

Evolution of Funding Teacher Housing

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Evolution of Funding Teacher Housing

I. Overview

Since 2019 the PSFA has been investigating teacher housing in an effort to develop a systematic approach to funding teacher housing for rural New Mexico school districts.

Teacher housing in New Mexico is a significant concern, particularly in areas where housing is limited and expensive. The state recognizes that providing adequate housing for teachers is essential for improving educational outcomes and ensuring stability in schools. When schools can offer housing, it helps teachers accept positions and remain in their roles longer, which benefits students by providing continuity in education.

II. Teacher Housing Needs in NM

The housing needs assessment for New Mexico highlights the state's commitment to addressing teacher housing needs. The assessment reveals that the state's housing stock is limited, and many households are cost-burdened. The median monthly gross rent in 2023 was \$1,021, which increased 5.7% from the previous year and 23.3% from 2018. The assessment also points out the need for affordable housing and the importance of maintaining housing units to support the education sector.

Teacher Housing Defined: Teacher housing is defined as housing adjacent to or near a school to accommodate teachers and principals. It is often provided to attract teachers to rural areas where suitable housing is not available for rent.

III. Housing Support Infrastructure in NM

Organization or Agency	Support Infrastructure
Public School Facilities Authority	Funding for teacher housing through a Pilot Program (NM Adequacy Standards).
New Mexico Regulation and Licensing Division - Manufactured Housing Division	The inspection authority for manufactured housing in New Mexico, provides consumer protection for manufacture housing owners in NM providing thorough inspections of manufactured housing installations and alterations <ul style="list-style-type: none">• Working with industry contractors through outreach and news publications• Working with manufacturers through construction process monitoring• Working with dealers through auditing and inspections of homes• Working with the Manufactured Housing Committee on rules and regulations New Mexico RLD Manufactured Housing Division
New Mexico Housing Authority	A self-supporting quasi-governmental group providing financial to make quality affordable housing and other related services available to low and moderate income Nex Mexicans.
US. Department of Housing and Urban Development (HUD)	See information below in section VI.c

IV. Current Initiatives and Programs

- a. **State Support for Teacher Housing:** The New Mexico Public Schools Facilities Authority (PSFA) supports funding for teacher housing projects. This funding is aimed at creating new or replacing existing housing units to help schools attract and retain educators in communities where housing is scarce.
- b. **2025 Housing Needs Assessment:** The 2025 Housing Needs Assessment provides insights into the broader housing issues in New Mexico, highlighting the challenges faced by teachers and other residents. The report indicates that as home prices rise, the ability for teachers to afford housing diminishes, with only 12% of the population able to afford the median-priced home.
- c. **Specific Housing Projects:** For example, the Central Consolidated School District has initiated a housing project that aims to set a standard for teacher housing in the state. This project includes ten homes at Mesa Heights and five at the Central Office, designed to improve the living conditions for teachers in the area.

- d. **Financial Assistance Programs:** Programs like the Teacher Next Door initiative offer grants of up to \$8,000 for teachers and school staff to assist with home purchases. This program aims to alleviate some of the financial burdens associated with buying a home, making it easier for educators to settle in their communities.

V. **Teacher Housing Program History**

The 2019 Legislature made 2 appropriations for districts receiving federal impact aid for tribal lands, which the PSFA managed the distribution of. \$10M was appropriated and awarded to Central consolidated, Gallup McKinley and Zuni to pay off existing debt for teacher housing. \$24M was appropriated for districts that receive federal impact aid for tribal lands to fund projects that fall outside of adequacy, which could include teacher housing projects: of the 17 eligible districts, 11 opted to fund teacher housing projects.

Beginning in the 2020/2021 PSCOC application cycle, the Standards-based capital funding program allowed the inclusion of teacher housing units on the approved awards where a school district demonstrated the need for housing to recruit and retain teachers. This program limited the funding of potential teacher housing projects to school facilities that were eligible for Standards-based applications (top 100 of the wNMCI ranking), and district that applied for the program's funding to replace the eligible school. A total of ten Standards-based projects have included teacher housing units in the following districts 6 districts:

- **Gallup-McKinley (4):**
 - Thoreau Elementary School,
 - Tohatchi High School,
 - Crownpoint High School, and
 - David Skeet Elementary School
- **Mosquero SD:** Combined
- **Des Moines SD:** Combined
- **Central Consolidated SD:**
 - Newcomb Elementary School, and
 - Tse Bit Ai Middle School
- **Maxwell Combined**
- **Springer Combined**
- **Zuni Public Schools:**
 - Twin Buttes & Zuni High School

- a. PSFA Teacher Housing Statewide Survey History: [PSCO 082019 Item 4 PSFA Teacher Housing Needs.pdf](#)

2019 – February/March: PSFA conducted a statewide teacher housing survey inquiring:

- Does your district have teacher housing? If yes, staff progressed with the following additional questions:
- School site or physical address of the housing
- Number of buildings and Year constructed
- Building Type (permanent, portable classroom, trailer)
- Current use (vacant, teacher or staff occupied)
- Current condition (good, marginal, poor)
- GSF per building & total GSF
- Number of units.

Survey Results: (top 10 districts)

Gallup: 245 units

Central Consolidated: 110 units

Zuni: 125 units

Dulce: 58 units

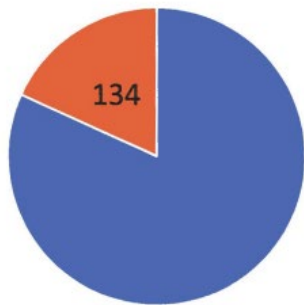
Moriarty: 39 units
Animas: 16 units
Cuba: 11 units
Corona: 10 units

Artesia: 19 units
Jemez Mountain: 13 units
Lovington: 10 units
Reserve: 10 units

Teacher Housing Survey Statewide 2019. Updated 2021

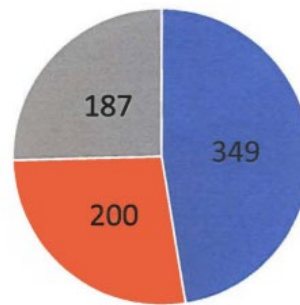
Estimated number of buildings	Estimated Gross Square Feet	Estimated number of units	Estimated Total Replacement Value (\$250/SF MACC)	Estimated Total Repair cost poor condition
460	651,602	736	\$211M	\$105M

of Units by Construction Type



■ Permanent ■ Modular

of Units by Condition



■ Good ■ Marginal ■ Poor

Teacher Housing Survey Trends

Age	Pre 1950	1950's	1960's	1970's	1980's	1990's	2000's
Buildings	64	60	82	35	52	48	119
Units	103	97	143	46	65	62	220
GSF	67,283	59,678	116,400	61,139	71,290	86,358	189,454

Statewide Existing Housing Age and Condition

- 206 buildings with 342 units older than 50 years (pre-1970).
 - 51 of these buildings, 100 units, reported to be in poor condition.
 - Approximately \$20M to replace pre-1970 units deemed poor condition.

Throughout NM, new teacher housing is needed to:

- Replace existing teacher housing that is in poor condition.
- Increase the number of available units, with more teachers housed.
- Provide affordable housing for teachers if market housing is not available.
- Provide housing that is closer to school sites.

b. Teacher Housing Pilot Program: **July of 2022**, the PSCOC approved the release of the Teacher Housing Pilot Program to include rural-tribal areas only where there is no available housing for teachers to rent or purchase housing. The council developed and modified the funding program's guidelines over the course of the past two years to address program rules, minimum and maximum housing size requirements, and the funding

distribution methodology. The PSCOC opted to allow school districts to opt for manufactured housing, rather than site-built housing, due to increased construction costs, affordability, efficiency and speed of installation.

In FY24 the PSCOC awarded three teacher housing pilot awards to three districts: Central, Cuba, and House, totaling \$2,318,197 in state funding.

The FY24 award cycle was announced with opportunities for funding under the Teacher Housing Pilot Program and included 2 additional awards to Corona and Hatch-Valley School Districts for a total of 5 Pilot Teacher Housing Projects.

VI. [Teacher Housing Criteria and Building Standards in NM](#)

- a. Teacherages are included in the NM Statewide Adequacy Standards (NMAC 6.29.30.21)The **NM statewide Adequacy Standards** (NMAC 6.29.30.21) indicates Teacherages shall met standards required by the United States Department of Housing and Urban Development (HUD) for minimum standards for Teacherages. The HUD standards defer to the locally adopted codes with inclusion of minimum requirements for durability of doors, windows, gutters and downspouts, painting and wall coverings, kitchen cabinets and carpets.
- b. **Building Codes:** The adopted building codes that are applicable to Teacherages in New Mexico are the International Building Code and the International Residential Building Code.
- c. **U.S Department of Housing and Urban Development:** HUD Minimum Property Standards and How They Supplement the Model Building Code. The Minimum Property Standards (MPS) establish certain minimum standards for buildings constructed under HUD housing programs. This includes new single-family homes, multi-family housing and health care type facilities. Until the mid-1980's, HUD maintained separate Minimum Property Standards for different types of structures. Since that time, HUD has accepted the model building codes, including over 250 referenced standards, and local building codes, in lieu of separate and prescriptive HUD standards.
- d. **New Mexico Regulation and Licensing Division - Manufactured Housing Division:** The inspection authority for manufactured housing in New Mexico, provides consumer protection for manufacture housing owners in NM providing thorough inspections of manufactured housing installations and alterations.

VII. [Design Considerations/Recommendations for New Housing in NM](#)

Site:

- Development plans for cluster housing for storm water control, wastewater systems, extension of utilities and roadway access.
- Fencing, sidewalks and other landscape features.

Building Exterior:

- Durable, easy to maintain finishes and systems that can be maintained by district staff without frequent call backs.

Building Interior:

- Simple, durable, easily replaceable finishes to facilitate efficient cycling of units to new tenants.
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VIII. Teacher Housing Pilot Program Impact to NM Public schools

PSCOC Teacher Pilot Program. In FY24 the PSCOC awarded three teacher housing pilot awards to three districts, with 2 additional added in the FY25 Cycle of applications:

- Central Consolidated Schools,
- Cuba Independent Schools, and
- House Municipal Schools, totaling \$2,318,197 in state funding.
- Corona School District (FY25 Cycle)
- Hatch-Valley School District (FY25 Cycle)

District	Pilot Project Description	Housing Type	Total Estimated Project Cost	Local Match \$	State Match \$
H24-001 - Central Consolidated School District Date awarded: 8.21.23 (23/24)	4 Teacher Housing Units Status: Closeout	Site Build	\$2,200,000	\$814,000	\$1,386,000
H24-002 - Cuba Independent School District Date Awarded: 10.10.23 (23/24)	2 Teacher Housing Units Status: Closeout	Site Build	\$928,350	\$427,041	\$501,309
H24-003 - House Municipal Schools Date Awarded: 6.12.24 (23/24)	3 Teacher Housing Units Status: Closeout	Manufactured	\$531,960	\$101,072	\$430,888
H25-001 - Corona Public Schools Date Awarded: 12/16.24 (24/25)	2 Teacher Housing Units Status: Planning	Manufactured	\$744,000	\$349,680	\$394,320
H25-002 - Hatch Valley Public Schools Date Awarded: 12/16/24 (24/25)	5 Teacher Housing Units Status: Planning	Manufactured	\$715,000	\$85,800	\$629,200
Total Pilot Teacher Housing Investment	16 Teacher Housing Units	6 Site Built 10 manufactured	\$5,119,310	\$1,777,593	\$3,341,717

Teacher Housing Pilot Program Impact to NM Public Schools:

Since July of 2022, through the Teacher Housing Pilot Program, 5 New Mexico School Districts benefited increasing the capacity of teacher housing units by 16 units.

- Central Consolidated, Cuba Independent SD, House Municipal Schools, Corona School District, Hatch Valley School Districts
- 6 Site Built Teacher Housing units
- 10 Manufactured Housing units

Total Investment: \$5,119,310

- State Match: **\$3,341,717**
- District: **\$1,777,593**
- **Average cost per unit: \$319,956.87**

Should the PSCOC Teacher Housing Pilot Program continue?

A Path Moving Forward (considerations).

1. Develop a detailed policy and reinforce developed guidelines equitably.
Considerations: Attached Policy and criteria.
2. Define a funding cap to limit exorbitant costs and state funding.
Considerations: based on current market conditions and home costs. Recommend \$500,500 per unit maximum.
3. Should the Teacher Housing Pilot Program allow for the renovation of existing district owned housing units?
Considerations: This is not recommended as pre-determined conditions are not a part of the assessment process currently and additional staff resources are necessary. Renovations could be considered if a conditional assessment is done (much like the public-school FAD assessments).
4. Program sustainability. Building and improving infrastructure for teacher housing is needed to support influx of teachers supporting the States educational need.
Considerations: include teacher housing in districts preventive maintenance plan, maintenance funding and staffing resources supporting care of the States investments. Consider 1 additional SME on PSFA staff for this unique program.

Teacher Housing Pilot Program – Policy (DRAFT)

Teacher Housing Defined: Teacher housing is defined as housing adjacent to or near a school to accommodate teachers and principals. It is often provided to attract teachers to rural areas where suitable housing is not available for rent.

Overview: Zuni Lawsuit – as part of their constitutional challenge to the State’s capital funding, the Plaintiffs assert that the system fails to provide financial support for teacher housing.

Teacher Housing Pilot Program applies to rural/tribal areas only, where there is insufficient reasonable housing available within ten miles. District must demonstrate the need for teacher housing and intent to recruit/retain teachers with housing.

Goals: Need to be developed.

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Teacher Housing Guidelines

- Award distribution criteria:
 - One phase award issued directly to the district for use on teacher housing design and construction.
 - Districts will be required to submit bid documents during design to PSFA for review to confirm minimum gross square footage (GSF) and code compliance, prior to bidding.
 - Districts should notify PSFA when the construction reaches substantial completion; at which time PSFA staff will review the completed work for verification.
- Additional funding needed above the original awarded amount will be district responsibility.
- Potential PSCOC awards will fund up to the maximum allowable GSF for each unit (listed below); district must fund overage if units are larger.
 - This cost includes on-site utilities, site work, and soft costs.
- The state/local match applies to the funding for this program.
- Local Match Reduction may be considered
- Teacher housing units must be built on district owned property.
- Funds for teacher housing must be spent within three years of award date.
- Individual Teacher Housing Units must meet maximum size requirements:
 - All units: 500 GSF minimum
 - Studio - Two Bedroom Units: 1,100 GSF maximum
 - Three Bedroom Unit (Maximum): 1,400 GSF maximum
- Must meet standards required by the United States department of Housing and Urban Development (HUD) and must meet all adopted state codes.
- **Must complete a housing closeout process**

Definitions:

- **Insufficient Reasonable Housing:** the quantity of housing stock available for sale or rent does not support the quantity of staff needing housing, or the quality of available housing stock is not acceptable.
 - **Affordable Housing:** housing is affordable if less than 30% of a household income is consumed by the housing payment.
 - **Rural:** a community with a population of less than 5,000
 - **Tribal:** a community in which non-tribal members do not qualify for housing.
 - **Community:** the attendance boundary of the school(s) the teacher housing units will serve
- Manufactured Housing: per the Manufactured Housing Act (Section 60-14-2): a movable or portable housing structure over thirty-two feet in length or over eight feet in width constructed to be towed on its own chassis and designed to be installed with or without a permanent foundation for human occupancy as a residence and that may include one or more components that can be retracted for towing purposes and subsequently expanded for additional capacity or may be two or more units separately towable but designed to be joined into one integral unit, as well as a single unit. "Manufactured home" does not include recreational vehicles or modular or premanufactured homes, built to Uniform Building Code standards, designed to be permanently affixed to real property. "Manufactured home" includes any movable or portable housing structure over twelve feet in width and forty feet in length that is used for nonresidential purposes.

Application and Evaluation Process:

- PSFA will review pre-application letters and questionnaires once submitted.
- PSFA will evaluate potential project: viability, scope, costs, etc.
- PSFA will research local housing availability on a case-by-case basis upon district application.
- District will complete final application.
- PSFA will recommend potential awards to PSCOC.

Prioritization Method:

- Ranking system based on district teacher housing needs, community type, existing local housing options, and potential teacher housing type.
 - Districts that need teacher housing units and have no teacher housing units, in rural/tribal communities with no/insufficient housing options will be prioritized.
 - Maximum limit: \$500,500 per home including site work and soft costs.
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Conclusion

The housing needs of teachers in New Mexico are being addressed through various state-supported initiatives, specific housing projects, and financial assistance programs. These efforts are crucial for ensuring that teachers can find affordable housing, which in turn supports their ability to provide quality education to students across the state.