cost. The primary mortgage may be derived from tax-exempt bonds, 501(c)(3) bonds, conventional loans or other sources, and award amounts and payment structures will be determined by the debt capacity of the individual project. Applications for these HOME funds will be accepted and reviewed on a continuous basis.

MFA will provide additional incentives to encourage the development of special needs housing utilizing rental development resources and programs. For projects serving special needs populations, developers must specifically identify the population with special needs and must deliver a social service plan describing the necessary support services for their proposed clientele. The determination of whether the project meets/serves an identifiable special needs population will be made by MFA.

CHDO set-aside funds are also available to HOME/Rental Development projects meeting these guidelines and developed, sponsored, or owned by certified CHDOs. MFA will set-aside 15% of its HOME allocation anticipated to be 7.9 million dollars this year for an estimated \$4,185,000 which will produce an estimated 115 units.

**Capacity building.** The MFA will allocate resources toward developing the capacity of local partners to produce more affordable units. The Home Training and Technical Assistance grant, the Rural Communities Development Initiative, HOME funds, and MFA General Funds will be allocated to increase capacity in several areas. In 2006, \$250,000 will be allocated to improve MFA partners' capacity to: 1) develop affordable single family housing; 2) improve capacity statewide to provide owner-occupied rehabilitation; 3) create a statewide permanent supportive housing developer; and 4) increase partners' capacity to produce multifamily rental housing. These funds will be used to provide training, to cover MFA staff time in providing technical assistance, to contract with experts to work closely with partners in developing housing and to provide financial assistance to allow partners to hire additional staff.

**Research and development.** MFA will allocate staff time to the research and development of new programs. These initiatives may include: coordinating funds for housing rehabilitation particularly HOME and CDBG funds; identifying ways to subsidize or otherwise encourage energy efficiency upgrades by coordinating with utility companies; researching new financing products for reaching underserved populations; identifying ways to increase the number of qualified contractors and certified lead-based paint abatement contractors; identifying funding sources for emergency repair, weatherization, and accessibility improvements without substantial rehabilitation; and researching ways to maintain the affordability of existing expiring use or troubled rental properties. While the majority of resources dedicated to research and development will be staff time, a portion of HOME funding and other potential funding sources may be available to provide trial or pilot projects in order to test the viability of new ideas. Funds under the Research and Development category will be expended on eligible HOME Program activities in HOME-eligible jurisdictions to address the housing needs of low- and very low-income New Mexicans at the MFA's discretion.

### **Needs of Public Housing**

**Addressing State PHA needs.** MFA plans to continue its successful partnerships with Public Housing Authorities (PHAs) on the new Section 8 Homeownership initiative. MFA will provide PaymentSaver funds for down payment and closing cost assistance—"Smart Choice"—to complement Section 8 funds used by former public housing residents to purchase their homes under this innovative program. Furthermore, to the extent PHAs pursue development of USDA Rural Development REPOs, MFA will coordinate with them to provide HOME funding.

MFA is also working with PHAs to help them transition from managers of public housing units to partners in the development and maintenance of affordable housing. Currently, MFA is working with several PHAs who will undertake new affordable housing development, provide owner-occupied rehabilitation services, or engage in acquisition, rehabilitation and resale of single family units.

### **Barriers to Affordable Housing**

**Barriers to affordable housing.** A number of barriers to affordable housing exist in the State of New Mexico. In the north central and middle Rio Grande regions, high land costs are a barrier to affordability. In addition, anti-growth initiatives, impact fees and codes further increase costs. In the very rural areas of the State, the lack of a housing market creates large barriers to buying, selling and even financing rehabilitation of existing units in these areas. In the remainder of the State, barriers include household credit issues, lack of knowledge, lack of a construction industry and lack of contractors to perform rehabilitation.

The greatest barriers to homeownership are credit issues of potential borrower households. A large number of these are working poor with sufficient income to purchase housing but who lack medical insurance and as a result have unpaid medical bills. In addition, there is a general lack of knowledge about the home buying process, financial management and the real estate market. Lack of knowledge is a significant barrier for a number of New Mexico households who are recent immigrants, have limited English proficiency or who have not completed high school.

These populations, including residents of the colonias, are particularly vulnerable to predatory lending and other predatory practices such as illegal land sales and subdivisions. Households that lack knowledge are also more likely to purchase manufactured housing or land with higher financing costs. Unique barriers exist on Native American trust lands which include an inability to prove income due to artisan cash trade and continuing challenges of financing on trust lands. For people with disabilities, the lack of available affordable and accessible or adaptable housing units is a barrier.

The rural nature of the State results in a situation where outside the metro areas there is little or no construction industry. The lack of a construction industry in small town New Mexico is a barrier to affordable housing in that it results in higher material and labor costs and restricts housing supply. This problem is exacerbated by a lack of contractors willing to rehabilitate existing housing. The lack of available contractors threatens the State's ability to preserve existing affordable housing units. Further, there are very few contractors who are certified to do lead-based paint abatement.

In addition to the lack of available contractors, there are a number of additional challenges to doing owner-occupied rehabilitation in the state including differences in code interpretation among jurisdictions, rising insurance costs, liability and a large number of substandard manufactured housing units which can not be rehabilitated, leveraging of resources which creates complexity in terms of additional contracts and environmental reviews and HOME regulations which prevent accessibility modifications without bringing the entire unit up to code.

**Affordable housing affected by public policy.** Local jurisdictions largely determine land use, zoning, growth limits, fees and charges that affect the return on residential investment in New Mexico. Residential development in many areas of the state is constrained by water supply. Some communities in New Mexico have adopted strategies to limit or slow growth. These areas are generally high cost communities, where return on residential investment is generally high. Slow and no-growth policies in areas where demand for housing is strong are likely to contribute to increasing housing costs.

**Strategies to removing barriers to affordable housing.** MFA and the State of New Mexico will take the following actions to remove barriers to affordable housing:

- Research new financing tools to lower the cost of mortgage financing;
- Launch the New Mexico Affordable Housing Trust Fund;
- Implement the New Mexico Affordable Housing Tax Credit Act;
- Promote the Affordable Housing Act;
- Identify ways to increase the number of available contractors in the state;
- Strengthen delivery channels and build capacity to develop and rehab housing in underserved areas;
- Promote the development of new organizations to provide housing counseling and financial fitness education around the state; and
- Encourage universal design or adaptability in new construction of single and multi-family homes.

#### **HOME/ADDI Funding**

**Forms of investment.** HOME funds will be invested, at a minimum, as a 0% interest due-on-sale loan for all activities except CHDO operating expenses and TBRA, which may be grants. Rental projects will be below-market rate amortizing loans except for those projects exclusively serving homeless individuals which will be 0% due-on-sale loans.

MFA is currently developing guidelines that would allow CHDOs to keep a portion of the proceeds from CHDO development set-aside funds rather than return them to the MFA for redistribution in the HOME program.

**Resale and Recapture Guidelines.** When necessary, HOME funds will be recaptured due to a unit's noncompliance with HOME affordability requirements. Affordability is ensured through the recordation of restrictive covenants accompanied by a lien filed on the property. To ensure affordability, MFA has chosen the recapture provision over the resale option as discussed in 24 CFR 92.

**Match.** Match requirements of the HOME program will be met by three primary sources: resources committed by grantees and local governments, proceeds from mortgage revenue bonds and MFA general fund interest subsidy.

**American Dream Down Payment Initiative (ADDI).** American Dream Downpayment Initiative funds will be used to fund the PaymentSaver program described earlier. The MFA will work closely with Public Housing Authorities operating Housing Choice Voucher programs to provide targeted outreach to public housing residents seeking to become homeowners. MFA will also work closely with nonprofit organizations, community housing development organizations and local groups including those on Native American Trust lands and in the colonias to ensure that PaymentSaver loans are available to residents in difficult to serve areas.

For all households that receive ADDI funded PaymentSaver loans, the MFA requires they receive a minimum of four hours of homebuyer education. MFA has taken several steps to ensure that homebuyer education is not only available in most areas of the State, but that it also meets minimum guidelines for quality. The MFA pays a counseling fee to nonprofit organizations that provide homebuyer education. MFA also provides training and certification opportunities for housing counselors statewide and assistance with curriculum development and materials. Further, MFA is taken steps to encourage the statewide availability of housing counseling programs that assist households in becoming mortgage ready.

**Refinance of existing debt.** MFA may, at its discretion, use additional HOME funds under the following circumstances. When considering investing additional HOME funds on projects already financing with HOME, the following guidelines would apply:

- Only when needed in order to permit or continue affordability of single family and rental units.
- Rehabilitation is the primary activity.
- The same underwriting standards would apply as when we make an initial investment of HOME funds in the project, which include:
  - Adequacy of management and owner;
  - Feasibility of project to meet operational and debt service requirements, consistent with market; and
  - Review of total development costs and sources available to meet these needs.
- The required period of affordability will be consistent with the HOME regulations based on the activity and the HOME per unit subsidy.
- This would be available jurisdiction wide.
- The HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

## **Specific Homeless Prevention Elements**

**Sources of funds.** A number of resources are expected to be available to address homeless needs in the State. These include Emergency Shelter Grants, competitive Supportive Housing Program and Shelter Plus Care grants, and State Homeless Assistance funds. The MFA provides resources from its General Fund to support these activities.

The New Mexico Coalition to End Homelessness which will be primarily responsible for implementing the State's strategy to end homelessness. This strategy stresses a "housing First" model of assistance and emphasizes the creation of permanent supportive housing and homeless prevention over emergency shelters.

As a first step, the Coalition is working to create a statewide permanent supportive housing development organization. The intent of the statewide developer is to develop permanent housing for the homeless by working with existing community groups throughout New Mexico. Ideally, local groups will own and manage the housing while providing appropriate supportive services. The Enterprise Foundation and Daniels Fund have indicated willingness to support the development team financially. The Albuquerque Mental Health Housing Coalition, with a successful track record of developing supportive housing has offered to sponsor the group. The lack of capacity to develop supportive housing at the local level is an obstacle to increasing the supply of supportive housing. The development of a statewide expert will help to overcome this obstacle.

The New Mexico Coalition to End Homelessness conducted a point-in-time (PIT) count on January 25, 2005 for both sheltered and unsheltered homeless persons to determine the numbers of persons who are homeless and assess their needs in primarily non-urban areas of the State. A two-pronged approach was used for conducting the homeless count and needs assessment: counting homeless persons housed in shelters or transitional housing facilities through the participation of provider agencies and counting non-housed homeless persons that were encountered by staff or volunteers at shelter and non-shelter programs.

Based on the count, surveys and the CoC methodology used to determine homelessness, there is an annual estimate of 8,191 homeless people in the New Mexico Balance of State Continuum of Care region.

Unmet need was found to be as follows:

- Family emergency shelter beds = 34
- Individual emergency shelter beds = 53
- Family permanent housing beds = 649
- Individual permanent housing beds = 1,749
- Family transitional housing beds = 1,913
- Individual transitional housing beds = 2,258
- Total Family Beds = 2,596
- Total Individual Beds = 4,060

**Priority homeless needs.** The State's priority needs for the homeless are to end chronic homelessness, expand housing and services for those who are currently homeless and prevent future homelessness.

The State's Homeless Strategy is primarily carried out through the New Mexico Coalition to End Homelessness. MFA will continue to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group made up of representatives from various state agencies dealing with homelessness or peripheral issues, as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition will continue to provide include:

- Developing a statewide strategy;
- Implementing a financial plan that will lead to self-sufficiency;
- Building the membership of the Coalition;
- Developing an information sharing network among homeless service providers;
- Providing technical assistance and coordinating educational activities for member service providers;
- Developing the Continuum of Care competitive grant application on behalf of the state;
- Conducting an educational campaign; and
- Creating a statewide low-income rental housing development organization.

Going forward, MFA will continue to provide financial support to the Coalition, furnish meeting facilities and provide technical assistance to its members.

In addition, MFA is working in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness to develop the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and its organizations have begun entering data. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be used by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

For more information on homeless priority needs, see the Homeless Strategic Plan section below.

**Homeless inventory.** Please refer to the Continuum of Care Housing Activity Chart and Service Activity Chart attached to this section.

### **Homeless Strategic Plan**

**Institutional structure.** The State's Homeless Strategy is primarily carried out through the New Mexico Coalition to End Homelessness. MFA will continue to provide support for activities undertaken by the New Mexico Coalition to End Homelessness. The Coalition is an inclusive group

made up of representatives from various state agencies dealing with homelessness or peripheral issues, as well as representatives from nonprofit homeless shelters and service providers. With MFA's support, the Coalition has renewed its contract with its full-time Executive Director. Services the Coalition will continue to provide include:

- Developing a statewide strategy;
- Implementing a financial plan that will lead to self-sufficiency;
- Building the membership of the Coalition;
- Developing an information sharing network among homeless service providers;
- Providing technical assistance and coordinating educational activities for member service providers;
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Going forward, MFA will continue to provide financial support to the Coalition, furnish meeting facilities and provide technical assistance to its members.

In addition, MFA is working in conjunction with the homeless community in New Mexico and the New Mexico Coalition to End Homelessness to develop the NM HMIS system. This data management system has been funded, in part, with MFA general fund dollars and its organizations have begun entering data. This data management system collects information on the homeless community including the number of unduplicated clients, the kinds and types of services provided, etc. Information collected will be used by communities to make informed decisions and develop appropriate services for each segment of the homeless population.

**Homeless Strategic Plan including ending chronic homelessness.** A number of resources are expected to be available to address homeless needs in the State. These include Emergency Shelter Grants, competitive Supportive Housing Program and Shelter Plus Care grants and State Homelessness Assistance funds. The MFA provides resources from its General Fund to support The New Mexico Coalition to End Homelessness which will be primarily responsible for implementing the State's strategy to end homelessness. This strategy stresses a "Housing First" model of assistance and emphasizes the creation of permanent supportive housing and homeless prevention over emergency shelters.

As a first step, the Coalition is working to create a statewide permanent supportive housing development organization. The intent of the statewide developer is to develop permanent housing for the homeless by working with existing community groups throughout New Mexico. Ideally, local groups will own and manage the housing while providing appropriate supportive services. The Enterprise Foundation and the Daniels Fund have indicated a willingness to support the

development team financially. The Albuquerque Mental Health Housing Coalition, with a successful track record of developing supportive housing, has offered to sponsor the group.

The lack of capacity to develop supportive housing at the local level is an obstacle to increasing the supply of supportive housing. The development of a statewide expert will help to overcome this obstacle.

**Chronic homelessness.** The New Mexico Coalition to End Homelessness with financial support from MFA, will pursue the following goals and action steps over the next year aimed at eliminating chronic homelessness:

- Goal 1: Work for official recognition of a statewide plan to end homelessness to be adopted by the Governor.
- Goal 2: Enlist Public Housing Authorities to house chronically homeless people (600 people by 2012).

Action Steps

1. Advocate for more housing vouchers.
  2. Develop pilot programs in several cities to combine state-funded supportive services with public housing to create supportive housing environments for the chronically homeless in public housing.
  3. Use Shelter Plus Care funds to develop units of tenant-based rental housing in Valencia County.
  4. Develop Shelter Plus Care units in specific counties in the State.
  5. Through the Governor's Behavioral Health Purchasing Collaborative, develop funding mechanism to provide state funds for supportive services for disabled people living in public housing.
- Goal 3. Develop permanent supportive housing for the disabled chronically homeless throughout the state.

Action Steps

1. Develop additional units of housing for the mentally ill including homeless mentally ill in specific locations in the State.
  2. Develop units of Shelter Plus Care housing in specific locations in the State.
  3. Develop units of Section 811 projects in specific locations in the State.
  4. Recruit organizations in New Mexico to apply for Section 811 projects that focus on mentally ill homeless people.
  5. Recruit agencies to develop new Shelter Plus Care programs in New Mexico.
- Goal 4: Build the capacity in New Mexico to develop and operate more supportive housing in various settings.

### Action Steps

1. Create a statewide nonprofit housing developer to work in partnership with NMCEH member organizations to develop supportive housing in New Mexico that would meet the needs of the chronically homeless in a variety of settings.
  2. Create a private fund to support acquisition, construction, rehabilitation and operation of supportive housing for the homeless in New Mexico.
- Goal 5: Develop housing for the seriously mentally ill, chronically homeless in five regions under the new single behavioral health entity.
  - Goal 6: Improve access to mainstream resources for chronically homeless people.

### Action Steps

1. Work with the Social Security Administration to speed up access to SSI and SSDI for chronically homeless people drawing from the experience of Maryland and using volunteer advocates.
  2. Work with the Human Services Dept. to have caseworkers on site at day services centers to improve access to Medicaid, food stamps and general assistance for chronically homeless people.
  3. Provide annual workshop for homeless agencies on creative ways to access mainstream resources.
  4. Expand pilot Day Services Centers in Santa Fe and Las Cruces to provide case management for chronically homeless people to help increase access to mainstream resources.
  5. Educate homeless agencies about presumptive eligibility for state general assistance.
- Goal 7: Develop and strengthen case management models that keep homeless people in housing once they are housed.

### Action Steps

1. Work with the Social Security Administration to speed up access to SSI and SSDI for chronically homeless people drawing from the experience of Maryland and using volunteer advocates.
2. Work with the Human Services Dept. to have caseworkers on site at day services centers to improve access to Medicaid, food stamps and general assistance for chronically homeless people.
3. Provide annual workshop for homeless agencies on creative ways to access mainstream resources.
4. Expand pilot Day Services Centers in Santa Fe and Las Cruces to provide case management for chronically homeless people to help increase access to mainstream resources.

5. Educate homeless agencies about presumptive eligibility for state general assistance.

**Homelessness prevention.** The New Mexico Coalition to End Homelessness, with financial support of MFA, will also pursue the following goals and action steps to address individuals and families with children that are at imminent risk of becoming homeless or for those that have become homeless to get them into housing as quickly as possible.

- Goal 1: Work on strengthening services and funding for homeless prevention.

Action Steps

1. Work to create a statewide homeless prevention fund.

- Goal 2: Increase supply of supportive housing

Action Steps

1. Work with statewide affordable housing trust fund to develop transitional and permanent supportive housing for homeless persons.
2. Create a partnership with two more local Housing Authorities willing to work with service agencies to house homeless people.
3. Implement the State's affordable housing act that allows government to donate land for affordable and accessible housing.
4. Create a partnership with private developers to build affordable and accessible housing and to work with service agencies to house homeless people.

- Goal 3: Increase incomes of homeless people

Action Steps

1. Work with State Labor Department to implement Day Laborer Law insuring fair employment practices of day laborers.
2. Increase enrollment in mainstream services, food stamps, TANF, Medicaid, etc.
3. Encourage job skills training as part of transitional housing programs.

- Goal 4: Improve services for homeless people

Action Steps

1. Establish Inter-Agency Homeless Task Force as permanent continuation of Lt. Governor's Homeless Strategy Group and the Discharge Planning Working Group.
2. Develop continuum-wide best practices policies for homeless agencies.

**Discharge coordination policy.** The New Mexico Coalition to End Homelessness, in conjunction with the New Mexico Mortgage Finance Authority has a Discharge Planning Work Group, which works to improve statewide discharge planning by four key state agencies. The committee has discussed the protocols that are in place for discharge planning at the Department of Corrections, Department of Children, Youth and Families, Behavioral Health Services

Division and the Human Services Department. Also under discussion is the need to improve discharge planning protocols in the area of physical health and individuals exiting public health care facilities. MFA will support the Coalition to bring these protocols to the community.

**Emergency Shelter Grants (ESG) program.** Emergency Shelter Grant funds will be distributed to eligible emergency shelters on a formula basis through a competitive application, with the exception of the Emergency Shelter Operations category, which will be discussed later in this text. New emergency shelter and shelters engaging in homelessness prevention activities funded with Emergency Shelter Grants must adhere to the regulation and requirements of the federal ESG program. While federal ESG funds cannot be used within the City of Albuquerque, it is important to understand that the RFP process also provides for distribution of State of New Mexico Homeless Assistance Program funds, which may be used statewide.

**MFA Homeless Program qualifications.** The MFA Homeless Program provides assistance to all units of local government, including tribal governments, who are eligible to apply for funding to serve homeless persons in their community. In addition, nonprofit organizations are eligible to apply if they meet the following requirements:

1. The primary mission of the nonprofit organization must be to provide housing or services to the homeless;
2. The nonprofit organization must demonstrate support from the unit of local government it intends to serve; and
3. The non-profit organization must have received its 501(c)(3) IRS determination letter prior to submitting an application.

MFA Homeless Program funding may be used for essential or supportive services, operating expenses and prevention activities associated with providing shelter or services to homeless individuals. Applicants must have the support of the local jurisdiction, be able to meet match requirements and provide monthly service reports. The activities receiving funding under the MFA Homeless Program are: Emergency Shelter Operations, Essential Services Only, Homeless Prevention, Permanent Supportive Housing and Continuum of Care Match. The requirements for application under these activities are listed below.

**Emergency Shelter Operations funding.** Funding for Emergency Shelter Operations is allocated based on a competitive round to eligible emergency shelters on a formula based on bed nights. An organization may also request funding under this category for related essential services and homeless prevention to be funded from this part, in addition to shelter operations funds. Eligible activities include the following:

- **Shelter operations**—100 % of the award for this activity may be used to pay for maintenance, operation, insurance, utilities and furnishings and for appropriate staffing costs associated with the operation of the shelter. **However, no more than 10% of the amount of the award under this activity may be used for costs of operations staff.**
- **Essential services**—Funds may be used to pay for services concerned with employment, health, drug abuse and education. Eligible costs include staff salaries

necessary to provide such services and other costs directly associated with the provision of such services. **However, Essential Services is capped at 30% of the total award under the Emergency Shelter Operations activity.** Examples of activities include the following:

- Assistance in obtaining permanent housing;
  - Medical and psychological counseling and supervision;
  - Employment counseling;
  - Nutritional counseling;
  - Substance abuse treatment and counseling;
  - Assistance in obtaining federal, state and local assistance including mental health benefits, employment counseling, medical assistance, Veteran's benefits and income support; and
  - Other services such as child care, transportation, job placement and job training.
  - *Congregate meals and healthcare are **not** eligible.*
- **Homeless prevention**—Funds may be used for activities to prevent homelessness such as financial assistance to families who have received eviction notices or notices of termination of utility services, provided there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time. Refer to Homeless Prevention under this Section (pages 20 and 21) for a complete list of eligible activities. **However, Homeless Prevention is capped at 30% of the recipient's award under the Emergency Shelter Operations activity.**
  - **Administration**—There are up to 2% of admin fees available for this activity only. MFA will disburse these funds based on bed nights.

Units of local government and nonprofit organizations that operate emergency shelters for the homeless will be considered eligible emergency shelters if they meet the threshold criteria:

1. The entity must be a municipality, county, or a nonprofit 501(c)(3) organization in New Mexico.

For nonprofit organizations, they must have as their primary mission, provision of services to the homeless.

1. The entity must provide emergency shelter to homeless persons, as defined by the U.S. Department of Housing and Urban Development or the State of New Mexico, as appropriate. An emergency shelter is defined as a temporary place for persons in an emergency situation to stay and must have the capacity to shelter and accept inquiries at all hours.
2. The entity must demonstrate the capacity to provide safe, decent emergency shelter nightly, have at least 6 beds available and average at least 15 bed nights per month with an average length of stay of less than 90 days for each resident.

3. The entity must demonstrate staff capacity to conduct intake and assessment of homeless persons.
4. The entity must provide supervision and referrals to appropriate supportive services.
5. The entity must operate its shelter facility in compliance with all applicable federal, state and local building codes, laws and regulations, not be delinquent with any debt payments and have resolved any issues identified through prior MFA monitoring.
6. The entity must be current in the required monthly reporting with the MFA, if applicable.
7. The entity must be able to demonstrate the administrative and financial management capacity necessary to accept and account for the use of public funds.
8. The entity must not exert religious influence in operating its shelter.

**Restrictions on funding amounts include:**

1. No organization will receive more than 15% of the total funds available for combined homeless activities, unless proposals submitted for any one activity are insufficient to award all funds allocated to that activity.
2. Contract amounts may not make up more than 50% of any organization's total budget.

Essential Services Only funding. Beginning July 1, 2005, in accordance with the Behavioral Health Purchasing Collaborative implemented by the New Mexico State Legislature, a statewide entity became responsible for the administration of all the New Mexico public behavioral health service system, including MFA's essential services activities. All Essential Services Only funding is part of the State homeless allocation.

Essential Services Only funding is made available only to nonprofit agencies that do not operate an emergency shelter, but still have as their primary mission the provision of services to the homeless. This funding will be distributed on a competitive basis to nonprofit organizations serving the homeless. To be eligible for Essential Services Only funding, organizations must meet the following criteria:

1. The organization must be a nonprofit 501(c)(3) organization in New Mexico.
2. The organization must have as its primary mission the provision of services to the homeless and the program for which the organization is applying does not provide emergency shelter as part of that program.
3. The organization must demonstrate the staff capacity to provide supportive services and the administrative and fiscal capacity to account for the use of public funds.
4. The organization demonstrates that it does not duplicate services provided by another organization in the community and works in cooperation with the local

emergency shelters.

5. The organization must not exert religious influence in providing supportive services.

**Homeless Prevention Funding.** Homeless Prevention funding is made available to units of local government or 501(c)(3) organizations whose primary mission is to serve the homeless or to provide housing to homeless individuals. The criteria listed above apply for this activity as well.

**Permanent Supportive Housing Funding.** Funding for Permanent Supportive Housing with disabilities is made available only to local and tribal governments or nonprofit organizations providing permanent supportive housing for homeless persons with disabilities. To be eligible for Permanent Supportive Housing Operations, organizations must meet the following criteria:

1. The organization must be a local or tribal government or nonprofit 501(c)(3) organization in New Mexico.
2. The organization must operate a permanent housing facility for homeless persons with disabilities.
3. The organization must receive funding from HUD's Continuum of Care Supportive Housing program award.
4. The organization must demonstrate the staff capacity to provide supportive services and the administrative and fiscal capacity to account for the use of public funds.

**Continuum of Care match.** Funds to match Continuum of Care Supportive Housing and Shelter Plus Care Programs are made available only to recipients of HUD's Continuum of Care Supportive Housing Program (SHP) or Shelter Plus Care (SPC) grants and from funds received from the State of New Mexico. The purpose of this funding is to help SHP/SPC grant recipients to meet the match requirements for the first operating year under their SHP/SPC grants. Funding under this category is limited to no more than the amount of match required under the SHP/SPC grants. Funding may be used for operations, supportive services and/or leasing.

To be eligible for funds to match Continuum of Care programs, organizations must meet the following criteria:

1. The organization must be a recipient of a new or renewed SHP/SPC grant for transitional and/or permanent supportive housing;
2. The organization is currently operating the transitional or permanent supportive housing program for which the SHP/SPC award was granted by HUD; and
3. The organization can demonstrate the match requirement for operations, supportive services and/or leasing for year one of the SHP/SPC grant only.

**ESG match.** Match requirements of the ESG program will be met by primarily five sources and will vary depending on the agency: resources raised by local fund raising or cash, in-kind donations, the United Way, State of New Mexico appropriated funds and other non-profit grants.

## Community Development

**Community development priorities.** The DFA/LGD will pursue seven community development priorities over the next year. They are:

1. Increase CDBG applications from communities that, in the past, have infrequently participated in the program;
2. Disburse majority of CDBG funds for community projects;
3. Encourage more housing related activities;
4. Encourage communities to repair dilapidated streets; and
5. Encourage communities to provide adequate and safe drinking water.

Objectives and Output Measures:

**Priority 1: Increase CDBG applications from communities that, in the past, have infrequently participated in the program.**

*Objective 1.1:* Revise threshold requirements in CDBG Rules and Regulations to dissuade repeat applicants from applying each year.

Resource Utilization: CDBG Staff, Community Development Council Board

Output Measure: Number of applicants who have not received CDBG funding within the last two years.

*Objective 1.2:* Increase community outreach and technical assistance to local governments to increase awareness of the potential uses of CDBG funds.

Resource Utilization: CDBG Staff, Local Councils of Government

Output Measure: Meetings with elected officials and other interested parties to explain the CDBG.

<p><i>Priority 1 Outcome Measurement: Five applicants that have not been funded with CDBG funds in the past two years will submit applications.</i></p>
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**Priority 2: Disburse majority of CDBG funds for community projects.**

*Objective 2.1:* To receive enough substantial applications for funding to enable DFA/LGD to disburse all CDBG funds throughout the State based on approval decisions by the CDC.

Resource Utilization: CDBG Staff, Local Council of Governments, Local Governments, Other State Governmental Agencies

Output Measure: All CDBG funds, with the exception of TA and Administrative costs will be disbursed to local governments.

*Priority 2 Outcome Measurement: All CDBG funds, with the exception of TA and Administrative costs will be utilized for community projects which meet the CDBG program national objectives.*

**Priority 3: Encourage more housing related activities.**

*Objective 3.1:* Revise threshold requirements to allow local governments to apply for CDBG funds for housing projects without first having to apply to MFA and be rejected.

Resource Utilization: CDBG Staff

Output Measure: Number of applicants who apply for housing before applying to the MFA.

*Objective 3.2:* Ten percent set aside for colonias be available for housing located in a designated colonias.

Resource Utilization: CDBG Staff, Local Council of Governments

Output Measure: Number of applications received from colonias for housing related activities.

*Objective 3.3:* Increase community outreach and technical assistance to local governments to increase awareness of the potential uses of CDBG funds for housing related activities.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, MFA

Output Measure: Meetings with elected officials and other interested parties to encourage local governments to apply for housing using CDBG funds.

*Priority 3 Outcome Measurement: Two housing applications will be funded and one funded application will be from a colonia.*

**Priority 4: Encourage communities to repair dilapidated streets.**

*Objective 4.1:* Increase applications for street repairs.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Department of Transportation

Output Measure: Number of applications submitted.

*Priority 4 Outcome Measurement: Eight projects for street repairs will be funded.*

**Priority 5: Encourage communities to provide adequate and safe drinking water.**

*Objective 5.1:* Work more closely with NMED to target communities with unsafe drinking water.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Environment Department

Output Measure: Joint meetings and trainings with NMED regarding community water systems.

*Objective 5.2:* Increase applications for water system improvements.

Resource Utilization: CDBG Staff, Local Governments, Local Council of Governments, NM Environment Department

Output Measure: Number of applications for water system improvements received.

*Priority 5 Outcome Measurement: Four applications for water system improvements will be funded.*

### **Antipoverty Strategy**

Many agencies throughout New Mexico actively pursue the elimination of poverty. The role the MFA performs in this overall endeavor is to foster and promote self-sufficiency and independence. To better empower individual and families toward this goal, the following strategies will be put to work:

- Promote sustainable economic development through affordable housing and other community development activities;
- Assist households in purchasing homes, developing stability and net worth and reducing the likelihood for poverty;
- Evaluate projects, in part, on the basis of their ability to foster self-sufficiency when awarding funding for projects;
- Maintain a strong relationship with the New Mexico Coalition to End Homelessness to enhance and promote stabilization of homeless families and encourage transition to stable, permanent housing situations;
- Explore partnership opportunities with the Human Services Department regarding its administration of the Community Services Block Grant, a program that helps organization that provide a range of services and activities having a measurable and potentially major impact on the causes of poverty in their communities; and
- Enhance efforts to educate the public and interested persons about available supportive services that foster self-sufficiency and independent living arrangements.

### **Low Income Housing Tax Credit (LIHTC) Coordination**

The New Mexico LIHTC Qualified Allocation Plan (“QAP”) is drafted on an annual basis to be consistent with the State of New Mexico Consolidated Plan and Annual Action Plans. The QAP supports the development of affordable housing by setting priorities for those rental development projects that target the highest levels of affordability, for the longest period of time, in areas the

rental housing is most needed and for the populations in most need of housing. Point categories are reviewed annually. Examples of point categories in the Qualified Action Plan that support the priorities are as follows:

- 30 points available for the rehabilitation and preservation or conversion of affordable housing.
- 65 points available to projects that target an average gross median income of 50% or less and 45 points for projects that target an average gross median income of 65% or less.
- 15 points for projects committing to an extended use period of 45 years.
- 15 points for projects that reserve 25% of the units for Special Needs Households or that are specifically designated for exclusive use by elderly residents and that provide social services to these targeted populations.
- 5 points for projects that reserved 25% of the units for households comprised of individuals with children and provide social services to that targeted population.
- 15 points for projects on Native American Trust Lands.
- 5 points that provide a commitment to market the units to households on public housing agency wait lists.
- 5 points for projects in qualified census tracts or difficult to develop areas.
- 5 points for projects in qualified census tracts that the development of which contributes to a concerted community revitalization plan.
- 5 points for projects that provide a comprehensive program to facilitate eventual homeownership.
- 15 points for projects in priority geographic areas, consistent with the Action Plan.

#### **Non-Homeless Special Needs**

**Specific special needs objectives.** Through the citizen participation process and research for the Consolidated Plan, non-homeless special needs housing was identified as a priority in the State. In fact, most communities and key stakeholders prioritized the needs of the elderly, the disabled (physically, mentally and developmentally) and other special needs populations above the need for new multifamily rental housing.

However, research further showed that the housing needs of these populations are primarily available: decent, safe and affordable rental housing that is affordable to households below 30 percent of AMI. When such housing is available, local service agencies are able to link these populations to services which will keep them housed. Therefore, the strategy for meeting the housing needs of special populations is to utilize existing financing tools for multifamily rental

housing in order to expand the supply of available rental units and to give preference in funding decisions to those projects that will serve, in whole or in part, special needs populations.

The exception to the need for more affordable rental housing is for physically disabled households seeking to purchase housing. These households face difficulty in finding accessible single-family units. Therefore, MFA will encourage universal design or adaptability standards in all newly constructed affordable single family housing.

The MFA will pursue five housing priorities in the next year. All of these could potentially benefit special needs populations, but two of them (Goals 3 and 4) are specifically designated to assist special needs populations and persons who are homeless. These priorities include:

1. Increase opportunities for homeownership.
2. Preserve the State's existing affordable housing stock.
3. Expand the supply of housing and services to assist the homeless.
4. Expand housing opportunities and access for special needs populations.
5. Expand the supply of decent affordable rental housing.

The Non-Homeless Special Needs table and the Housing Needs tables show the MFA's goals for meeting the needs of special needs populations.

**Non-homeless special needs analysis (including HOPWA).** Information on the needs of non-homeless special needs populations is very challenging to find since there are few centralized sources of information on the various groups. HUD provides data (CHAS tables) that help identify the number of persons in various subpopulations that are not homeless but may require housing or supportive services. In addition, needs can be estimated using national incidence rates applied to the State of New Mexico. Using a combination of the HUD tables and other sources, we developed the following estimated needs for non-homeless special needs populations in New Mexico:

- **Elderly.** According to CHAS data, in 2000 there were 17,000 low-income (earning 50 percent of the AMI or less) elderly households with housing problems in New Mexico's nonentitlement areas. Housing problems also includes being cost-burdened.
- **Frail elderly.** CHAS tables also produce information for "extra elderly," or elderly with mobility limitations, which can be used as a proxy for frail elderly. In 2000, 5,400 low-income frail elderly in New Mexico had housing problems.
- **Severe mental illness.** Studies of homelessness indicate that between 25 and 40 percent of persons who are homeless also have a severe mental illness. These people have the greatest housing needs of persons with severe mental illnesses. In New Mexico, we estimate between 2,000 and 3,300 people in nonentitlement areas have severe mental illness and housing needs.

- **Disability.** In 2000, there were 41,000 households in New Mexico with some type of mobility or self care limitation and who had housing problems. This includes all households where one or more persons has 1) a long-lasting condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting or carrying and/or 2) a physical, mental or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing or getting around inside the home.
- **Substance abuse.** National incidence rates suggest that 71 percent of the population experiencing homelessness has a drug and/or alcohol abuse disease. This is equivalent to about 5,800 persons who are homeless in New Mexico.
- **HIV/AIDS.** Statewide, in 2002/2003, there were 1426 people with HIV/AIDS.

**Priority needs.** The need for an emergency shelter for people who are homeless was identified in each of the seven public input meetings. The services identified as being needed in these communities were substance abuse treatment, mental health and domestic violence services for people who are homeless, as well as services for homeless families. Two communities cited the need for transitional housing as well.

The need for housing for the elderly was identified in each of the public input meetings. Different types of housing were identified as being needed for seniors including multifamily rental, assisted living, rehabilitation and emergency repair for elderly homeowners, accessibility modifications and in-home supports. Other needs identified for special needs populations included accessible housing (both multifamily and single family), accessibility improvements, supportive housing for the mentally ill and people with substance abuse issues.

Information on facilities is not readily available.

MFA will pursue five housing priorities in the next year. All of these could potentially benefit special needs populations, but two of them (Goals 3 and 4) are specifically designated to assist special needs populations and persons who are homeless. These priorities include:

1. Increase opportunities for homeownership.
2. Preserve the State's existing affordable housing stock.
3. Expand the supply of housing and services to assist the homeless.
4. Expand housing opportunities and access for special needs populations.
5. Expand the supply of decent affordable rental housing.

The Non-Homeless Special Needs table and the Housing Needs tables show the MFA's goals for meeting the needs of special needs populations.

## **Housing Opportunities for People with AIDS (HOPWA)**

**HOPWA funding and allocation.** Funding under the HOPWA program will be available to non-profit organizations that serve people who are HIV-positive and/or are living with AIDS to provide short-term rent, mortgage and utility payments to prevent the homelessness of the tenant or owner of a dwelling.

Funding under the HOPWA Program will be made available to nonprofit organizations that service low-income persons with HIV/AIDS for continued rental assistance. Persons receiving rental assistance must pay as rent the higher amount of 30% of the family's monthly-adjusted income, 10% of the family's monthly gross income or welfare assistance specifically designated for housing.

Supportive services include health, mental health assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutrition services, intensive care when required, and assistance in gaining access to local, state and federal government benefits and services; health services may only be provided to individuals with AIDS or related diseases and not to their family members.

A percentage of the HOPWA grant will be divided between MFA and subgrantees for program administration. The specific allocation is determined annually but will not exceed any statutory limit.

**Obstacles to meeting underserved needs.** More than 60 percent of the HOPWA funds are being used by subgrantees to provide rental assistance under the STRMU or TBRA activities. MFA feels that this is a good use of the HOPWA funds in that AIDS clients are finding it extremely difficult to obtain any rental assistance or vouchers from the various Housing Authorities throughout the state. The Housing Authorities will not allow the case managers to interact or work on behalf of the client. With the declining health of many of the clients, forcing them to go to the Housing Authority or stay on top of the requirements to stay on waiting lists is not manageable. This program would be more effective if HOPWA case managers were allowed to act on behalf of their clients and work directly with the Housing Authorities.

**Specific HOPWA objectives.** HOPWA funding is allocated under a competitive process, with RFPs issued every three years. The last funding round was for the years 2003, 2004 and 2005. The next round will be for the years 2006, 2007 and 2008. Subgrantees receiving the HOPWA awards will have exclusive service responsibility for any one of the four designated service areas within the State. Successful subgrantees will have the management task of independently implementing the work program which ranges from initial participant identification, certification, and documentation of participant eligibility through actual provision of program services.

1. The objective of the HOPWA Formula Grant Program is to address the high incidence of immunodeficiency syndrome cases that may cause low-income persons in New Mexico to become homeless by providing housing assistance and related supportive services for said persons and their families.

2. Funding under the HOPWA program will be available to serve people who are HIV-positive and/or are living with AIDS to provide short-term rent, mortgage and utilities payments to prevent the homelessness of a tenant or mortgagor of a dwelling as further described by the regulations.
3. Tenant-based rental assistance including assistance for shared housing arrangements, as further described by the regulations.
4. Supportive services as described in this RFP and as further described in the regulations.
5. Administrative expenses to the extent allowed by the regulations.

### **Other Narrative**

**Governor's Innovations in Housing Awards program.** The MFA Board of Directors has approved the concept of the Governor's Innovations in Housing Awards program as follows. Three "pots" of money will be established. Specific program guidelines will be subject to MFA Board approval at a later time. MFA reserves the right to reallocate the funds among the funds based on market demand.

**Governor's Invest New Mexico.** Recently, Governor Richardson released a 10 year plan for the infrastructure of New Mexico which focused on six areas: water, education, higher education, transportation, economic development and housing. Specifically, the plan identified seven goals associated with housing in New Mexico.

1. Increase the homeownership rate;
2. Build more than 11,000 new homes, including 4,500 single family homes and 6,840 new rental homes;
3. Repair and improve at least 10,000 existing homes;
4. Reduce the water and energy consumption of new and existing housing;
5. Reduce the use of high-cost mortgage loans;
6. Strengthen the capacity of local governments, nonprofits, Housing Authorities and the private sector to implement innovative housing programs; and
7. Invest \$3.5 billion in New Mexico's housing infrastructure.

MFA in its capacity as the State's housing agency will strive to meet these goals with our housing partners around the State.

**New Mexico Housing Trust Fund Coalition.** The Governor's Invest New Mexico plan called for the creation of the New Mexico Housing Trust Fund as a way to provide venture capital for innovative housing initiatives that will leverage additional federal and private investment.

During the 2005 Legislative Session, the Legislature passed—and Governor Richardson enacted—the New Mexico Housing Trust Fund including a one-time appropriation of \$10 million to capitalize the Fund. Housing Trust Fund monies will be invested with the New Mexico State Investment Council in order to realize the highest possible returns.

The New Mexico Mortgage Finance Authority (MFA) is working closely with the recently appointed Housing Trust Fund Advisory Committee to draft program and funding guidelines so that the Fund will be distributed and used to generate and finance affordable housing throughout the State in the most effective way possible.

The New Mexico Housing Trust Fund will:

- Create a substantial source of revenue to finance and undertake affordable housing activities throughout New Mexico.
- Provide a flexible source of funds unlike existing restricted resources to better meet New Mexico's unique affordable housing needs.
- Reduce reliance on uncertain federal housing appropriations.
- Create an affordable housing legacy that will continue to benefit New Mexicans for generations.

Each 100 housing units developed through the Housing Trust Fund will produce an estimated \$430,500 in gross receipts and property taxes and fees in the *first year of development*. The National Association of Home Builders estimates that the construction of 100 single-family homes supports about 115 full-time equivalent jobs. Additionally, this fund will create wealth and greater prosperity for New Mexico families by building equity in their homes. Home equity is by far the greatest source of wealth for most Americans and lower housing costs will provide New Mexico households more disposable income for basic necessities, savings, and investments.

## STATE OF NEW MEXICO - Continuum of Care Tables

### Exhibit I: Continuum of Care Service Activity Chart

In this chart, we refer to the state's seven housing regions when describing the services that are available locally. The regions and their counties are:

- Region 1 – San Juan, McKinley, Cibola
- Region 2 – Rio Arriba, Taos, Colfax, Mora, San Miguel, Santa Fe, Los Alamos
- Region 3 – Sandoval, Bernalillo (outside Albuquerque), Valencia, Torrance
- Region 4 – Union, Harding, Quay, Curry, Roosevelt, De Baca, Guadalupe
- Region 5 – Catron, Grant, Luna, Hidalgo
- Region 6 – Lincoln, Chaves, Lea, Eddy, Otero
- Region 7 – Socorro, Sierra, Dona Ana

Form HUD 40076 CoC-F

### Fundamental Components in CoC System -- Service Activity Chart

#### Component: *Prevention*

Services in place: Homeless prevention services in the New Mexico Balance of State Continuum of Care include services that help people with low incomes to remain in their homes. Prevention services include emergency rental assistance to prevent eviction, emergency mortgage payments to prevent foreclosures, utility assistance to avoid shutoffs, legal services to help with tenant/landlord mediation, and information and referral services. The Tenant Based Rental Assistance (TBRA) program of the HOME Program is currently being used by a variety of non-profit organizations for homelessness prevention.

#### Rental/Mortgage/Utility Assistance

Public Service Company of New Mexico (PNM), a large utility company, has a Good Neighbor Fund that provides emergency utility assistance. PNM customers throughout the state are asked to contribute to a fund by adding a donation to their monthly utility bills. Contributed funds are distributed by local Salvation Army chapters, and are used to keep low-income people from losing utility service. The Good Neighbor Fund serves most of the state. In addition, all of New Mexico's utility companies participate in the Low Income Energy Assistance Program (LIHEAP).

The New Mexico Mortgage Finance Authority (MFA) provides Emergency Shelter Grants (ESG) to agencies that use federal and state ESG funds for homeless prevention activities including utility payments, emergency rent payments, and emergency mortgage and/or mortgage-related payments (*e.g.*, mortgage insurance, homeowners insurance).

In Region I, ECHO (Economic Council Helping Others) provides food assistance, eviction prevention funds, assistance with utility bills, and helps with car repairs. Catholic Charities sometimes has funds available to prevent utility shutoff. The Affordable Housing Alliance provides rental assistance and eviction prevention funds to homeless and almost homeless people. Helpline, an 800 crisis and information line, and Catholic Charities administer a CAFE fund (Cash Assistance For Emergencies), which dispenses cash assistance and rental

assistance on a selective basis to those in need.

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Throughout Region II, Life Link provides emergency rental assistance to people who are homeless with families, people who are mentally ill or multiply diagnosed, or survivors of domestic violence. Individuals living with HIV/AIDS may receive emergency utility payments through Southwest C.A.R.E Center. Emergency grants for up to three months are available from Southwest Cares, an organization that is fully funded by local donations. Emergency financial assistance is provided to a general homeless population by Open Hands, St. Vincent de Paul Society, Holy Faith Church, and a local Salvation Army chapter. Youth Shelters and Family Services provides youth who are having family trouble a 72 hour “cooling down period” at their emergency shelter, so that everyone in the family can calm down, find a solution, and so that the kids can return home. Samaritan House in Las Vegas also provides emergency rental assistance.

In Region III, Haven House provides emergency rental, mortgage, and utility assistance for the general population. The Sandoval County Economic Opportunity Corporation (SCEOC) provides emergency assistance payments and provides Tenant Based Rental Assistance (TBRA) for up to three months of cash assistance to homeless and low-income families in Bernalillo County for security deposits, utility payments, and/or rent. The SCEOC has partnered with the Nacimiento Clinic in Cuba and Jemez and now provides funds for eviction prevention and utility assistance in those locations. Additionally, the Midwest New Mexico Community Action Agency, Salvation Army, St. Vincent de Paul, Store House West, and Jemez Helping Hands provide rent and utility assistance. In Valencia County, Valencia Shelter for Victims of Domestic Violence administers TBRA funds to provide rental assistance for up to three months. Region III includes Bernalillo County where New Mexico's largest city, Albuquerque, is located. Although Albuquerque has a separate Continuum of Care, many providers in Albuquerque provide services throughout Bernalillo County and even regionally. These include Albuquerque Opportunity Center and St. Martin's Hospitality Center, which have countywide prevention programs.

In Region IV, The Veterans Affairs Mental Health clinics does outreach counseling with veterans to prevent homelessness. The Eastern Plains Council of Government provides Tenant Based Rental Assistance (TBRA) for up to three months of cash assistance to homeless and low income families for security deposits, utility payments, and/or rent. Salvation Army provides emergency hotel vouchers.

In Region V, El Refugio provides Tenant Based Rental Assistance (TBRA) for up to three months of cash assistance to homeless and low-income families for security deposits, utility payments, and/or rent, and also does legal advocacy. The local Community Action Agency provides utility and rental assistance. St. Francis Newman Center provides crisis assistance for rent, utilities, and transportation. First Presbyterian church and other area churches also provide utility and rental assistance. South Western Advocates 4 Kids offers families and youth in-home crisis services to prevent homelessness.

In Region VI, The Roswell Refuge for Battered Adults in Chaves County provides prevention assistance to the domestic violence population. The Roswell police department provides single night motel vouchers for emergency shelter to the general population, as does the

Salvation Army. Presbyterian Minority Outreach funds are available for emergency assistance, as well as funds through the Good Samaritans. The CHOICES program provides emergency assistance for people who are developmentally disabled. People Care, a residence for people with serious mental illness, also provides limited prevention services. The Community Action Agency does limited emergency utility assistance. Churches in Lea County also do rental assistance. In Eddy County, the Carlsbad Mental Health Marvin Watts Center provides rental assistance and the Ministerial Alliance, working with the police department, funds single night motel and dinner vouchers for transients. Eastern Plains Council of Government provides Tenant Based Rental Assistance (TBRA) for up to three months of cash assistance to homeless and low income families for security deposits, utility payments, and/or rent.

In Region VII, Hacienda del Sol provides emergency assistance with rent and utilities to prevent eviction. The Community Action Agency located in Las Cruces has funds for emergency rent and utility payments. La Casa provides Tenant Based Rental Assistance (TBRA) for up to three months of cash assistance to homeless and low-income families for security deposits, utility payments, and/or rent. Mesilla Valley Community of Hope assists homeless veterans with first month's rent and/or security deposits and provides rental assistance to the homeless disabled. They also administer FEMA funds for emergency rental assistance to those with medical risks.

#### Legal Services/Advocacy

- Protection and Advocacy Services, Inc. based in Albuquerque provides statewide legal protection and advocacy services for people with disabilities.
- New Mexico Legal Aid provides *pro bono* legal services to a general low-income population in Regions I, II as well as parts of Regions III, IV, V, VI, and VII,
- People's Legal Services provides legal services in non-criminal cases to a general low-income population in Region I.
- Legal Services for the Elderly also provides legal assistance to the elderly.
- Southern New Mexico Legal Services provides free legal aid to the homeless and low income in Region VII.
- Legal Aid Society of Albuquerque provides *pro bono* legal advocacy for a general low-income population countywide in Region III.

#### Component: **Outreach**

Outreach in place: Outreach is provided to people who are homeless and living on the streets by staff and volunteer teams of individuals who make regular visits to places where homeless people congregate such as soup kitchens, parks, emergency shelters, health clinics, and encampments within cities and rural areas throughout the state. Outreach workers also go into the arroyos and the Colonias. Outreach activities involve looking for, identifying, meeting with, engaging, and assisting individuals who are homeless with accessing shelter, food, and other services that meet basic human needs. In New Mexico, outreach is provided by emergency shelters, crisis hot lines, soup kitchens and meals programs, organizations serving Native Americans, churches, mental health centers, public health clinics, VA programs, municipal general assistance offices, physicians and hospitals, police and the courts.

In Region I, the Affordable Housing Assistance does outreach to people in the shelters and works with the Income Support Division for referrals. HELPLINE is an 800 crisis hotline that provides information and referrals to the general homeless population. The Farmington Pastoral Alliance, a group that includes most of the area's churches, refers people to the HELPLINE. CARE 66 does street outreach to provide information about available resources and distributes emergency food to the general homeless population in Gallup.

In Region II, Health Care for the Homeless does street outreach to provide medical care to the unsheltered homeless. Life Link in Santa Fe has two case managers that do part-time street outreach to the homeless and connect individuals to services in Santa Fe County. Youth Shelters and Family Services in Santa Fe have an extremely active and innovative Street Outreach Program that serves homeless youth. They send teams out to walk Santa Fe's downtown plaza and look under bridges to contact homeless youth, and operate a Street Outreach Resource Center located near the plaza. Community Against Violence (CAV) does domestic violence outreach throughout Taos County including the Taos and Picuris Pueblos, community centers and schools, as well as collaborates with service organizations in outlying towns and isolated rural areas. CAV also has an "in-reach/outreach" program in which CAV meets with medical facilities, churches, schools, libraries, and social service agencies to provide clear information on their services, how to access each service, intake criteria and procedures. Golden Spread and Mental Health Services provides outreach to individuals who are homeless and mentally ill.

In Region III, the Health Care Alliance in Bernalillo County, which includes University of New Mexico (Albuquerque) Hospital, Healthcare for the Homeless, and other agencies, provides healthcare outreach, assessment and treatment for the homeless. Haven House, Women's Community Association, and Valencia Shelter for Victims of Domestic Violence all run 24-hour crisis hotlines. Many of the diverse range of social services in Albuquerque are available to individuals and families from throughout Bernalillo County. The All Faiths Receiving Home, a soup kitchen and emergency shelter in Albuquerque, provides street outreach. A number of churches in Albuquerque provide daily meals to the homeless. Elsewhere in Bernalillo County, Southwest Organizing Project does outreach to people who would otherwise be considered Colonias residents (but are not technically Colonias residents because of their distance from the Mexico border).

In Region IV, the Shelter for Victims of Domestic Violence and Eastern Plains Council of Governments conduct outreach to the homeless.

In Region V, Hidalgo Medical Services does outreach to the general low-income population including homeless people. El Refugio, Healing House and Border Area Mental Health are strengthening their ties to medical services providers in order to reach new clients who are homeless. Churches in the area do outreach to the homeless through their food banks. South Western Advocates 4 Kids does street outreach to homeless youth in Silver City in addition to doing a monthly radio show and distributing flyers to get the word out about their services for homeless youth.

In Region VI, a limited amount of outreach is done through soup kitchens and food banks. In Chaves County, the Community Kitchen at a local Catholic Church, the Lend A Hand food bank and local Salvation Army provides food and does outreach to the homeless. In Eddy county, Carlsbad Transitional Housing in collaboration with Carlsbad Mental Health Marvin Watts Center conducted a needs assessment of the homeless as a first step for building a homeless shelter and provides ongoing outreach. In Eddy County, the Roswell Outreach Center works with Harvest Ministries and does outreach on the street to the homeless. Some street outreach in Lea County is done through the police and court system.

In Region VII, Mesilla Valley Community of Hope does street outreach in Las Cruces as well as outreach to the seriously mentally ill living in homeless camps. Along with their outreach services, the Community of Hope provides showers, laundry facilities, lockers, phones, and mailboxes, plus makes referrals to all services in the community. El Caldito is a soup kitchen in Dona Ana County that also provides a venue for outreach to the homeless living on the streets. Hacienda del Sol is expanding their outreach to rural areas of Dona Ana County. They work with the schools, the rural health council, and lay health workers to locate homeless families in need. The Vietnam Veterans Association also has one staff person who works with homeless veterans, and provides outreach, advocacy, case management, and referrals. The Veterans Information Resource and Referral Office also refer homeless veterans to needed services. Southwest Counseling in Las Cruces also provides street outreach to the homeless mentally ill.

Some police departments around the state are an important source of outreach by providing referrals to local shelters for homeless people and people who are displaced. The police departments in the city of Santa Fe (Region II), Luna County (Region V), Chaves and Lea Counties (Region VI) and Dona Ana County (Region VII) have been particularly engaged in this process.

Outreach is provided by the 10 Community Action Agencies (CAAs) around the state, as they provide information on services and programs available for low-income individuals and families. Outreach is typically accomplished through staff located in satellite offices or through staff traveling throughout the agency's service area. Many CAAs serve as distribution sites for the Emergency Food Assistance program giving surplus food commodities to food pantries, soup kitchens, and homeless shelters. This close working relationship fosters the reciprocal system of referrals between CAAs, food pantries, soup kitchens, and homeless shelters.

Component: ***Supportive Services***

Services in place: A wide array of supportive services are available throughout the state, including home healthcare, teen services, health and dental care, early childhood intervention, food banks, family advocacy, foster care, case management, hospice services, adult day care, smoking cessation, preschool, rehabilitation, substance abuse treatment, and legal services/advocacy. Statewide, on tribal lands, Indian Health Services provides medical and dental services to Native Americans regardless of ability to pay. The state's 22 domestic violence shelters offer counseling, case management and legal advocacy for victims of

domestic violence.

New Mexico's statewide HOPWA program provides a range of supportive services through referral to people living with HIV/AIDS and their families, some of whom are also homeless. HOPWA case management links people with HIV/AIDS to an array of health, income, and other community services enabling them to become independent.

In Region I, Presbyterian Medical Services has a walk-in clinic that provides sliding scale dental care, primary health care, substance abuse and mental health counseling, and testing for STD's and HIV/AIDS. Four Winds Recovery Center is a detox center, and there is a DWI facility that offers a 28-day treatment program for substance abusers. The Family Resource Center provides childcare, family support services, and life skills training. PATH (People Assisting the Homeless) operates Daily Bread, a soup kitchen that serves daily meals. Catholic Charities, ECHO (Economic Council Helping Others), Salvation Army, and various churches provide food boxes to those in need. The San Juan Center for Independence helps the disabled homeless find housing. The Juvenile Detention Facility of San Juan County does case management. Catholic Charities in Farmington has a program to help teen parents and mothers with parenting and life skills training.

In Region II, the Life Link in Santa Fe has one full-time staff person who offers supportive employment services for their clients, as well as has a job club, which helps people gain the skills they need to re-enter the workforce. Santa Fe Community Guidance Center provides services to people who are homeless and mentally ill. The Food Depot in Santa Fe provides food to shelters in the region and helps with a weekly food distribution to the needy. There are hot meals available at St. John's and the Salvation Army. St. Elizabeth Shelter offers counseling and case management to residents of its shelter and housing programs. La Familia, a community health center, operates Health Care for the Homeless, which provides medical and dental services to Santa Fe's homeless. Youth Shelters and Family Services offers case management and life skills training for youth and parenting teens. In and around Colfax, Golden Spread provides case management, counseling and outreach to individuals who are homeless and mentally ill. In Taos and Colfax, Mental Health Services provides case management, counseling and outreach to individuals who are homeless and mentally ill. Community Against Violence in Taos offers a 24-hour domestic violence hotline, advocacy and emotional support, information and referrals, life skills training, a thrift store, a children's safe-room, and case management. The DreamTree Project operates a transitional housing program for homeless youth in Taos and provides crisis management and life skills training to its residents. Samaritan House in Las Vegas provides emergency food to the homeless and needy.

In Region III, Families Accessing Resources is a collaborative group that provides an array of services throughout Sandoval County. La Buena Vida provides substance abuse and mental and behavioral health counseling, as does Presbyterian Medical Services. Sliding scale medical care is available in Bernalillo at El Pueblo Health Clinic. The Sandoval County Economic Opportunity Corporation (SCEOC), St. Vincent de Paul, Bernalillo Housing Authority, and Haven House all do case management. The SCEOC provides access to IDA accounts. Cuidando Los Ninos provides day care for homeless families and

essential services to children and their parents in Bernalillo County. Valencia Counseling provides case management and substance abuse treatment. Storehouse West gives food and clothes to those in need. St. Felix, Five Sandoval Indian Pueblos, and St. Vincent de Paul have food pantries. Valencia Shelter for Victims of Domestic Violence provides childcare, transportation, life skills and employment assistance to women in their transitional housing program. First Choice clinic provides sliding scale health care to low-income people in Belen and Los Lunas.

In Region IV, Mental Health Resources and Clovis Counseling Center provide counseling services, and the Lifesaver food bank and local churches give away food boxes. “A Pathway Out” is a teen parent program run by the Eastern Plains Council Of Governments (EPCOG), which provides life skills and parenting classes and family essentials like car seats. Additionally, EPCOG also runs a single parent program that serves a wider population and also includes life skills training, case management, and assistance in buying school supplies for kids.

In Region V, El Refugio, Healing House, and Border Area Mental Health offer a continuum of care that includes prevention, crisis intervention, assessment, case management, treatment, and aftercare. These three agencies also offer life skills training. The Veterans Hospital offers mental health services and primary care, and at Ft. Bayard there is a 30-day substance abuse program. The Silver City Gospel Mission provides case management to men, and runs a food bank in Silver City. Grace Fellowship runs a soup kitchen in Deming, and food boxes are available in all of the counties in the region. Hidalgo Medical Services provides sliding scale medical care, and Border Area Mental Health operates a crisis nursery with a licensed family childcare provider for families with emergency medical needs. South Western Advocates 4 Kids (SWAK) operates a transitional housing program for homeless youth. SWAK also provides case management, living skills training, and assistance with obtaining food stamps and other mainstream resources for homeless youth.

In Region VI, the Guidance Center of Lea County provides case management for those diagnosed with a serious mental disability, and has established a clinic that provides primary, dental, and behavioral health care to low income and indigent people. Carlsbad Transitional Housing works with Carlsbad Mental Health providing case management and transitional housing. In Roswell, Casa Nuevo Comienzo is a home for pregnant and parenting teens that also offers case management, parenting, and life skills classes. The Roswell Outreach Center, with Harvest Ministries, provides case management, operates a food bank and provides clothing and blankets. The Good Samaritan program and Salvation Army also have food banks. Counseling Associates and Alliance Behavioral Health Services provide case management for the mentally ill, and Tobosa Developmental Services provide case management for the developmentally disabled. La Casa de Buena Salud provides sliding scale medical care for low-income people. The CHOICES program provides budgeting, banking and life skills for people who are developmentally disabled.

In Region VII, Mesilla Valley Community of Hope runs a day center and provides life skills training and case management to people who are homeless. Southwest Counseling provides mental health and substance abuse services. Jardin de los Ninos provides childcare to up to

85 homeless children. St. Luke's Clinic offers free medical care to the homeless with a team of volunteer medical professionals. El Caldito soup kitchen and Gospel Rescue Mission provide meals, and Casa de Peregrinos provides emergency food boxes. Hacienda del Sol provides life skills training, rental assistance, case management, and transitional housing for families. Families and Youth Inc. runs group homes for young men and women, as well as a teen runaway shelter. Community Action Agency has a group home for pregnant teens or mothers who are homeless, and a transitional living program for homeless teens. La Casa does wellness clinics in schools and provides health care for a general low-income population.

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**Exhibit 1: Continuum of Care Housing Activity Charts**

Form HUD 40076 CoC-G

<b>Fundamental Components in CoC System - Housing Activity Chart</b>														
<b>EMERGENCY SHELTER</b>														
Provider Name	Facility Name	HMIS			Geo Code	Target Pop.		2005 Year-Round Units/Beds				2005 Other Beds		
		Part Code	Number of Year-Round Beds			A	B	Family Units	Family Beds	Individual Beds	Total Year-Round	Seasonal	Over-flow/ Voucher	
Current Inventory			In d	Fam										
Alternatives to Violence	Safe House	N			359007	M	DV	0	8	7	15	0	0	
Battered Family Services	My Sister's Place	N			359031	M	DV	5	10	0	10	0	0	
Carlsbad Battered Families Shelter	Carlsbad Battered Families Shelter	N			359015	M	DV	0	16	0	16	0	0	
Childhaven	Childhaven	Z			350204	YMF	DV	0	0	32	32	0	0	
Community Against Violence	Community Against Violence	N			359055	M	DV	0	12	8	20	0	0	
COPE Inc.	COPE Inc.	N			359035	M	DV	0	10	2	12	0	0	
Crisis Center of Northern New Mexico	Crisis Center of Northern New Mexico	N			359039	M	DV	0	12	0	12	0	0	
El Puente del Socorro	El Puente del Socorro	N			359053	FC	DV	0	10	5	15	0	0	
El Refugio	El Refugio	N			359017	M	DV	0	8	8	16	0	0	
Esperanza	Esperanza	N			350534	M	DV	0	40	0	40	0	0	
Families and Youth, Inc.	Families and Youth, Inc.	N			350336	M	DV	0	0	15	15	0	0	
Family Crisis Center	Family Crisis Center	N			350204	M	DV	0	18	0	18	0	0	

**Fundamental Components in CoC System - Housing Activity Chart**

<b>EMERGENCY SHELTER</b>													
Grammy's House	Artesia Domestic Violence Shelter	N			359015	M	DV	0	0	17	17	0	0
Guidance Center of Lea County	Humphrey House	N			359025	YMF		0	0	22	22	0	0
Hacienda del Sol	Hacienda del Sol	N			350336	FC		0	9	0	9	0	0
Haven House	Haven House	N			350479	M	DV	0	17	0	17	0	0
Healing House	Healing House	N			359029	FC	DV	0	0	25	25	0	0
La Casa Inc.	La Casa Inc.	N			350336	M	DV	0	15	6	21	0	0
Las Cruces Gospel Rescue Mission	Las Cruces Gospel Rescue Mission	Z			350336	M		0	23	107	130	0	0
Lighthouse Mission	Lighthouse Mission	Z			359009	SMF		0	8	12	20	0	0
Manna Outreach	Manna Outreach	Z			359025	M		0	0	30	30	0	0
Na'Nizhoozhi Center	Na'Nizhoozhi Center	N			359031	SMF		0	0	15	15	0	0
Navajo Missions, Inc.	Navajo Missions, Inc.	Z			350204	YMF		0	0	5	5	0	0
PATH	PATH	N			350204	M		0	0	37	37	0	0
Roberta's Place	Roberta's Place	N			359006	FC	DV	0	26	0	26	0	0
Roswell Refuge for Battered Adults	Roswell Refuge for Battered Adults	N			359005	M	DV	0	21	0	21	0	0
Salvation Army of Farmington	Salvation Army of Farmington	N			350204	SMF		0	0	0	0	40	0
Samaritan House	Samaritan House	S	3	0	359047	M		0	0	15	15	0	0
Shelter for Victims of Domestic Violence	Shelter for Victims of Domestic Violence	N			359009	FC	DV	0	37	0	37	0	0
Shiprock Home	Shiprock Home	N			359045	M	DV	0	22	2	24	0	0

**Fundamental Components in CoC System - Housing Activity Chart**

<b>EMERGENCY SHELTER</b>															
for Women and Children	for Women & Children														
Silver City Gospel Mission	Silver City Gospel Mission	Z			359017	SM		0	0	4	4	0	0		
Southwest Counseling Center	Southwest Counseling Center	N			350336	SMF		0	0	2	2	0	0		
Southwestern Advocates 4 Kids	Southwestern Advocates 4 Kids	N			359017	M		0	2	2	4	0	0		
St. Elizabeth Shelter	St. Elizabeth Shelter	N			350534	M		0	5	27	32	60	0		
St. Vincent De Paul in Deming	St. Vincent De Paul in Deming	Z			359029	M		0	6	10	16	0	0		
Valencia Shelter for Domestic Violence	Valencia Shelter for Domestic Violence	N			359061	M	DV	0	14	0	14	0	0		
Youth Shelters and Family Services	La Otra Puerta	N			350534	YMF		0	0	13	13	0	0		
<b>TOTALS</b>			3	0		<b>TOTALS</b>		5	349	428	777	100	0		
<b>Under Development</b>															
<b>Anticipated Occupancy Date</b>															
Samaritan House	Samaritan House		1-Jul-2005		359047	SM	VET	0	0	9	9	0	0		
<b>TOTALS</b>						<b>TOTALS</b>		0	0	9	9	0	0		
<b>Unmet Need</b>						<b>TOTALS</b>			34	53	87				
1. Total Year-Round Individual ES Beds				428				4. Total Year-Round Family ES Beds				349			

**Fundamental Components in CoC System - Housing Activity Chart**

<b>EMERGENCY SHELTER</b>					
2. Year-Round Individual ES Beds in HMIS		3		5. Family ES Beds in HMIS	0
3. HMIS Coverage Individual ES Beds		1%		6. HMIS Coverage Family ES Beds	0 %
(Divide line 2 by line 1 and multiply by 100. Round to whole number.)				(Divide line 5 by line 4 and multiply by 100. Round to whole number.)	

**Fundamental Components in CoC System - Housing Activity Chart**

<b>Transitional Housing</b>											
Provider Name	Facility Name	HMIS			Geo Code	Target Pop		2005 Year-Round Units/Beds			
		Part. Code	#Yr. Round			A	B	Family Units	Family Beds	Individual Beds	Total Year-Round Beds
<b>Current Inventory</b>			<b>Ind</b>	<b>Fa m</b>							
Battered Family Services	Margaret Place	N			359031	M	DV	0	10	0	10
Community Action Agency of So. NM Teen Parent Program	CAA Teen Parent Program	N			350336	YMF		0	10	0	10
Carlsbad Transitional Housing & Homeless Shelter, Inc.	Carlsbad Transitional Housing & Homeless Shelter	N			359015	FC		1	2	0	2
Community Against Violence	Community Against Violence	N			359055	M	DV	0	4	2	6
DreamTree Project	DreamTree Project	N			359055	YMF		0	0	8	8

**Fundamental Components in CoC System - Housing Activity Chart**

<b><i>Transitional Housing</i></b>											
Eastern Plains Council of Governments	Eastern Plains Council of Governments	N			359009	M		0	52	1	53
El Refugio	El Refugio	N			359017	M	DV	0	8	8	16
Esperanza	Esperanza	N			350534	M	DV	0	17	2	19
Families and Youth, Inc.	Families and Youth, Inc.	N			350336	YMF		0	3	20	23
Ft. Sumner Housing Authority	Ft. Sumner Housing Authority	N			359019	M		1	4	0	4
Guidance Center of Lea County	Humphrey House	N			359025	YMF		0	0	14	14
Hacienda del Sol	Hacienda del Sol	S	0	13	350336	FC		0	17	0	17
La Casa, Inc.	La Casa, Inc.	N			350336	M	DV	0	25	0	25
Navajo Missions, Inc.	Navajo Missions, Inc.	Z			350204	FC		0	10	0	10
Navajo United Methodist Center	New Beginnings	N			350204	FC	DV	0	22	2	24
PATH	PATH	N			350204	M		0	0	6	6
Samaritan House	Samaritan House	N			359047	FC		0	0	10	10
Southwest Counseling Center	Southwest Counseling Center	N			350336	M		0	0	16	16
St. Elizabeth Shelter	Sonrisa	S	0	5	350534	FC		0	25	0	25
St. Elizabeth Shelter	Siringo Senior Housing	N			350534	SMF		0	8	0	8
St. John's Episcopal Church	St. John's Episcopal Church	Z			350204	M		0	5	8	13

**Fundamental Components in CoC System - Housing Activity Chart**

<b>Transitional Housing</b>											
South Western Advocates 4 Kids	South Western Advocates 4 Kids	N			359017	M		0	10	12	22
Valencia Counseling Services, Inc.	Valencia Counseling Services, Inc.	N			359061	SMF	DV	0	0	7	7
Valencia Shelter for Victims of Domestic Violence	Valencia Shelter for Victims of Domestic Violence	N			359061	M	DV	0	16	0	16
Youth Shelters and Family Services	Casa Libertad	N			350534	M		0	3	4	7
	<b>TOTALS</b>		0	18		<b>TOTALS</b>		2	251	120	371
<b>Under Development</b>											
<b>Anticipated Occupancy Date</b>											
Daybreak Center	Sarah's House		28-Feb-2005		359045	FC	DV	6	18	0	18
Dream Tree Project	Dream Tree Project		1-Jul-2005		359055	SMF		0	0	8	8
Grammy's House	Grammy's House		1-Jul-2005		359015	FC	DV	2	6	1	7
South Western Advocates 4 Kids	South Western Advocates 4 Kids		1-Jul-2005		359017	M		3	9	0	9
	<b>TOTALS</b>							11	33	9	42

<b>Unmet Need</b>	<b>TOTALS</b>		1,913	2,258	4,171
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1. Total Year Round Individual TH Beds	120
2. Individual TH Beds in HMIS	0

4. Total Year Round Family TH Beds	251
5. Family TH Beds in HMIS	18

Fundamental Components in CoC System - Housing Activity Chart			
<i>Transitional Housing</i>			
3. HMIS Coverage Individual TH Beds	0%	6. HMIS Coverage Family TH Beds	7%
(Divide line 2 by line 1 and multiply by 100. Round to whole number)		(Divide line 5 by line 4 and multiply by 100. Round to whole number)	

Fundamental Components in CoC System - Housing Activity Chart											
<i>Permanent Supportive Housing</i>											
Provider Name	Facility Name	HMIS			Target Pop		2005 Year-Round Units/Beds				
		Part. Code	# Yr. Round	Geo Code	A	B	Family Units	Family Beds	Individual /CH Beds	Total Year-Round Beds	
Current Inventory			Ind	Fam							
Mesilla Valley Community of Hope	Shelter + Care Program	N			350336	M		1	3	17 / 7	20
Eastern Plains Council of Governments	Shelter + Care Program	N			359009	M		0	79	39 / 12	118
Life Link	Casa Milagro	N			359049	SMF		0	0	12 / 10	12
Life Link	La Luz	S			350534	SMF		0	5	30 / 30	35
Life Link	Shelter + Care Program	N			35034	SMF		0	0	19 / 19	19
People Care	People Care	N			359005	SMF		0	0	11 / 0	11
Sandoval County Economic Oppty Center	Shelter + Care Program	N			359001	M		5	15	12 / 6	27
Santa Fe Community Housing Trust	Shelter + Care HIV/AIDS Program	N			350534	M	AIDS	0	4	12 / 0	16
St. Elizabeth Shelter	Casa Cerrillos	N			350534	SMF		0	0	29 / 16	29
<b>TOTALS</b>			0	0		<b>TOTALS</b>		6	106	181 / 100	287

**Fundamental Components in CoC System - Housing Activity Chart**

<b><i>Permanent Supportive Housing</i></b>									
									CH

<b>Under Development</b>		<b>Anticipated Occupancy Date</b>							
Valencia Counseling Services	Valencia Counseling S+C	15-Jun-05	359061	M		0	21	15	36
				<b>TOTALS</b>		0	21	15 / 15 CH	36

<b>Unmet Need</b>		<b>TOTALS</b>	0	649	1,749 / 1,749 CH	2,398
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1. Total Year Round Individual PSH Beds	181
2. Individual PSH Beds in HMIS	0
3. HMIS Coverage Individual PSH Beds	0%

(Divide line 2 by line 1 and multiply by 100. Round to whole number)

4. Total Year Round Family PSH Beds	106
5. Family PSH Beds in HMIS	0
6. HMIS Coverage Family PSH Beds	0%

(Divide line 5 by line 4 and multiply by 100. Round to whole number)

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### Exhibit 1: Continuum of Care Participation in Energy Star Chart

Are you aware of the Energy Star Initiative?  Yes  No

Have you notified CoC members of this initiative?  Yes  No

Percentage of CoC projects on Priority Chart to use Energy Star appliances: 100 %

Form HUD 40076 CoC-H

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### Exhibit 1: Continuum of Care Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
<b>Example:</b>	<b>75 (A)</b>	<b>125 (A)</b>	<b>105 (N)</b>	<b>305</b>
1. Homeless Individuals	363 (A)	86 (A)	531 (N)	980
2. Homeless Families with Children	84 (A)	57 (A)	115 (N)	256
2a. Persons in Homeless Families with Children	231 (A)	201 (A)	195 (N)	627
<b>Total (lines 1 + 2a only)</b>	<b>594</b>	<b>287</b>	<b>726</b>	<b>1,607</b>
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
1. Chronically Homeless	138 (A)		72 (N)	210
2. Severely Mentally Ill	65 (A)		*	65
3. Chronic Substance Abuse	141 (A)		*	141
4. Veterans	33 (A)		*	33
5. Persons with HIV/AIDS	1 (A)		*	1
6. Victims of Domestic Violence	342 (A)		*	342
7. Youth (Under 18 years of age)	265 (A)		*	265

\*Optional for Unsheltered

Form HUD 40076 CoC-I

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## Exhibit I: Continuum of Care Information Collection Methods

Methods used to Collect Information for the Fundamental Components of the CoC System Housing Activity Chart, Housing Gaps Analysis and Homeless Population/Subpopulations Charts

### 1. Housing Activity Chart

a) Data Source and Methods for Conducting Annual Update of Housing Inventory – Starting in 2005 during the last week of January, the New Mexico Coalition to End Homelessness (NMCEH) conducts the “Survey of Homeless Shelters and Homeless Population in New Mexico”, a point-in-time count (PIT) of all the homeless services agencies (shelter and non-shelter programs) in the NMCEH database. This survey was used to complete the current 2005 and under development 2005 emergency shelter, transitional housing, and permanent supportive housing inventory sections of the Housing Activity Chart. This year we conducted our PIT count on January 25, 2005. The methods for conducting this survey were: 1) mail-out questionnaire and 2) follow-up telephone and email contacts with shelter managers or administrators at each homeless shelter/program. Data was obtained from administrative records or direct observation for the PIT date of January 25, 2005. A few weeks before our PIT count, we mailed our survey to 56 shelter programs that serve the homeless throughout New Mexico, with the exception of the metropolitan area of Albuquerque which has a separate Continuum of Care. We made phone calls following the PIT date to ensure that our survey was received and to answer any questions. In addition, we sent emails to remind agencies to complete the survey. Our response rate was 93%.

b) Definition of Emergency Shelter and Transitional Housing - The New Mexico Balance of State Continuum defines *emergency shelters* as places that offer homeless people a temporary place to sleep, inside out of the weather. Emergency shelters have lengths of stay that do not exceed 90 days, and many have lengths of stay that are 30 days or less. In emergency shelters, each homeless person is assigned a bed, a cot, or in some cases, a mat to sleep on. The most basic emergency shelters provide only a place to sleep that is warm and dry, and people are not allowed to stay in during the day. Other emergency shelters provide case management, counseling, meals, free clothing, and daytime services. We define *transitional housing* as places where homeless people can live for up to two years while receiving supportive services designed to teach them to live as independently as possible and facilitate their move to permanent housing. Transitional housing always includes case management services and life skills training to help increase their level of income and residential stability. These supportive services may be provided by the organization managing the transitional housing or coordinated by that organization and provided by public or private agencies. In transitional housing, people may sometimes pay rent. All of the transitional housing projects in New Mexico target a particular homeless population. Transitional housing projects may be in single structures or use scattered site leasing.

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## **2. Unmet Housing Needs**

Determining the unmet housing needs was found by analyzing and comparing the following data: 1) the current inventory of beds, 2) the point-in-time count of sheltered and unsheltered homeless persons, 3) an annual estimate of the homeless population in the New Mexico Balance of State Continuum region, 4) a New Mexico Highlands University study of homeless persons, and 5) data reported by New Mexico Public Education Department.

Annual estimate of the homeless population - We established our annual estimate of the homeless population by using the Corporation for Supportive Housing “projecting from the point-in-time formula” (CSH, Burt and Wilkins, March 2005). This formula utilizes data collected from our 2005 point-in-time count of sheltered and unsheltered homeless persons, the average length of stay, and rate of multiple episodes of homelessness within a year reported by shelter providers in our CoC. Based on this formula, there is an annual estimate of 8,191 homeless people in the New Mexico Balance of State Continuum of Care region. This annual figure is approximately 5.1 times greater than our PIT enumeration total of 1,607 sheltered and unsheltered homeless persons.

In order to verify or validate our annual estimate, we compared our findings with other available statistics. According to the New Mexico Public Education Department, there were 3,681 students, pre-K through 12<sup>th</sup> throughout the state, who were homeless for the 2003-2004 school year. Based on our PIT count, 39% (627 out of 1,607) were homeless persons in families, which translate to an annual estimate of 3,195 (39% of 8,191). This annual estimate of the number of homeless persons in families with children is comparable to the number of homeless students reported by the New Mexico Public Education Department. This suggests that our annual estimate of the homeless population and our PIT enumeration of sheltered and unsheltered homeless persons in our CoC region is valid.

Unmet Need - The unmet need was determined by subtracting the current housing inventory (1,535) from the annual estimate of homeless population (8,191) for our Continuum. Using this formula, the total unmet need is 6,656 beds. This total unmet need was then divided among the unmet needs of homeless populations using the following analysis of our point in time count. Our first step was to determine the percentage of individuals and percentage of families found in our PIT count. This percentage was then used to compute the total unmet need by subpopulation and compared with the current housing inventory.

In our PIT count, homeless individuals represented 61% of the total count and homeless families represented 39%. Thus, the unmet needs for individuals is computed as 61% of the total unmet need or 4,060 beds (61% x 6,656). The unmet needs for families is computed as 39% of the total unmet need or 2,596 beds (39% x 6,656).

The unmet need for individual emergency shelter beds is very little since many of the emergency shelter beds for individuals were unused on the night of our count. However, the distribution of these beds throughout the state is not necessarily ideal particularly in

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underserved rural areas. For example, there are no emergency shelters located in Gallup and Roswell, yet both reported a number of unsheltered homeless persons on the night of our count. Based on the PIT count in underserved areas, the unmet need for individual emergency shelter beds is 53.

The unmet need for permanent supportive housing beds for individuals is determined by the estimated annual number of unsheltered chronically homeless individuals. We estimated a total of 1,930 chronically homeless persons and have an existing supply of 181 permanent housing beds. The difference is the unmet need of 1,749 beds.

The unmet need for transitional housing for individuals is determined by the total individual unmet need (4,060) minus the total of emergency and permanent beds for individuals (1,802). This equals to 2,258 unmet need for transitional beds for homeless individuals

The unmet need for family emergency shelter beds is very little since many beds were unused on the night of our PIT count. However, the distribution of these beds throughout the state is not necessarily ideal particularly in underserved rural areas. Based on the PIT count in underserved areas, the unmet need for family emergency shelter beds is 34.

The unmet need for family permanent housing beds was estimated using the assumption that roughly 25% of homeless families are headed by an individual with a serious disabling condition. While 25% appears reasonable based on our data, we did not collect data specific enough to answer this question with accuracy. Therefore, we computed the need for family permanent supportive housing to be 25% of the total unmet need of homeless families (2,596) or 649 beds.

The unmet need for transitional housing for homeless families is computed by the total family unmet need (2,596) minus the total of emergency and permanent beds for families (683). This equals to 1,913 unmet need for transitional beds for homeless families.

To summarize the unmet need:

Family emergency shelter beds = 34	Individual emergency shelter beds = 53
Family permanent housing beds = 649	Individual permanent housing beds = 1,749
Family transitional housing beds = 1,913	Individual transitional housing beds = 2,258
Total Family Beds = 2,596	Total Individual Beds = 4,060

### **3. Part 1 and 2 Homeless Population and Subpopulations Chart**

The New Mexico Coalition to End Homelessness (NMCEH) conducted a point-in-time (PIT) count on January 25, 2005 for both sheltered and unsheltered homeless persons. The CoC Data Committee decided to use a two-pronged approach for conducting a PIT

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homeless population enumeration: counting homeless persons housed in shelters or transitional housing facilities through the participation of provider agencies, and counting non-housed homeless persons that were encountered by staff or volunteers at shelter and non-shelter programs.

a) Sheltered Homeless - A survey was mailed to 56 shelter programs that serve the homeless throughout New Mexico, with the exception of the metropolitan area of Albuquerque, which has a separate Continuum of Care. Follow-up phone calls were made after the PIT date to ensure that our survey was received and to answer any questions. In addition, we sent emails to remind agencies to send in their surveys. Shelter programs were asked to provide the number of individuals and families that stayed in their facility overnight on January 25, 2005. We also asked them to identify which subpopulations their clients would fit into and to provide a count of chronically homeless clients. Data was provided from administrative records maintained by each agency for the PIT date and was used to complete the “sheltered” portion of the Subpopulation Chart. The NMCEH plans to conduct an annual, one-day PIT count of the sheltered homeless population in New Mexico in the last week of January using a similar method to this year’s PIT count. For the required sheltered count in January 2007, we plan to incorporate the state HMIS, which at that point is expected to be operating for a year and half with 75% bed coverage.

b) Unsheltered Homeless – New Mexico is a predominantly a rural state with some of the highest levels of poverty in the country. Given the geography and lack of resources, it was not feasible to do a street count of non-shelter homeless persons. Therefore, NMCEH conducted a mail-out survey for service providers to count how many unsheltered homeless individuals and families they had encountered on January 25, 2005. Our questionnaire was designed to screen persons to determine if they were unsheltered homeless and if they had already been interviewed to avoid double-counting. We mailed the questionnaire to 81 non-shelter programs that serve the homeless throughout New Mexico, with the exception of the metropolitan area of Albuquerque which has a separate Continuum of Care. This year, we expanded our mailing list to include mental health providers in an attempt to obtain a better count of non-sheltered homeless persons. We also included soup kitchens, Health Care for the Homeless agencies and food programs. The data collected from this survey was used to complete the “unsheltered” portion of Subpopulation Chart. The NMCEH plans to conduct an annual, one-day PIT count of the unsheltered homeless population in New Mexico in the last week of January using a similar method to this year’s PIT count. For the required unsheltered count in January 2007, we plan to incorporate the state HMIS, which at that point is expected to be operating for a year and half with 75% bed coverage.

To determine the number of “unsheltered chronically homeless”, we worked with the New Mexico Highlands University to conduct a study of unsheltered homeless in two representative communities. This study entailed face-to-face interviews with 50 homeless persons in Santa Fe, New Mexico and with 50 homeless persons in Las Cruces, New Mexico. The surveys were conducted in public places and in non-shelter programs such as soup kitchens and medical clinics. A questionnaire was designed to collect basic

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demographic data (i.e. age and gender), use of mainstream resources, medical disabilities, patterns of homelessness, family history, housing needs, and unmet needs. With this data, we were able to identify and do an actual count of the chronically unsheltered homeless persons participating in this study. This data was used to complete the “unsheltered chronically homeless” portion of Subpopulation Chart. We also used this data to obtain an annual estimate of the chronically homeless population. The NMCEH plans to use a similar method for the required unsheltered count in January 2007.

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APPENDIX A.  
Citizen Participation Plan and Process

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# CITIZEN PARTICIPATION PLAN.

## State of New Mexico

The Consolidated Plan is a U.S. Department of Housing and Urban Development (HUD) requirement that combines the planning and application process of four HUD grants: the Community Development Block Grant (CDBG), the Emergency Shelter Grant (ESG), HOME Investment Partnerships (HOME), and Housing Opportunities for People with AIDS (HOPWA). The Consolidated Plan examines the housing and community development needs of the State, sets priorities for the above-mentioned HUD grant monies, identifies the State's performance in meeting its goals, and establishes an action plan for meeting current and future needs.

### Purpose of Citizen Participation Plan

The Consolidated Planning process begins with the creation of the Citizen Participation Plan. The purpose of the Citizen Participation Plan is to develop a method for receiving public input during the Consolidated Planning process.

The State of New Mexico recognizes the importance of public participation in both defining and understanding current housing and community development needs, and prioritizing resources to address those needs. The State's Citizen Participation Plan is designed to provide citizens of all ages, genders, economic levels, races, ethnicities and special needs equal access to become involved each year. This document serves as the State's Citizen Participation Plan for the 2006-2010 Consolidated Plan program years. This Citizen Participation Plan was drafted in accordance with Sections 91.110 and 91.115 of HUD's Consolidated Plan regulations.

In order to ensure maximum participation in the Consolidated Plan process among all populations and needs groups, and in order to ensure that their issues and concerns are adequately addressed, the New Mexico Mortgage Finance Authority (MFA) will follow the standards set forth in its adopted Citizen Participation Plan during development of its Consolidated Plan, Action Plan, and Annual Performance Report.

The term "entitlement areas" 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. Communities/counties not covered by the New Mexico Consolidated Plan include: the Cities of Albuquerque and Las Cruces and, for the Community Development Block Grant portion of the State Plan, the Cities of Santa Fe, Farmington and Rio Rancho. Individuals wishing to contribute to the Consolidated Planning process in these areas should contact housing and community development specialists in these cities/counties.

## Citizen Involvement

The 2006 Consolidated Plan process offered many opportunities for public participation. The State encouraged participation of persons with special needs and/or persons who are often underrepresented in input and comment process (low income, persons of color, non-English speaking persons, persons with disabilities, persons who are homeless). Participation was also solicited and encouraged through the following activities:

**Public Hearings.** Seven public hearings were held before the publication of the Draft Consolidated Plan. The primary purpose of the public hearings was to gather citizen input on the proposed Consolidated Planning process. Following the release of the draft Consolidated Plan, eight more public hearings were held. The release of the draft Plan coincided with the beginning of the 30 day public comment period and eight more public hearings.

The dates, times and locations for all the hearings were convenient to potential and actual beneficiaries Non-English speaking persons and those with disabilities are encouraged to attend, and all necessary accommodations were made.

**Regional Forums.** MFA may, at its discretion, actively solicit input on housing and community development issues in during the course of the year with regional forums. Regional forums were held to address the specific concerns of the various populations in each region.

MFA service providers and partners as well as community residents were informed of the forums using many methods, including e-mail distributions, personal contact with agencies and advocates, and media releases. All sites selected for the forums were accessible to the physically disabled. The State worked with advocacy groups to determine the need for special accommodations (beyond physical accessibility) of special needs groups and non-English speaking attendees.

The forums were conducted with the intention of providing New Mexico residents the opportunity to voice their opinions and provide insight into the issues prevalent in their communities. The forums provided an opportunity for citizens and interested parties to obtain information about State housing and community development programs, the administering agencies, and funding requirements.

**Announcements/Invitations.** Multiple processes were used to inform citizens, local government officials, advocates, housing and community development officials, and others about the public hearings and regional forums.

Citizens were given advance notice of the public hearings through notification on the MFA website, press releases, emails, and publications in statewide newspapers.

Prior to the release of the Consolidated Plan and subsequent Action Plans, flyers announcing the dates, times, and locations of the public hearings were distributed to advocacy groups, State agencies and housing and community development organizations throughout the State.

## Public Comment

Citizen Participation Plan. A draft Citizen Participation Plan was released in conjunction with the 2006-2010 Consolidated Plan on Monday August 15, 2005. Eight public hearings were held to gather public input on the Consolidated Plan, the Action Plan and the Citizen Participation Plan. The public had 30 days in which to comment on the plan. If substantial comments are received on the plan, which necessitate substantial changes, only one public hearing and an additional 15 day comment period will be held.

The Citizen Participation Plan (and, if necessary, the substantially amended Citizen Participation Plan) will be sent to selected public access locations when the 15-day comment period begins. A limited number of copies of this Citizen Participation Plan will be available through MFA and DFA. This Citizen Participation Plan will be made available in a format accessible to persons with disabilities upon request.

Consolidated Plan. Prior to the adoption of a Consolidated Plan, the MFA made available to interested parties the draft Consolidated Plan and Executive Summary for a comment period of no less than 30 days — from August 15, 2005 until September 15, 2005.

The entire proposed Consolidated Plan was available at selected locations throughout the public comment period. At a minimum the Consolidated Plan and Action Plan will be available at the MFA, DFA and the local Albuquerque HUD office. The proposed Consolidated Plan and Action Plans will also be available for viewing on MFA's website, [www.housingnm.org](http://www.housingnm.org).

The State will openly consider any comments of individuals or groups received in writing during the Consolidated Planning process or at public hearings. A summary of the written and public hearing comments will be included in the final Consolidated Plan, along with the State's response to the comments.

Consolidated Annual Performance Report. Before the State submits a Consolidated Plan Annual Performance Report (CAPR) to HUD, the MFA will make available to interested parties the proposed CAPR for a comment period of no less than 15 days. Citizens will be notified of the CAPR's availability through newspaper notification. The notification will appear in at least one newspaper that is circulated throughout the State. The notification may be made as part of the State's notification of the public comment period for the Consolidated Plan. The notification will be published between two and three weeks before the CAPR comment period begins.

Copies of the CAPR will be available from MFA and DFA during the public comment period. The MFA CAPR will also be available on the MFA website at [www.housingnm.org](http://www.housingnm.org). The State (MFA and DFA) will consider any comments of individuals or groups received in writing or at public hearings concerning their respective CAPRs. A summary of the written and public hearing comments and the States' responses will be included in the final CAPR.

## Consultation with Organizations and State Agencies

When preparing the Consolidated Plan, the State actively consulted with public and private agencies that provide housing, health, and social services in order to ensure that the interests and needs of all groups are being adequately addressed. This consultation will occur through the development of a

Consolidated Plan Planning Team. Members of this team were identified because of their interest and broad range of relationships to housing throughout New Mexico. The Planning Team was assembled to provide input and advise MFA on the development and production of the Consolidated Plan.

## Substantial Amendments

Occasionally, public comments warrant an amendment to the Consolidated Plan. The criteria for whether to amend is referred to by HUD as Substantial Amendment Criteria. The following conditions are considered to be “Substantial Amendment Criteria:”

1. Any change in the described method of distributing funds to local governments or nonprofit organizations to carry out activities.

Elements of a “method of distribution” are:

- Application process for local governments or nonprofits;
- Allocation among funding categories;
- Grant size limits; and
- Criteria selection.

2. An administrative decision to reallocate all the funds allocated to an activity in the Action Plan to other activities of equal or lesser priority need level, unless the decision is a result of:

- A federal government recession of appropriated funds, or appropriations are so much less than anticipated that the State makes an administrative decision not to fund one or more activities; or
- The governor declares a state of emergency and reallocates federal funds to address the emergency; or
- A unique economic development opportunity arises where the State administration asks that federal grants be used to take advantage of the opportunity.

Citizen Participation in the Event of a Substantial Amendment. In the event of a substantial amendment to the Consolidated Plan, the State (either MFA or DFA or both depending on the nature of the amendment) will conduct at least one additional public hearing. This hearing will follow a comment period of no less than 30 days, where the proposed substantially amended Consolidated Plan will be made available to interested parties. Citizens will be informed of the public hearing through newspaper notification prior to the hearing, and the notice will appear in at least one newspaper which is circulated statewide.

Citizens will be notified of the substantially amended Consolidated Plan’s availability through newspaper notification prior to the 30-day substantially amended Consolidated Plan comment

period. The notification will appear in at least one newspaper that is circulated throughout the State. The substantially amended sections of the Consolidated Plan will be available on the MFA website ([www.housingnm.org](http://www.housingnm.org)) for the full public comment period.

Consideration of Public Comments on the Substantially Amended Plan. In the event of substantial amendments to the Consolidated Plan, the State will openly consider any comments on the substantially amended Consolidated Plan from individuals or groups. Comments must be received in writing or at public hearings. A summary of the written and public hearing comments on the substantial amendments will be included in the final Consolidated Plan. Also included in the final Consolidated Plan will be a summary of all comments not accepted and their reasons for dismissal.

Changes in Federal Funding Level. Any changes in federal funding level after the Consolidated Plan's draft comment period has expired and the resulting effect on the distribution of funds will not be considered an amendment or a substantial amendment.

# 2005 New Mexico Consolidated Plan Citizen Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, feel free to skip the question.

1. Are you a resident of the State of New Mexico?     Yes     No
2. In which city/town do you live? \_\_\_\_\_
3. How did you receive this survey?  
 Attended a Consolidated Plan meeting  
 From a local organization (please list): \_\_\_\_\_  
\_\_\_\_\_  
 Not sure

## Housing Condition

4. Which best describes the type of housing you currently live in:  
 Single family, detached house                       Manufactured house on permanent foundation  
 Townhouse     Apartment (1 to 4 units/building)  
 Condominium     Apartment (5 to 12 units/building)  
 Rooming house/boarded house                       Apartment (13 or more units/building)  
 Mobile home/trailer                                       Other (please describe): \_\_\_\_\_  
\_\_\_\_\_
5. Do you own or rent the home you are current living in?  
 Own     Do not own and do not pay rent  
 Rent     Live with my parents/family/friends
6. Do you receive housing assistance from the government or an organization to help you pay your mortgage or rent? (For example, Section 8 voucher, help with rent or utility payments, downpayment assistance.)  
 Yes  
 No
7. Can you afford to pay what you do for your housing?  
 Yes (please skip to Q.8)  
 No
- 7a. If you can't afford your housing, what things do you do to make sure you pay your mortgage or rent?  
 Don't go out much                                       Work more than one job/work overtime  
 Don't have a car     Skip meals  
 Don't make needed housing repairs                       Don't get needed health care
8. In general, how satisfied are you with your current home or apartment?  
 Very satisfied (please skip to Q.10a)                       Dissatisfied  
 Satisfied (please skip to Q.10a)                               Very Dissatisfied

9. Please select the top **three** reasons why you are not satisfied with your current home or apartment:

- |   |   |
|---|---|
| <input type="checkbox"/> Rent/mortgage is too expensive     | <input type="checkbox"/> Not in desired location          |
| <input type="checkbox"/> House is too expensive to maintain | <input type="checkbox"/> Dissatisfied with nearby schools |
| <input type="checkbox"/> Location is not safe               | <input type="checkbox"/> My commute to work is too long   |
| <input type="checkbox"/> Location is not convenient         | <input type="checkbox"/> Too many people/too few rooms    |
| <input type="checkbox"/> Limited amenities                  | <input type="checkbox"/> Other (please describe): _____   |
| <input type="checkbox"/> Poor condition                     | _____   |
| <input type="checkbox"/> Too small                          |   |

**IF YOU ARE A RENTER, PLEASE SKIP TO QUESTION 11.  
IF YOU OWN YOUR HOME, CONTINUE TO QUESTION 10 BELOW.**

10. If you own your home, are there needed repairs that you have not made to your house?  Yes  No (please skip to Q.14.)

10a. Why haven't you made the needed repairs/improvements?

- |  |  |
|--|--|
| <input type="checkbox"/> Cannot afford them    | <input type="checkbox"/> Cannot find a contractor to use |
| <input type="checkbox"/> Have other priorities | <input type="checkbox"/> Other (please specify): _____   |
| <input type="checkbox"/> Can't find the time   | _____  |

10b. What repairs/improvements do you need to make the most? (Check all that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> Painting       | <input type="checkbox"/> Insulation  |
| <input type="checkbox"/> Appliances     | <input type="checkbox"/> Foundation  |
| <input type="checkbox"/> Electric       | <input type="checkbox"/> Accessibility modifications (please specify): _____ |
| <input type="checkbox"/> Plumbing       | <input type="checkbox"/> Flooring  |
| <input type="checkbox"/> Heating        | <input type="checkbox"/> Other (please specify): _____                       |
| <input type="checkbox"/> Roofing        | _____  |
| <input type="checkbox"/> Siding         |  |
| <input type="checkbox"/> Windows/ doors |  |

10c. Are some of these repairs so serious that they make your home unlivable? If yes, what is needed to make your home livable? (example: home is lacking heating, sewage leaks)

\_\_\_\_\_

\_\_\_\_\_

11. If you are a renter, does your landlord make repairs promptly when needed?  Yes (please skip to Q.12)  No

11a. If your rental is in need of repair, what repairs are needed? (Check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Painting       | <input type="checkbox"/> Insulation   |
| <input type="checkbox"/> Appliances     | <input type="checkbox"/> Foundation   |
| <input type="checkbox"/> Electric       | <input type="checkbox"/> Accessibility modifications (for example, grab bars in shower, wheelchair ramp): _____ |
| <input type="checkbox"/> Plumbing       | <input type="checkbox"/> Flooring   |
| <input type="checkbox"/> Heating        | <input type="checkbox"/> Other (please specify): _____  |
| <input type="checkbox"/> Roofing        | _____   |
| <input type="checkbox"/> Siding         |   |
| <input type="checkbox"/> Windows/ doors |   |

11b. Are some of these repairs so serious that they make your home unlivable? If yes, what is needed to make your home livable? (example: home is lacking heating, sewage leaks)

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---

## Housing Preferences

12. Would you prefer to continue renting or to own a house, condominium or townhome?

- I would prefer to own a house
- I would prefer to own a condo/townhome
- I would prefer to own a mobile home
- I would prefer to rent (please skip to Q.13a)

13. What are some of your current barriers to owning a home, condo/townhome or mobile home?

- Do not have enough money for a down payment
- Cannot afford monthly mortgage payments
- Cannot qualify for a mortgage
- Unfamiliar with/intimidated by the process of buying a home
- Desired housing type not available (single family home, mobile home, condo/townhome)
- Desired housing location not available
- No houses in my price range for sale
- Uncertain future or may leave area
- Other (please specify): \_\_\_\_\_

13a. Have you tried to get a loan for a home or condo/townhome and couldn't?

- Yes
- No (please skip to Q.14)

13b. What was the reason you couldn't get a loan?

- Poor credit/not enough credit
- Debt to income ratio was too high
- Didn't want to pay the interest rate they offered me
- I don't know
- Other (please specify): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Homelessness

14. Have you ever been homeless?

- Yes
- No (please skip to Q.15)

14a. What was the longest period that you were homeless (for example - 3 months)?

---

14b. What are the reasons you became homeless? (Check all that apply)

- |  |  |
|--|--|
| <input type="checkbox"/> Couldn't afford the place I was in        | <input type="checkbox"/> Became sick and couldn't work                     |
| <input type="checkbox"/> Couldn't find a place I could afford      | <input type="checkbox"/> Became sick and couldn't afford health care costs |
| <input type="checkbox"/> Bad credit                                | <input type="checkbox"/> Moved to seek work                                |
| <input type="checkbox"/> Evicted/foreclosed on                     | <input type="checkbox"/> Released from jail or prison                      |
| <input type="checkbox"/> Quit my job                               | <input type="checkbox"/> I left my spouse or parents because of abuse      |
| <input type="checkbox"/> Got fired                                 | <input type="checkbox"/> I got divorced                                    |
| <input type="checkbox"/> Lost my government assistance for housing | <input type="checkbox"/> Other (please specify): _____                     |
|  | _____  |

14c. What would you have needed to avoid becoming homeless? (Check all that apply)

- |  |  |
|--|--|
| <input type="checkbox"/> An apartment that was affordable          | <input type="checkbox"/> Childcare for my children         |
| <input type="checkbox"/> To find a job right way                   | <input type="checkbox"/> Counseling/mental health services |
| <input type="checkbox"/> Training or education needed to get a job | <input type="checkbox"/> Health care                       |
| <input type="checkbox"/> A job that pays enough to afford housing  | <input type="checkbox"/> Other (please specify): _____     |
| <input type="checkbox"/> A temporary place to live                 | _____  |

15. What type of housing would you like to be living in five years from now?

- |   |  |
|---|--|
| <input type="checkbox"/> The house I currently live in          | <input type="checkbox"/> Patio home/townhome/condominium |
| <input type="checkbox"/> Single family house                    | <input type="checkbox"/> Assisted living facility        |
| <input type="checkbox"/> Apartment                              | <input type="checkbox"/> Mobile home                     |
| <input type="checkbox"/> Less/more expensive house or apartment | <input type="checkbox"/> Other (please specify): _____   |
| <input type="checkbox"/> Bigger/smaller house or apartment      | _____  |

16. In your opinion, which of the following housing types are most needed in your city/town/area of residence? (please just choose **one**)

- |  |  |
|--|--|
| <input type="checkbox"/> Single family homes                             | <input type="checkbox"/> Rehabilitation of apartment housing |
| <input type="checkbox"/> Accessible housing for disabled persons/elderly | <input type="checkbox"/> Homeless shelters                   |
| <input type="checkbox"/> Apartments (1 or 2 bedroom)                     | <input type="checkbox"/> Transitional housing                |
| <input type="checkbox"/> Apartments (3 or 4 bedroom)                     | <input type="checkbox"/> Assisted living for seniors         |
| <input type="checkbox"/> Rehabilitation of single family housing         | <input type="checkbox"/> Other (please specify): _____       |
|  | _____  |

17. In your opinion, what is the greatest community need in your city/town/area of residence? (please just choose **one**)

- |  |  |
|--|--|
| <input type="checkbox"/> Curb/gutter/street improvements | <input type="checkbox"/> Water and sewer improvements  |
| <input type="checkbox"/> Landscaping                     | <input type="checkbox"/> Jobs/economic development     |
| <input type="checkbox"/> Downtown revitalization         | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> Street lighting                 | _____  |

18. Suppose you had \$2 million you could use to improve your community. From the following list of ten things you could do with that money, which **three** items would you select?

- Build more homeless shelters
  - Rehabilitate apartment housing
  - Build housing for persons who are disabled and/or seniors
  - Build community/senior centers
  - Build more affordable rental housing
  - Build child care centers
  - Help my city improve public safety
  - Help bring jobs to my city/town
  - Build more single family affordable housing
  - Fund a public bus system
  - Rehabilitate single family housing
  - Improve my neighborhood
- How? \_\_\_\_\_
- Other (please specify): \_\_\_\_\_

**Housing Discrimination**

19. To your knowledge, have you ever experienced housing discrimination?
- Yes
  - No (please skip to Q.20)
  - Don't know

19a. In what city were you living when you experienced the discrimination? \_\_\_\_\_

19b. What was the reason you were discriminated against? (Check all that apply)

- Race
- I'm a student
- My gender/sex
- I have children
- My religion
- I'm a farm worker/ranch hand/migrant worker
- I'm physically disabled
- My partner and I are not married
- I'm mentally/developmentally disabled
- I have a low income
- I have bad credit/bankruptcy/debts
- I'm not a United States citizen
- I'm gay/lesbian/bisexual/ transgendered
- I'm on Section 8/receive government assistance for housing
- Other (please specify): \_\_\_\_\_

19c. What did you do about the discrimination?

- Don't know/can't remember
- Nothing
- Tried to get information and couldn't
- Talked to a lawyer/Legal Aid/ACLU/Attorney General's office
- Called HUD
- Called local government office
- Called a housing authority
- Called a community organization
- Filed a complaint
- Other (please specify): \_\_\_\_\_

- 19d. If you filed a complaint, was your complaint resolved?
- Yes  
 No  
 Didn't file a complaint (please skip to Q.20)  
 Don't know (please skip to Q.20)
- 19e. Were you satisfied with the resolution?
- Yes  
 No  
 Don't know (please skip to Q.20)
- 19f. Were you satisfied with the time it took to resolve the complaint?
- Yes  
 No  
 Don't know
20. If you wanted to know more about your fair housing rights, how would you get information?
- HUD website  
 Internet search  
 Public housing authority  
 Local government information source/officials  
 Call a lawyer/ACLU/Legal Aid/Attorney General's office
- TV  
 Radio  
 Library  
 Don't know  
 Other (please specify): \_\_\_\_\_

## Demographic Information

21. How many members are there in your household? \_\_\_\_\_
22. Do you or any members of your household have a disability?
- Yes  
 No
23. Do you or any members of your household have HIV or AIDS?
- Yes  
 No
24. In what year were you born? \_\_\_\_\_
25. What is the highest level of education you have had the opportunity to complete?
- Some high school or less  
 High school graduate/GED  
 Trade/vocational school or some college  
 College graduate  
 Post-graduate work or degree
26. Which ethnic or cultural group are you a member of? (Please only choose one)
- Anglo/White  
 Hispanic/Chicano/Latino  
 African American  
 American Indian/Native American  
 Asian/Oriental/Pacific Islander  
 Multi-racial  
 Other: \_\_\_\_\_



# Identify Top 3 Housing and Community Development Needs for New Mexico

To help us understand your community's priorities for the State of New Mexico's federal block grant funds, please identify the top three housing and community development needs for your community.

## Greatest Needs in My Community

1. \_\_\_\_\_

Provide more detail:

2. \_\_\_\_\_

Provide more detail:

3. \_\_\_\_\_

Provide more detail:

## Housing Types Most Needed

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

## Community Services Most Needed

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

APPENDIX B.  
Detailed Housing Market Data

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## Data by County

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Catron County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	2,709	2,563	3,543	3,829	4,063	38.2%	8.1%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$18,645	\$23,892	28.1%				
	<b>Per capita income.</b>	\$8,062	\$13,951	73.0%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	24.5%	Y					
	Child poverty rate	39.6%	Y					
	Elderly poverty rate	14.9%	Y					
	Disabled poverty rate	30.1%	Y					
<b>Unemployment rate, February 2005.</b>	9.0%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	21.6%	Y						
Percent of population with bachelor's degree	18.4%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	50.0%	N					
	Percent of housing units renter-occupied	12.2%	N					
	<b>Homeownership rate.</b>	80.4%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	4.4%	Y					
	Renter-occupied units	4.3%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	14.4%	Y					
	Percent lacking complete plumbing facilities	10.8%	Y					
	Percent lacking complete kitchen facilities	9.8%	Y					
	Percent using non-traditional heating sources (includes solar energy)	48.9%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	6.1%	N					
	<b>Affordability.</b>							
	Median rent	\$392	N					
	Median home value	\$81,200	N					
<b>Cost-burden.</b>								
Percent of owners cost-burdened	19.0%	N						
Percent of renters cost-burdened	26.0%	N						
Percent of seniors cost-burdened	19.5%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	46.7%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	24.5%	N						





## Colfax County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	13,608	12,924	14,189	14,765	15,234	9.8%	4.1%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$20,940	\$30,744	46.8%				
	<b>Per capita income.</b>	\$10,011	\$16,418	60.4%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	14.8%	N					
	Child poverty rate	21.2%	N					
	Elderly poverty rate	9.0%	N					
	Disabled poverty rate	20.6%	N					
<b>Unemployment rate, February 2005.</b>	5.7%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	19.2%	N						
Percent of population with bachelor's degree	18.5%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	47.2%	N					
	Percent of housing units renter-occupied	17.7%	N					
	<b>Homeownership rate.</b>	72.7%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.9%	Y					
	Renter-occupied units	13.5%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	18.5%	Y					
	Percent lacking complete plumbing facilities	1.4%	N					
	Percent lacking complete kitchen facilities	1.6%	N					
	Percent using non-traditional heating sources (includes solar energy)	9.3%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	3.0%	N					
	<b>Affordability.</b>							
	Median rent	\$414	N					
	Median home value	\$73,900	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	17.0%	N					
Percent of renters cost-burdened	29.0%	N						
Percent of seniors cost-burdened	15.6%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	47.9%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	25.9%	N						



De Baca County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	2,437	2,252	2,240	2,270	2,289	-0.5%	1.3%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$15,800	\$25,441	61.0%				
	<b>Per capita income.</b>	\$8,664	\$14,065	62.3%				
		<b>2000</b>		<b>Higher than State?</b>				
	<b>Poverty.</b>							
	Overall rate	17.7%	N					
	Child poverty rate	23.3%	N					
	Elderly poverty rate	15.0%	Y					
Disabled poverty rate	25.2%	Y						
<b>Unemployment rate, February 2005.</b>	6.2%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	27.7%	Y						
Percent of population with bachelor's degree	16.2%	N						
Housing Data								
		<b>2000</b>		<b>Higher than State?</b>				
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	54.9%	N					
	Percent of housing units renter-occupied	15.7%	N					
	<b>Homeownership rate.</b>	77.8%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.8%	Y					
	Renter-occupied units	14.2%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	19.7%	Y					
	Percent lacking complete plumbing facilities	3.6%	Y					
	Percent lacking complete kitchen facilities	3.9%	Y					
	Percent using non-traditional heating sources (includes solar energy)	8.9%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	4.3%	N					
	<b>Affordability.</b>							
	Median rent	\$371	N					
	Median home value	\$51,300	N					
	<b>Cost-burden.</b>							
Percent of owners cost-burdened	14.0%	N						
Percent of renters cost-burdened	25.0%	N						
Percent of seniors cost-burdened	16.2%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	36.9%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	18.4%	N						

Dona Ana County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	96,337	135,511	174,682	197,410	218,523	28.9%	13.0%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$21,875	\$29,808	36.3%				
	<b>Per capita income.</b>	\$9,242	\$13,999	51.5%				
		<b>2000</b>	<b>Higher than State?</b>					
	<b>Poverty.</b>							
	Overall rate	25.4%	Y					
	Child poverty rate	34.4%	Y					
	Elderly poverty rate	12.7%	N					
	Disabled poverty rate	25.6%	Y					
<b>Unemployment rate, February 2005.</b>	6.8%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	30.0%	Y						
Percent of population with bachelor's degree	22.3%	N						
Housing Data		<b>2000</b>	<b>Higher than State?</b>					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	61.6%	Y					
	Percent of housing units renter-occupied	29.7%	Y					
	<b>Homeownership rate.</b>	67.5%	N					
	<b>Vacancy rates.</b>							
	Owner-occupied units	2.3%	N					
	Renter-occupied units	10.2%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	4.4%	N					
	Percent lacking complete plumbing facilities	1.4%	N					
	Percent lacking complete kitchen facilities	1.4%	N					
	Percent using non-traditional heating sources (includes solar energy)	2.4%	N					
	<b>Overcrowded.</b>							
	Percent overcrowded	10.9%	Y					
	<b>Affordability.</b>							
	Median rent	\$445	N					
	Median home value	\$74,000	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	18.0%	N					
Percent of renters cost-burdened	41.0%	Y						
Percent of seniors cost-burdened	22.1%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	59.3%	Y						
Percent of owner households earning less than \$50,000 that are cost burdened	30.9%	N						









Hidalgo County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	6,027	5,958	5,932	5,875	5,799	-0.4%	-1.0%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$23,170	\$24,819	7.1%				
	<b>Per capita income.</b>	\$9,330	\$12,431	33.2%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	27.3%	Y					
	Child poverty rate	38.9%	Y					
	Elderly poverty rate	17.0%	Y					
	Disabled poverty rate	26.3%	Y					
<b>Unemployment rate, February 2005.</b>	6.7%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	31.2%	Y						
Percent of population with bachelor's degree	9.2%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	51.2%	N					
	Percent of housing units renter-occupied	24.4%	N					
	<b>Homeownership rate.</b>	67.8%	N					
	<b>Vacancy rates.</b>							
	Owner-occupied units	5.1%	Y					
	Renter-occupied units	16.6%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	13.1%	Y					
	Percent lacking complete plumbing facilities	3.4%	Y					
	Percent lacking complete kitchen facilities	2.7%	N					
	Percent using non-traditional heating sources (includes solar energy)	10.1%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	6.3%	N					
	<b>Affordability.</b>							
	Median rent	\$267	N					
	Median home value	\$51,900	N					
	<b>Cost-burden.</b>							
Percent of owners cost-burdened	17.0%	N						
Percent of renters cost-burdened	26.0%	N						
Percent of seniors cost-burdened	22.1%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	43.5%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	23.3%	N						

Lea County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	55,990	55,762	55,511	55,108	54,551	-0.5%	-0.7%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$23,605	\$29,799	26.2%				
	<b>Per capita income.</b>	\$9,945	\$14,184	42.6%				
		<b>2000</b>	<b>Higher than State?</b>					
	<b>Poverty.</b>							
	Overall rate	21.1%	Y					
	Child poverty rate	28.0%	Y					
	Elderly poverty rate	14.9%	Y					
Disabled poverty rate	26.1%	Y						
<b>Unemployment rate, February 2005.</b>	5.0%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	32.9%	Y						
Percent of population with bachelor's degree	11.6%	N						
Housing Data								
		<b>2000</b>	<b>Higher than State?</b>					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	61.1%	Y					
	Percent of housing units renter-occupied	23.1%	N					
	<b>Homeownership rate.</b>	72.6%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.6%	Y					
	Renter-occupied units	18.6%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	3.8%	N					
	Percent lacking complete plumbing facilities	2.2%	N					
	Percent lacking complete kitchen facilities	3.1%	N					
	Percent using non-traditional heating sources (includes solar energy)	0.8%	N					
	<b>Overcrowded.</b>							
	Percent overcrowded	7.6%	Y					
	<b>Affordability.</b>							
	Median rent	\$388	N					
	Median home value	\$47,300	N					
	<b>Cost-burden.</b>							
Percent of owners cost-burdened	15.0%	N						
Percent of renters cost-burdened	31.0%	N						
Percent of seniors cost-burdened	20.0%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	48.1%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	22.9%	N						



Los Alamos County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	17,597	18,115	18,343	18,720	19,114	1.3%	2.1%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$54,895	\$78,993	43.9%				
	<b>Per capita income.</b>	\$22,923	\$34,646	51.1%				
		<b>2000</b>	<b>Higher than State?</b>					
	<b>Poverty.</b>							
	Overall rate	2.9%	N					
	Child poverty rate	1.8%	N					
	Elderly poverty rate	4.7%	N					
	Disabled poverty rate	5.5%	N					
<b>Unemployment rate, February 2005.</b>	3.0%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	3.7%	N						
Percent of population with bachelor's degree	60.5%	Y						
Housing Data		<b>2000</b>	<b>Higher than State?</b>					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	74.3%	Y					
	Percent of housing units renter-occupied	20.2%	N					
	<b>Homeownership rate.</b>	78.6%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	1.7%	N					
	Renter-occupied units	11.1%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	0.3%	N					
	Percent lacking complete plumbing facilities	0.1%	N					
	Percent lacking complete kitchen facilities	0.1%	N					
	Percent using non-traditional heating sources (includes solar energy)	2.5%	N					
	<b>Overcrowded.</b>							
	Percent overcrowded	1.8%	N					
	<b>Affordability.</b>							
	Median rent	\$666	Y					
	Median home value	\$213,000	Y					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	7.0%	N					
Percent of renters cost-burdened	21.0%	N						
Percent of seniors cost-burdened	15.5%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	58.1%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	43.7%	Y						

Luna County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	15,498	18,110	25,016	28,638	32,206	38.1%	14.5%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$15,811	\$20,784	31.5%				
	<b>Per capita income.</b>	\$7,843	\$11,218	43.0%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	32.9%	Y					
	Child poverty rate	46.8%	Y					
	Elderly poverty rate	15.8%	Y					
	Disabled poverty rate	33.8%	Y					
<b>Unemployment rate, February 2005.</b>	19.9%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	40.2%	Y						
Percent of population with bachelor's degree	10.2%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	62.4%	Y					
	Percent of housing units renter-occupied	20.8%	N					
	<b>Homeownership rate.</b>	75.0%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.4%	Y					
	Renter-occupied units	60.7%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	5.7%	N					
	Percent lacking complete plumbing facilities	3.4%	Y					
	Percent lacking complete kitchen facilities	2.9%	N					
	Percent using non-traditional heating sources (includes solar energy)	4.4%	N					
	<b>Overcrowded.</b>							
	Percent overcrowded	10.4%	Y					
	<b>Affordability.</b>							
	Median rent	\$337	N					
	Median home value	\$52,300	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	19.0%	Y					
Percent of renters cost-burdened	37.0%	Y						
Percent of seniors cost-burdened	21.2%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	51.6%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	25.6%	N						

McKinley County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	44,676	60,688	74,798	81,484	88,163	23.3%	8.9%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$17,511	\$25,005	42.8%				
	<b>Per capita income.</b>	\$6,499	\$9,872	51.9%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	36.1%	Y					
	Child poverty rate	42.3%	Y					
	Elderly poverty rate	31.5%	Y					
Disabled poverty rate	35.4%	Y						
<b>Unemployment rate, February 2005.</b>	7.9%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	34.8%	Y						
Percent of population with bachelor's degree	12.0%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	58.2%	N					
	Percent of housing units renter-occupied	22.2%	N					
	<b>Homeownership rate.</b>	72.4%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	1.9%	N					
	Renter-occupied units	5.8%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	3.9%	N					
	Percent lacking complete plumbing facilities	27.7%	Y					
	Percent lacking complete kitchen facilities	25.1%	Y					
	Percent using non-traditional heating sources (includes solar energy)	33.7%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	27.4%	Y					
	<b>Affordability.</b>							
	Median rent	\$374	N					
	Median home value	\$44,300	N					
<b>Cost-burden.</b>								
Percent of owners cost-burdened	15.0%	N						
Percent of renters cost-burdened	23.0%	N						
Percent of seniors cost-burdened	14.4%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	41.2%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	22.0%	N						

## Mora County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	4,190	4,264	5,180	5,704	6,205	21.5%	10.1%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$13,202	\$24,518	85.7%				
	<b>Per capita income.</b>	\$7,180	\$12,340	71.9%				
				<b>Higher than State?</b>				
	<b>Poverty.</b>							
	Overall rate	25.4%	Y					
	Child poverty rate	25.9%	Y					
	Elderly poverty rate	18.4%	Y					
	Disabled poverty rate	29.4%	Y					
<b>Unemployment rate, February 2005.</b>	13.6%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	30.2%	Y						
Percent of population with bachelor's degree	15.5%	N						
Housing Data				<b>Higher than State?</b>				
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	56.0%	N					
	Percent of housing units renter-occupied	11.8%	N					
	<b>Homeownership rate.</b>	82.5%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	1.1%	N					
	Renter-occupied units	4.1%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	22.2%	Y					
	Percent lacking complete plumbing facilities	12.4%	Y					
	Percent lacking complete kitchen facilities	11.7%	Y					
	Percent using non-traditional heating sources (includes solar energy)	41.8%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	8.1%	Y					
	<b>Affordability.</b>							
	Median rent	\$357	N					
	Median home value	\$73,200	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	18.0%	N					
Percent of renters cost-burdened	33.0%	N						
Percent of seniors cost-burdened	27.7%	Y						
Percent of renter households earning less than \$35,000 that are cost burdened	57.6%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	22.4%	N						

Otero County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	44,671	51,930	62,298	64,851	67,018	20.0%	4.1%
				<b>Percent Change 1990-2000</b>				
	<b>Household income.</b>	\$22,512	\$30,861	37.1%				
	<b>Per capita income.</b>	\$9,708	\$14,345	47.8%				
		<b>2000</b>	<b>Higher than State?</b>					
	<b>Poverty.</b>							
	Overall rate	19.3%	Y					
	Child poverty rate	27.9%	Y					
	Elderly poverty rate	12.8%	Y					
	Disabled poverty rate	22.1%	N					
<b>Unemployment rate, February 2005.</b>	5.7%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	19.0%	N						
Percent of population with bachelor's degree	15.4%	N						
Housing Data		<b>2000</b>	<b>Higher than State?</b>					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	52.5%	N					
	Percent of housing units renter-occupied	26.0%	N					
	<b>Homeownership rate.</b>	66.9%	N					
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.7%	Y					
	Renter-occupied units	16.3%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	3.8%	N					
	Percent lacking complete plumbing facilities	2.3%	N					
	Percent lacking complete kitchen facilities	2.3%	N					
	Percent using non-traditional heating sources (includes solar energy)	6.2%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	6.6%	N					
	<b>Affordability.</b>							
	Median rent	\$441	N					
	Median home value	\$68,700	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	18.0%	N					
Percent of renters cost-burdened	27.0%	N						
Percent of seniors cost-burdened	24.5%	Y						
Percent of renter households earning less than \$35,000 that are cost burdened	53.5%	Y						
Percent of owner households earning less than \$50,000 that are cost burdened	28.2%	Y						







San Juan County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	81,358	91,607	113,801	121,445	128,592	24.2%	6.7%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$22,522	\$33,762	49.9%				
	<b>Per capita income.</b>	\$8,800	\$14,282	62.3%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	21.5%	Y					
	Child poverty rate	26.6%	Y					
	Elderly poverty rate	18.2%	Y					
	Disabled poverty rate	25.5%	Y					
<b>Unemployment rate, February 2005.</b>	6.0%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	23.2%	Y						
Percent of population with bachelor's degree	13.5%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	65.7%	Y					
	Percent of housing units renter-occupied	21.5%	N					
	<b>Homeownership rate.</b>	75.3%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	1.7%	N					
	Renter-occupied units	9.1%	N					
	<b>Housing condition.</b>							
	Percent of units built before 1940	2.3%	N					
	Percent lacking complete plumbing facilities	8.7%	Y					
	Percent lacking complete kitchen facilities	8.1%	Y					
	Percent using non-traditional heating sources (includes solar energy)	10.4%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	13.6%	Y					
	<b>Affordability.</b>							
	Median rent	\$459	N					
	Median home value	\$77,000	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	17.0%	N					
Percent of renters cost-burdened	31.0%	N						
Percent of seniors cost-burdened	20.7%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	50.9%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	29.3%	N						



Sandoval County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	34,775	63,318	89,908	108,538	126,294	42.0%	20.7%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$28,936	\$44,949	55.3%				
	<b>Per capita income.</b>	\$10,768	\$19,174	78.1%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	12.1%	N					
	Child poverty rate	15.6%	N					
	Elderly poverty rate	9.2%	N					
	Disabled poverty rate	15.8%	N					
<b>Unemployment rate, February 2005.</b>	6.9%	Y						
<b>Educational attainment.</b>								
Percent of population not completing high school	14.0%	N						
Percent of population with bachelor's degree	24.8%	Y						
	2000	Higher than State?						
<b>Tenure.</b>								
Percent of housing units owner-occupied	75.3%	Y						
Percent of housing units renter-occupied	14.8%	N						
<b>Homeownership rate.</b>	83.6%	Y						
<b>Vacancy rates.</b>								
Owner-occupied units	2.2%	N						
Renter-occupied units	11.8%	Y						
<b>Housing condition.</b>								
Percent of units built before 1940	3.1%	N						
Percent lacking complete plumbing facilities	3.6%	Y						
Percent lacking complete kitchen facilities	3.6%	Y						
Percent using non-traditional heating sources (includes solar energy)	7.4%	Y						
<b>Overcrowded.</b>								
Percent overcrowded	7.0%	N						
<b>Affordability.</b>								
Median rent	\$726	Y						
Median home value	\$111,600	Y						
<b>Cost-burden.</b>								
Percent of owners cost-burdened	20.0%	Y						
Percent of renters cost-burdened	35.0%	N						
Percent of seniors cost-burdened	23.2%	N						
Percent of renter households earning less than \$35,000 that are cost burdened	72.6%	Y						
Percent of owner households earning less than \$50,000 that are cost burdened	39.3%	Y						





Socorro County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	12,522	14,764	18,078	19,802	21,421	22.4%	9.5%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$19,136	\$23,439	22.5%				
	<b>Per capita income.</b>	\$8,874	\$12,826	44.5%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	31.7%	Y					
	Child poverty rate	43.6%	Y					
	Elderly poverty rate	24.3%	Y					
	Disabled poverty rate	30.4%	Y					
<b>Unemployment rate, February 2005.</b>	5.4%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	27.9%	Y						
Percent of population with bachelor's degree	19.4%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	60.7%	N					
	Percent of housing units renter-occupied	24.8%	N					
	<b>Homeownership rate.</b>	71.0%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	2.5%	N					
	Renter-occupied units	11.8%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	12.9%	Y					
	Percent lacking complete plumbing facilities	5.5%	Y					
	Percent lacking complete kitchen facilities	5.1%	Y					
	Percent using non-traditional heating sources (includes solar energy)	17.7%	Y					
	<b>Overcrowded.</b>							
	Percent overcrowded	7.1%	N					
	<b>Affordability.</b>							
	Median rent	\$362	N					
	Median home value	\$70,100	N					
	<b>Cost-burden.</b>							
	Percent of owners cost-burdened	23.0%	Y					
Percent of renters cost-burdened	39.0%	Y						
Percent of seniors cost-burdened	27.3%	Y						
Percent of renter households earning less than \$35,000 that are cost burdened	56.3%	N						
Percent of owner households earning less than \$50,000 that are cost burdened	34.7%	N						







Valencia County

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	30,629	45,235	66,152	76,512	86,708	46.2%	15.7%
		1990	2000	Percent Change 1990-2000				
	<b>Household income.</b>	\$24,442	\$34,099	39.5%				
	<b>Per capita income.</b>	9,994	14,747	47.6%				
		2000	Higher than State?					
	<b>Poverty.</b>							
	Overall rate	16.8%	N					
	Child poverty rate	22.3%	N					
	Elderly poverty rate	10.8%	N					
	Disabled poverty rate	19.7%	N					
<b>Unemployment rate, February 2005.</b>	58.0%	N						
<b>Educational attainment.</b>								
Percent of population not completing high school	23.9%	Y						
Percent of population with bachelor's degree	14.8%	N						
Housing Data		2000	Higher than State?					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	77.2%	Y					
	Percent of housing units renter-occupied	14.8%	N					
	<b>Homeownership rate.</b>	0.8%	Y					
	<b>Vacancy rates.</b>							
	Owner-occupied units	2.7%	Y					
	Renter-occupied units	11.7%	Y					
	<b>Housing condition.</b>							
	Percent of units built before 1940	3.9%	N					
	Percent lacking complete plumbing facilities	1.3%	N					
	Percent lacking complete kitchen facilities	0.9%	N					
	Percent using non-traditional heating sources (includes solar energy)	4.3%	N					
	<b>Overcrowded.</b>							
	Percent overcrowded	7.6%	Y					
	<b>Affordability.</b>							
	Median rent	\$490	N					
Median home value	\$91,700	Y						
<b>Cost-burden.</b>								
Percent of owners cost-burdened	24.0%	Y						
Percent of renters cost-burdened	38.0%	Y						
Percent of seniors cost-burdened	24.6%	Y						
Percent of renter households earning less than \$35,000 that are cost burdened	61.4%	Y						
Percent of owner households earning less than \$50,000 that are cost burdened	40.2%	Y						

# Data for Colonias

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## Anthony CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	2,929	5,918	7,789	31.6%
		<b>2000</b>			
	<b>Average poverty rate.</b>	38.0%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	60.1%			
	Percent of population with bachelor's degree	5.4%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	63.4%			
	Percent of housing units renter-occupied	30.1%			
	<b>Homeownership rate.</b>	67.8%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	1.7%			
	Renter-occupied units	7.8%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	4.8%			
	Percent lacking complete plumbing facilities	3.2%			
	Percent lacking complete kitchen facilities	2.9%			
	Percent using non-traditional heating sources	3.6%			
	<b>Overcrowded.</b>				
Percent overcrowded	27.4%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	23.5%				
Percent of renters cost-burdened	41.9%				

Bayard city, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	2,854	2,700	2,553	-5.4%
		<b>2000</b>			
	<b>Average poverty rate.</b>	24.1%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	37.8%			
	Percent of population with bachelor's degree	9.4%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	66.8%			
	Percent of housing units renter-occupied	21.8%			
	<b>Homeownership rate.</b>	75.4%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	2.5%			
	Renter-occupied units	13.7%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	12.4%			
	Percent lacking complete plumbing facilities	0.9%			
	Percent lacking complete kitchen facilities	1.0%			
	Percent using non-traditional heating sources	1.9%			
	<b>Overcrowded.</b>				
	Percent overcrowded	6.6%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	16.8%				
Percent of renters cost-burdened	38.1%				

Boles Acres CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	708	1,110	1,419	27.8%
		<b>2000</b>			
	<b>Average poverty rate.</b>	13.3%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	11.1%			
Percent of population with bachelor's degree	19.7%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	76.6%			
	Percent of housing units renter-occupied	12.1%			
	<b>Homeownership rate.</b>	86.4%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	1.7%			
	Renter-occupied units	16.1%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	2.5%			
	Percent lacking complete plumbing facilities	4.9%			
	Percent lacking complete kitchen facilities	3.5%			
	Percent using non-traditional heating sources	4.1%			
	<b>Overcrowded.</b>				
	Percent overcrowded	2.4%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	10.7%				
Percent of renters cost-burdened	33.8%				

Chaparral CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	2,483	3,710	6,117	64.9%
		<b>2000</b>			
	<b>Average poverty rate.</b>	31.3%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	42.1%			
Percent of population with bachelor's degree	10.1%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	70.2%			
	Percent of housing units renter-occupied	15.9%			
	<b>Homeownership rate.</b>	81.5%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	1.6%			
	Renter-occupied units	11.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	0.7%			
	Percent lacking complete plumbing facilities	6.5%			
	Percent lacking complete kitchen facilities	5.3%			
	Percent using non-traditional heating sources	3.8%			
	<b>Overcrowded.</b>				
	Percent overcrowded	18.8%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	16.0%				
Percent of renters cost-burdened	52.0%				

Cloudcroft village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	582	493	779	58.0%
		<b>2000</b>			
	<b>Average poverty rate.</b>	9.9%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	5.8%			
	Percent of population with bachelor's degree	42.8%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	25.7%			
	Percent of housing units renter-occupied	8.8%			
	<b>Homeownership rate.</b>	74.5%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	8.3%			
	Renter-occupied units	25.7%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	12.8%			
	Percent lacking complete plumbing facilities	1.2%			
	Percent lacking complete kitchen facilities	1.0%			
	Percent using non-traditional heating sources	15.4%			
	<b>Overcrowded.</b>				
	Percent overcrowded	3.8%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	19.7%				
Percent of renters cost-burdened	30.1%				

Columbus village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	613	933	1,790	91.9%
		<i>2000</i>			
	<b>Average poverty rate.</b>	57.1%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	64.8%			
	Percent of population with bachelor's degree	7.9%			
Housing Data		<i>2000</i>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	52.6%			
	Percent of housing units renter-occupied	23.3%			
	<b>Homeownership rate.</b>	69.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	7.4%			
	Renter-occupied units	16.2%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	5.6%			
	Percent lacking complete plumbing facilities	11.4%			
	Percent lacking complete kitchen facilities	5.1%			
	Percent using non-traditional heating sources	2.1%			
	<b>Overcrowded.</b>				
Percent overcrowded	27.6%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	24.5%				
Percent of renters cost-burdened	43.3%				

Dona Ana CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	909	2,092	1,500	-28.3%
		<b>2000</b>			
	<b>Average poverty rate.</b>	22.8%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	39.6%			
	Percent of population with bachelor's degree	7.5%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	69.2%			
	Percent of housing units renter-occupied	29.8%			
	<b>Homeownership rate.</b>	69.9%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	1.4%			
	Renter-occupied units	0.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	0.0%			
	Percent lacking complete plumbing facilities	0.0%			
	Percent lacking complete kitchen facilities	1.0%			
	Percent using non-traditional heating sources	2.0%			
	<b>Overcrowded.</b>				
	Percent overcrowded	9.8%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	5.7%				
Percent of renters cost-burdened	39.7%				

Hope village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	71	81	114	40.7%
		<b>2000</b>			
	<b>Average poverty rate.</b>	20.2%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	38.1%			
	Percent of population with bachelor's degree	3.6%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	52.5%			
	Percent of housing units renter-occupied	30.5%			
	<b>Homeownership rate.</b>	63.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	12.5%			
	Renter-occupied units	5.3%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	44.1%			
	Percent lacking complete plumbing facilities	3.5%			
	Percent lacking complete kitchen facilities	0.0%			
	Percent using non-traditional heating sources	8.2%			
	<b>Overcrowded.</b>				
	Percent overcrowded	0.0%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	0.0%				
Percent of renters cost-burdened	64.3%				

La Luz CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	1,044	1,574	1,596	1.4%
		<b>2000</b>			
	<b>Average poverty rate.</b>	13.8%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	10.9%			
Percent of population with bachelor's degree	18.0%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	70.9%			
	Percent of housing units renter-occupied	18.1%			
	<b>Homeownership rate.</b>	79.7%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	2.2%			
	Renter-occupied units	20.8%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	4.3%			
	Percent lacking complete plumbing facilities	0.8%			
	Percent lacking complete kitchen facilities	1.2%			
	Percent using non-traditional heating sources	9.9%			
	<b>Overcrowded.</b>				
	Percent overcrowded	6.6%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	18.8%				
Percent of renters cost-burdened	18.6%				

Lake Arthur town, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	310	374	400	7.0%
		<i>2000</i>			
	<b>Average poverty rate.</b>	24.6%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	46.1%			
	Percent of population with bachelor's degree	4.9%			
Housing Data		<i>2000</i>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	72.1%			
	Percent of housing units renter-occupied	19.3%			
	<b>Homeownership rate.</b>	78.9%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	3.8%			
	Renter-occupied units	10.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	14.3%			
	Percent lacking complete plumbing facilities	2.9%			
	Percent lacking complete kitchen facilities	1.4%			
	Percent using non-traditional heating sources	3.9%			
<b>Overcrowded.</b>					
Percent overcrowded	9.4%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	14.8%				
Percent of renters cost-burdened	31.8%				

Lordsburg city, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	3,258	3,006	3,381	12.5%
		<b>2000</b>			
	<b>Average poverty rate.</b>	32.7%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	37.3%			
Percent of population with bachelor's degree	6.2%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	56.0%			
	Percent of housing units renter-occupied	29.3%			
	<b>Homeownership rate.</b>	65.7%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	5.2%			
	Renter-occupied units	3.7%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	14.4%			
	Percent lacking complete plumbing facilities	1.4%			
	Percent lacking complete kitchen facilities	0.7%			
	Percent using non-traditional heating sources	4.3%			
	<b>Overcrowded.</b>				
	Percent overcrowded	7.2%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	18.4%				
Percent of renters cost-burdened	38.8%				

Mesquite CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	332	678	968	42.8%
		<b>2000</b>			
	<b>Average poverty rate.</b>	43.4%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	54.1%			
Percent of population with bachelor's degree	7.5%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	69.3%			
	Percent of housing units renter-occupied	29.7%			
	<b>Homeownership rate.</b>	72.2%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	0.0%			
	Renter-occupied units	13.3%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	3.3%			
	Percent lacking complete plumbing facilities	3.1%			
	Percent lacking complete kitchen facilities	3.0%			
	Percent using non-traditional heating sources	3.1%			
	<b>Overcrowded.</b>				
	Percent overcrowded	33.6%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	0.0%				
Percent of renters cost-burdened	17.0%				

Radium Springs CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	235	538	1,475	174.2%
		<b>2000</b>			
	<b>Average poverty rate.</b>	11.0%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	24.7%			
Percent of population with bachelor's degree	16.7%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	83.2%			
	Percent of housing units renter-occupied	6.9%			
	<b>Homeownership rate.</b>	92.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	1.2%			
	Renter-occupied units	12.8%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	1.5%			
	Percent lacking complete plumbing facilities	0.0%			
	Percent lacking complete kitchen facilities	4.4%			
	Percent using non-traditional heating sources	6.2%			
	<b>Overcrowded.</b>				
	Percent overcrowded	5.4%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	17.9%				
Percent of renters cost-burdened	52.9%				

Reserve village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	356	327	482	47.4%
		<b>2000</b>			
	<b>Average poverty rate.</b>	17.8%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	24.7%			
Percent of population with bachelor's degree	20.8%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	58.2%			
	Percent of housing units renter-occupied	20.9%			
	<b>Homeownership rate.</b>	73.6%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	4.5%			
	Renter-occupied units	3.5%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	13.3%			
	Percent lacking complete plumbing facilities	2.7%			
	Percent lacking complete kitchen facilities	1.9%			
	Percent using non-traditional heating sources	49.5%			
	<b>Overcrowded.</b>				
Percent overcrowded	4.8%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	32.1%				
Percent of renters cost-burdened	21.4%				

Rincon CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	100	118	145	22.9%
		<b>2000</b>			
	<b>Average poverty rate.</b>	31.7%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	76.2%			
Percent of population with bachelor's degree	0.0%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	85.0%			
	Percent of housing units renter-occupied	15.0%			
	<b>Homeownership rate.</b>	85.0%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	0.0%			
	Renter-occupied units	0.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	27.5%			
	Percent lacking complete plumbing facilities	0.0%			
	Percent lacking complete kitchen facilities	0.0%			
	Percent using non-traditional heating sources	0.0%			
	<b>Overcrowded.</b>				
	Percent overcrowded	17.5%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	16.7%				
Percent of renters cost-burdened	0.0%				

Ruidoso Downs village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	803	911	1,806	98.2%
		<b>2000</b>			
	<b>Average poverty rate.</b>	20.6%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	26.1%			
Percent of population with bachelor's degree	9.1%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	51.9%			
	Percent of housing units renter-occupied	21.9%			
	<b>Homeownership rate.</b>	70.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	3.2%			
	Renter-occupied units	8.6%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	1.5%			
	Percent lacking complete plumbing facilities	0.8%			
	Percent lacking complete kitchen facilities	0.7%			
	Percent using non-traditional heating sources	4.1%			
	<b>Overcrowded.</b>				
	Percent overcrowded	10.8%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	21.3%				
Percent of renters cost-burdened	29.5%				

Salem CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	433	580	810	39.7%
		<b>2000</b>			
	<b>Average poverty rate.</b>	53.3%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	78.2%			
	Percent of population with bachelor's degree	3.6%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	76.0%			
	Percent of housing units renter-occupied	14.2%			
	<b>Homeownership rate.</b>	84.2%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	0.0%			
	Renter-occupied units	17.1%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	3.4%			
	Percent lacking complete plumbing facilities	3.6%			
	Percent lacking complete kitchen facilities	3.4%			
	Percent using non-traditional heating sources	4.9%			
	<b>Overcrowded.</b>				
	Percent overcrowded	45.1%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	57.1%				
Percent of renters cost-burdened	62.5%				

Santa Clara village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	1,901	1,868	1,932	3.4%
		<b>2000</b>			
	<b>Average poverty rate.</b>	28.8%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	34.2%			
	Percent of population with bachelor's degree	8.9%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	59.4%			
	Percent of housing units renter-occupied	23.5%			
	<b>Homeownership rate.</b>	71.6%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	3.7%			
	Renter-occupied units	16.9%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	17.2%			
	Percent lacking complete plumbing facilities	1.2%			
	Percent lacking complete kitchen facilities	1.3%			
	Percent using non-traditional heating sources	4.2%			
	<b>Overcrowded.</b>				
Percent overcrowded	6.8%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	20.5%				
Percent of renters cost-burdened	47.9%				

Sunland Park city, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	4,299	8,416	13,318	58.2%
		<b>2000</b>			
	<b>Average poverty rate.</b>	39.0%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	64.5%			
	Percent of population with bachelor's degree	2.9%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	64.7%			
	Percent of housing units renter-occupied	28.5%			
	<b>Homeownership rate.</b>	69.4%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	0.8%			
	Renter-occupied units	9.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	1.1%			
	Percent lacking complete plumbing facilities	3.0%			
	Percent lacking complete kitchen facilities	3.0%			
	Percent using non-traditional heating sources	2.1%			
	<b>Overcrowded.</b>				
	Percent overcrowded	25.8%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	22.9%				
Percent of renters cost-burdened	52.9%				

Timberon CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	190	256	244	-4.7%
		<b>2000</b>			
	<b>Average poverty rate.</b>	9.5%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	13.4%			
Percent of population with bachelor's degree	9.5%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	27.5%			
	Percent of housing units renter-occupied	4.0%			
	<b>Homeownership rate.</b>	87.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	16.7%			
	Renter-occupied units	46.9%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	0.9%			
	Percent lacking complete plumbing facilities	3.9%			
	Percent lacking complete kitchen facilities	3.8%			
	Percent using non-traditional heating sources	22.4%			
<b>Overcrowded.</b>					
Percent overcrowded	6.0%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	9.8%				
Percent of renters cost-burdened	100.0%				

Tularosa village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	2,014	2,422	2,828	16.8%
		<b>2000</b>			
	<b>Average poverty rate.</b>	21.4%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	24.1%			
	Percent of population with bachelor's degree	9.1%			
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	64.4%			
	Percent of housing units renter-occupied	22.5%			
	<b>Homeownership rate.</b>	74.1%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	3.8%			
	Renter-occupied units	7.5%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	16.3%			
	Percent lacking complete plumbing facilities	3.5%			
	Percent lacking complete kitchen facilities	3.4%			
	Percent using non-traditional heating sources	5.3%			
<b>Overcrowded.</b>					
Percent overcrowded	6.6%				
<b>Cost burden.</b>					
Percent of owners cost-burdened	18.6%				
Percent of renters cost-burdened	38.5%				

Viriden village, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	113	124	135	8.9%
		<b>2000</b>			
	<b>Average poverty rate.</b>	14.1%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	29.8%			
Percent of population with bachelor's degree	2.4%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	51.9%			
	Percent of housing units renter-occupied	6.5%			
	<b>Homeownership rate.</b>	88.9%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	10.0%			
	Renter-occupied units	0.0%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	33.8%			
	Percent lacking complete plumbing facilities	0.0%			
	Percent lacking complete kitchen facilities	0.0%			
	Percent using non-traditional heating sources	26.7%			
	<b>Overcrowded.</b>				
	Percent overcrowded	6.7%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	16.0%				
Percent of renters cost-burdened	0.0%				

Vado CDP, NM

		1980	1990	2000	Percent Change 1990-2000
Demographic Data	<b>Population growth trends.</b>	996	2,015	3,065	52.1%
		<b>2000</b>			
	<b>Average poverty rate.</b>	34.0%			
	<b>Educational attainment.</b>				
	Percent of population not completing high school	67.3%			
Percent of population with bachelor's degree	3.1%				
Housing Data		<b>2000</b>			
	<b>Tenure.</b>				
	Percent of housing units owner-occupied	75.9%			
	Percent of housing units renter-occupied	19.8%			
	<b>Homeownership rate.</b>	79.3%			
	<b>Vacancy rates.</b>				
	Owner-occupied units	2.8%			
	Renter-occupied units	9.9%			
	<b>Housing condition.</b>				
	Percent of units built before 1940	3.3%			
	Percent lacking complete plumbing facilities	5.5%			
	Percent lacking complete kitchen facilities	2.2%			
	Percent using non-traditional heating sources	4.2%			
	<b>Overcrowded.</b>				
	Percent overcrowded	37.6%			
<b>Cost burden.</b>					
Percent of owners cost-burdened	20.2%				
Percent of renters cost-burdened	34.2%				

# Data for Reservations and Pueblos

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## Acoma Pueblo and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	2,814
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	29.8%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	27.0%
	Percent of population with bachelor's degree	8.5%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	62.3%
	Percent of housing units renter-occupied	6.3%
	<b><i>Homeownership rate.</i></b>	90.9%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.0%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	23.4%
	Percent lacking complete plumbing facilities	28.0%
	Percent lacking complete kitchen facilities	27.6%
	Percent using non-traditional heating sources	30.5%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	25.9%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	12.9%	
Percent of renters cost-burdened	15.9%	

# Cochiti Pueblo

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	1,482
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	16.7%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	18.1%
	Percent of population with bachelor's degree	27.2%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	75.5%
	Percent of housing units renter-occupied	16.5%
	<b><i>Homeownership rate.</i></b>	82.1%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.8%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	4.3%
	Percent lacking complete plumbing facilities	2.1%
	Percent lacking complete kitchen facilities	1.4%
	Percent using non-traditional heating sources	1.9%
	<b><i>Overcrowded.</i></b>	
Percent overcrowded	9.1%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	15.5%	
Percent of renters cost-burdened	14.6%	

# Isleta Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	3,183
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	18.3%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	27.1%
Percent of population with bachelor's degree	6.1%	
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	78.7%
	Percent of housing units renter-occupied	8.2%
	<b><i>Homeownership rate.</i></b>	90.6%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	2.2%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	13.3%
	Percent lacking complete plumbing facilities	2.8%
	Percent lacking complete kitchen facilities	2.6%
	Percent using non-traditional heating sources	10.1%
	<b><i>Overcrowded.</i></b>	
	Percent overcrowded	8.6%
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	11.4%	
Percent of renters cost-burdened	9.1%	

Jemez Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	1,958
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	25.5%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	28.3%
	Percent of population with bachelor's degree	7.6%
		<i>2000</i>
Housing Data	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	89.1%
	Percent of housing units renter-occupied	4.0%
	<b><i>Homeownership rate.</i></b>	95.7%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	3.1%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	14.7%
	Percent lacking complete plumbing facilities	6.7%
	Percent lacking complete kitchen facilities	7.9%
	Percent using non-traditional heating sources	36.2%
	<b><i>Overcrowded.</i></b>	29.2%
Percent overcrowded		
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	19.3%	
Percent of renters cost-burdened	0.0%	

# Jicarilla Apache Reservation

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	2,742
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	28.3%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	22.4%
	Percent of population with bachelor's degree	13.9%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	58.0%
	Percent of housing units renter-occupied	26.5%
	<b><i>Homeownership rate.</i></b>	68.7%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	3.0%
	Renter-occupied units	2.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	5.3%
	Percent lacking complete plumbing facilities	5.3%
	Percent lacking complete kitchen facilities	3.7%
	Percent using non-traditional heating sources	5.1%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	14.4%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	9.3%	
Percent of renters cost-burdened	8.0%	

## Laguna Pueblo and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	3,814
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	26.9%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	20.6%
	Percent of population with bachelor's degree	7.5%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	72.0%
	Percent of housing units renter-occupied	15.1%
	<b><i>Homeownership rate.</i></b>	82.6%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	8.6%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	17.6%
	Percent lacking complete plumbing facilities	3.8%
	Percent lacking complete kitchen facilities	3.9%
	Percent using non-traditional heating sources	17.6%
	<b><i>Overcrowded.</i></b>	
Percent overcrowded	16.1%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	11.0%	
Percent of renters cost-burdened	18.8%	

# Mescalero Reservation

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	3,136
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	35.7%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	27.4%
	Percent of population with bachelor's degree	6.4%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	53.0%
	Percent of housing units renter-occupied	39.0%
	<b><i>Homeownership rate.</i></b>	57.6%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	5.5%
	Percent lacking complete plumbing facilities	2.2%
	Percent lacking complete kitchen facilities	2.1%
	Percent using non-traditional heating sources	36.7%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	17.7%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	9.8%	
Percent of renters cost-burdened	8.7%	

## Nambe Pueblo and Off-Reservation Trust Land

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	1,757
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	13.4%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	17.3%
	Percent of population with bachelor's degree	21.0%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	84.2%
	Percent of housing units renter-occupied	11.1%
	<b><i>Homeownership rate.</i></b>	88.4%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	4.9%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	8.3%
	Percent lacking complete plumbing facilities	0.3%
	Percent lacking complete kitchen facilities	0.4%
	Percent using non-traditional heating sources	10.2%
	<b><i>Overcrowded.</i></b>	
Percent overcrowded	3.9%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	23.0%	
Percent of renters cost-burdened	38.3%	

## Navajo Nation Reservation and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	181,269
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	42.9%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	44.1%
	Percent of population with bachelor's degree	7.3%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	52.5%
	Percent of housing units renter-occupied	16.7%
	<b><i>Homeownership rate.</i></b>	75.9%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.8%
	Renter-occupied units	4.3%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	1.5%
	Percent lacking complete plumbing facilities	45.8%
	Percent lacking complete kitchen facilities	42.6%
	Percent using non-traditional heating sources	56.1%
	<b><i>Overcrowded.</i></b>	
Percent overcrowded	38.9%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	14.1%	
Percent of renters cost-burdened	11.8%	

Picuris Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	1,801
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	25.2%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	29.7%
	Percent of population with bachelor's degree	14.6%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	65.7%
	Percent of housing units renter-occupied	14.2%
	<b><i>Homeownership rate.</i></b>	82.3%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.3%
	Renter-occupied units	8.8%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	18.6%
	Percent lacking complete plumbing facilities	8.7%
	Percent lacking complete kitchen facilities	8.9%
	Percent using non-traditional heating sources	44.5%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	5.1%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	24.2%	
Percent of renters cost-burdened	30.4%	

# Pojoaque Pueblo

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	2,712
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	14.3%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	18.2%
	Percent of population with bachelor's degree	23.7%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	68.8%
	Percent of housing units renter-occupied	22.1%
	<b><i>Homeownership rate.</i></b>	75.7%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	13.5%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	13.5%
	Percent lacking complete plumbing facilities	1.7%
	Percent lacking complete kitchen facilities	1.7%
	Percent using non-traditional heating sources	7.6%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	5.4%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	24.4%	
Percent of renters cost-burdened	32.3%	

# Sandia Pueblo

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	4,436
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	17.7%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	32.9%
	Percent of population with bachelor's degree	9.6%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	75.0%
	Percent of housing units renter-occupied	14.5%
	<b><i>Homeownership rate.</i></b>	83.8%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	3.6%
	Renter-occupied units	11.2%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	12.4%
	Percent lacking complete plumbing facilities	1.5%
	Percent lacking complete kitchen facilities	2.1%
	Percent using non-traditional heating sources	4.0%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	5.0%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	24.5%	
Percent of renters cost-burdened	42.7%	

# San Felipe Pueblo

		2000
Demographic Data	<b>Total population.</b>	3,185
	<b>2000</b>	
	<b>Average poverty rate.</b>	30.8%
	<b>Educational attainment.</b>	
	Percent of population not completing high school	31.7%
	Percent of population with bachelor's degree	6.0%
		2000
Housing Data	<b>Tenure.</b>	
	Percent of housing units owner-occupied	88.5%
	Percent of housing units renter-occupied	3.6%
	<b>Homeownership rate.</b>	96.0%
	<b>Vacancy rates.</b>	
	Owner-occupied units	0.0%
	Renter-occupied units	0.0%
	<b>Housing condition.</b>	
	Percent of units built before 1940	10.5%
	Percent lacking complete plumbing facilities	7.8%
	Percent lacking complete kitchen facilities	6.5%
	Percent using non-traditional heating sources	18.9%
<b>Overcrowded.</b>		
Percent overcrowded	25.4%	
<b>Cost burden.</b>		
Percent of owners cost-burdened	17.0%	
Percent of renters cost-burdened	14.8%	

# San Ildefonso Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	1,526
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	12.5%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	17.1%
	Percent of population with bachelor's degree	21.7%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	68.3%
	Percent of housing units renter-occupied	20.7%
	<b><i>Homeownership rate.</i></b>	76.7%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.2%
	Renter-occupied units	6.2%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	11.0%
	Percent lacking complete plumbing facilities	0.0%
	Percent lacking complete kitchen facilities	0.0%
	Percent using non-traditional heating sources	5.2%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	4.3%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	21.6%	
Percent of renters cost-burdened	32.3%	

# San Juan Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	6,748
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	22.7%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	31.2%
	Percent of population with bachelor's degree	8.5%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	73.5%
	Percent of housing units renter-occupied	16.1%
	<b><i>Homeownership rate.</i></b>	82.1%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.6%
	Renter-occupied units	6.8%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	8.8%
	Percent lacking complete plumbing facilities	2.9%
	Percent lacking complete kitchen facilities	2.9%
	Percent using non-traditional heating sources	6.6%
	<b><i>Overcrowded.</i></b>	
Percent overcrowded	5.9%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	18.9%	
Percent of renters cost-burdened	28.9%	

# Santa Ana Pueblo

		<i>2000</i>
<b>Demographic Data</b>	<b><i>Total population.</i></b>	514
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	5.1%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	14.6%
	Percent of population with bachelor's degree	2.7%
<b>Housing Data</b>	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	60.9%
	Percent of housing units renter-occupied	0.5%
	<b><i>Homeownership rate.</i></b>	99.2%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	20.8%
	Percent lacking complete plumbing facilities	33.3%
	Percent lacking complete kitchen facilities	34.4%
	Percent using non-traditional heating sources	11.0%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	26.3%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	4.8%	
Percent of renters cost-burdened	0.0%	

## Santa Clara Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	10,665
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	20.0%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	22.5%
	Percent of population with bachelor's degree	19.8%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	68.4%
	Percent of housing units renter-occupied	23.1%
	<b><i>Homeownership rate.</i></b>	74.7%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.3%
	Renter-occupied units	6.8%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	6.9%
	Percent lacking complete plumbing facilities	1.2%
	Percent lacking complete kitchen facilities	1.4%
	Percent using non-traditional heating sources	4.1%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	5.0%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	18.3%	
Percent of renters cost-burdened	37.1%	

## Santo Domingo Pueblo

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	3,145
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	39.0%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	31.5%
	Percent of population with bachelor's degree	2.7%
		<i>2000</i>
Housing Data	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	84.5%
	Percent of housing units renter-occupied	8.7%
	<b><i>Homeownership rate.</i></b>	90.6%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	14.1%
	Percent lacking complete plumbing facilities	2.9%
	Percent lacking complete kitchen facilities	1.0%
	Percent using non-traditional heating sources	19.5%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	49.5%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	9.4%	
Percent of renters cost-burdened	17.3%	

## Taos Pueblo and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	4,489
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	26.7%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	19.5%
	Percent of population with bachelor's degree	23.3%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	48.9%
	Percent of housing units renter-occupied	28.1%
	<b><i>Homeownership rate.</i></b>	63.5%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	2.0%
	Renter-occupied units	10.1%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	26.3%
	Percent lacking complete plumbing facilities	11.6%
	Percent lacking complete kitchen facilities	12.2%
	Percent using non-traditional heating sources	19.8%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	4.6%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	25.1%	
Percent of renters cost-burdened	47.0%	

## Tesuque Pueblo and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	805
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	18.8%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	18.8%
	Percent of population with bachelor's degree	18.8%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	77.1%
	Percent of housing units renter-occupied	12.5%
	<b><i>Homeownership rate.</i></b>	86.0%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.0%
	Renter-occupied units	0.0%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	5.8%
	Percent lacking complete plumbing facilities	1.8%
	Percent lacking complete kitchen facilities	2.4%
	Percent using non-traditional heating sources	2.7%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	11.6%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	14.4%	
Percent of renters cost-burdened	16.7%	

## Zia Pueblo and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	578
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	15.4%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	26.1%
Percent of population with bachelor's degree	8.9%	
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	79.0%
	Percent of housing units renter-occupied	0.0%
	<b><i>Homeownership rate.</i></b>	100.0%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	1.5%
	Renter-occupied units	N/A
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	11.4%
	Percent lacking complete plumbing facilities	7.2%
	Percent lacking complete kitchen facilities	11.4%
	Percent using non-traditional heating sources	37.1%
	<b><i>Overcrowded.</i></b>	
	Percent overcrowded	20.5%
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	6.4%	
Percent of renters cost-burdened	N/A	

## Zuni Reservation and Off-Reservation Trust Land

		<i>2000</i>
Demographic Data	<b><i>Total population.</i></b>	7,749
	<i>2000</i>	
	<b><i>Average poverty rate.</i></b>	45.9%
	<b><i>Educational attainment.</i></b>	
	Percent of population not completing high school	35.6%
	Percent of population with bachelor's degree	6.8%
Housing Data	<i>2000</i>	
	<b><i>Tenure.</i></b>	
	Percent of housing units owner-occupied	67.1%
	Percent of housing units renter-occupied	20.8%
	<b><i>Homeownership rate.</i></b>	76.4%
	<b><i>Vacancy rates.</i></b>	
	Owner-occupied units	0.9%
	Renter-occupied units	3.7%
	<b><i>Housing condition.</i></b>	
	Percent of units built before 1940	5.7%
	Percent lacking complete plumbing facilities	10.8%
	Percent lacking complete kitchen facilities	9.1%
	Percent using non-traditional heating sources	63.0%
<b><i>Overcrowded.</i></b>		
Percent overcrowded	21.6%	
<b><i>Cost burden.</i></b>		
Percent of owners cost-burdened	19.5%	
Percent of renters cost-burdened	19.1%	

# Data by City Size

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Metropolitan Statistical Areas

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	745,486	925,462	1,147,424	1,263,369	1,372,270	24.0%	10.1%
			<b>2000</b>					
	<b>Average poverty rate.</b>	16.2%						
	<b>Educational attainment.</b>							
	Percent of population not completing high school	18.7%						
Percent of population with bachelor's degree	27.0%							
Housing Data			<b>2000</b>					
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	62.6%						
	Percent of housing units renter-occupied	28.7%						
	<b>Homeownership rate.</b>	68.6%						
	<b>Vacancy rates.</b>							
	Owner-occupied units	2.1%						
	Renter-occupied units	10.6%						
	<b>Housing condition.</b>							
	Percent of units built before 1940	4.2%						
	Percent lacking complete plumbing facilities	1.7%						
	Percent lacking complete kitchen facilities	1.8%						
	Percent using non-traditional heating sources (includes solar energy)	3.7%						
	<b>Overcrowded.</b>							
	Percent overcrowded	7.2%						
<b>Cost burden.</b>								
Percent of owners cost-burdened	23.7%							
Percent of renters cost-burdened	44.3%							

Micropolitan Statistical Areas

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	457,843	504,665	569,960	598,297	624,711	12.9%	5.0%
		<b>2000</b>						
	<b>Average poverty rate.</b>	22.5%						
	<b>Educational attainment.</b>							
	Percent of population not completing high school	25.8%						
Percent of population with bachelor's degree	17.3%							
Housing Data		<b>2000</b>						
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	59.8%						
	Percent of housing units renter-occupied	23.2%						
	<b>Homeownership rate.</b>	72.0%						
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.0%						
	Renter-occupied units	13.5%						
	<b>Housing condition.</b>							
	Percent of units built before 1940	7.4%						
	Percent lacking complete plumbing facilities	5.8%						
	Percent lacking complete kitchen facilities	5.6%						
	Percent using non-traditional heating sources (includes solar energy)	10.1%						
	<b>Overcrowded.</b>							
	Percent overcrowded	8.6%						
<b>Cost burden.</b>								
Percent of owners cost-burdened	18.9%							
Percent of renters cost-burdened	38.5%							

All Other Municipal Entities

		1980	1990	2000	2005	2010	Percent Change 1990-2000	Percent Change 2000-2005
Demographic Data	<b>Population growth trends.</b>	81,599	84,947	101,662	109,317	116,005	19.7%	7.5%
		<b>2000</b>						
	<b>Average poverty rate.</b>	21.3%						
	<b>Educational attainment.</b>							
	Percent of population not completing high school	23.3%						
Percent of population with bachelor's degree	17.0%							
Housing Data		<b>2000</b>						
	<b>Tenure.</b>							
	Percent of housing units owner-occupied	50.3%						
	Percent of housing units renter-occupied	17.6%						
	<b>Homeownership rate.</b>	74.1%						
	<b>Vacancy rates.</b>							
	Owner-occupied units	3.9%						
	Renter-occupied units	14.0%						
	<b>Housing condition.</b>							
	Percent of units built before 1940	13.0%						
	Percent lacking complete plumbing facilities	3.4%						
	Percent lacking complete kitchen facilities	3.4%						
	Percent using non-traditional heating sources (includes solar energy)	12.6%						
	<b>Overcrowded.</b>							
	Percent overcrowded	4.8%						
<b>Cost burden.</b>								
Percent of owners cost-burdened	20.1%							
Percent of renters cost-burdened	40.0%							

APPENDIX C.  
Public Comments

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## APPENDIX C. Public Comments

The 30-day public comment period for the FY2006-2010 State of New Mexico Consolidated Plan was held between August 15 and September 15, 2005. Summaries of the public comments received will be included below in the Final Consolidated Plan.

### Comments at Public Hearings

To be included after public hearings, currently scheduled to occur in mid- to late August 2005.

### Written Comments

To be included after the 30-day public comment period.

## **MFA PUBLIC MEETING – Input from Sierra County**

### ***Maintain and rehabilitate what people already have – allow them to keep, and pass on their family homes.***

- New Mexico homes need to be brought up to code to make them safe and sanitary for lower income New Mexican residents.
- Much of our housing stock is aging and needs major rehab work to make it habitable.
- Community infrastructure such as roads, sidewalks, water and sewer systems, street lighting and parking facilities need to be rehabilitated along with existing housing stock in communities

### ***Every home using public dollars in New Mexico needs to be energy efficient.***

- Limited natural resources require that we consider energy efficient options; "green" rehab to protect our natural resources and to increase the affordability of existing housing stock.
- Home maintenance affordability, as well as the affordability of ongoing utility payments needs to be a priority consideration in new construction as well as rehabilitation.

### ***Address the specific construction and mortgage issues of New Mexicans with disabilities.***

- Barriers to affordable housing must be removed – including mortgage structures for those with fixed monthly incomes.
- Rehab funding needs to accommodate ADA needs.

### ***Invest in active community-based-agency work.***

- Current private and public investments need to be leveraged with MFA dollars by matching existing Individual Development Accounts that will be used for homeownership.
- Support home ownership and homeowner rehab opportunities that allow low-income households to financially contribute through Individual Development Accounts.

### ***Prevent foreclosures through the power of knowledge.***

- Financial Literacy education must be financially supported by MFA in order to educate homebuyers, to prevent foreclosure, and to protect against future predatory lending.

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