



NEW MEXICO  
**FINANCE AUTHORITY**



# **Local Government Planning Fund Amended and Restated Rules**

Marquita D. Russel, CEO  
Michael Vonderheide, Managing Director, Public Programs

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# Senate Bill 216 and Proposed LGPF Rule Changes



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- ◆ Created in 2002, the Local Government Planning Fund provides grants determined on a sliding scale to local governments for critical planning documents, primarily for infrastructure projects
- ◆ Senate Bill 216 passed in the 2024 Regular Legislative Session
  - Expanded the use of the LGPF to include Affordable Housing Plans, Flood Inundation Maps, and Archaeological Clearances
    - Affordable Housing Plans are necessary for entities to implement an Affordable Housing Act ordinance
    - Flood Inundation Maps and Archaeological Clearances are necessary for entities to comply with regulatory requirements
- ◆ Proposed LGPF Rule Changes
  - Add Affordable Housing Plans, Flood Inundation Maps, and Archaeological Clearances as eligible planning documents and explicitly provide that Asset Management Plans are eligible
  - Increase the maximum grant award from \$50,000 to \$100,000
  - Retain a maximum of \$100,000 per entity per 24-month period but allow for an additional \$100,000 per 24-month period for Affordable Housing Plans
  - Provide increased grant funding for entities with local MHI's of less than 100% of the state MHI
  - Expand local match waivers to include planning documents required to address regulatory compliance and affordable housing needs
  - Include new definitions and clarifications to reflect current terminology and practices

- ◆ Provides grants up to \$50,000 for planning-related documents – Proposed amendment changes maximum per document to \$100,000
- ◆ Communities can qualify for two grants per 24-month period, not to exceed \$100,000 - Proposed amendment keeps \$100,000 per 24-month maximum in place
- ◆ Matching funds are determined by a community’s MHI, and local water rates as compared to state averages. Waivers of local match include:
  - ❑ Applicant serves fewer than 250 households and does not have taxing authority
  - ❑ Project cures NMED compliance issues
  - ❑ Public health threats, waterborne disease outbreak & inadequate water supply
  - ❑ Projects that cure conditions brought on by unforeseeable calamity
- ◆ Applications accepted monthly. Access enrollment form at [www.nmfinance.com/local-government-planning-fund/](http://www.nmfinance.com/local-government-planning-fund/)

## Eligible Plans

- ❑ Preliminary Engineering Reports
- ❑ Asset Management Plans
- ❑ Environmental Information Documents
- ❑ Water Conservation Plans
- ❑ Comprehensive Plans
- ❑ Economic Development Plans (LEDA)
- ❑ Metropolitan Redevelopment Act Plans
- ❑ Economic Development Feasibility Studies
- ❑ Affordable Housing Act Plans - New
- ❑ Archeological Clearances - New
- ❑ Flood Inundation Maps - New

## Eligible Entities

- ❑ Municipalities
- ❑ Counties
- ❑ Mutual Domestics
- ❑ Irrigation Districts
- ❑ Indian nations, tribes or Pueblos

# LGPF Sliding Scale

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## 0% - 100% grant funds (the remainder is local match)

Test 1: Median Household Income Entity MHI / State MHI	
State Average = \$53,992	
Applicant MHI %	Grant %
100%	0%
76% - 99.99%	25%
50% - 75.99%	50%
0% - 49.99%	75%

Test 2: Local Burden Ratio Test Local Rate / State Average Rate	
Average Water Rate (6,000 gal): \$41.64	
Average Wastewater Rate: \$27.76	
Burden Ratio	Grant %
1.0 - 1.49	25%
1.5 - 2.49	50%
2.5 and greater	75%

## Local Match Waivers

- ❑ Planning documents that enact or update LEDA ordinances
- ❑ Planning documents that enact or update Metropolitan Redevelopment plans
- ❑ Qualified entities that qualify for Small Cities Assistance Fund or Small Counties Assistance Fund and experience decline of GRT over past 24 months
- ❑ Qualified entities that don't qualify for Small Cities Assistance Fund or Small Counties Assistance Fund and experience decline of GRT over past 36 months
- ❑ Qualified entities that experience loss of major employer in past 12 months
- ❑ Qualified entities without GRT authority that serve fewer than 250 connections

- ❑ Applicants apply monthly
- ❑ NMFA Rules provide planning document standards
- ❑ Applicants are provided between 12 – 18 months to complete the planning document
- ❑ Documents must be completed and approved before the grant agreement is executed (“closing”)
- ❑ After the grant is closed, the document preparer may be paid or the grantee reimbursed

### LGPF Closings

Fiscal Year	Number of Grants	Dollar Amounts
2018	50	\$ 2,033,155
2019	39	\$ 1,787,967
2020	18	\$ 779,483
2021	21	\$ 868,374
2022	30	\$ 1,423,240
2023	18	\$ 865,638
2024	17	\$ 812,203
<b>7 Year Total</b>	<b>193</b>	<b>\$ 8,570,060</b>

- ◆ 40 Active Grant Approvals totaling \$1,888,861
  - ❑ Preliminary Engineering Reports (17)
  - ❑ Asset Management Plans (9)
  - ❑ Water or Wastewater Master Plans (3)
  - ❑ Water Conservation Plan (1)
  - ❑ Comprehensive Plans with a LEDA Component (8)
  - ❑ Metropolitan Redevelopment Act Plans (2)

# Local Government Planning Grant Approval and Closing Process

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Entity	Type	Board Approval	Amount
Town of Springer	Comprehensive Plan with LEDA	1/27/2022	\$ 50,000
Canon Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	10/27/2022	\$ 50,000
Penasco MDWCMSWA	Asset Management Plan	12/15/2022	\$ 46,161
San Luis Cabezon Mutual Domestic Water Assn	Preliminary Engineering Report	12/15/2022	\$ 50,000
Curry County	Comprehensive Plan with LEDA	1/26/2023	\$ 50,000
Lower Rio Grande Public Water Works Authority	Wastewater Asset Management Plan	1/26/2023	\$ 50,000
Lower Rio Grande Public Water Works Authority	Asset Management Plan	1/26/2023	\$ 50,000
Alto de las Flores	Asset Management Plan	2/23/2023	\$ 50,000
Paakweree Village Mutual Domestic	Preliminary Engineering Report	2/23/2023	\$ 50,000
Town of Taos	Metropolitan Redevelopment District Plan	2/23/2023	\$ 50,000
City of Roswell	Asset Management Plan	4/27/2023	\$ 30,200
Village of Cloudcroft	Water Master Plan	4/27/2023	\$ 50,000
Village of Des Moines	Preliminary Engineering Report	4/27/2023	\$ 12,500
Pendaries Village	Asset Management Plan	5/25/2023	\$ 50,000
Village of Capitan	Asset Management Plan	5/25/2023	\$ 37,500
El Prado Water & Sanitation District	Water Conservation Plan	6/22/2023	\$ 37,500
Quay County	Comprehensive Plan with LEDA	6/22/2023	\$ 50,000
Rio Arriba County	Comprehensive Plan with LEDA	6/22/2023	\$ 50,000
Sile MDWC & SWA	Preliminary Engineering Report	6/22/2023	\$ 50,000
Taos County	Comprehensive Plan with LEDA	6/22/2023	\$ 50,000

# Local Government Planning Grant Current Pending Projects

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Entity	Type	BoardApproval	Amount
Town of Clayton	Metropolitan Redevelopment District Plan	6/22/2023	\$ 50,000
Lower Arroyo Hondo Mutual Domestic Water Consumers Assn	Water Preliminary Engineering Report	7/27/2023	\$ 50,000
Lower Arroyo Hondo Mutual Domestic Water Consumers Assn	Wastewater Preliminary Engineering Report	7/27/2023	\$ 50,000
Costila Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	8/24/2023	\$ 50,000
Dona Ana Mutual Domestic Water Consumers Assn	Water Master Plan	8/24/2023	\$ 50,000
Dona Ana Mutual Domestic Water Consumers Assn	Wastewater Master Plan	8/24/2023	\$ 50,000
Llana Quemado Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	8/24/2023	\$ 50,000
Rio Embudo Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	8/24/2023	\$ 50,000
City of Grants	Comprehensive Plan with LEDA	9/28/2023	\$ 50,000
Village of Questa	Comprehensive Plan with LEDA	9/28/2023	\$ 50,000
Mora County Water Alliance	Preliminary Engineering Report	10/27/2023	\$ 50,000
Cider Mill Farms	Asset Management Plan	2/24/2024	\$ 50,000
Duranes y Gavilan Mutual Domestic	Preliminary Engineering Report	3/28/2024	\$ 50,000
Green Ridge Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	4/25/2024	\$ 50,000
La Joya Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	4/25/2024	\$ 50,000
Town of Springer	Preliminary Engineering Report	4/25/2024	\$ 25,000
Town of Mesilla	Comprehensive Plan with LEDA	5/30/2024	\$ 50,000
Canada de Los Alamos Mutual Domestic Water Consumers Assn	Asset Management Plan	6/27/2024	\$ 50,000
Mesa Vista School District	Preliminary Engineering Report	6/27/2024	\$ 50,000
Nogal Mutual Domestic Water Consumers Assn	Preliminary Engineering Report	6/27/2024	\$ 50,000
		<b>40</b>	<b>\$ 1,888,861</b>