



NEW MEXICO  
**FINANCE AUTHORITY**

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# Local Government Planning Fund

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

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# Local Government Planning Fund Overview

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- ◆ Provides grants up to \$50,000 for planning-related documents
- ◆ Communities can qualify for two grants per 24-month period, not to exceed \$100,000
- ◆ 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

## 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)

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

<b>Test 2: Local Burden Ratio Test</b>	
<b>Local Rate / State Average Rate</b>	
Average Water Rate (6,000 gal): \$41.64	
Average Wastewater Rate: \$27.76	
<b>Burden Ratio</b>	<b>Grant %</b>
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

◆ 42 Active Grant Approvals totaling \$2,001,361

- ❑ Preliminary Engineering Reports (18)
- ❑ Asset Management Plans (9)
- ❑ Water or Wastewater Master Plans (3)
- ❑ Water Conservation Plan (1)
- ❑ Comprehensive Plans with a LEDA Component (7)
- ❑ Metropolitan Redevelopment Act Plans (3)
- ❑ Economic Development Feasibility Study (1)

<b>Entity</b>	<b>Planning Document</b>	<b>Board Approval</b>	<b>Amount</b>
Town of Springer	Comp Plan / LEDA	1/27/2022	\$ 50,000
Pendaries Village MDWCA	Preliminary Engineering Report	5/1/2022	\$ 37,500
Lumberton MDWCA	Preliminary Engineering Report	5/1/2022	\$ 50,000
Village of Cimarron	ED Feasibility Study	5/1/2022	\$ 50,000
Enchanted Forest MDWCA	Preliminary Engineering Report	9/22/2022	\$ 50,000
Canon MDWCA	Preliminary Engineering Report	10/27/2022	\$ 50,000
Cedar Creek MDWCA	Preliminary Engineering Report	12/15/2022	\$ 50,000
Penasco MDWCMSWA	Water AMP	12/15/2022	\$ 46,161
San Luis Cabezon MDWA	Preliminary Engineering Report	12/15/2022	\$ 50,000
Sambrito MDWCA	Preliminary Engineering Report	1/26/2023	\$ 50,000
Curry County	Comp Plan / LEDA	1/26/2023	\$ 50,000
Lower Rio Grande PWWA	Water AMP	1/26/2023	\$ 50,000
Lower Rio Grande PWWA	Wastewater Preliminary Engineering Report	1/26/2023	\$ 50,000
Bosque Gardens MDWCA	Preliminary Engineering Report	2/23/2023	\$ 50,000
Town of Taos	Metro Development Plan	2/23/2023	\$ 50,000
Alto de las Flores MDWCA	Asset Management Plan	2/23/2023	\$ 50,000
Paakweree Village MD	Preliminary Engineering Report	2/23/2023	\$ 50,000
Village of Des Moines	Preliminary Engineering Report	4/27/2023	\$ 12,500
Village of Cloudcroft	Water Master Plan	4/27/2023	\$ 50,000
City of Roswell	Asset Management Plan	4/27/2023	\$ 30,200
Village of Capitan	Asset Management Plan	5/25/2023	\$ 37,500
Pendaries Village MDWCA	Asset Management Plan	5/25/2023	\$ 50,000

Entity	Planning Document	Board Approval	Amount
Enchanted Forest MDWCA	Asset Management Plan	5/25/2023	\$ 50,000
Sky County Estates	Preliminary Engineering Report	5/25/2023	\$ 50,000
Sierra Vista MDWCA	Asset Management Plan	5/25/2023	\$ 50,000
El Prado WSD	Water Conservation Plan	6/22/2023	\$ 37,500
Taos County	Comp Plan / LEDA	6/22/2023	\$ 50,000
Sile MDWC & SWA	Preliminary Engineering Report	6/22/2023	\$ 50,000
Rio Arriba County	Comp Plan / LEDA	6/22/2023	\$ 50,000
Town of Clayton	Metro Development Plan	6/22/2023	\$ 50,000
Quay County	Comp Plan / LEDA	6/22/2023	\$ 50,000
Lower Arroyo Hondo MDWCA	Water Preliminary Engineering Report	7/27/2023	\$ 50,000
Lower Arroyo Hondo MDWCA	Wastewater Preliminary Engineering Report	7/27/2023	\$ 50,000
Village of Ruidoso	Metro Development Plan	7/27/2023	\$ 50,000
Dona Ana MDWCA	Water Master Plan	8/24/2023	\$ 50,000
Dona Ana MDWCA	Wastewater Master Plan	8/24/2023	\$ 50,000
Llana Quemado MDWCA	Preliminary Engineering Report	8/24/2023	\$ 50,000
Costilla MDWCA	Preliminary Engineering Report	8/24/2023	\$ 50,000
Rio Embudo MDWCA	Preliminary Engineering Report	8/24/2023	\$ 50,000
City of Grants	Comp Plan / LEDA	9/28/2023	\$ 50,000
Village of Questa	Comp Plan / LEDA	9/28/2023	\$ 50,000
Mora County WA	Preliminary Engineering Report	10/26/2023	\$ 50,000
<b>42 Active Grants in Progress</b>			<b>\$ 2,001,361</b>

# Issues Facing Program Impact & Operational Efficiency



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- ◆ Requests to expand the planning document types are difficult due to increased costs of oversight
  - Current law provides use of the fund to “*evaluate and estimate the costs of implementing the most feasible alternatives for infrastructure, water and wastewater public project needs or to develop water conservation plans, long-term master plans, economic development plans or energy audits.*” This definition does not include
    - Technical memoranda - now accepted by the Water Trust Board in lieu of Preliminary Engineering Report
    - Flood inundation maps needed by soil and water conservation districts to remain compliant with regulators
    - GIS Mapping
- ◆ Program rules require NMFA or its agency partner/contractor to approve the document prior to funding. For many years NMED’s Construction Programs Bureau served as the LGPF’s primary reviewer. NMED’s increased workload has resulted in the LGPF contract being canceled which required NMFA to contract with a for-profit engineering company to review and approve planning documents. This will result in significantly increased costs of operating the LGPF
- ◆ Clear deadlines in policy require a system representative to closely monitor the project and communicate with the consulting engineer and NMFA. Deadlines are outlined in the award letter:
  - Within 5 months you must have a signed contract.
  - Within 12 months you must submit the planning document to the reviewing agency
  - Within 18 months the grant must be closed and funded