



NEW MEXICO LEGISLATURE

**MORTGAGE FINANCE  
AUTHORITY ACT  
OVERSIGHT  
COMMITTEE**

2024 INTERIM FINAL REPORT

LEGISLATIVE COUNCIL SERVICE  
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## INTERIM SUMMARY



## **Mortgage Finance Authority Act Oversight Committee 2024 Interim Summary**

The Mortgage Finance Authority Act Oversight Committee met five times during the 2024 interim to discuss residential housing in New Mexico. Pursuant to Section 2-12-5 NMSA 1978, the committee heard presentations from the New Mexico Mortgage Finance Authority (MFA) related to the distribution of funds derived by the MFA, mortgage commitments and the issuance of bonds. The MFA also provided the committee with presentations on homelessness in New Mexico, regional housing law, programs administered by the MFA to preserve affordable housing and the MFA's operating budget for the next fiscal year.

At the final meeting, the committee approved an administrative rule change proposed by the MFA to expand the definition of "persons of very low, low or moderate income" and endorsed two pieces of legislation. If approved by the legislature, one of the committee-endorsed bills will provide funding to carry out the purposes of the Affordable Housing Act, and the other bill will provide funding to carry out the purposes of the New Mexico Housing Trust Fund Act and will allow the MFA to provide money from the New Mexico Housing Trust Fund to municipalities and counties for affordable housing projects.





## WORK PLAN AND MEETING SCHEDULE



**2024 APPROVED**  
**WORK PLAN AND MEETING SCHEDULE**  
**for the**  
**MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**Members**

Sen. Nancy Rodriguez, Chair  
Rep. Eliseo Lee Alcon, Vice Chair  
Rep. Meredith A. Dixon  
Sen. Roberto "Bobby" J. Gonzales

Rep. Rod Montoya  
Sen. Michael Padilla  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Sen. Gregory A. Baca  
Rep. Cynthia Borrego  
Rep. Ambrose Castellano  
Rep. Kathleen Cates  
Rep. Harry Garcia

Rep. Tara L. Lujan  
Sen. Mark Moores  
Sen. Gerald Ortiz y Pino  
Rep. Andrea Romero  
Rep. Patricia Roybal Caballero  
Rep. Luis M. Terrazas

**Work Plan**

The Mortgage Finance Authority Act Oversight Committee was created pursuant to the provisions of Section 58-18-5 NMSA 1978, which provides in part that the New Mexico Mortgage Finance Authority (MFA) shall have the powers to "carry out and effectuate the purposes and provisions of the Mortgage Finance Authority Act". Subsection W of Section 58-18-5 NMSA 1978 creates the MFA Act Oversight Committee. Further, this subsection states that the MFA has the power, subject to approval by the MFA Act Oversight Committee and subject to any agreement with bondholders and noteholders, to make, alter or repeal "such rules and regulations with respect to its operations, properties and facilities as are necessary to carry out its functions and duties in the administration of the Mortgage Finance Authority Act".

Pursuant to the provisions of Section 2-12-5 NMSA 1978, the committee is further authorized to:

"A. determine and monitor the actual distribution of funds derived by the [New Mexico mortgage finance] authority from bond issues and other activities of the authority under the provisions of the Mortgage Finance Authority Act, both on a geographical basis and on the basis of the actual distribution to participants in its programs;

B. monitor the authority in its control of the issuance of mortgage commitments;

C. meet on a regular basis to receive and evaluate periodic reports from the authority as to its enforcement of the provisions of the Mortgage Finance Authority Act and the regulations adopted pursuant thereto; and

D. require the authority to document the need to the oversight committee regarding the issuance of any bonds."

In addition to carrying out its statutory responsibilities, the committee will focus on the following areas of legislative concern during the 2024 interim:

1. regional housing and statewide housing programs and organizations;
2. changes to existing and proposed rules promulgated by the MFA;
3. an overview of MFA funding sources and programs administered by the MFA;
4. an update on recently passed legislation;
5. the MFA's budget;
6. key production highlights and updates on the New Mexico Housing Strategy;
7. reports on bonds issued and financing strategies and a market update; and
8. proposed legislation for the 2025 session.

**Mortgage Finance Authority Act Oversight Committee  
2024 Approved Meeting Schedule**

<u>Date</u>	<u>Location</u>
May 28	Albuquerque
July 22	Albuquerque
August 16	Albuquerque
September 26	Albuquerque
November 14	Albuquerque



## AGENDAS AND MINUTES





**TENTATIVE AGENDA  
for the  
FIRST MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**May 28, 2024**  
**New Mexico Mortgage Finance Authority Office**  
**344 Fourth Street SW**  
**Albuquerque**

**Tuesday, May 28**

10:00 a.m. **Call to Order and Introductions**  
—Senator Nancy Rodriguez, Chair  
—Representative Eliseo Lee Alcon, Vice Chair

10:10 a.m. (1) **Executive Director Update**  
—Isidoro "Izzy" Hernandez, Executive Director and Chief Executive Officer (CEO), New Mexico Mortgage Finance Authority (MFA)

10:20 a.m. (2) **Introduction of Key Program Staff**  
—Isidoro "Izzy" Hernandez, Executive Director and CEO, MFA  
—Donna Maestas-De Vries, Chief Housing Officer, MFA  
—Jeff Payne, Chief Lending Officer, MFA  
—Arundhati Bose, Chief Financial Officer, MFA

10:30 a.m. (3) **2024 MFA Reference Guide**  
—Isidoro "Izzy" Hernandez, Executive Director and CEO, MFA

11:00 a.m. (4) **Overview of Housing Programs**  
—Jeff Payne, Chief Lending Officer, MFA  
—Donna Maestas-De Vries, Chief Housing Officer, MFA

11:40 a.m. (5) **Homelessness in New Mexico: Lessons from the Frontlines**  
—Monet Silva, Executive Director, New Mexico Coalition to End Homelessness

12:20 p.m. (6) **2024 Interim Committee Procedures and Adoption of Proposed Work Plan**  
—Isidoro "Izzy" Hernandez, Executive Director and CEO, MFA  
—Cristina Vasquez, Staff Attorney, Legislative Council Service

12:30 p.m. **Adjourn**



**MINUTES  
of the  
FIRST MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**May 28, 2024  
New Mexico Mortgage Finance Authority Office  
344 Fourth Street SW  
Albuquerque**

The first meeting of the Mortgage Finance Authority Act Oversight Committee for the 2024 interim was called to order by Senator Nancy Rodriguez, chair, on Tuesday, May 28, 2022, at 10:01 a.m. at the New Mexico Mortgage Finance Authority (MFA) office in Albuquerque.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Eliseo Lee Alcon, Vice Chair  
Rep. Meredith A. Dixon  
Sen. Roberto "Bobby" J. Gonzales  
Sen. Michael Padilla

**Absent**

Rep. Rod Montoya  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Rep. Cynthia Borrego  
Rep. Kathleen Cates  
Rep. Tara L. Lujan  
Sen. Gerald Ortiz y Pino  
Rep. Andrea Romero  
Rep. Patricia Roybal Caballero

Sen. Gregory A. Baca  
Rep. Ambrose Castellano  
Rep. Harry Garcia  
Sen. Mark Moores  
Rep. Luis M. Terrazas

**Staff**

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)  
Ric Gaudet, Researcher, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and on the legislature's website.

**References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at [www.nmlegis.gov](http://www.nmlegis.gov), under the

"Webcast" tab. Due to technical problems webcasting the committee meeting, the webcast time noted in each agenda item differs from the actual time by approximately 15 minutes. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

## **Tuesday, May 28**

### **Welcome and Introductions (10:19 a.m. webcast time)**

Senator Rodriguez welcomed committee members and invited committee members and staff to introduce themselves.

### **Executive Director Update (10:24 a.m. webcast time)**

Isidoro "Izzy" Hernandez, executive director and chief executive officer, MFA, welcomed committee members and discussed recent activities at the MFA. The Housing Trust Fund received \$37 million in 2023 and has encumbered all of that money. In July 2024, the fund will receive \$34 million, and the MFA has already begun preparing to spend that appropriation. The MFA is involved in 52 housing projects across the state to construct 4,500 rental units, with a total project cost of \$1.1 billion. The MFA has procured 2,000 loans in 2024 for home ownership programs. Mr. Hernandez also presented the MFA annual report to the committee and highlighted several milestones that the authority reached.

### **Introduction of Key Program Staff (10:36 a.m. webcast time)**

Mr. Hernandez introduced key staff of the MFA and discussed the roles they each play in managing the activities of the MFA.

### **2024 MFA Reference Guide (10:43 a.m. webcast time)**

Mr. Hernandez discussed the 2024 MFA Reference Manual, which contains basic information about various programs of the MFA. The manual includes statutes relating to the MFA, membership and staff leadership roles, the MFA strategic plan, the New Mexico housing strategy, a summary of previous audits, a description of the MFA housing continuum, MFA funding sources, federal funding sources and Low-Income Housing Tax Credit awards in the past 23 years. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=5/28/2024&ItemNumber=3>.

### **Overview of Housing Programs (11:04 a.m. webcast time)**

Jeff Payne, chief lending officer, MFA, and Donna Maestas-De Vries, chief housing officer, MFA, discussed the housing continuum from homelessness to home ownership. The MFA has programs geared toward helping homeless people, including programs providing emergency assistance, a continuum of care and a youth homelessness demonstration project. The authority also participates in transitional housing programs, specialized housing programs for vulnerable residents, several rental development programs, single family housing programs, homeownership programs, homeowner programs and programs for emerging housing needs.

**Homelessness in New Mexico: Lessons from the Frontlines (12:10 p.m. webcast time)**

Monet Silva, executive director, New Mexico Coalition to End Homelessness, discussed activities of the coalition to further the goal of ending homelessness in New Mexico. The coalition participates in many homelessness programs, including the continuum of care, coordinated entry programs, the Homeless Management Information System, Built for Zero, which uses real-time data to secure housing resources in participating communities, the Youth Homelessness Demonstration Project and advocacy at the local, state and federal level for adequate resources and for legislative initiatives. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=5/28/2024&ItemNumber=5>.

**2024 Interim Committee Procedures and Adoption of Proposed Work Plan (12:47 p.m. webcast time)**

Mr. Hernandez and Ms. Vasquez discussed interim committee procedures and the proposed work plan and meeting schedule for the committee. The work plan and meeting schedule were adopted without changes.

**Adjournment**

There being no further business before the committee, the meeting adjourned at 12:37 p.m.



**TENTATIVE AGENDA  
for the  
SECOND MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**July 22, 2024**  
**New Mexico Mortgage Finance Authority Office**  
**344 Fourth Street SW**  
**Albuquerque**

**Monday, July 22**

10:00 a.m. **Call to Order and Introductions**  
—Senator Nancy Rodriguez, Chair  
—Representative Eliseo Lee Alcon, Vice Chair

10:10 a.m. (1) **Executive Director Update**  
—Isidoro "Izzy" Hernandez, Executive Director and Chief Executive Officer, New Mexico Mortgage Finance Authority (MFA)

10:20 a.m. (2) **Housing Development in New Mexico**  
—Bobby C. Griffith, Chief Financial Officer and Director of Acquisitions, JL Gray Company

10:50 a.m. (3) **Housing Development Financing and Low Income Housing Tax Credits**  
—Jeff Payne, Chief Lending Officer, MFA  
—Tim Martinez, Housing Development Supervisor, MFA

11:20 a.m. (4) **New Mexico Housing Trust Fund Update**  
—Robyn Powell, Director, Policy and Planning, MFA

11:50 a.m. (5) **Statewide Housing Needs Assessment**  
—Sonja Unaru, Senior Research and Development Manager, MFA  
—Stephanie Gonzales, Research and Development Manager, MFA

12:30 p.m. **Adjourn**





**MINUTES  
of the  
SECOND MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**July 22, 2024  
New Mexico Mortgage Finance Authority Office  
344 Fourth Street SW  
Albuquerque**

The second meeting of the Mortgage Finance Authority Act Oversight Committee was called to order by Senator Nancy Rodriguez, chair, on July 22, 2024 at 10:02 a.m. at the New Mexico Mortgage Finance Authority (MFA) Office in Albuquerque.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Eliseo Lee Alcon, Vice Chair  
Sen. Roberto "Bobby" J. Gonzales  
Sen. Michael Padilla

**Absent**

Rep. Meredith A. Dixon  
Rep. Rod Montoya  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Rep. Cynthia Borrego  
Rep. Kathleen Cates  
Sen. Gerald Ortiz y Pino

Sen. Gregory A. Baca  
Rep. Ambrose Castellano  
Rep. Harry Garcia  
Rep. Tara L. Lujan  
Sen. Mark Moores  
Rep. Andrea Romero  
Rep. Patricia Roybal Caballero  
Rep. Luis M. Terrazas

**Staff**

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)  
Ric Gaudet, Researcher, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and on the legislature's website at [www.nmlegis.gov](http://www.nmlegis.gov).

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## **Monday, July 22**

### **Welcome and Introductions (10:02 a.m.)**

Senator Rodriguez welcomed everyone to the meeting and allowed committee members to introduce themselves.

### **Executive Director Update (10:04 a.m.)**

Isidoro "Izzy" Hernandez, executive director and chief executive officer, MFA, welcomed committee members and discussed recent activities at the MFA. He discussed fiscal-year-to-date housing construction updates, the status of the Housing Trust Fund and the rebranding of the authority to "Housing New Mexico", which better describes the authority's total activities.

### **Housing Development in New Mexico (10:12 a.m.)**

Bobby C. Griffith, chief financial officer and director of acquisitions, JL Gray Company, discussed the mission of JL Gray, which focuses exclusively on affordable housing development in five states. JL Gray has 132 affordable housing properties in New Mexico, including 108 that qualify for the federal low-income housing tax credit. The company also develops housing for farm labor, people with special needs and homeless people and engages in new construction and rehabilitation of older properties, including conversions of motels to permanent housing. Mr. Griffith said that the main obstacle to completing construction of affordable housing is getting the proper building permits from local governments, especially from Albuquerque and Santa Fe.

### **Approval of Minutes**

The committee approved the minutes of the May 28, 2024 meeting without changes.

### **Housing Development Financing and Low-Income Housing Tax Credits (11:09 a.m.)**

Jeff Payne, chief lending officer, MFA, and Tim Martinez, housing development supervisor, MFA, discussed the low-income housing tax credit program and how it helps finance affordable housing units. The federal credit is allocated to the MFA based on the state's population. The MFA then develops a qualified allocation plan, in conjunction with the Office of the Governor, to allocate the value of the credit toward affordable housing projects. Affordable housing developers can use the credit as additional equity toward constructing a new project or the rehabilitation of existing developments. The credit is often worth more than 60 percent of the total equity in a project and is the most important financing tool available for affordable housing projects. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=7/22/2024&ItemNumber=3>.

### **New Mexico Housing Trust Fund Update (11:57 a.m.)**

Robyn Powell, director, Policy and Planning, MFA, discussed the history and use of the New Mexico Housing Trust Fund. Between 2005 and 2022, the fund received \$61 million in appropriations for housing development. Since 2022, the state has contributed an additional \$122 million to the fund from appropriations and severance tax bond issuances, and the

legislature recently expanded the purpose of the fund to include other housing-related activities. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=7/22/2024&ItemNumber=4>.

#### **Statewide Housing Needs Assessment (12:06 p.m.)**

Sonja Unaru, senior research and development manager, MFA, and Stephanie Gonzales, research and development manager, MFA, discussed the statewide housing needs assessment recently completed by the MFA. The study highlighted economic and demographic housing trends in the state, including ongoing racial disparities in homeownership, the growing gap between median household income and median home price, the gap between median rent and median renter income and the cost burden of housing for renters and homeowners. The study also described the current housing stock in the state and discussed the increase in homelessness in recent years. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=7/22/2024&ItemNumber=5>.

#### **Adjournment**

There being no further business before the committee, the meeting adjourned at 12:37 p.m.



**TENTATIVE AGENDA  
for the  
THIRD MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**August 16, 2024  
New Mexico Mortgage Finance Authority Office  
344 Fourth Street SW  
Albuquerque**

**Friday, August 16**

- 10:00 a.m.           **Call to Order and Introductions**  
                          —Senator Nancy Rodriguez, Chair  
                          —Representative Eliseo Lee Alcon, Vice Chair
- 10:05 a.m.       (1)   **Executive Director Update**  
                          —Isidoro "Izzy" Hernandez, Executive Director and Chief Executive  
                              Officer, New Mexico Mortgage Finance Authority (MFA)
- 10:10 a.m.       (2)   **Preserving Affordable Housing**  
                          —Donna Maestas-DeVries, Chief Housing Officer, MFA  
                          —Troy Cucchiara, Manager, Green Initiatives, MFA  
                          —Isaac Perez, Executive Director, San Felipe Pueblo Housing Authority
- 10:55 a.m.           **Approval of Minutes**
- 11:00 a.m.       (3)   **Addressing the Needs of Special Populations**  
                          —Donna Maestas-DeVries, Chief Housing Officer, MFA  
                          —Lisa Howley, Supportive Housing Coordinator Supervisor, Behavioral  
                              Health Services Division, Health Care Authority
- 11:45 a.m.       (4)   **Affordable Housing Act**  
                          —Julie Halbig, Director, Compliance and Initiatives, MFA
- 12:15 p.m.       (5)   **Regional Housing Law**  
                          —Donna Maestas-DeVries, Chief Housing Officer, MFA
- 12:30 p.m.           **Adjourn**



**MINUTES  
of the  
THIRD MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**August 16, 2024  
New Mexico Mortgage Finance Authority Office  
344 Fourth Street SW  
Albuquerque**

The third meeting of the Mortgage Finance Authority Act Oversight Committee for the 2024 interim was called to order by Senator Nancy Rodriguez, chair, on Friday, August 16, 2024, at 10:06 a.m. at the New Mexico Mortgage Finance Authority (MFA) office in Albuquerque.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Eliseo Lee Alcon, Vice Chair  
Sen. Roberto "Bobby" J. Gonzales  
Rep. Rod Montoya  
Sen. Michael Padilla

**Absent**

Rep. Meredith A. Dixon  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Sen. Gregory A. Baca  
Rep. Cynthia Borrego  
Rep. Kathleen Cates  
Rep. Harry Garcia  
Sen. Gerald Ortiz y Pino  
Rep. Patricia Roybal Caballero

Rep. Ambrose Castellano  
Rep. Tara L. Lujan  
Sen. Mark Moores  
Rep. Andrea Romero  
Rep. Luis M. Terrazas

**Staff**

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)  
Erika Falance, Committee Coordinator, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and on the legislature's website.

**References to Webcast**

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"Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

## **Friday, August 16**

### **Welcome and Introductions (10:06 a.m.)**

Senator Rodriguez welcomed committee members and allowed committee members and staff to introduce themselves.

### **Executive Director Update (10:15 a.m.)**

Isidoro "Izzy" Hernandez, executive director and chief executive officer, MFA, welcomed committee members and discussed recent activities at the MFA. He discussed the rebranding of the MFA as "Housing New Mexico", which better describes the MFA's total activities. The MFA is also beginning the process of moving into a new building. He also discussed recent New Mexico Housing Trust Fund expenditures and appropriations. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=8/16/2024&ItemNumber=1>.

### **Preserving Affordable Housing (10:58 a.m.)**

Donna Maestas-De Vries, chief housing officer, MFA; Troy Cucchiara, manager, Green Initiatives, MFA; and Isaac Perez, executive director, San Felipe Pueblo Housing Authority, discussed the various programs to preserve housing in New Mexico. Ms. Maestas-De Vries and Mr. Cucchiara discussed the Emergency Housing Needs Program; the newly created Home Improvement Program, which is administered by the MFA in counties that do not have service providers; the HOME Rehabilitation program, which provides free safety-related modifications to homes for elderly and disabled residents; the Veterans Home Rehabilitation and Modification Program, which provides those same services to eligible veterans; the Housing Innovation Program, which provides resources to test novel housing solutions; the New Mexico Preservation Loan Fund, which supports at-risk multifamily housing facilities in the state; the Restoring Our Communities program, which assists in the acquisition, remodeling and resale of foreclosed and vacant properties; and the New Mexico EnergySmart Weatherization Program, which provides many weatherization-related upgrades to the homes of eligible homeowners. Mr. Perez discussed the programs and services provided by the San Felipe Pueblo Housing Authority. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=8/16/2024&ItemNumber=2>.

### **Approval of Minutes**

The minutes of the July 22, 2024 committee meeting were approved without changes.



**Addressing the Needs of Special Populations (11:44 a.m.)**

Ms. Maestas-DeVries and Lisa Howley, supportive housing coordinator supervisor, Behavioral Health Services Division, Health Care Authority, discussed various programs to address the housing needs of special populations in the state. They discussed the Continuum of Care program, administered by the City of Albuquerque and the New Mexico Coalition to End Homelessness; the Emergency Homeless Assistance Program; the Housing Opportunities for Persons with AIDS program; the Landlord Engagement Program, which increases housing opportunities to housing-voucher holders who are homeless or at risk of homelessness; the Landlord Collaboration Program, which provides rental assistance to youth who are homeless or at risk of homelessness; the Rapid Rehousing and Homeless Prevention program, which assists individuals with short- and medium-term rental assistance; the Recovery Housing Program, which provides funding for housing for people recovering from substance abuse disorders; the Section 8 Project-Based Rental Assistance program, which helps maintain rental housing for low-income persons; the Section 811 Rental Assistance program, which provides rental assistance to low-income persons with disabilities; the Youth Homeless Demonstration Project, which attempts to reduce youth homelessness; and the Linkages program, which is a permanent supportive housing program serving vulnerable populations. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=8/16/2024&ItemNumber=3>.

**Affordable Housing Act (12:10 p.m.)**

Julie Halbig, director, Compliance and Initiatives, MFA, discussed how the Affordable Housing Act is being implemented. The act provides for governments to donate land, infrastructure development and acquisition costs for the development of affordable housing. She discussed several recent projects around the state, including new housing developments in Hobbs, Ruidoso and Albuquerque. The ability for local governments to donate toward affordable housing projects has been a game-changer for many projects, allowing them to come to fruition. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=8/16/2024&ItemNumber=4>.

**Regional Housing Law (12:24 p.m.)**

Ms. Maestas-De Vries and John Garcia, assistant director, Community Development, MFA, discussed the Regional Housing Law and MFA's limited oversight role of regional housing authorities in the state. The presenters also discussed the Northern Regional Housing Authority's troubled status with the United States Department of Housing and Urban Development, which resulted from late audits from fiscal years 2022 and 2023. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=8/16/2024&ItemNumber=5>.

**Adjournment**

There being no further business before the committee, the meeting was adjourned at 12:39 p.m.

Revised: September 23, 2024

**TENTATIVE AGENDA  
for the  
FOURTH MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**September 26, 2024  
Central New Mexico Community College  
WORKforce Training Center, Room 103  
5600 Eagle Rock Avenue NE  
Albuquerque**

**Thursday, September 26**

- 10:00 a.m.           **Call to Order and Introductions**  
                          —Senator Nancy Rodriguez, Chair  
                          —Representative Eliseo Lee Alcon, Vice Chair
- 10:05 a.m.       (1)   **Central New Mexico Community College (CNM) Welcome and Opening Remarks**  
                          —Tracy Hartzler, President, CNM
- 10:10 a.m.       (2)   **Executive Director Update**  
                          —Isidoro "Izzy" Hernandez, Executive Director and Chief Executive Officer, New Mexico Mortgage Finance Authority (MFA)
- 10:25 a.m.           **Approval of Minutes**
- 10:30 a.m.       (3)   **Building Homeownership Opportunities**  
                          —Jeff Payne, Chief Lending Officer, MFA  
                          —Rene Acuna, Director of Homeownership, MFA  
                          —Brian Bagon, Area Sales Manager, CMG Mortgage
- 11:05 a.m.       (4)   **Report on Bonds Issued, Financing Strategies and Market Update**  
                          —David Jones, Principal, CSG Advisors  
                          —Mina Choo, Managing Director, RBC Capital Markets
- 12:00 noon           **Adjourn**



**MINUTES  
of the  
FOURTH MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**September 26, 2024  
Central New Mexico Community College  
WORKforce Training Center, Room 103  
5600 Eagle Rock Avenue NE  
Albuquerque**

The fourth meeting of the Mortgage Finance Authority Act Oversight Committee for the 2024 interim was called to order by Senator Nancy Rodriguez, chair, on Thursday, September 26, 2024, at 10:08 a.m. at the Central New Mexico Community College (CNM) WORKforce Training Center in Albuquerque.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Eliseo Lee Alcon, Vice Chair  
Sen. Roberto "Bobby" J. Gonzales  
Sen. Michael Padilla

**Absent**

Rep. Meredith A. Dixon  
Rep. Rod Montoya  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Rep. Cynthia Borrego  
Rep. Kathleen Cates  
Rep. Harry Garcia  
Sen. Gerald Ortiz y Pino  
Rep. Andrea Romero  
Rep. Patricia Roybal Caballero  
Rep. Luis M. Terrazas

Sen. Gregory A. Baca  
Rep. Ambrose Castellano  
Rep. Tara L. Lujan  
Sen. Mark Moores

**Staff**

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)  
Ric Gaudet, Researcher, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and on the legislature's website.

## **References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at [www.nmlegis.gov](http://www.nmlegis.gov), under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

## **Thursday, September 26**

### **Welcome and Introductions (10:08 a.m.)**

Senator Rodriguez welcomed committee members and allowed committee members and staff to introduce themselves.

### **CNM Welcome and Opening Remarks (10:14 a.m.)**

Olivia Padilla-Jackson, vice president of finance and operations, CNM, welcomed the committee to the CNM campus. She talked about the SkillsUSA National Leadership and Skills Conference, which is hosted by CNM every April. The event brings together hundreds of New Mexico high school and community college students to test their skills in various trades that they have learned in their classes. CNM will be asking the legislature for an increased appropriation amount for the next conference so that more students may participate.

### **Approval of Minutes (10:33 a.m.)**

The minutes of the August 16, 2024 committee meeting were approved without changes.

### **Executive Director Update (10:34 a.m.)**

Isidoro "Izzy" Hernandez, executive director and chief executive officer, New Mexico Mortgage Finance Authority (MFA), discussed recent activities of the MFA, including the recent move to the new MFA office. He also updated the committee on various expenditures from the New Mexico Housing Trust Fund and presented that information by county. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=2>.

### **Building Homeownership Opportunities (11:11 a.m.)**

Jeff Payne, chief lending officer, MFA; Rene Acuna, director of homeownership, MFA; and Brian Bagon, area sales manager, CMG Mortgage, discussed how down payment and other mortgage assistance is critical to helping first-time home buyers purchase homes. Programs administered by or in partnership with the MFA include FirstHome, which provides below-market mortgage interest rates for first-time home buyers; FirstDown, which provides a four percent amortizing loan that is used for a down payment; FirstDown Plus, which provides an additional \$10,000 loan for down payment assistance, amortized with zero percent interest; HomeForward, which provides mortgage loans to non-first-time home buyers; HomeForward DPA, which provides down payment assistance in conjunction with the HomeForward program;

and Partners, which purchases mortgages originated by Habitat for Humanity for first-time home buyers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=3>.

**Report on Bonds Issued, Financing Strategy and Market Update (11:58 a.m.)**

David Jones, principal, CSG Advisors, and Mina Choo, managing director, RBC Capital Markets, discussed various aspects of financing related to MFA housing bonds. Mr. Jones discussed high mortgage rates, the lack of affordable housing supply and the usage and limitations of private activity bonds, which have a cap in 2024 of \$378 million. Ms. Choo discussed various bond issuances, including tax-exempt and taxable bonds, that the MFA started issuing in 2024 to expand its mortgage capacity. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=4>.

**Adjournment**

There being no further business before the committee, the meeting adjourned at 12:29 p.m.





**TENTATIVE AGENDA  
for the  
FIFTH MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**November 14, 2024  
New Mexico Mortgage Finance Authority Office  
7425 Jefferson Street NE  
Albuquerque**

**Thursday, November 14**

- 10:00 a.m.           **Call to Order and Introductions**  
                          —Senator Nancy Rodriguez, Chair  
                          —Representative Eliseo Lee Alcon, Vice Chair
- 10:05 a.m.       (1)   **Executive Director Update**  
                          —Isidoro "Izzy" Hernandez, Executive Director and Chief Executive  
                              Officer (CEO), New Mexico Mortgage Finance Authority (MFA)
- 10:15 a.m.           **Approval of Minutes**
- 10:20 a.m.       (2)   **MFA 2024-2025 Budget**  
                          —Arundhati Bose, Chief Financial Officer, MFA
- 11:00 a.m.       (3)   **Changes to Existing and Proposed Rules Promulgated by the MFA**  
                          —Robyn Powell, Senior Director, Policy and Planning, MFA
- 11:15 a.m.       (4)   **Annual Production Update and Highlights**  
                          —Isidoro "Izzy" Hernandez, Executive Director and CEO, MFA
- 11:30 a.m.       (5)   **MFA 2025 Legislative Agenda: Final Review of Bills**  
                          —Isidoro "Izzy" Hernandez, Executive Director and CEO, MFA
- 12:00 noon           **Adjourn**



**MINUTES  
of the  
FIFTH MEETING  
of the  
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**November 14, 2024  
New Mexico Mortgage Finance Authority Office  
7425 Jefferson Street NE  
Albuquerque**

The fifth meeting of the Mortgage Finance Authority Act Oversight Committee for the 2024 interim was called to order by Senator Nancy Rodriguez, chair, on Thursday, November 14, 2024, at 10:12 a.m. at the New Mexico Mortgage Finance Authority (MFA) office in Albuquerque.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Meredith A. Dixon  
Sen. Roberto "Bobby" J. Gonzales  
Rep. Rod Montoya

**Absent**

Rep. Eliseo Lee Alcon, Vice Chair  
Sen. Michael Padilla  
Rep. Angelica Rubio

**Advisory Members**

Rep. Janelle Anyanonu  
Rep. Cynthia Borrego  
Rep. Kathleen Cates  
Sen. Gerald Ortiz y Pino

Rep. Ambrose Castellano  
Rep. Harry Garcia  
Rep. Tara L. Lujan  
Rep. Andrea Romero  
Rep. Patricia Roybal Caballero  
Rep. Luis M. Terrazas

**Staff**

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)  
Ric Gaudet, Researcher, LCS

**Minutes Approval**

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and on the legislature's website.

## **References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at [www.nmlegis.gov](http://www.nmlegis.gov), under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

## **Thursday, November 14**

### **Welcome and Introductions (10:13 a.m.)**

Senator Rodriguez welcomed committee members and allowed committee members and staff to introduce themselves.

### **Executive Director Update (10:17 a.m.)**

Isidoro "Izzy" Hernandez, executive director and chief executive officer, MFA, discussed recent activities of the MFA, including the move to new office space for the MFA. The new space has plenty of room for meetings and provides access to much more parking than the previous downtown location. He also gave an overview of the committee's 2024 meetings.

### **Approval of Minutes (10:52 a.m.)**

The minutes of the September 26, 2024 committee meeting were approved without changes.

### **MFA 2024-2025 Budget (10:53 a.m.)**

Arundhati Bose, chief financial officer, MFA, discussed the 2024-2025 budget of the MFA. The MFA expects to realize \$36.7 million in revenues for fiscal year 2025 and incur \$34.3 million in expenses. The surplus will be used to further the MFA's housing programs. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=11/14/2024&ItemNumber=2>.

### **Changes to Existing and Proposed Rules Promulgated by the MFA (10:58 a.m.)**

Robyn Powell, senior director, Policy and Planning, MFA, discussed proposed MFA rule changes. The MFA has proposed only one modification to its rules: to expand the definition of "persons of very low, low or moderate income" by increasing the income threshold for families to qualify from 150% of the area median income to 200% of the area median income. The proposed rule change was approved by the committee, with one member opposed to the change. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=11/14/2024&ItemNumber=3>.

**Annual Production Update and Highlights (11:40 a.m.)**

Mr. Hernandez; Jeff Payne, chief lending officer, MFA; Anna Maestas-De Vries, chief housing officer, MFA; and Ms. Bose discussed the level of achievement of various strategic plan benchmarks for fiscal year 2024. The MFA leveraged \$651 million in federal, state and private funding for housing programs in fiscal year 2024, assisting more than 22,000 families in the state. The authority achieved nearly every strategic plan benchmark during the year. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=11/14/2024&ItemNumber=4>.

**MFA 2025 Legislative Agenda: Final Review of Bills (12:03 p.m.)**

Mr. Hernandez discussed proposed legislation for the upcoming legislative session. One bill would appropriate \$500 million to the New Mexico Housing Trust Fund, \$50 million of which could be used the first year by the MFA to make awards to counties and municipalities for affordable housing projects. Another bill would appropriate \$500,000 for the MFA to carry out the purposes of the Affordable Housing Act. Both pieces of proposed legislation were endorsed unanimously by the committee. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=11/14/2024&ItemNumber=5>.

**Adjournment**

There being no further business before the committee, the meeting was adjourned at 12:23 p.m.



## ENDORSED LEGISLATION





\_\_\_\_\_ BILL

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

INTRODUCED BY

DISCUSSION DRAFT

ENDORSED BY THE MORTGAGE FINANCE AUTHORITY ACT

OVERSIGHT COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE DEPARTMENT OF FINANCE AND  
ADMINISTRATION TO CARRY OUT THE PURPOSES OF THE AFFORDABLE  
HOUSING ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1. APPROPRIATION.**--Five hundred thousand dollars  
(\$500,000) is appropriated from the general fund to the  
department of finance and administration for expenditure in  
fiscal year 2026 and subsequent fiscal years for the New Mexico  
mortgage finance authority to carry out the purposes of the  
Affordable Housing Act. Any unexpended or unencumbered balance  
remaining at the end of a fiscal year shall not revert to the  
general fund.

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\_\_\_\_\_ BILL

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

INTRODUCED BY

DISCUSSION DRAFT

ENDORSED BY THE MORTGAGE FINANCE AUTHORITY ACT

OVERSIGHT COMMITTEE

AN ACT

MAKING APPROPRIATIONS TO THE NEW MEXICO HOUSING TRUST FUND TO  
CARRY OUT THE PURPOSES OF THE NEW MEXICO HOUSING TRUST FUND ACT  
AND TO MAKE MONEY AVAILABLE TO MUNICIPALITIES AND COUNTIES FOR  
AFFORDABLE HOUSING PROJECTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1. APPROPRIATIONS.--**

A. Five hundred million dollars (\$500,000,000) is  
appropriated from the general fund to the New Mexico housing  
trust fund for expenditure in fiscal year 2026 and subsequent  
fiscal years for the New Mexico mortgage finance authority to  
carry out the purposes provided in Subsection B of this section  
and the purposes of the New Mexico Housing Trust Fund Act.

Except as provided in Subsection C of this section, any  
unexpended or unencumbered balance remaining at the end of a

.229115.3SA

1     fiscal year shall not revert to any other fund.

2                 B. Ten percent of the amount appropriated pursuant  
3     to Subsection A of this section shall be made available for the  
4     New Mexico mortgage finance authority to award funding to a  
5     municipality or county for affordable housing projects,  
6     including new construction or rehabilitation of existing  
7     affordable housing; provided that the municipality or county:

8                         (1) can provide no less than three times the  
9     matching funds from sources other than the state;

10                        (2) has adopted affordable housing plans and  
11     ordinances pursuant to the Affordable Housing Act; and

12                        (3) shall administer the project pursuant to  
13     the rules of the New Mexico Housing Trust Fund Act.

14                 C. The New Mexico mortgage finance authority shall  
15     prioritize affordable housing projects funded pursuant to  
16     Subsection B of this section that are located in municipalities  
17     and counties that have expedited zoning processes that support  
18     affordable housing development projects. If any unexpended or  
19     unencumbered balance remains at the completion of a project,  
20     the municipality or county shall return the balance to the New  
21     Mexico mortgage finance authority, and the New Mexico mortgage  
22     finance authority shall deposit the returned amount in the New  
23     Mexico housing trust fund. Money not awarded for projects  
24     twelve months after the effective date of this section may be  
25     used to carry out the purposes of the New Mexico Housing Trust

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1 Fund Act.

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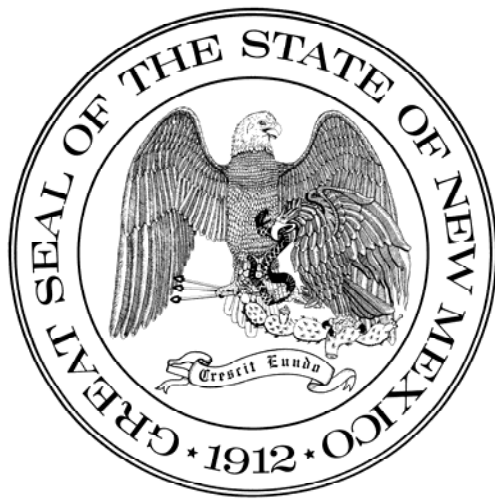
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