



NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Housing and Supports Overview

RubyAnn Esquibel, Principal Analyst, LFC

Emily Hilla, Fiscal Analyst, LFC

July 21, 2025

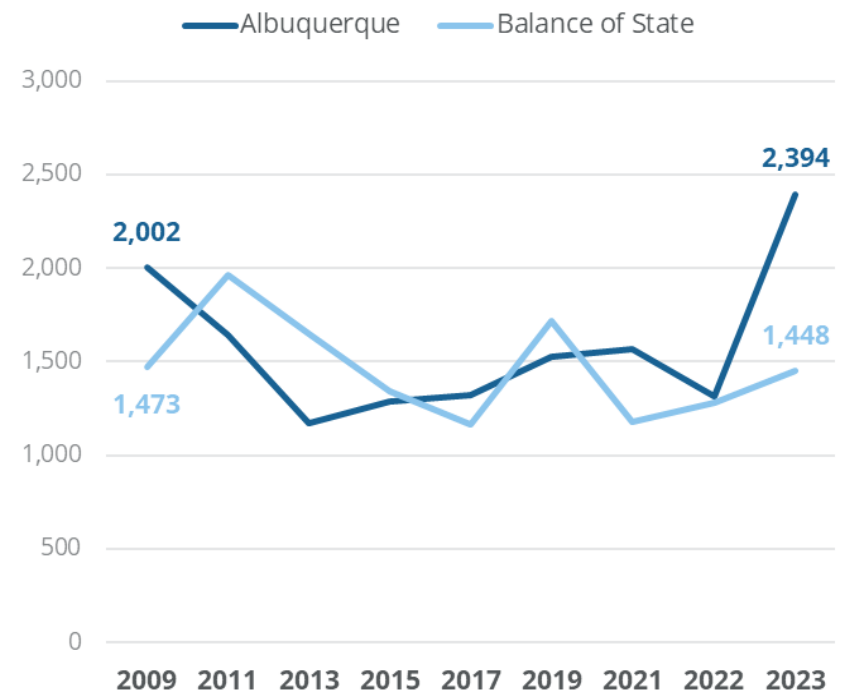
Overview

- Housing Landscape
- Workforce Solutions Department's Housing Office Strategic Plan
- Status of Nonrecurring Housing/Unhoused Persons Appropriations
- Overview of Housing and Support Service Initiatives
 - City of Albuquerque
 - Bernalillo County
 - Statewide



U.S. Department of Housing and Urban Development Point in Time NM Unhoused Count

- Unhoused people in NM increased by 11% from 2009-2023, and by 48% from 2022-2023, according to HUD PIT data, totaling 3,842.
- Unhoused people increased by 83% between 2022-2023 in Albuquerque
- However, DOH used hospital records and determined in 2022, 10,500 people were unhoused, primarily in Bernalillo, Santa Fe, Dona Ana, and Santa Fe counties.
- Housing challenges are factors of
 - generational poverty
 - geographic isolation
 - social determinants of health
 - limited affordable housing
- HUD reports up to 40,000 rental units needed for very low-income renters statewide.



How Does NM Compare Regionally

- University of Nevada Las Vegas examined housing cost burdens for lowest income residents in NM, AZ, CO, NV, UT.
- Study defined extreme low-income as at or below FPL or 30% of area's median income and severe cost burden as when people spend more than 50% of income on housing. NM had 65,113 extreme low-income households.
- Over 68% of extreme low-income New Mexicans reported severe housing burdens, but that was lower than the other four states.
- NV had highest housing burden with 86% of extremely low-income reporting severe housing burdens.
- NM is slightly better than national average for available, affordable housing with 41 houses available for every 100 extremely low-income household.



Comparative Regional Housing Factors

- Factors influencing severe cost burdens for extremely low-income New Mexicans include rental rates, wages, availability of affordable housing, zoning, household composition including number of children and whether family is taking care of elderly or disabled relatives.
- According to Housing New Mexico, a difference between NM and other states is the high percentage of mobile and manufactured houses. Owners and renters of such units tend to spend a smaller percentage of their income on housing costs.
- New Mexico also benefits from a higher percentage of home ownership and people with mortgages tend to spend less on housing than those who rent.
- Rents may also be lower in NM than neighboring states.



National Housing Initiatives

- State legislatures are increasingly taking up housing policy as affordability becomes a more urgent issue.
- This year, states are advancing bills aimed at promoting more housing construction.
- Many of the proposals focus on reducing regulations imposed by local governments.
- Building Resilient and Affordable New Developments West initiative with federal help to streamline and reduce the cost of housing developments, improving rental assistance, and expanding paths toward home ownership including manufactured and modular housing.



New Mexico Office of Housing

- In 2024, the governor created the Office of Housing, which resided at the Governor's Office. After legislation failed this last session to place the Office administratively under the Department of Finance and Administration (DFA), the governor announced that the Office of Housing would move under the Workforce Solutions Department (WSD).
- The 2025 General Appropriation Act supports \$119 million for housing efforts: \$110 million to support affordable housing, with an emphasis on transitional housing and facilities that support behavioral health services; \$5 million for local governments to close and clean encampments; \$2 million for strategic models to end homelessness; and \$2 million for housing assistance and personnel programs. However, the governor vetoed language specifying \$80 million for housing services in Albuquerque and \$10 million for Las Cruces and Doña Ana County for the \$110 million appropriation, as well as vetoing provisions for streamlined housing placements and housing navigators. (**See attached appropriation list.**)

New Mexico Affordable Housing Act

- The Affordable Housing Act (AHA) was passed and ratified by New Mexico voters in 2004 as an exception to the anti-donation clause in the New Mexico Constitution to allow local governments and other political subdivisions to put resources toward affordable housing acquisition, development, financing, maintenance, and operation. In the Act, the New Mexico Mortgage Finance Authority (MFA or Housing NM) is charged as the entity responsible for implementation and oversight. Following the Act, the Legislature has funded housing efforts through MFA. While the Office of Housing does not intend to duplicate MFA's efforts, the Legislature should be alert to appropriating future funds to the Office of Housing without conflicting with already existing processes for addressing housing and homelessness, like fund transfers into MFA's housing trust fund, or other services provided by state agencies like the Health Care Authority.

City of Albuquerque

- Based on San Antonio, Miami, San Diego, and Denver, created Health, Housing and Homelessness Department to build a coordinated system with medical respite, detox, housing services, and partnerships with treatment providers.
- Albuquerque Community Safety (ACS) Department is a 24/7 full-time emergency alternative to 911.
 - Civilian team responds to behavioral health, substance use, and unhoused-related calls.
 - ACS has taken 100,000 calls diverting APD to focus directly on public safety.
 - Better Way Forward Program pays clients to clean downtown and water plants while living in Gateway housing.



Albuquerque Gateway Center

- Contractors operate multiple modalities including medical respite with 50 beds that served 48 people in FY25.
- First responder area to drop off people overnight and connect them to services.
- 50-bed medical sobering for individuals to get sober and receive treatment.
- Family location to serve 64 families with 827 people served in FY25.
- 46 recovery pallet homes for 24 months of substance use disorder services.
- Housing for young adults 18-25 with wrap-around services opening in 2025.
- Gateway West is state's largest shelter serving up to 660 people per night, with 3,354 admissions in FY25.



Housing Forward ABQ

- Added 5,000 housing units with City and partners.
- Housing Forward ABQ initiative indicates 13,000 to 28,000 units needed, including low income.
- YES Housing Inc working on two projects.
 - Calle Cuarta in North Valley, 60 living units, four live-work units, four retail units, and 21 townhomes. Available for renters making below 80% of area median income.
 - West Mesa Ridge's \$43 million partially funded with \$8 million from Housing Forward ABQ fund. Adding 128 one to three bedroom units available for people making 60% or less below area median income.



Sol Housing/Greater Albuquerque Housing Partnership

- \$6.1 million HUD and ARPA funds for 70-unit Somos mixed use housing and commercial space, with 59 units of affordable housing.
- \$3 million ARPA funds for Farolito Senior Community with 82 units for all income levels.



Bernalillo County

- Bernalillo County experienced a 100% increase in unhoused people from 2022-2024.
- Bernalillo County and City of Albuquerque working to move 1,000 people off the streets and into housing.
- BernCo Builds Communities initiative targeting affordable housing, affordable housing expansion/renovation, and transitional housing.
- County requested \$150 million in funding for affordable housing for 2,138 residents and transitional housing for 1,050 residents.
- Wells Fargo Tower approved for \$35 million project revenue bond allowing receipt of federal/state tax credits to develop 60 1-bedroom and 40 2-bedroom units.



Statewide Housing Supports

- Federal government offers low-income housing vouchers and housing tax credits as does Housing NM/Mortgage Finance Authority.
- In past 50 years, Housing NM preserved/built 61,730 homes, provided 122,425 people rental assistance, and 238,546 with homelessness prevention and support services.
- Housing NM launched the Statewide Landlord Incentive Program partnering with HCA to increase rental units by offering \$12,500 per unit/occupancy to offset costs for landlords participating in voucher-based rental programs.
- Landlords are eligible who accept Housing Choice Vouchers, Emergency Solutions Grant Rapid Rehousing and Homelessness Prevention, Linkages, or other state, local or federal programs.
- Latest initiative is Zero Interest Homebuilder Program.



Health Care Authority and Opioid Funds

- Opioid funds directed \$2 million to new program, Fresh Start Rental Assistance.
- Providers: Serenity Mesa, NM Re-Entry Center, YDI; Mental Health Resources, Calrsbad Lifehouse, Mesilla Valley Community of Hope, Espanola Pathways Shelter, Dreamtree, SPIN.
- Provides up to \$10,000 for move-in or rental assistance, eviction prevention due to homelessness for persons with opiate use disorder who are at or below 60 percent of area median income.
- In FY25, 113 clients served.



Health Care Authority and Justice-Involved Population

- 2023 Legislature special appropriation of \$2.5 million to establish a reentry support pilot program for incarcerated individuals who are Medicaid eligible.
- Collaborated with Corrections Department and focused on housing services for individuals with serious mental illness, history of sexual offense, or geriatric parole concentrated in Bernalillo, Dona Ana and Sierra counties.
- In FY25, approximately 200 clients served.



Housing NM/MFA Programs

Program	Emergency Homeless Assistance Program	Rapid Rehousing/ Homelessness Prevention	HOME American Rescue Plan Supportive Services (One-time funds)	Linkages	Youth Homelessness Demonstration	Continuum of Care
Program Description	shelter operations, essential services & data HMIS data collection	rental & utility assistance, housing search & placement, housing stability case management for homeless or at-risk of homelessness, data collection	rental & utility assistance, housing search & placement, housing stability case management for homeless or at-risk of homelessness	rental & utility assistance for homeless & at-risk of homelessness who have a qualifying serious mental illness	Match funding to assist homeless or at-risk youth under the age of 24 with transitional housing, permanent supportive housing case management and transportation in the northern part of the state	Match funds to rehouse those experiencing homelessness, permanent supportive housing, transitional housing
Funder	HUD/State Homeless	HUD/State Homeless	HUD	Human Services Department/Behavioral Health Services	Human Services Department/Behavioral Health Services	State Homeless
2019-2020	\$1,114,845.00 4397	\$769,042.00 680	\$0.00 0	\$1,189,275.00 208	\$279,616.40	\$469,277.00 1429
2020-2021	\$4,141,816.00 2817	\$1,565,835.00 592	\$0.00 0	\$2,260,381.00 402	\$549,511.00 178	\$464,542.00 1703
2021-2022	\$4,481,536.00 3102	\$2,623,821.00 264	\$0.00 0	\$2,803,265.00 405	\$201,716.00 7	\$468,470.00 2027
2022-2023	\$4,147,619.00 3380	\$855,284.00 531	\$1,091,597.00 711	\$2,967,631.00 509	\$299,358.00 68	\$432,730.00 1695
2023-2024	\$1,006,247.00 3672	\$960,522.00 333	\$2,300,941.00 872	\$3,914,406.65 485	\$394,312.21 72	\$451,047.55 1642
Total Expended	\$14,892,063.00	\$6,774,504.00	\$3,392,538.00	\$13,134,958.65	\$1,724,513.61	\$2,286,066.55
Total Persons Assisted	17,368	2,400	1,583	2,009	325	8,496



Housing New Mexico Permanent Supportive Housing

Project	County	Units	Total Development Cost	NMHTF Contribution
Amador Crossing	Dona Ana	50	\$13,040,873	\$1,500,000
HopeWorks Village	Bernalillo	42	\$7,800,260	\$1,300,000
Route 66	Bernalillo	47	\$15,753,687	
Cornerstone	Grant	30	\$12,351,636	\$2,782,087
Desert Hope	Dona Ana	40	\$6,993,462	
Vista de Socorro	Socorro	32	\$6,661,164	\$2,000,000
Bella Luz	Santa Fe	58	In progress	
Total		299	\$62,601,082	\$7,582,087



Housing New Mexico Transitional Housing and Housing Innovation Program

Project	Description	Units/Occupancy	Award
DreamTree	Overnight shelter expansion in Taos.	50	\$200,000
Workforce Integration Network (WIN)	Acquisition and rehabilitation funding for transitional housing in Northern New Mexico.	30	\$2,200,000
Saranam	Acquisition and rehabilitation funding for transitional housing for women and children in Albuquerque.	23	\$732,939
Forget Me Not Veteran's Park	Unit acquisition and infrastructure improvements for homeless veterans in Socorro.	5	\$375,000
Total		108	\$3,507,939



New Mexico Finance Authority

- 2024 Legislature's HB195 authorized the Opportunity Enterprise and Housing Development program and funded \$125 million administered through NMFA to help families that do not ordinarily qualify for traditional affordable housing.
- The Housing Development Revolving Loan Fund will build on the Opportunity Enterprise program to address the state's housing shortage for workers prioritizing communities where local governments are seeking to reduce housing barriers.
- The NMFA board approved loans for four housing developments and one commercial project through the Opportunity Enterprise and Housing Development program. The loans carry a 4.5 percent interest rate.



NMFA Opportunity Enterprise Program

- The \$125 million Housing Development Revolving Loan Fund projects include:
 - \$6.3 million 80-unit workforce housing project in Taos estimated to cost \$26 million.
 - \$4 million for a 40-unit workforce housing rental complex in Albuquerque. The rentals will be restricted to New Mexico residents making between 61 percent and 120 percent of area median income.
 - \$15 million for an 80-unit workforce housing development in Alamogordo near Holloman Air Force Base.
 - \$3.6 million for 11-unit multifamily infill development in Santa Fe with rents below market rates.
 - \$4.6 million for a 15-unit office and warehouse development in Albuquerque.
 - Approximately \$90 million is available for additional loans.





QUESTIONS?

THANK YOU!

325 Don Gaspar – Suite 101
Santa Fe, NM 87501
505-986-4550

Housing and Homelessness Special Appropriation Balances as of July 14th, 2025
(in thousands)

Purpose	Fiscal Year Appropriated	Agency	Initial Appropriation	Expenditures	Encumbrances	Balance
For rental assistance and other housing initiatives	FY23	Department of Finance and Administration	\$ 20,000	\$ 18,671	\$ -	\$ 1,330
To the local government division to provide grants to local governments to support housing infrastructure. The general fund appropriation is from amounts transferred to the appropriation contingency fund of the general fund in Section 1 of Chapter 4 of Laws 2021 (2nd S.S.).	FY23	Department of Finance and Administration	\$ 10,000	\$ 1,004	\$ 8,996	\$ -
For housing assistance for people affected by opioid use disorder.	FY24	Health Care Authority	\$ 2,000	\$ 1,455		\$ 545
For mobile homelessness response.	FY23	Department of Health	\$ 4,000	\$ 3,997		\$ 3
Statewide homelessness initiatives	FY24	Department of Finance and Administration	\$ 19,700	\$ 7	\$ 410	\$ 19,283
For the opportunity enterprise revolving fund of the New Mexico finance authority, with fifty million dollars (\$50,000,000) for commercial enterprise development projects and one hundred twenty-five million dollars (\$125,000,000) for housing development projects, contingent on enactment of House Bill 195 or similar legislation of the second session of the fifty-sixth legislature expanding the permissible uses of the opportunity enterprise revolving fund.	FY24	Department of Finance and Administration	\$ 175,000	\$ 175,000		\$ -
For transitional housing and shelter facilities for victims of domestic violence, including up to five million dollars (\$5,000,000) for facilities in northwest New Mexico.	FY24	Department of Finance and Administration	\$ 10,000	\$ 174	\$ 8,554	\$ 1,272
For housing assistance personnel and programs	FY24	Department of Finance and Administration	\$ 2,000	\$ 268	\$ 48	\$ 1,684
For the New Mexico mortgage finance authority to carry out the provisions of the Affordable Housing Act to acquire, build and rehabilitate affordable housing for people statewide, including those with behavioral health needs and victims of domestic violence.	FY24	New Mexico Housing Trust Fund	\$ 50,000	\$ 50,000		\$ -
To the local government division for grants to local governments to support a direct-to-housing encampment response, with streamlined housing placements, on-campsite services from outreach workers, housing navigators and case managers, ongoing closed campsite maintenance and an intensive focus on closure and cleaning of campsites.	FY25	Department of Finance and Administration	\$ 5,000			\$ 5,000

Housing and Homelessness Special Appropriation Balances as of July 14th, 2025

(in thousands)

<p>To support housing, affordable housing, transitional housing and the expansion of housing services providers that facilitate behavioral health services and substance abuse recovery, homelessness assistance and prevention for persons with behavioral health needs, for expenditure in fiscal year 2026, including up to eighty million dollars (\$80,000,000) for programs in the city of Albuquerque and Bernalillo county to be shared equally and ten million dollars (\$10,000,000) for programs in the city of Las Cruces and Dona Ana county.</p>	FY25	Department of Finance and Administration	\$ 110,000			\$ 110,000
<p>For housing assistance personnel and programs</p>	FY25	Department of Finance and Administration	\$ 2,000			\$ 2,000
<p>For consulting and strategic planning to support innovative models to end homelessness.</p>	FY25	Department of Finance and Administration	\$ 2,000			\$ 2,000
			\$ 411,700	\$ 250,575	\$ 18,008	\$ 143,117
			Total Appropriated	Total Spent	Total Encumbered	Balance