New Mexico Legislative Finance Committee
Progress Report

Nonrecurring Appropriations for Housing

September 22, 2026

Legislative Finance Committee
Representative Nathan P. Small, Chair
Senator George K. Muñoz, Vice Chair
Senator Pete Campos
Representative Jack Chatfield
Representative Meredith Dixon
Representative Rebecca Dow
Senator Roberto “Bobby” J. Gonzales
Representative Susan K. Herrera
Senator Steve D. Lanier
Representative Derrick J. Lente
Representative Joseph Sanchez
Senator Benny Shendo, Jr.
Senator Nicole Tobiassen
Senator Linda M. Trujillo
Representative Harlan Vincent
Senator Pat Woods

Director
Charles Sallee

Deputy Director for Program Evaluation
Rachel Garcia, Ed.D.

Program Evaluation Team
Danielle Ceballes, JD
Guillermo Caraveo, JD
Josh Chaffin, MA
Sarah M. Dinces, Ph.D.
Elizabeth Dodson, MA
Matthew Goodlaw, MS
Michael Hess, Ph.D.
Stephanie Joyce
Alma Kassim, MPH
Clayton Lobaugh, MPA
Sarah Rovang, Ph.D.
John Valdez, Ph.D.
Drew Weaver, MA
Michael Wilson, MA

Contents

TOP TAKEAWAY

Since the 2022-2023 fiscal year (FY23), the Legislature has made more than $700 million available for housing through nonrecurring appropriations, capital outlay, and other state resources, including the $524 million in major special appropriations and fund transfers reviewed in this report. Housing production has accelerated in recent years, but state-supported projects account for only a small share of that growth and have not consistently targeted the lowest-income households. Regulatory, infrastructure, permitting, and financing strategies could have greater impact on overall housing supply than direct appropriations alone.

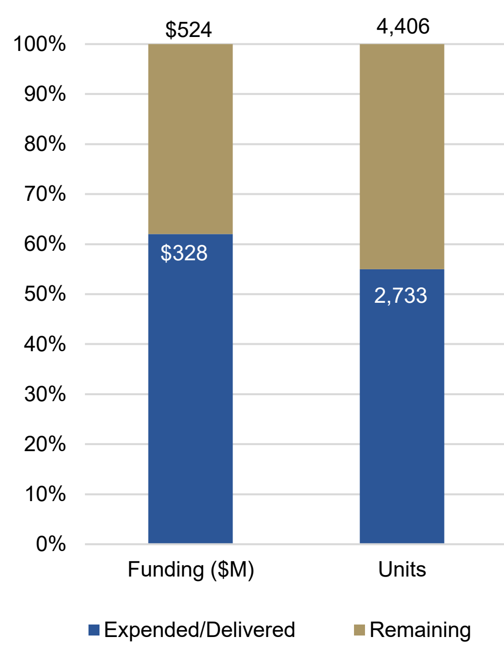
THE ISSUE

Since FY23, the Legislature has made substantial nonrecurring housing investments, often subsidizing local projects without consistent targeting or clear measures of success. These investments followed a decade of slower housing growth in New Mexico than nationally, then a sharp increase after 2020. The state's relatively low incomes worsen affordability challenges. This report examines $524 million in major special nonrecurring appropriations and fund transfers to assess what the state bought, what additional benefit state funding produced, and whether financing, administration, and supply-side policies align with housing need. New Mexico added about 62 thousand housing units from 2020 to 2026, while the reviewed state portfolio supports roughly 4,400 units, with only a small share serving extremely low-income households.

KEY FINDINGS

- New Mexico is deploying substantial housing resources, but better alignment with greatest need and measurable outcomes could improve returns.
- Constraints on housing production could be addressed through regulatory, infrastructure, permitting, and local-capacity reforms.
- New Mexico lacks a single system for coordinating state housing programs and tracking investments from appropriation through results.

Chart 1. FY23-FY26 Special Housing Appropriations Spent vs. Housing units supported



Source: LFC Analysis of Agency Data

Background

New Mexico's housing affordability challenge reflects low resident incomes, limited affordable supply, and uneven housing growth. Census data shows the state added about 62 thousand housing units from 2020 to 2026, a recent pace of growth that exceeds the average annual increase needed to meet the 58 thousand additional units by 2045 projected by Housing New Mexico (the name used by the New Mexico Mortgage Finance Authority). However, total housing growth does not necessarily align with need by location, tenure, housing type, or affordability; about half of the projected additional need is for housing affordable to households at or below 100 percent of area median income. Extremely low-income renters—households earning at or below 30 percent of area median income—face the largest shortages and greatest cost burdens, and the number of people experiencing homelessness remains elevated. Since the 2022-2023 fiscal year (FY23), New Mexico has substantially expanded nonrecurring housing investments, making more than $700 million in identifiable state housing resources available. This broader total includes special appropriations, fund transfers, capital outlay, and other housing-related programs; the $524 million reviewed here is the narrower portfolio of major special appropriations and fund transfers for which LFC conducted detailed cross-agency analysis. About 53 percent of that portfolio had been expended or encumbered by August 2026, though activity was concentrated in two large appropriations and much of the newer funding remains available.

Housing is considered affordable when a household spends no more than 30 percent of its income on housing costs. About 29 percent of New Mexico households are housing cost-burdened, including nearly half of renters.

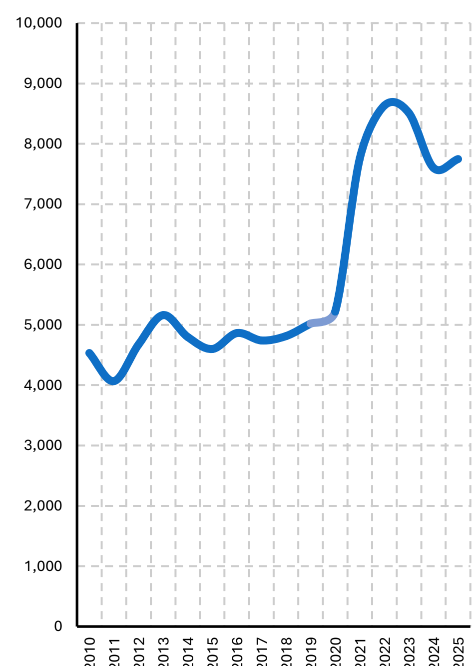
Source: US Census

The U.S. Department of Housing and Urban Development (HUD) calculates area median income (AMI) each year for every state, setting income limits that determine housing program eligibility.

Despite recent growth in housing stock, New Mexico continues to face affordability shortages, uneven regional growth, and rising homelessness.

New Mexico entered the current housing shortage after a decade in which residential construction recovered more slowly than in the nation and some neighboring states. U.S. Census Bureau Building Permits Survey data show permits in New Mexico increased only about 15 percent, from 4,533 housing units in 2010 to 5,219 in 2020. Over the same period, permits increased 143 percent nationally, 161 percent in Texas, and 388 percent in Arizona. New Mexico generally authorized only about 4,000 to 5,000 housing units annually during the decade before production accelerated after 2020.

Chart 2: New Mexico Housing Permitting Increased Sharply after 2020



Source: U.S. Census [C-8-9]

New Mexico's statewide population changed little after 2020, but declining natural population growth masked substantial movement within and into parts of the state. From 2021 through 2025, deaths exceeded births in Bernalillo, Sandoval, and Santa Fe counties, while migration drove growth in Sandoval, Doña Ana, and Santa Fe counties. Sandoval County gained more than 10 thousand residents through net domestic migration over the period, while Bernalillo County lost more than

16 thousand residents to domestic migration. Doña Ana County also gained roughly 4,600 residents through domestic migration and 2,800 through international migration. These patterns help explain why relatively flat statewide population can coexist with significant housing pressure in particular communities: housing demand depends on where households are forming and relocating, not only on statewide population growth.

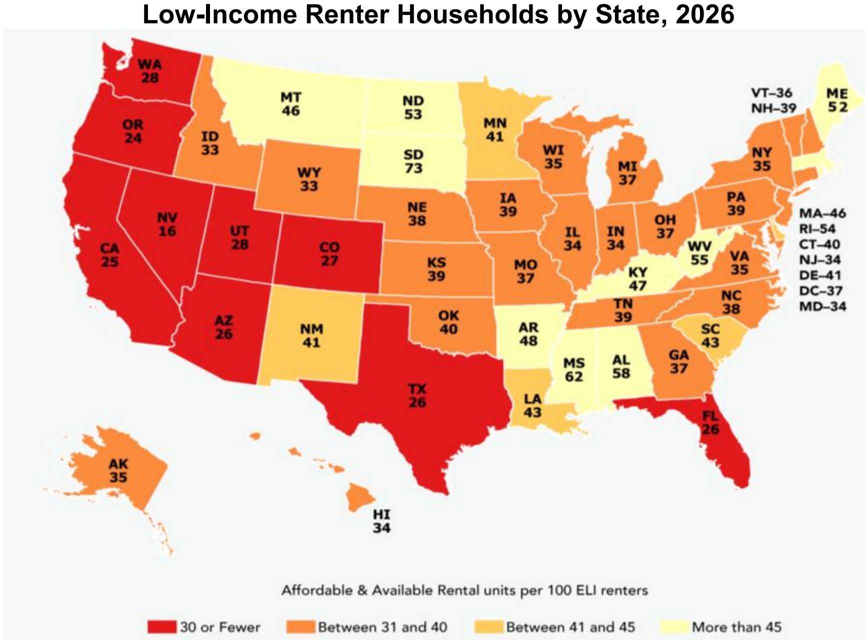
New Mexico's housing costs have risen faster than household incomes over the past decade, limiting options for renters and buyers. According to U.S. Census data, median gross rent in New Mexico increased about 38 percent between the 2010–2014 and 2020–2024 five-year periods, while median household income increased about 43 percent. Even so, affordability problems remain concentrated among lower-income renters. The 2025 *Worst Case Housing Needs* report by the U.S. Department of Housing and Urban Development (HUD) found that nationally there were only 38 affordable and available rental units for every 100 extremely low-income renter households in 2023, compared with 59 per 100 very low-income renters and 90 per 100 low-income renters. In New Mexico, Housing New Mexico's 2026 strategy identifies the greatest projected rental need among households below 30 percent of area median income.

HUD defines extremely low-income renters as very low-income families earning not more than the higher of the federal poverty level or 30 percent of AMI.

New Mexico has lower rents than many higher-cost states, but affordability remains a significant problem for renters. According to census data, nearly half of New Mexico renter households are cost-burdened, spending more than 30 percent of income on housing. In the state's major housing markets, the income needed to afford a modest two-bedroom rental also exceeds median renter household income. In 2026, a household needed income of about $41.7 thousand in Las Cruces, $58.6 thousand in Albuquerque, and $67.4 thousand in Santa Fe to afford a two-bedroom rental without spending more than 30 percent of income, compared with median renter household incomes of roughly $34.3 thousand, $47.8 thousand, and $53.1 thousand, respectively. Statewide, New Mexico's two-bedroom housing wage was $25.15 per hour in 2026, below neighboring Arizona ($32.87), Colorado ($36.44), and Texas ($29.93), but still above the average wages of many common occupations. These gaps help explain why increasing housing supply alone may not eliminate affordability pressures for lower-wage households.

The affordability gap is most severe for extremely low-income renters. HUD's *2025 Worst Case Housing Needs* report found that in 2023 there were only 38 affordable and available rental units for every 100 extremely low-income renter households nationally, compared with 59 units for very low-income renters and 90 for low-income renters. When physical adequacy is also considered, the supply fell to 34 units per 100 extremely low-income renter households. Housing New Mexico similarly identifies the greatest rental need among households below 30 percent of area median income, indicating the shortage becomes less severe at higher income levels. Housing New Mexico's 2026 housing strategy projects about 4,300 additional rental units will be needed by 2045 for households with incomes below 30 percent of the area median income (AMI), more than for any higher-income rental category.

Figure 1. Rental Homes Affordable and Available Per 100 Extremely Low-Income Renter Households by State, 2026

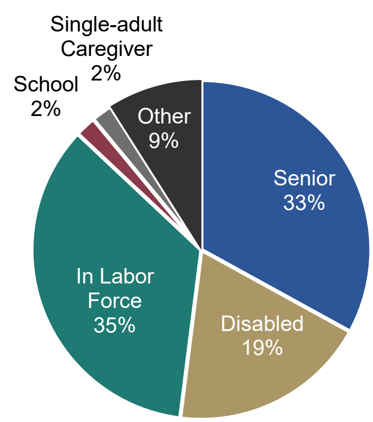


Note: Extremely low-income (ELI) renter households have incomes at or below the poverty level, or 30 percent AMI.

Source: National Low Income Housing Coalition

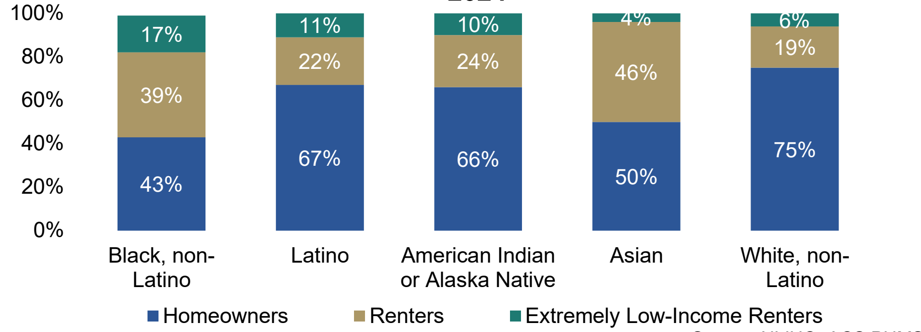
Non-White and Hispanic households in New Mexico are more likely to rent than white households, and the lowest-income renters are often seniors, workers, or people with disabilities. The US Census American Community Survey reports homeownership, in 2024, ranged from 75 percent among white, non-Hispanic households to 43 percent among Black, non-Hispanic households. Extremely low-income renting was most common among Black, Latino, and Native American or Alaska Native households. Statewide, 35 percent of extremely low-income renters were in the labor force, 33 percent were seniors, and 19 percent had a disability.

Chart 3. New Mexico Extremely Low-Income Renter Households by Householder Characteristic, 2024



Source: NLIHC

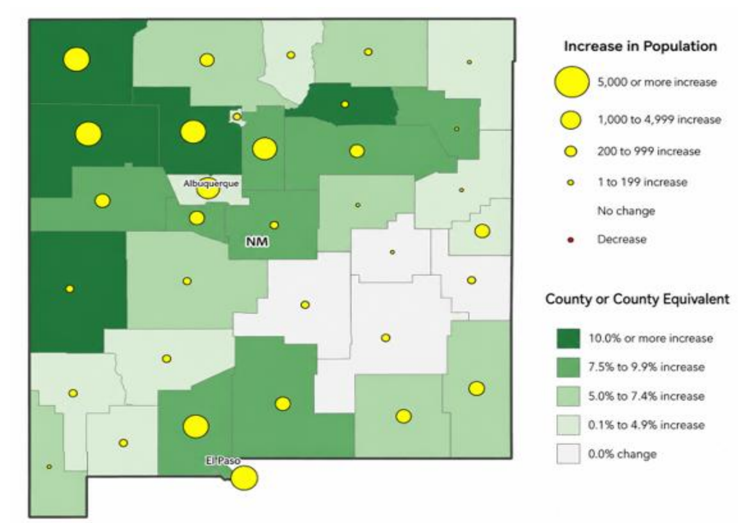
Chart 4. New Mexico Share of Households by Tenure, 2024



Source: NLIHC, ACS PUMS

Between 2020 and 2026, New Mexico added nearly 62 thousand housing units, bringing the statewide housing stock above 1 million units. Census estimates show the number of housing units increased from about 940 thousand in 2020 to roughly 1 million in 2026, a gain of about 62 thousand units, or 6.6 percent. Recent growth has been substantial, but available data does not show whether new units align with projected need by location, tenure, or affordability. Housing remains concentrated in the state's largest population centers: Bernalillo, Doña Ana, Sandoval, and Santa Fe counties together contained about 554 thousand units in 2026, or 55 percent of the statewide housing stock. In smaller rural counties, relatively modest increases in unit counts can produce large percentage changes. According to Housing New Mexico, despite this growth, shortages of affordable units persist, suggesting that what is being built may not be reaching those most in need. (See Appendix B for county-level housing unit data.)

Figure 2: New Mexico Population and Housing Unit Growth by County, 2020–2026

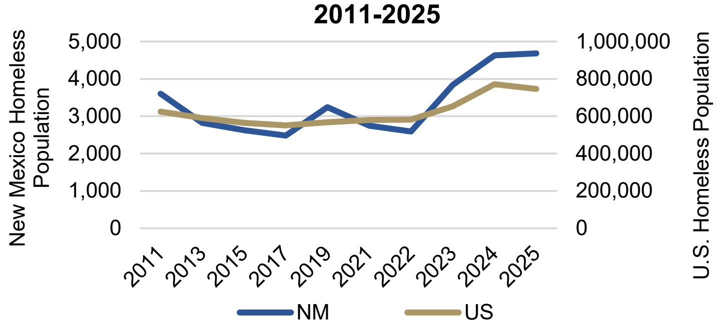


Source: US Census

Recent production has increased the overall housing supply, but not necessarily in the locations, housing types, and price ranges of greatest need. From 2020 through 2024, New Mexico's housing stock grew 3.5 percent while population grew only 0.6 percent. New construction can create vacancies elsewhere in the housing market as households move into newer units, but this filtering process can be slow and uneven. Housing New Mexico reports that between 2010 and 2023, vacant units available for sale declined 44 percent and those available for rent declined 21 percent, while units vacant for other reasons increased 28 percent. These trends suggest that growth in the total housing stock does not translate directly into housing available to households seeking homes.

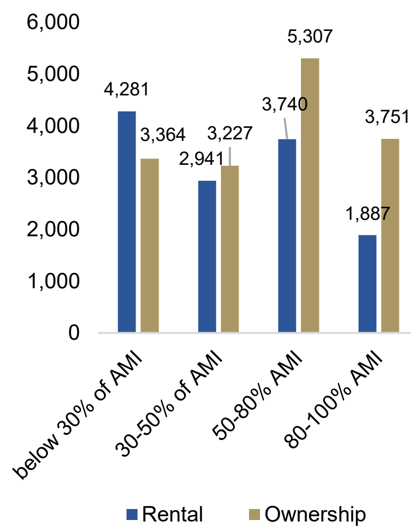
The number of New Mexicans experiencing homelessness has continued to rise even though aggregate emergency-shelter capacity does not appear to be the system's primary constraint. A 2023 LFC Policy Spotlight found a lack of transitional and permanent supportive housing to move people from shelters into permanent housing, with only about 1-in-5 people in Albuquerque shelters making that transition. In the 2026 Albuquerque Housing Inventory Count, 1,672 of 2,261 emergency and transitional shelter beds were occupied on the night of the point-in-time count, a 74 percent utilization rate. However, aggregate utilization masks differences by program type and population; newer data from the Gateway Network, the City of Albuquerque's largest system of city-funded shelters, shows waiting lists for some specialized programs even while other shelter capacity remained available. Permanent-housing programs reported 2,808 of 3,206 beds occupied, or 88 percent, indicating relatively little unused capacity in that part of the system. People experiencing homelessness nevertheless continued to increase, suggesting available shelter beds have not translated into enough exits to permanent housing.

Chart 5. Unhoused Population in New Mexico vs. U.S., 2011-2025



Source: HUD Point in Time (PIT) Counts

Chart 6. Affordable Units Needed in New Mexico by 2045



Source: HNM

New Mexico is projected to need nearly 58 thousand additional housing units by 2045, including about 28.5 thousand affordable units, despite eventual projected population decreases. Housing New Mexico projects nearly 90 percent of demand will be concentrated in Bernalillo, Sandoval, Doña Ana, and Santa Fe counties, even as population declines. Most growth occurs earlier in the projected timeline; population may peak around 2035 and decline thereafter, leaving household formation among smaller and older households as the main driver of later demand. About 28.5 thousand of the total would need to be affordable to households earning at or below 100 percent of the statewide AMI ($89 thousand for a family of four). Rental demand is heaviest at the lowest end, among households below 30 percent of the AMI ($44 thousand for a family of four), while ownership demand concentrates in the 50 percent to 80 percent AMI band. Much of the ownership need among households with incomes below 50 percent of the AMI is expected to be met by older residents aging in place, provided they can afford to remain in homes that meet their mobility needs. For these households, home repair, accessibility improvements, and help with housing costs may matter more than new construction. According to census data, New Mexico is currently adding

For very low-income older homeowners aging in place, home repair, accessibility improvements, and help with housing costs may matter more than new construction.

units faster than the 2045 projection requires, but available data does not show how many units are affordable or income-restricted.

Federal programs remain the backbone of housing support, supplemented by local and state funding.

Federal housing programs provide about $260 million annually to New Mexico through Housing Choice vouchers, project-based rental assistance, public housing, block grants, and tax incentives. At least 34 states expanded state housing investments in 2025, and recent federal legislation has begun to tie funding more directly to housing production and local regulatory reform. New Mexico has appropriated $700 million in nonrecurring funding, but it does not consistently consider local governments' ability to contribute funding when determining its own share of project costs.

LFC estimates FY24 federal housing resources at roughly $260 million annually. This is slightly above the $255 million identified in FY22 using the same methodology.[1] Because these resources flow through multiple agencies and include grants, rental subsidies, tax expenditures, and other forms of assistance, the total should be viewed as an approximate measure of federal housing resources rather than a single audited expenditure total. Federal support flows through multiple agencies and recipients, including Housing New Mexico (Mortgage Finance Authority), local public housing authorities, local governments, nonprofits, and federal agencies. State housing appropriations therefore operate on top of a much larger recurring federal and local system.

Across the country, most states are expanding housing investments. According to the National Conference of State Legislatures, at least 34 states made new or expanded investments in housing affordability or homelessness in 2025, including affordable-housing supply strategies, capital grants, reduced-cost loans, development-focused tax credits and incentives, and housing trust funds. Federal housing programs remain large and essential, but they are often oversubscribed, restricted to specific uses or populations, insufficient to close project financing gaps, or too slow to respond to local conditions.

Table 1: FY24* Federal Housing Resources to New Mexico

Housing Choice vouchers	$85M
Project-based rental assistance	$38M
Public housing operating & capital	$29M
Other federal housing resources**	$108M
Estimated total	**$260M**

* Most recent year for which sufficiently complete, finalized, or audited data are available across the major federal housing programs.

**Includes USDA rural rental assistance, LIHEAP, CDBG, Continuum of Care, HOME, weatherization, LIHTC, and smaller programs.

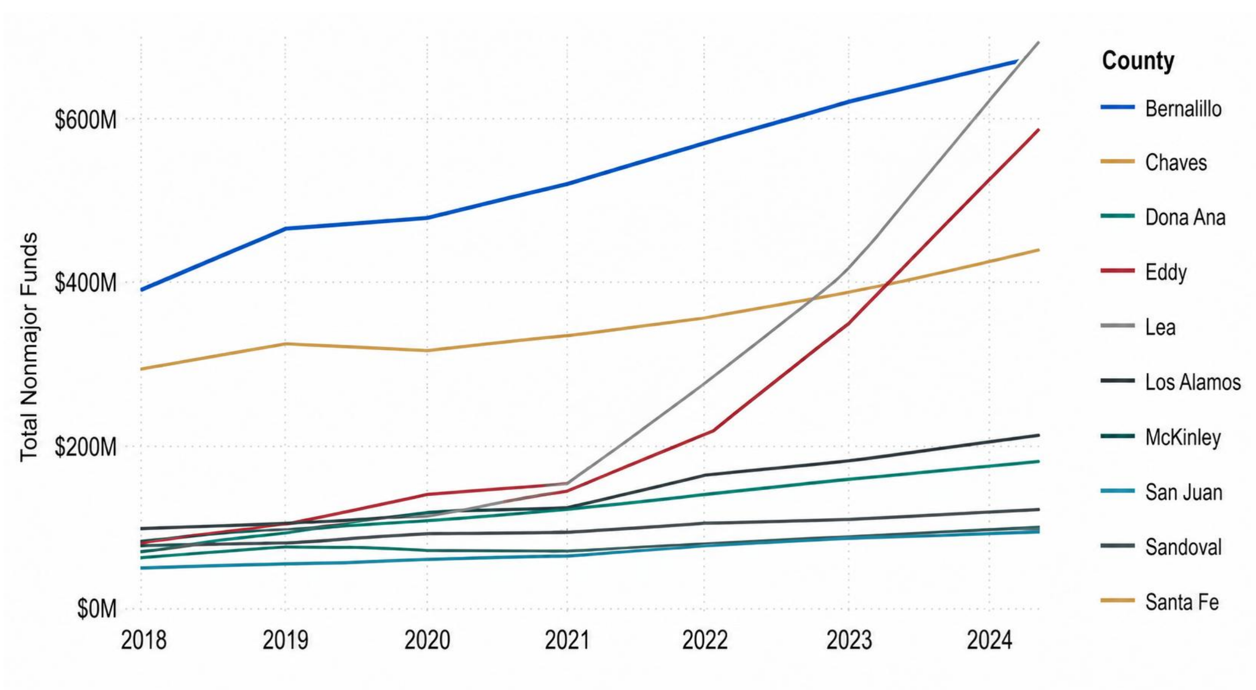
Source: LFC analysis of HUD, USDA, HHS, DOE, and Housing New Mexico data

[1] The National Low Income Housing Coalition estimate is not directly comparable with Housing New Mexico's projection of roughly 28 thousand additional affordable units needed by 2045: NLIHC measures the existing shortage of rental homes affordable and available specifically to extremely low-income households, while Housing New Mexico projects future rental and ownership demand across households earning up to 100 percent of the AMI.[1] The estimate includes federal Housing Choice vouchers, project-based rental assistance, public-housing operating and capital support, U.S. Department of Agriculture rural rental assistance, Low Income Home Energy Assistance Program funding, community development block grants, Continuum of Care, HOME, weatherization, the federal Low-Income Housing Tax Credit tax expenditure, and smaller programs. Because these resources flow through multiple agencies and take different forms, the estimate is an approximate measure of federal housing support rather than a single audited expenditure total; federal loan guarantees and mortgage-insurance activity are excluded.

Federal policy is placing greater emphasis on housing production and local regulatory reform, creating some potential funding exposure for slower-growing communities. The 21st Century ROAD to Housing Act expanded permissible uses of federal housing and community-development funds and created new incentives for jurisdictions that increase housing supply. Beginning in the third full fiscal year after enactment, its "build now" provision can reduce community development block grant allocations by 10 percent for certain eligible entitlement communities whose housing-growth improvement falls below the median, while reallocating those funds to higher-performing communities. The provision applies to qualifying local entitlement jurisdictions rather than New Mexico's statewide grant allocation generally, and includes exemptions for some communities

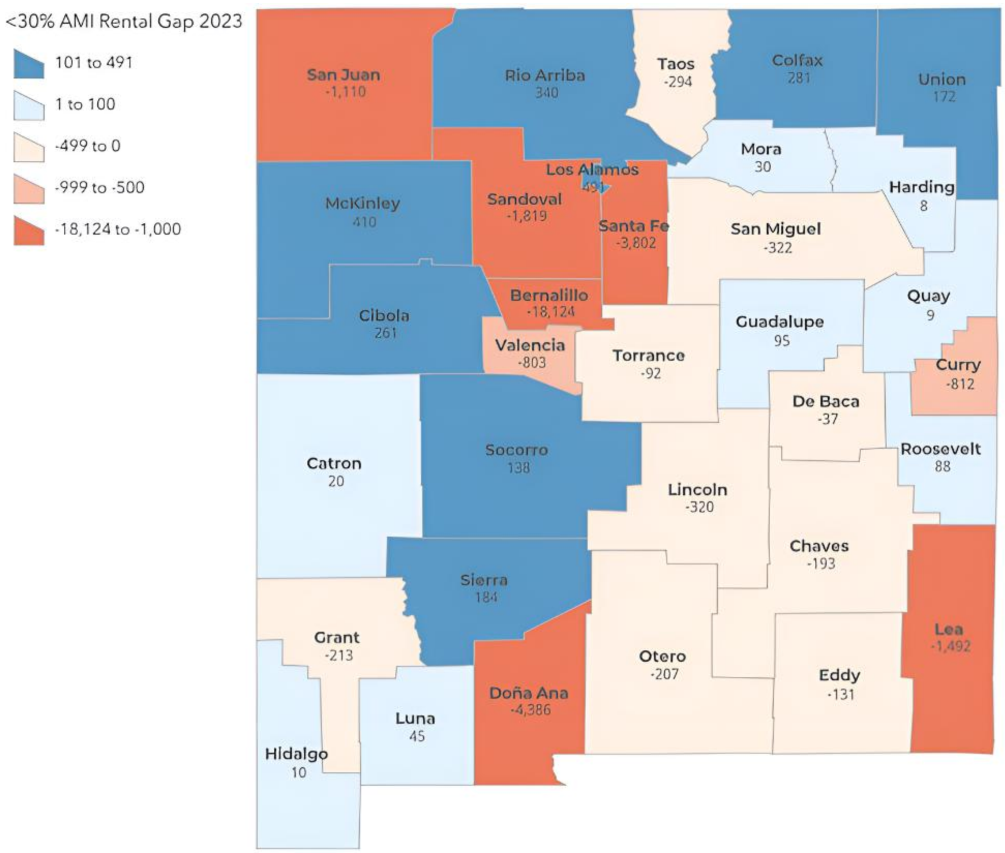
The state does not formally account for local governments' fiscal capacity when allocating housing funding. LFC analysis of county audits shows reported county governmental fund balances reached at least $4.2 billion in FY25, up about 3 percent from FY24. Six counties had not yet published FY25 audits and are excluded from the total. Balances vary substantially: Lea County reported about $823 million, Eddy County $755 million, and Bernalillo County $663 million, together accounting for more than half of reported statewide balances. Four counties—Harding, Eddy, Lea, and Los Alamos—reported governmental fund balances exceeding $10 thousand per resident. These balances do not necessarily represent unrestricted resources available for housing, but they illustrate substantial

Figure 3. Trend in Governmental Funds Among the 10 Largest County Balances



Source: LFC analysis of independent county audits differences in local fiscal capacity. Considering local fiscal capacity alongside housing need, project readiness, and expected public benefit could help the state better calibrate its share of project costs.

Figure 4. Shortage of Affordable Units by County, 2023



Note: Uses the AMI for a four-person household for each county.

Source: HNM, 2023 5-year ACS and Root Policy Research

Since publication of a 2023 LFC Housing Spotlight report, state funding for housing development has grown substantially, while progress on coordination, reporting, planning, and outcomes remains incomplete.

The 2023 Spotlight identified rising homelessness, affordable-rental shortages, fragmented administration, and weak outcome reporting. It recommended better targeting of resources, preservation of existing affordable housing, stronger rental assistance and landlord participation, improved cross-agency coordination and reporting, and reforms to reduce development barriers and increase supply.

Since then, the Legislature has substantially increased housing funding and expanded state housing programs, primarily through nonrecurring appropriations, fund transfers, and capital outlay. New resources have supported housing production, infrastructure, rental assistance, and related initiatives through special appropriations, recurring housing trust fund support, capital outlay, and smaller programs. Progress has been strongest on specific funding strategies identified in the 2023 report, including rental assistance, landlord participation, preservation, and long-term housing finance, while coordination, reporting, geographic targeting, outcome measurement, and noncapital supply reforms remain less developed. (See Appendix A for an assessment of progress on each 2023 recommendation.)

Figure 5. 2023 LFC Housing Spotlight

Homelessness Supports and Affordable Housing

Summary

The cost of homelessness and housing insecurity is most acutely borne by New Mexicans who struggle to secure their basic needs to find and keep shelter. Society also bears costs: The federal government has long reported an individual experiencing homelessness costs taxpayers as much as $50 thousand per year in medical expenses, public safety, and other public services. New Mexico has performed relatively well in providing emergency shelters for people experiencing homelessness compared with other states. However, the state faces ongoing challenges in addressing the root causes of homelessness and transitioning individuals and families to more stable, permanent housing. In the last two years, New Mexico's Legislature has made unprecedented levels of funding available for new homelessness and affordable housing initiatives that fill critical gaps in funding and programs. The state's enhanced investment would benefit from guardrails to ensure state money enhances federal and local funding rather than supplanting these resources. Targeted appropriately, these dollars could further support the low-income and at-risk populations who need housing assistance and alleviate shortages in the state's affordable housing supply.

This policy spotlight builds on a January 2023 staff memorandum to the Legislative Finance Committee. The report covers

- Trends in homelessness and housing insecurity,
- Existing administration and funding for homelessness supports and affordable housing, and
- A discussion of how the state can prioritize new state funding.

Homelessness supports and affordable housing fast facts:

- Preliminary estimates for 2023 indicate a significant uptick of about 48 percent in homelessness, and available data suggest an increasing need for affordable housing.
- Emergency shelter capacity has more than doubled since 2016, whereas the supply of affordable rental units has declined by 50 percent since 2020.
- Since 2000, rent in New Mexico has increased by 80 percent, while wages have grown by 57 percent. Almost half of all renters are cost-burdened, paying more than 30 percent of their income for housing. Virtually all renters with household incomes under $20 thousand are cost-burdened, according to the U.S. Department of Housing and Urban Development standards.
- New Mexico stands to lose 5 percent of its 29 thousand publicly assisted rental units over the next five years and double that in 10 years as affordability commitments expire or the condition of units deteriorates.

Spotlight

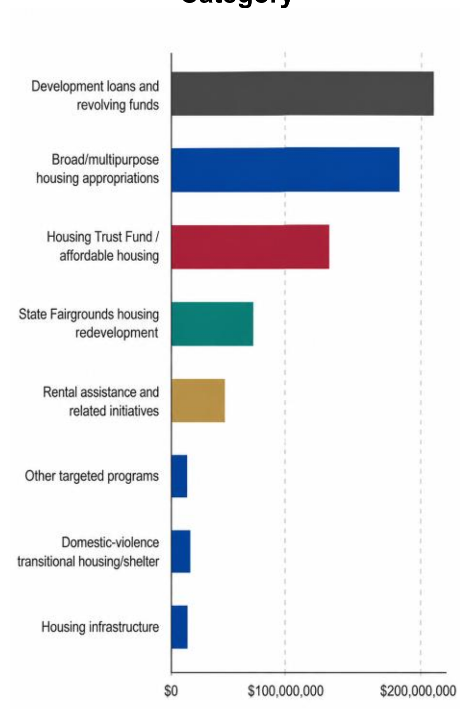
Program Evaluation Unit
Legislative Finance Committee
May 23, 2023

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

New Mexico has made more than $700 million in state housing and homelessness resources available since FY23, including $524 million in special appropriations and fund transfers reviewed in this report.

The broader total also includes recurring housing trust fund support, housing-related capital outlay, and smaller agency programs. This review excludes capital outlay and smaller appropriations for specific populations or programs, such as Linkages and supportive housing administered through the Children, Youth and Families Department and other agencies. The roughly $225 million difference primarily reflects those excluded resources. The reviewed portfolio spans several agencies and funding models, including development finance, housing trust fund support, rental assistance, infrastructure, homeownership assistance, and targeted local projects. Some investments directly assist households, while others finance development or build local capacity and may take several years to produce housing.

Chart 7: Special Housing Appropriations FY23-FY26 by Use Category

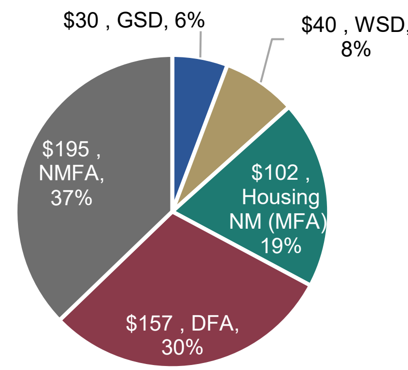


Source: LFC analysis of agency data

The $524 million reviewed in this report was concentrated in a small number of major appropriations, while smaller awards targeted specific purposes such as rental assistance, housing infrastructure, domestic-violence shelter, landlord support, planning, and manufactured housing. The largest appropriations supported development finance, broad housing and homelessness initiatives, and the housing Trust Fund.

New Mexico's housing responsibilities are distributed across entities with different roles. Housing New Mexico has programs and the local delivery infrastructure across the full housing continuum, and provides housing finance, underwriting capacity, and compliance. The New Mexico Finance Authority provides lending and infrastructure-finance capacity. The Office of Housing, housed within the Workforce Solutions Department (WSD), provides policy coordination and oversees about 29 percent of the nonrecurring appropriations reviewed by LFC but does not have a statutory housing role. The Department of Finance and Administration administers or passes through certain state and federal resources. Other agencies administer population-specific housing programs outside the scope of this review.

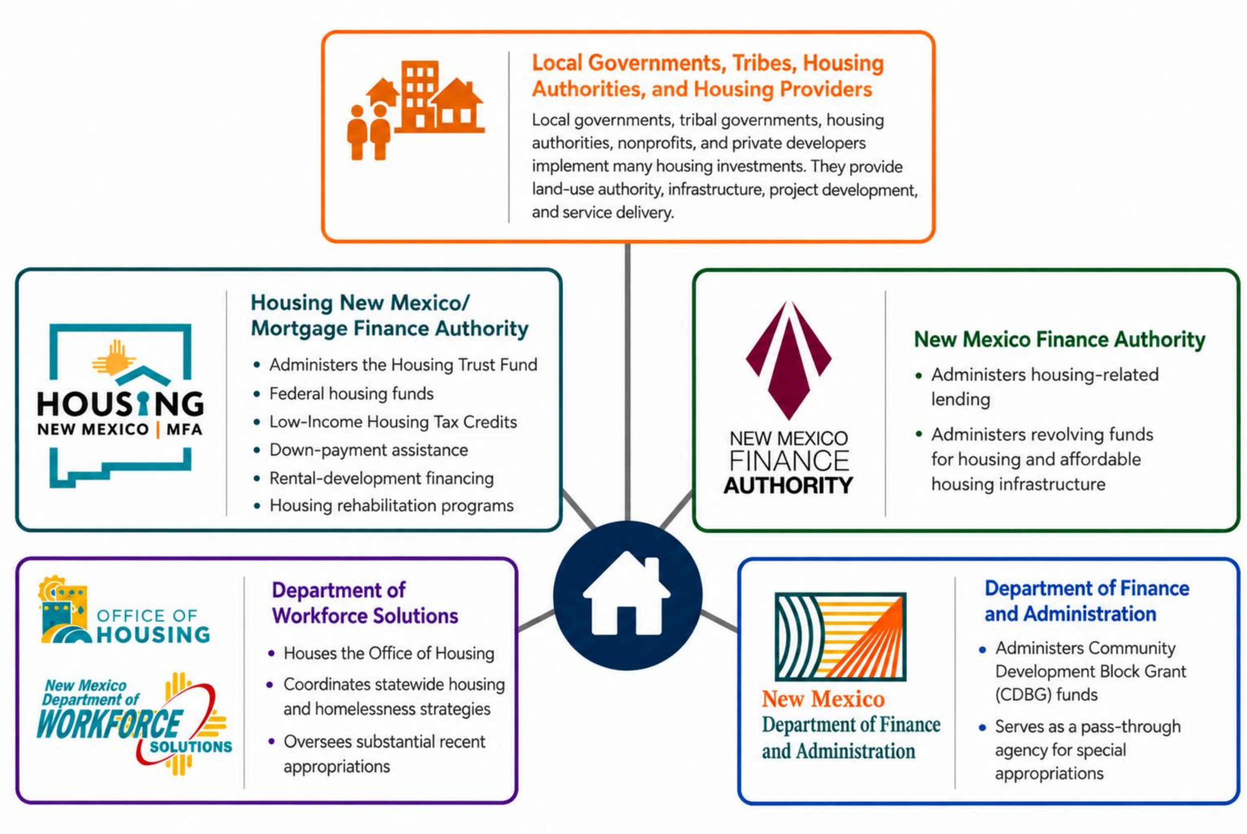
Chart 8: Reviewed Special Housing Appropriations by Receiving Entity, FY23-FY27
(in millions)



Note: The FY25 $110 million appropriation is carried under DFA though implementation involved WSD/Office of Housing.

Source: LFC analysis of HB2 special appropriations and fund transfers, agency data

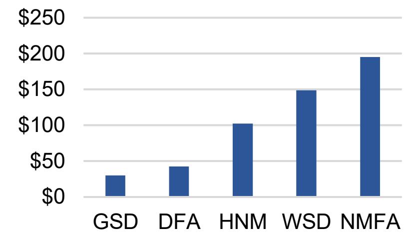
Figure 6: New Mexico's Multi-Agency Housing Administration Structure



Source: State agency websites

Large housing appropriations often gave agencies broad discretion, while smaller appropriations were more targeted. Three multipurpose appropriations totaling about $190 million funded combinations of affordable and transitional housing, homelessness initiatives, rental or homebuyer assistance, and related activities. In some cases, partial vetoes broadened agency discretion beyond the Legislature's original language. Most notably, the 2025 $110 million WSD appropriation originally directed up to $80 million to Albuquerque and Bernalillo County and $10 million to Las Cruces and Doña Ana County; the governor's partial veto removed those geographic restrictions while leaving the broader housing and homelessness purposes intact. Smaller appropriations more often specified a single purpose, such as housing infrastructure, domestic-violence shelter, rental assistance, landlord support, or manufactured-housing assistance. Broad appropriations and vetoed restrictions shift more targeting decisions to agency program design and award processes, increasing the importance of documenting how awards advance legislative priorities and housing need.

Chart 9. Awarded Appropriations FY23-FY27
(in millions)



Source: LFC analysis of agency data

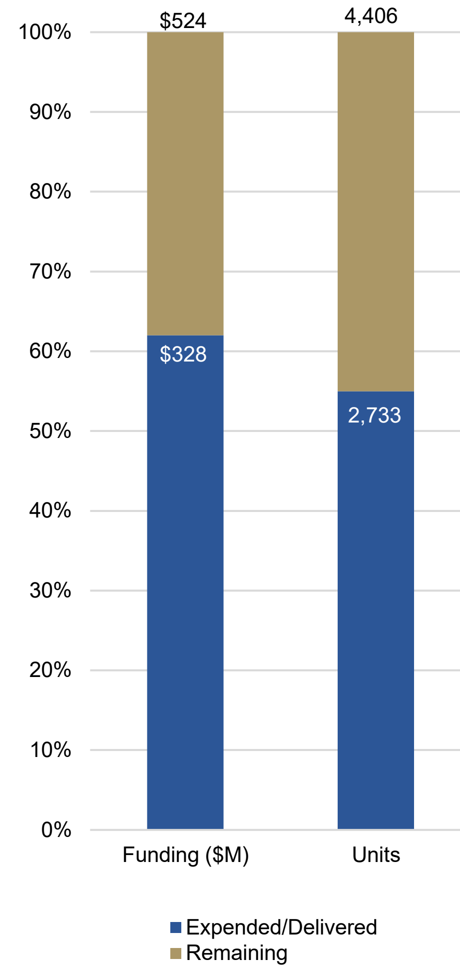
More Than Half of the $524 Million Reviewed Has Been Spent or Committed, but the State Cannot Consistently Show What Those Investments Produced

More than half of the $524 million appropriated for housing from FY23 to FY27 had been spent or committed by August 2026, but agencies cannot consistently document what those investments produced. Roughly $207 million in grants and $77 million in loans supported around 4,400 housing units, of which about half have been delivered to date. Because project outcome documentation is inconsistent across agencies, the actual increase in additional housing cannot be determined. State funding per unit generally falls within national subsidy ranges but varies widely across projects, with no per-unit cost expectation, local match requirement, or cost-based application scoring established. Awards reach households with incomes from 30 percent to 150 percent of the AMI, but only 1 percent of income-restricted units are reserved for extremely low-income households, where need is most concentrated. The 62 percent expended or encumbered is concentrated in two large appropriations, with most remaining funds from more recent awards.

Nearly $328 million of the reviewed $524 million housing portfolio was expended or encumbered as of August 2026, with remaining balances not yet spent.

Special housing appropriations from FY23 through FY25 are largely spent or committed, while most remaining balances sit in FY26 and FY27 funds only recently made available. Investments have generally flowed toward the four counties with the largest documented housing shortage, but the state lacks a consistent framework for translating regional need into investment priorities, and a 2025 attempt to direct funds geographically was removed by partial veto. For many individual projects, LFC can identify total development costs and the mix of state, local, federal, and private financing. However, agencies do not consistently document the specific effect of the state award—such as whether it enabled additional units, accelerated development, deepened affordability, or replaced other financing—limiting LFC's ability to assess the additional benefit produced by state funding. Peer states translate need estimates into regional production targets and track progress against them.

Chart 10. FY23-FY26 Special Housing Appropriations Spent vs. Housing units supported



Source: LFC Analysis of Agency Data

As of August 2026, most FY23 through FY25 appropriations are substantially spent or committed. The main exception is the $175 million opportunity enterprise appropriation to the New Mexico Finance Authority (NMFA) (an initiative to provide low-interest loans for workforce housing and commercial development), which retains about $97.5 million. About $23.3 million also remains from the FY25 housing trust fund transfer. Housing New Mexico reimburses developers as the development submits draw requests and progress is inspected. Most other earlier appropriations are nearly or fully committed. Newer balances include the $30 million State Fairgrounds housing earmark and FY27 funding for Housing New Mexico, NMFA, and WSD. Across the $524 million reviewed, about $275 million, or 52 percent, had been expended or encumbered, leaving about $250 million. Expenditures and encumbrances do not necessarily mean housing projects have been completed or occupied.

Table 2: Status of Reviewed Non-Recurring Housing Appropriations, FY23–FY27

FY	Amount	Purpose	Agency	Encumbered and Expended	Reverted or Lapsed
23	$20,000,000	Rental assistance and other housing initiatives.	DFA	$18,670,559	$1,329,441
23	$10,000,000	To the local government division to provide grants to local governments to support housing infrastructure.	DFA	$10,000,000	$0
23	$2,500,000	For a comprehensive landlord support program.	DFA	$2,500,000	$0
24	$10,000,000	For transitional housing and shelter facilities for victims of domestic violence.	DFA	$10,000,000	$0
24	$175,000,000	For the opportunity enterprise revolving fund of the New Mexico finance authority.	NMFA	$77,462,881	$0
25	$110,000,000	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~~.	WSD	$109,590,337	$0
25	$2,000,000	For housing assistance personnel and programs.	WSD	$1,903,821	$0
25	$2,000,000	For consulting and strategic planning to support innovative models to end homelessness.	WSD	$1,989,675	$0
25	$50,000,000	Transfer to the New Mexico housing trust fund for affordable housing acquisition, construction, and rehabilitation.	HNM	$48,322,703	$0
25	$250,000	To the mortgage finance authority for administering a creditworthiness program.	HNM	$0	$250,000
25	$2,000,000	For the north central New Mexico economic development district for housing projects for senior citizens living in manufactured housing.	HNM	$1,913,363	$0
25	$5,000,000	~~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.	WSD	$4,996,991	$0
26	30,000,000	State Fair redevelopment earmarked for housing.	GSD	$0	$0
27	$50,000,000	Affordable housing, transitional housing, homelessness initiatives, down-payment assistance, rate buydown, and Affordable Housing Act administration.	HNM	$31,500,000	$0
27	$20,000,000	For the housing development revolving fund of the New Mexico finance authority to continue funding affordable and attainable housing throughout the state.	NMFA	$0	$0
27	$30,000,000	To fund housing, affordable housing, transitional housing, homelessness initiatives, and the expansion of housing services statewide.	WSD	$9,347,073	$0
27	$5,000,000	For rental assistance.	WSD	$0	$0
Total	**$523,750,000**			**$328,197,443**	

Note: Expenditures and encumbrances are as of August 20226. Strikethrough text indicates vetoed language in HB2.

Source: Agency data, HB2's FY 2023 - FY 2026, SHARE

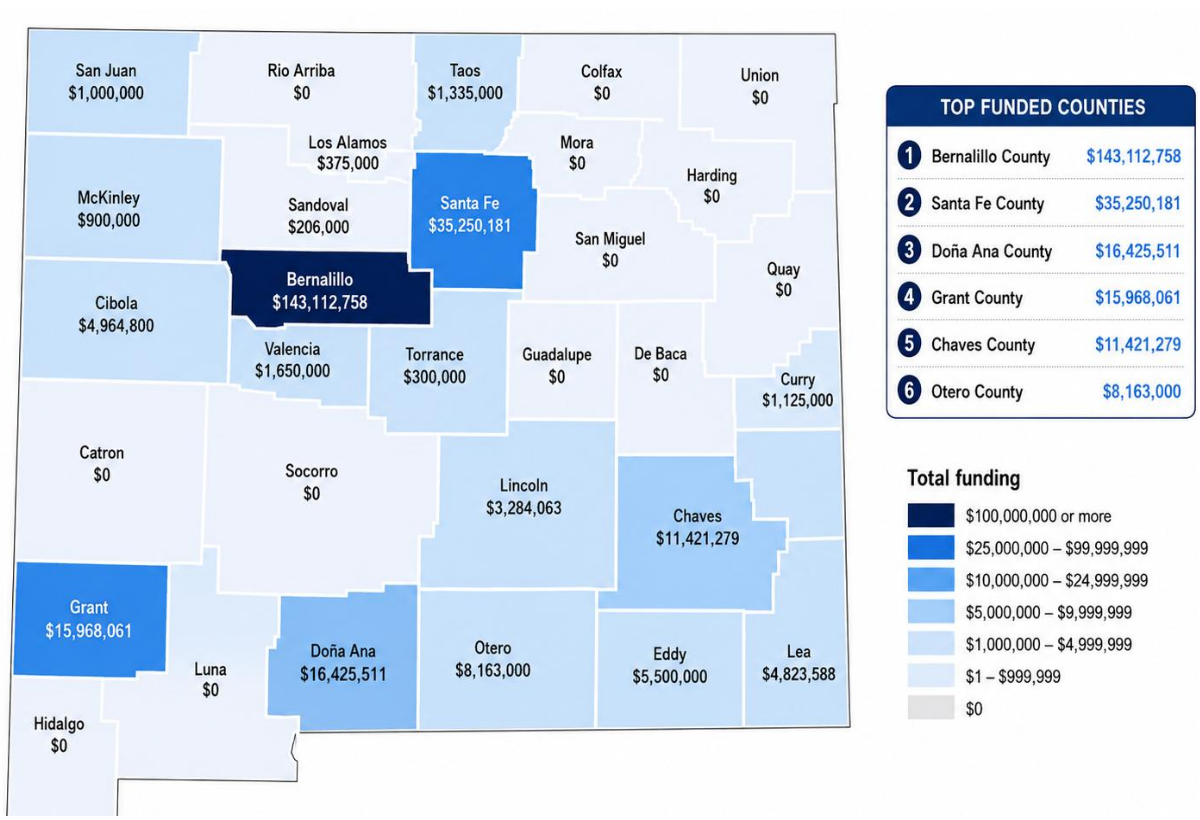
State housing investments have generally flowed toward areas with substantial documented housing need, but New Mexico lacks a consistent framework for translating regional need into investment priorities. LFC's 2023 Housing Spotlight found that 78 percent of the shortage of affordable and available housing for the lowest-income renters was concentrated in Bernalillo, Doña Ana, Santa Fe, and Sandoval counties. More recent Housing New Mexico projections similarly show these counties accounting for a large share of projected additional housing need through 2045, while rural and tribal communities face limited infrastructure, smaller project pipelines, aging housing stock, and constrained development capacity. The Legislature has attempted to direct funding geographically. In 2025, it appropriated $110 million for housing and related purposes, with language directing up to $80 million to Albuquerque and Bernalillo County and $10 million to Las Cruces and Doña Ana Counties. The governor's partial veto removed those geographic restrictions, but subsequent awards remained concentrated in many of the same areas.

State Fairgrounds Housing Remains in Early Planning and Procurement

The Legislature appropriated $100 million for redevelopment of the State Fairgrounds, including $30 million designated for housing, but the housing component remains in early planning and procurement rather than construction.

Source: LFC analysis of General Appropriation Act appropriations

Figure 7: Allocation of State Housing Special Appropriations FY23-FY27, by County



Source: LFC Analysis of agency data

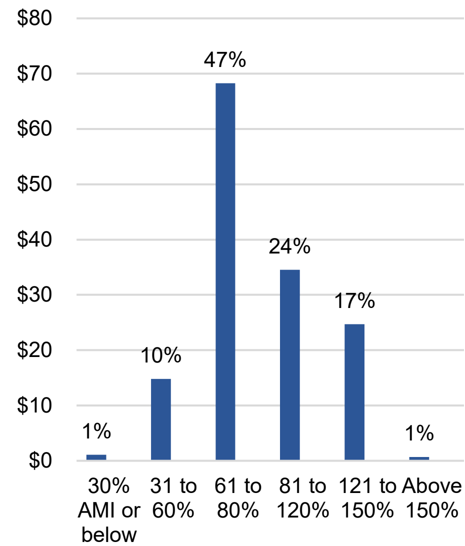
New Mexico's housing investments are broadly targeted by income, but appropriations do not always target those at the highest need.

State housing appropriations set no income targets, so most state-supported units serve moderate-income households rather than the extremely low-income households where the shortage is greatest. LFC's 2023 Housing Spotlight identified a shortage of about 32 thousand units affordable to households at or below 30 percent of area median income, or about $44 thousand a year for a family of four, the income level at which affordable units are scarcest, and rents are furthest out of reach. Of the 3,202 planned units with reported income limits, only 154 are restricted to those with incomes at or below 30 percent of the AMI. Because the appropriations attach no income targets, the households a development serves are determined by the other funding it attracts, including federal tax credits, local funds, and private lenders, each with its own income rules. As a result, rent ceilings among completed developments range from $366 to $1,959 a month, set by geography and income band rather than by the size of the state's contribution.

Other states define and cap middle-income and workforce housing tools more explicitly, offering models for matching the form of public subsidy to documented need while protecting resources for households with the greatest affordability gaps. Massachusetts generally targets traditional state-funded public housing to households earning at or below 80 percent of the AMI while using other financing tools for higher-income households. New Mexico may wish to consider setting such a target, albeit at a lower threshold. Such distinctions can help ensure that expanding assistance to moderate- or middle-income households does not dilute subsidies needed for extremely low-income households, who face the most severe housing shortages. New Mexico could cap targeted state funding at lower AMIs to reach housing demand for extremely low income households. Oregon scores affordable-housing applications partly on severity of need and geography.

The reviewed programs serve households with incomes from 30 percent to 150 percent of area median income, but only 1 percent of the state's income-restricted housing dollars is targeted to those earning at or below 30 percent of the AMI, where documented need is concentrated. Of the total of $524 million appropriated, LFC could identify $144 million (27 percent) in housing projects with reported income limits. About $1 million is restricted to households earning at or below 30 percent of the AMI—the population where LFC's 2023 Spotlight placed a shortage of about 32 thousand units. WSD awarded the most money at $88 million, none of it restricted to households with incomes at or below 30 percent. Housing New Mexico is the only agency that funded any deeply restricted housing, and it committed 18 times more projects with ceilings between 121 and 150 percent than to those with ceilings at or below 30 percent. The Department of Finance and Administration, WSD, Housing New Mexico,

Chart 11. Percentage of Total Funding of Income-Restricted Projects by AMI
(in millions)



Source: LFC analysis of agency data

Table 3. Family of Four Income Based on AMI

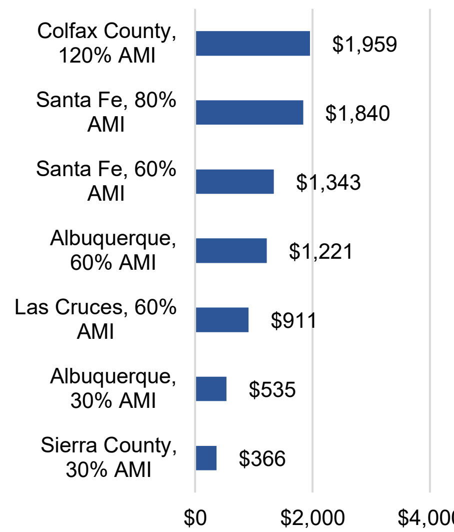
AMI	Albuquerque	Las Cruces	Santa Fe
150%	$150,600	$119,850	$177,900
100%	$100,400	$100,400	$118,600
80%	$80,300	$62,150	$87,500
50%	$50,200	$38,850	$54,700

Source: HUD

and NMFA were not required to reach any income level in appropriation language.

The maximum affordable rent among completed rental developments ranges from $366 to $1,959 a month. Across 10 completed state-supported rental developments reviewed in this portfolio reporting rents, allowable rents vary by more than fivefold, largely because of differences in geography and income targeting rather than the amount of state subsidy. Six projects, representing 95 percent of completed units, are restricted to those with incomes at 60 percent of the AMI, yet maximum rents range from $910 in Las Cruces to $1,221 in Albuquerque and $1,342 in Santa Fe because the AMI varies by market. The lowest rents ($366 in Sierra County and $535 in Albuquerque) are tied to incomes at 30 percent of the AMI limits. The high end, $1,959, is 120 percent of the AMI in Colfax County, preceded by $1,840 at 80 percent of the AMI in the Santa Fe metropolitan area.

Chart 12. Rental Prices by Location and Income Limit, Completed Rental Developments



Source: LFC analysis of agency data

Red River Workforce Housing shows how far a ceiling of 120 percent of the AMI can diverge from what local workers earn in a high-cost resort community. The Workforce Solutions Department awarded the town of Red River $1.6 million to build five 1,280-square-foot, three-bedroom, two-bath modular homes on the former Elk Ridge Lodge site, and the town added $320 thousand to build a sixth. Each unit cost $320 thousand to construct ($250 per square foot), compared with more than $400 per square foot for an equivalent site-built home given the area's transportation, labor, utility, and climate-driven costs. The project was not financed and has no debt; Red River is going to lease the units, directing revenue back to the city's housing fund. The units must remain affordable to households earning at or below 120 percent of the AMI for 20 years, with rent of $1,500 to $1,800 a month and priority given first to town employees, then other Red River businesses, then the wider Enchanted Circle. However, that rent would require $60 thousand to $72 thousand in annual household income to stay within the standard 30 percent affordability threshold, well above Taos County's $58 thousand median household income and Red River's own median household income of $22 thousand. Because the units are three-bedroom family homes rather than the studio or one-bedroom housing typically built for individual seasonal workers, they are also better suited to municipal employees with families than to the single, lower-wage hospitality workers most associated with the region's workforce housing shortage.

Source: WSD–Town of Red River intergovernmental agreement, LFC Red River Workforce Housing tour materials, LFC files

Other states more explicitly target housing subsidies by income and need. New Mexico uses lower-cost tools for some middle-income housing, including NMFA revolving loans and Housing New Mexico amortizing down-payment assistance, but it does not consistently vary subsidy type or depth by income level. Massachusetts, for example, concentrates traditional state-funded public housing largely on households earning at or below 80 percent of the AMI while using other tools for higher-income households. A tiered approach could help preserve deeper subsidies for extremely low-income renters, where need is greatest, while using repayable or lower-cost tools for higher-income households.

States and federal programs also use explicit criteria to guide where housing resources go. Oregon considers severity of need, geography, project impact, financial viability, and applicant capacity; Massachusetts considers housing need, project readiness, local investment, and municipal capacity; and the federal housing trust fund allocates resources based partly on shortages among extremely low- and very low-income renters, severe rent burdens, and housing costs.

Albuquerque illustrates how state housing investments produce different outcomes, from housing targeting households earning below 30 percent of AMI to conventional multifamily development and adaptive reuse.

Of the roughly $524 million in state housing investments reviewed by LFC, about $143.1 million—27 percent—was assigned to projects in Albuquerque and Bernalillo County, more than any other area of the state.

Project	State Investment	Units	State Investment per Unit	Income Targeting	Affordability	Project Type
Poblana Place	$17,850,000	84	$212,500	Below 30% AMI	Perpetual	Housing below 30% AMI
Tierra Linda	$6,000,000	240	$25,000	Up to 60% AMI	30 years	New multifamily construction
Wells Fargo Building	$10,000,000	100	$100,000	Up to 70% AMI	30 years	Office-to-housing adaptive reuse
West Mesa Ridge A	$3,500,000	128	$27,344	30–80% AMI	30 years	Mixed-income multifamily

State investment ranges from about $25 thousand per planned unit at Tierra Linda to about $213 thousand at Poblana Place, but the projects purchase different outcomes. Poblana provides housing targeting those earning below 30% percent of the AMI with permanent affordability; Tierra Linda adds a large number of conventional affordable apartments; and Wells Fargo converts an existing downtown office tower into housing.

The Wells Fargo Building $10 million state investment supports conversion of the former office building into 100 apartments affordable to households earning up to 70 percent of the AMI for 30 years. By comparison, Tierra Linda receives less state funding while producing more than twice as many units through conventional new construction. Differences in project type, financing, location, income targeting, and affordability terms mean cost per unit alone cannot determine relative value. The Albuquerque portfolio, therefore, illustrates why state housing investments should be evaluated by project type, income targeting, affordability duration, leverage, and incremental public benefit, in addition to dollars spent and units produced.

Source: LFC analysis of New Mexico Office of Housing, Workforce Solutions Department, Housing New Mexico/MFA, Bernalillo County, and agency housing data responses.

In New Mexico, programs apply their own criteria, while broad appropriations often leave geographic and income targeting to agency discretion. WSD's 2025 allocation, for example, distributed $117.4 million statewide, including $61.5 million in Bernalillo County, $21.8 million in Albuquerque, and $11.2 million in Las Cruces, without a statewide formula tying awards to regional need or local fiscal capacity. A common framework incorporating housing need, income served, local contribution and capacity, project readiness, and expected public benefit could provide a clearer basis for allocating state resources.

State housing funding may accelerate projects, allow units to serve lower-income households, or free other resources for housing, but agencies do not consistently document what changed because of the state award. Las Cruces project records show that state funding was combined with local and federal resources, but they do not establish what would have occurred without the state assistance. Las Cruces officials told LFC that state funding allowed the city to redirect about $4 million in local resources to the Residences, reduced financing needs for the 50-unit Amador Crossing supportive-housing development and is expected to reduce purchase prices at the Arcadia 4 homeownership project by about $50 thousand per home. These examples illustrate potential additional public benefits from state funding, but the counterfactual effects are based largely on local officials' accounts rather than independently documented project records.

Agencies generally do not document whether a project would have proceeded without state assistance, the financing gap the award was intended to fill, whether funding accelerated delivery or increased affordability or unit production, or whether displaced local resources were reinvested in housing. LFC cannot determine the extent to which reviewed awards generated housing outcomes beyond those that would have occurred without state assistance. The risk of substitution may also vary with local capacity. Larger jurisdictions with established housing programs and local funding sources may have more ability to proceed without state assistance, while smaller and rural communities may lack not only financing but also staff, development partners, and administrative capacity needed to advance projects.

Oregon, Washington, and Maine translate housing-need estimates into regional or local production targets and track progress against those targets. New Mexico does not use a consistent statewide framework to translate documented regional housing need into investment priorities and assess whether major awards align with those priorities. As a result, the Legislature cannot determine whether geographic investment patterns reflect housing need, project readiness, legislative priorities, or other considerations.

Case Study: Las Cruces

Las Cruces projects illustrate how recent state housing awards were used alongside local and federal resources, but available documentation does not consistently show what would have happened without the state award. Project records document funding sources, development costs, affordability requirements, and construction status.

At Amador Crossing, a 50-unit supportive-housing development, state and local funding reduced the amount of project financing otherwise required. City officials said this helped support lower rents and preserve operating resources. At Arcadia 4, a planned 52-home affordable homeownership subdivision, state funding supported land acquisition and development, and city officials estimate the assistance will reduce purchase prices by about $50 thousand per home. Local officials also reported that roughly $4 million in state funding for another project allowed the city to redirect local resources to the Residences, an 80-unit affordable senior-housing development.

State awards also supported enabling infrastructure. City records show infrastructure work is complete for the planned 52-home Arcadia 4 subdivision and for Skylark, a planned 32-home affordable homeownership development.

Las Cruces affordable-housing projects rely on layered financing from tax credits, loans, federal programs, state and local funds, and developer contributions. However, agencies generally do not require documentation showing whether a project would have proceeded without state assistance, the specific financing gap filled, whether the award accelerated delivery or allowed lower-income targeting, or whether displaced local resources were reinvested in housing.

Source: City of Las Cruces, IGA-AH Las Cruces Report (April–June 2026); City of Las Cruces, "Affordable Housing 101"

Amador Crossing, Las Cruces. The 50-unit affordable housing development will serve households earning up to 80 percent of area median income. The $15.6 million project includes about $2.0 million in state funding and $4 million in city funding; construction began in February 2025 and is expected to be substantially completed in December 2026.

Photo: City of Las Cruces

Roughly $207 million in state grant appropriations and $77 million in state loans have supported roughly 4,400 housing units, with less than half delivered to date.

Two-thirds of the $207 million measured for housing outputs went to building new housing supply, the model with the longest production time, while homelessness and shelter projects are furthest along in spending and development but produce the fewest new housing units. State subsidy for new housing projects ranges from about $900 to $325 thousand per unit, with wide variation within strategies and no consistent per-unit cost expectations, match requirements, or application priority based on cost efficiency. State dollars supported substantially more units per dollar when used to fill financing gaps, though that approach may be less feasible for rural and low-capacity communities and for housing serving households earning below 30 percent of the AMI. Direct-to-household assistance (including down-payment, rental, rehabilitation, and accessibility programs) reached about 1,360 households. These were mostly homebuyers, despite greater documented need among cost-burdened renters. Reporting and safeguards continue to remain uneven, especially for homelessness and shelter projects, where 18 of 26 projects (69 percent) reported no output.

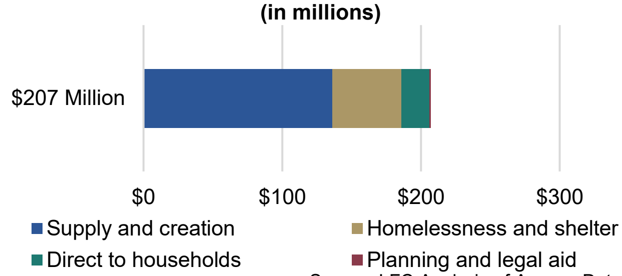
Most of the $207 million went to building more housing ($136 million), with $50 million to homelessness and shelter, $20 million to household assistance, and $1 million to planning and legal aid. LFC staff classified 85 project-level awards reported by the Department of Finance and Administration (DFA), WSD, Housing New Mexico, and NMFA by primary use. Progress varies substantially by category. Agencies report 104 of 112 planned homelessness and shelter units delivered, or 93 percent, compared with 1,321 of 3,226 planned new housing units, or 41 percent, and 149 of 380 planned direct-assistance units or households, or 39 percent. Most nonrecurring funding has supported new housing supply, which generally takes longer to produce results; Housing New Mexico reports development projects can take 18 to 36 months to expend. By contrast, homelessness and shelter projects are furthest along but represent the smallest share of planned housing units.

Table 4. Cost per Unit Definitions

Measure	What it Counts
State cost per planned unit	State dollars divided by the units a project expects to produce
State cost per completed unit	State dollars divided by the units actually finished
Total development cost per unit	Full cost to build, from every funding source
State share of total cost	Portion of a project's cost the state paid
Cost per household assisted	State dollars divided by households helped in homes they already have
Loan amount per financed unit	Repayable capital behind each unit, returned to the state rather than spent

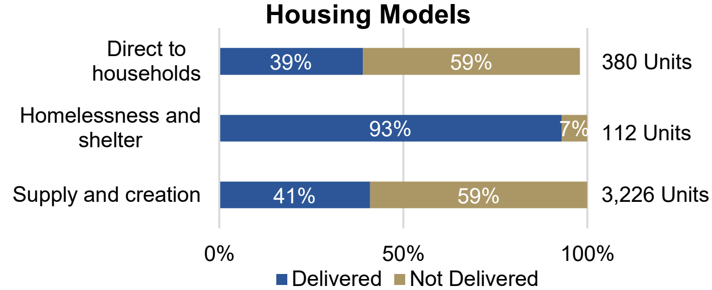
Source: LFC files

Chart 13. Category Breakdown of Total Housing Unit Supply Funding
(in millions)



Source: LFC Analysis of Agency Data

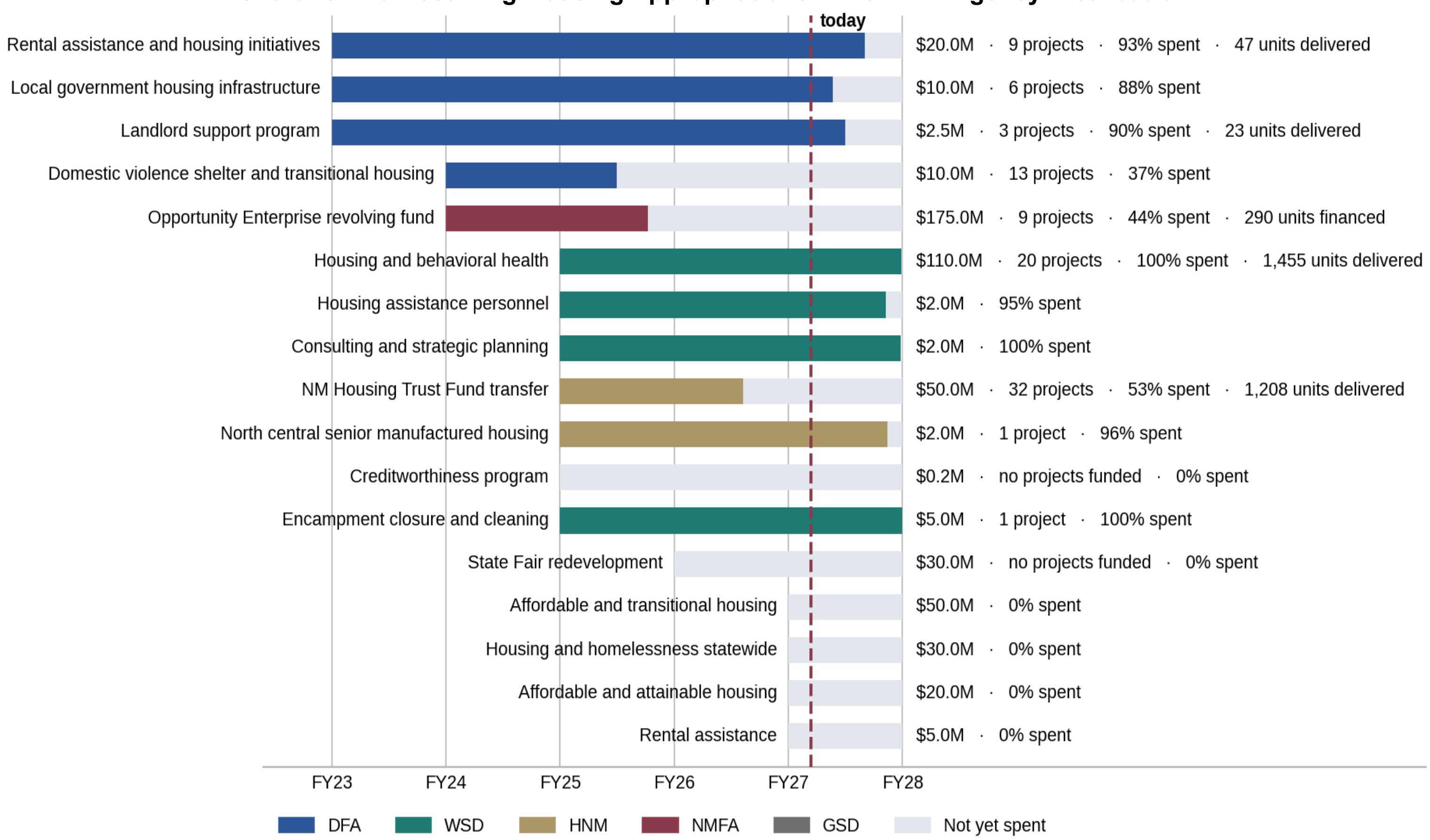
Chart 14. Percentage of Delivered Units by Housing Models



Source: LFC Analysis of Agency Data

About $84 million of the $280 million spent or encumbered supports units through repayable loans or projects also funded by another agency and is, therefore, tracked separately from grant-funded output. NMFA has approved nine housing-development loans totaling about $77 million for 688 units, including 290 completed units. Because these funds are repaid and recycled, counting loan principal as grant spending would overstate non-repayable state support. Another $6 million supported two projects also funded by other agencies—Cornerstone Apartments in Silver City and workforce housing in Ruidoso. LFC counts the 47 associated units once, under Housing New Mexico, to avoid double counting, although doing so understates total grant spending by $6 million.

Chart 15. Nonrecurring Housing Appropriations FY23-FY27 Agency Distribution



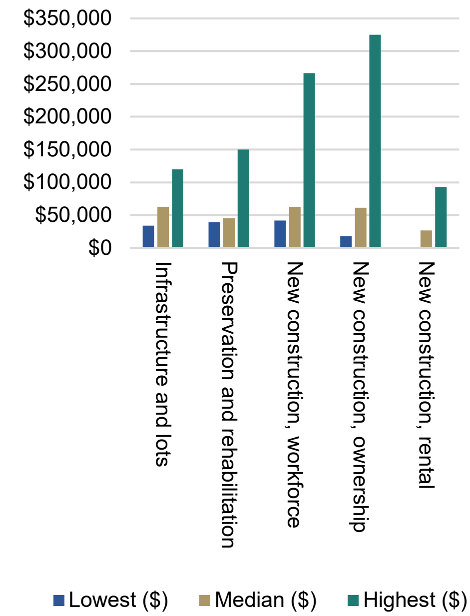
Source: LFC analysis of agency data; graphic created with Claude AI

Agencies could not always show whether housing programs delivered what they meant to produce. DFA, WSD, NMFA and Housing New Mexico award appropriated funds to cities, counties, tribal entities, nonprofits, and developers, and recipients decide how many units they will build or how many people they will serve. Of the reviewed appropriations a total of 86 awarded projects were dedicated to housing. Recipients often set a goal, but the state cannot consistently produce a record of it: for 21 of the 86 awarded projects, agencies reported no outcomes. Housing New Mexico, NMFA, and WSD reported most of their targets and outcome data for housing projects. Most of the 19 DFA projects without a countable target fund shelter facility construction, repair, or property acquisition, produce buildings rather than a set number of units — but none reported a bed count or capacity figure either, so the state has no measure of who those buildings will serve.

Public cost per unit or person ranges from about $900 to over $300 thousand depending on the housing strategy. Across 36 supply projects awarded by DFA, WSD, and Housing New Mexico for which a cost per unit can be calculated, state funding ranges from about $900 to $325 thousand per unit. State share of rental unit costs ranges from about $900 to $92 thousand per unit, with a median of $27 thousand, while ownership unit costs ranges from $18 thousand to $325 thousand, with a median of about $61 thousand. Preservation, workforce housing, and infrastructure projects also show wide variation. The awarding agency matters as much as the strategy: Housing New Mexico's median is about $41 thousand per unit, WSD's about $59 thousand, and DFA's about $91 thousand. These figures reflect awarded projects at different stages; only 10 of the 36 are complete. (See Appendix E for a list of all awarded projects.)

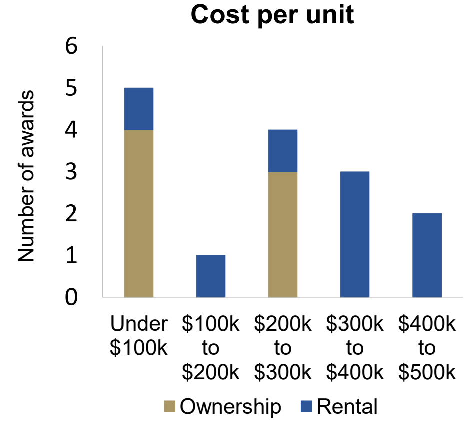
New Mexico's state funding per housing unit falls generally within average national ranges, but the state does not set an expectation for how much each unit should cost. The U.S. Department of Housing and Urban Development (HUD) Home Investment Partnerships Program provides a benchmark subsidy per unit, which averages about $50 thousand per unit for new rental construction and $39 thousand per homebuyer unit, compared with New Mexico medians of about $27 thousand and $61 thousand, respectively. Across all supply awards, New Mexico’s median subsidy of about $50 thousand per unit is close to HOME’s national new-construction average of $47 thousand. Housing finance agencies commonly publish a maximum public cost per unit drawn from their own cost data, review each project's full sources and uses before committing funds, and score or break ties on cost. New Mexico's agencies apply parts of this framework through different processes, but none sets a maximum public cost per unit for state-appropriated awards.

Chart 16. State Cost per Planned Unit



Source: LFC Analysis of Agency Data

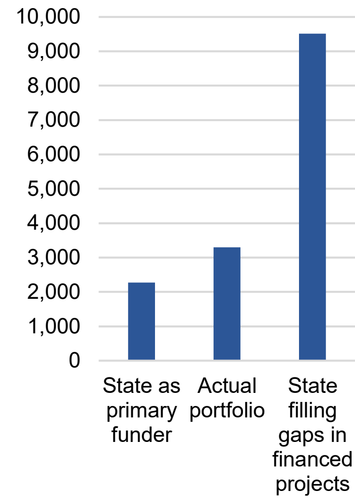
Chart 17. Total Development Cost per unit



Source: LFC analysis of agency

State funds supported more units when they filled funding gaps in projects that had other committed funders, about $14 thousand per unit, versus about $60 thousand per unit when the state was the primary funder. Gap-financed projects were more expensive overall, but the state covered only about 4 percent of total costs, compared with roughly half for primary-funded projects. Within Housing New Mexico's portfolio, state support ranged from about $900 per unit for a 240-unit development to $50 thousand per unit for a 20-unit project. Gap financing depends on other committed capital and is not available to every project or community. Agencies also did not report total development costs for $69.9 million in supply awards, limiting comparison across the full portfolio.

Chart 18. Number of Housing Units $136 million Would Support, by Financing Role



Source: LFC analysis of agency data

Table 6. State Cost per Unit by Financing Role

Financing role	Projects	State Dollars	Units Supported	State Cost per Unit	Total Cost/Unit
State filled a gap in an already-financed development	11	$24M	1,675	$14,402	$357,066
State was the primary funder	20	$43M	712	$60,375	$108,692
Financing role not reported	6	$70M	915	$76,354	NA

Note: Calculated by dividing each supply award by the planned units it supports and grouping awards by the state's reported share of total development cost. New housing supply and creation projects only; excludes NMFA loan-financed units, homelessness and shelter, and existing homes assisted. Units are planned, not completed.

Source: LFC Analysis of agency data

The same $136 million in new housing supply funding could have supported between 2,900 and 8,100 units, depending on how much of each project's cost the state carried. State funding supported more units per dollar when it filled financing gaps in projects with other committed funders, averaging about $14 thousand per unit compared with about $60 thousand where the state was the primary funder. This illustrates a tradeoff between stretching state dollars across more units and providing larger subsidies for projects that may be less able to proceed without public support, including housing targeted to very low-income households.

New Mexico's highest-cost rental developments approach California's roughly $500 thousand per-unit average. A 2025 RAND study of 115 multifamily projects found average costs for publicly subsidized affordable apartments of about $106 thousand per unit in Texas, $118 thousand in Colorado, and $502 thousand in California after adjusting to 2025 dollars. Four of New Mexico's most expensive recently completed rental projects cost $330 thousand to $433 thousand per unit. These projects are not representative of a statewide average, and RAND's figures are adjusted for differences in building type, size, and financing, so the comparison is illustrative rather than precise. Still, development costs matter because they determine how far public funding can go; RAND estimated California's

The Same Program, Two Different Deals

STATE FILLED A GAP
Tierra Linda Apartments
Albuquerque, completed

- State award $217,913
- 240 rental units
- $79.2 million total project cost
- State share 0.3 percent
- $908 per unit

All 240 units for those with incomes of 60 percent or the AMI or below, affordable for 40 years.

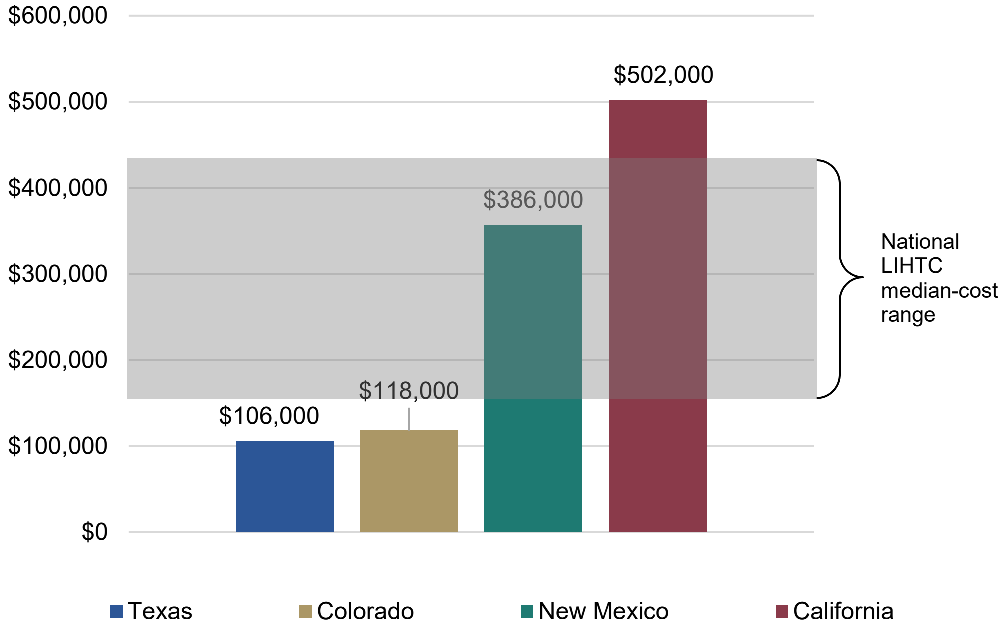
STATE WAS THE FUNDER
Central Apartments
Santa Clara, under construction

- State award $1,000,511
- 20 rental units
- $1 million total project cost
- State share 100 percent
- $50,026 per unit

All 20 units for those with incomes of 60 percent of the AMI or below, affordable for 35 years.

four largest housing programs could have produced more than four times as many units at Colorado's cost.

Chart 19. Total Development Cost per Affordable Unit, New Mexico Compared with RAND Benchmark States



Note: Texas, Colorado, and California figures have been adjusted to 2025 dollars. New Mexico figure is an average caluclated based on the four recently completed Housing New Mexico rental developments.

Source: RAND, Government Accountability Office, LFC analysis on agency sata

Long development timelines, a construction labor shortage, gross receipts taxes, and small project sizes can contribute to high per-unit costs. The 2025 RAND study found longer production timelines strongly associated with higher costs, with California projects taking more than 22 months longer than Texas projects. It also found municipal impact fees averaged about $1,000 per unit in Texas, $12 thousand in Colorado, and $29 thousand in California. Above-market wage requirements and large architectural and engineering fees tied to prescriptive design requirements were identified as key drivers of subsidized housing costs. Housing New Mexico reported in July 2024 that 9 percent of low income tax credit projects take roughly three to five years from site selection to completion. A 2024 LFC report estimated a shortfall of at least 2,000 construction workers in 2023, with rural projects relying on labor imported from Albuquerque. Impact fees appear to be less of a factor because the Development Fees Act allows them to be waived for affordable housing. However, the average 9 percent LIHTC project was 61 units in 2024, less than one-third the size of the 185-unit project on which RAND's estimates are based. In addition, gross receipts tax on construction materials and labor accounts for an estimated 4.4 percent of total development cost, or about $14 thousand per unit. Several of these costs could be addressed through state and agency action

Housing New Mexico, WSD, and DFA spent about $16 million on direct household assistance, mostly for homebuyers, even though LFC's 2023 Spotlight documented greatest need among cost-burdened renters. Housing New Mexico and two local governments awarded $11.7 million in down payment assistance to 905 households, including 837 loans through Housing New Mexico's FirstDown Plus program. DFA and the city of Las Cruces awarded $2.6 million for rental assistance and landlord incentives, reaching roughly 290 households. The largest of these is Rehab-2-Rental, a DFA-funded program administered by Housing New Mexico that pays landlords to repair vacant units for rental. It has restored 23 units and paid 175 landlord claims across 16 counties. Las Cruces separately operates a landlord risk mitigation program that has served 71 households for $100 thousand.

Other direct assistance included 27 households receiving home rehabilitation, about 136 households receiving mobility ramps, and smaller landlord-risk and landlord-participation programs. These household counts should be kept separate from development financing: a down-payment loan or rental-assistance payment represents a household assisted, while NMFA and other development financing supports housing units that may not be completed or occupied for several years. Housing New Mexico also directed $5 million to a pilot mortgage-rate buydown program for approximately 400 buyers purchasing newly constructed homes. The program is expected to reduce qualifying borrowers' rates by about 1 percentage point, at a projected public cost of roughly $12.5 thousand per household. Because the program is new, the number of buyers ultimately served, and any effect on housing production have not yet been demonstrated.

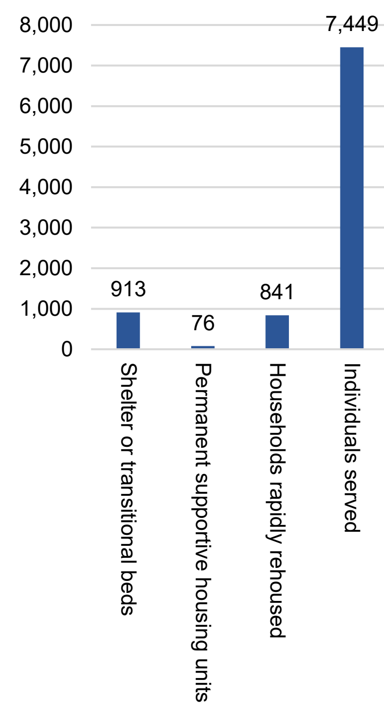
The state directed about $50 million to homelessness, shelter, and supportive housing and can document roughly 7,450 people assisted, but 18 of the 26 awards (worth $17.3 million) report no bed, household, or person count at all. WSD, DFA, and Housing New Mexico awarded a total of about $50 million to 27 countable project awards that make up the homelessness and shelter portfolio across four appropriations: $28 million through the WSD Office of Housing, $20 million through three DFA appropriations, and $2.2 million through the housing trust fund. Agencies report four types of output: beds measure capacity, units measure housing, and household and individual counts often describe the same people at different levels. Of the 7,449 individuals served, 5,241, or 70 percent, were reported by three Albuquerque Gateway projects; the remaining 2,208 were members of the 841 households rapidly rehoused by Bernalillo County.

Table 7. Homeownership and Rental Assistance Reached Similar Numbers of Households

FirstDown Plus / down-payment assistance	905	$11,700,000
Rapid rehousing / rental assistance	290	$2,600,000
Home rehabilitation	27	$1,200,000
Mobility ramps/accessibility	136	$500,000

Source: LFC analysis of agency response

Chart 20. Reported Agency Outcomes for Homelessness, Shelter, and Supportive Housing



Source: LFC analysis of agency data

Outcome reporting remains limited in this category. Eighteen of 26 awards, worth $17.3 million, reported no bed, household, or person count, including 13 domestic-violence shelter and transitional-housing projects totaling $10.5 million. Funds for those projects remain 61 percent unexpended, and much of the funding supports construction, repair, or property acquisition that may not produce immediate service counts.

Veto Narrowed a $5 Million Homelessness Appropriation to Encampment Cleanup, but Spending Included Outreach, Shelter, and Land Acquisition

The Legislature in 2025 appropriated $5 million for a “direct-to-housing encampment response,” including housing placements, outreach, case management, campsite maintenance, and closure and cleanup. The governor’s partial veto removed the housing-placement and service language, leaving a narrower purpose focused on closure and cleanup.

Spending records nevertheless show a broader mix of uses. WSD reports $4.997 million expended, and LFC identified $4.7 million in recipient-level documentation: $1.6 million for Santa Fe outreach and case management, $1.9 million for Albuquerque Gateway West shelter and encampment costs, $850 thousand for Las Cruces—including $721 thousand for land acquisition—and $249 thousand for Española Pathways Shelter staffing, security, utilities, and site expansion.

Documented use	Amount
Outreach and case management	$1.64M
Land acquisition	$0.72M
Shelter operations, staffing, and facility costs	$2.34M
Total documented	$4.70M

Documentation of final uses was uneven: Albuquerque and part of Las Cruces were reported largely as lump sums, while Española submitted vendor-level invoices. The appropriation illustrates the need for clearer documentation when vetoes or transfers materially change legislative funding language, including the surviving legal purpose and how final expenditures conform.

Source: SHARE, LFC analysis of HB2 Item 37

New Mexico has used at least $11 million of the reviewed appropriations to acquire land or property for future housing-related development, but safeguards are not consistently documented. Broad appropriation language neither expressly allowed nor prohibited land purchases. DFA awarded about $11 million for land or property acquisitions across three counties, including at least $7.8 million for sites where housing has not yet started or been completed. These purchases can preserve sites but also create risk if development is delayed or abandoned. Affordability covenants, development deadlines, repayment terms, and other remedies were not consistently reported by DFA; the $4 million Somos acquisition was tied to a development agreement, but comparable protections were not evident for other projects.

Table 8. DFA Funded Land and Property Purchases

Recipient	What was Purchased	State Award ($)	Property Cost as Reported ($)	Housing Status
Bernalillo County	5.39 acres across three parcels, held for future multifamily housing	$3,050,000	$2,397,881	No project identified
City of Albuquerque	Vacant land at 7200 Central SE for the Somos Apartments development	$4,000,000	Not separately reported	70 units under construction
City of Albuquerque	Property at 2424 San Mateo NE for a shelter for youth experiencing homelessness	$3,000,000	$3,000,000	No bed count reported
Doña Ana County	Two lots at 854 N Motel Blvd for transitional housing	$900,000	$778,000	No unit count or occupancy date reported
Total		**$10,950,000**		

Source: DFA

Other states pair land-acquisition assistance with clearer milestones and protections. Colorado requires zoning and a development plan within five years and permitting and financing within 10 years, with repayment if milestones are missed. Oregon uses revolving acquisition loans secured by a first lien, requires a development and financing plan within five years, housing in service within eight years, and at least 30 years of affordability. These models illustrate safeguards that distinguish strategic land banking from ordinary project financing. A Housing New Mexico-commissioned analysis similarly recommends acquisition criteria, site and infrastructure review, and a clear strategy before expanding land banking. Where state housing resources are used for land acquisition, safeguards could include identifying the intended housing use and expected units, establishing development milestones and reporting, recording affordability protections, and providing repayment or transfer provisions if development does not proceed.

Table 9. State Approaches to Housing Land Acquisition

State	Tool	Path to development	Protections
NM	Primarily grants	No consistent statewide development milestones identified	Deadlines, affordability restrictions, recapture terms not consistently documented
CO	Grants and forgivable loans	Development plan and appropriate zoning within 5 years; project permitted and funded within 10 years	Repayment if required milestones are missed
OR	Revolving acquisition loans	Development/financing plan within 5 years; housing placed in service within 8 years	First lien, recorded affordability restriction, at least 30 years affordability, repayment, reuse
WA	Public-land disposition and land-banking tools	Acquisitions and dispositions must align with adopted housing plans and local housing targets	Acquisitions and dispositions must align with adopted housing plans and local housing

Source: LFC analysis of data provided by DFA, WSD, Housing New Mexico, and NMFA; Colorado affordable housing financing Fund, Oregon Housing and Community Services, and Washington State Department of Commerce/state law

The state directed only about 2 percent of the reviewed portfolio to preserving existing housing, despite prior LFC findings that preservation can cost roughly half as much as new construction. DFA, WSD, and Housing New Mexico awarded about $11 million across 13 activities for public-housing rehabilitation, home repair, weatherization, accessibility improvements, and returning vacant units to the rental market. Agencies report just over half of planned preservation efforts for units or households completed overall; smaller projects are largely finished, while the largest effort, weatherization and solar retrofits, has reached about one-third of its target. The 2023 Housing Spotlight cited HUD estimates that preservation typically costs one-half to two-thirds as much as new construction and noted that thousands of subsidized New Mexico units were approaching the end of affordability restrictions or that they needed capital investment. The portfolio has expanded financing for new production, while preservation remains a comparatively small share of state housing investment. WSD's FY28 budget request proposes $5 million to expand its home-preservation initiative statewide.

Table 10. Preservation, Rehabilitation, Repair, and Weatherization awards

Agency	Activity	Recipient	State Award	Expended	Homes or Units Planned	Delivered to Date
DFA	Public housing renovation for voucher conversion	Eastern Regional Housing Authority	$3,000,000	$2,048,594	20	0
DFA	Camino de Jacobo public housing rehabilitation	Santa Fe County	$1,500,000	$1,495,911	37	37
DFA	Rehab-2-Rental and State Landlord Incentive Program	Housing New Mexico	$1,656,000	$1,403,448	23	23
WSD	Home Rehab	Bernalillo County	$1,000,020	$1,000,020	21	27
HNM	Home rehabilitation	Greater Albuquerque Habitat for Humanity	$178,439	$176,370	14	0
HNM	Ramps for mobility impaired households	New Mexico Ramp Project	$500,000	$227,439	180	136
HNM	Weatherization	Central New Mexico Housing Corporation	$250,000	$249,988	18	18
HNM	Weatherization	Redfeather Development	$450,000	$449,999	32	32
HNM	Weatherization	Southwest Regional Housing and Community Development	$250,000	$175,000	18	13
HNM	Weatherization - Energy$mart Solar	Central New Mexico Housing Corporation	$425,000	$153,347	30	11
HNM	Weatherization - Energy$mart Solar	Redfeather Development	$675,000	$77,886	48	6
HNM	Weatherization - Energy$mart Solar	Southwest Regional Housing and Community Development	$1,400,000	$600,865	170	43
HNM	Home Improvement Program	Housing New Mexico	$600,000	$62,773	26	4
Total	**13 activities**		**$11,884,459**	**$8,121,640**	**637**	**350**

Note: Counts mix housing units with households whose existing homes were served; they are not interchangeable. Weatherization and home improvement counts are derived by dividing awards by an assumed cost per home, not reported directly. Excludes DFA's $3 million Gallup homeownership pathway, which transfers ownership rather than rehabilitating units, and $3.09 million in DFA shelter facility repairs counted under homelessness.

Source: LFC Analysis of agency data

The State has Increased Direct Housing Funding Substantially, while Regulatory, Infrastructure, Permitting, and Local-Capacity Barriers Continue to Constrain Housing Production

New Mexico has relied heavily on direct appropriations since FY23, but other tools can also lower development costs and increase supply. The state already uses tax credits, tax-exempt bonds, local financing districts, abatements, and other mechanisms, while peer states have also acted on zoning, permitting, parking, housing types, adaptive reuse, and local implementation capacity. These approaches can help public dollars go further, though they may not eliminate the need for subsidies or supportive housing for very low-income households.

New Mexico already uses tax and financing mechanisms that can lower housing-development costs without relying solely on direct appropriations. Beyond grants and direct subsidies, the state uses tax credits, tax-exempt bonds, local financing districts, abatements, and other mechanisms to reduce financing or infrastructure costs and attract private capital. These tools shift some public support from upfront appropriations to foregone revenue, repayable financing, or dedicated local revenue streams. For example, the village of Angel Fire created Public Improvement District No. 2007-1 to finance infrastructure improvements through district bonds repaid by special property levies. PIDs can therefore shift upfront infrastructure costs away from a direct state appropriation and onto properties benefiting from the improvements.

$1.4 Million WSD Consulting Contract

In June 2026, the Office of Housing (WSD) contracted with Boston Consulting Group for an approximately eight-week housing study costing up to $1.4 million. The work covers housing needs, zoning and permitting, peer-state comparisons, stakeholder engagement, policy recommendations, and an implementation roadmap. In 2025, the Legislature appropriated $2 million through the General Appropriation Act for consulting and strategic planning to support innovative models to end homelessness, for expenditure in FY26.

The contract's maximum value equals about $175 thousand per week over the eight-week engagement. The scope focuses on housing-supply and regulatory issues, and several deliverables overlap with work already performed or underway by Housing New Mexico, other agencies, local governments, and outside organizations.

Available statewide benchmarks for similar studies are substantially lower, though scopes differ: A Montana legislative audit reported peer-state estimates of $100 thousand to $175 thousand for statewide housing-needs assessments, while North Dakota budgeted $35 thousand for one.

The contract also pays 90 percent of its professional-services fee on an interim package and does not specify staffing levels, consultant hours, or detailed acceptance measures.

Source: WSD Contract ID# 26-631-1111-00051; LFC analysis of statewide housing-study procurement records from North Dakota, Montana, Kansas, and Delaware.

Table 11. Tax and Financing Tools at a Glance

Tool	Repayment	New Mexico Example	Evidence Base
Tax Credits	Paid for through foregone federal or state tax revenue; investors provide equity in exchange for the credits.	Sandoval Flats in Rio Rancho received a New Mexico Affordable Housing Tax Credit award tied to a $2 million contribution supporting construction of the income-restricted multifamily project. Housing New Mexico also administers federal 4 percent and 9 percent LIHTC awards statewide.	Strong: long-established evidence that low income tax credit attracts private equity and supports affordable rental production and preservation.
Tax-Exempt Multifamily Bonds	Repaid from project revenues, typically rents and other development income, rather than general state funds.	Housing New Mexico multifamily Private Activity Bonds provide conduit tax-exempt financing for qualifying rental developments and can be paired with 4 percent LIHTC; the State Board of Finance allocated 60 percent of New Mexico's 2026 Private Activity Bonds (PABs) volume cap to multifamily housing.	Strong as a financing tool: lowers borrowing costs and is widely paired with 4 percent low income tax credit; evidence is stronger on financing effects than independent production effects.
Public Improvement Districts (PIDs)	Bonds are typically repaid through special property levies or assessments on property within the district.	Angel Fire Public Improvement District No. 2007-1, created by the Village of Angel Fire to finance public infrastructure improvements through special levies and district bonds.	Strong for infrastructure finance; limited on housing-production effects: can fund roads, water, sewer, and other enabling infrastructure.
Tax Increment Development Districts (TIDDs)	Debt is repaid from the incremental gross-receipts or property-tax revenue generated above an established baseline within the district.	Mesa del Sol TIDDs 1–5 in Albuquerque, created to finance public infrastructure using tax-increment revenues.	Mixed: can finance infrastructure and redevelopment, but studies find inconsistent effects on additional residential development and property values.
Property-Tax Abatement	Paid for through temporarily foregone property-tax revenue rather than a direct expenditure.	Sycamore Plaza in Albuquerque, a 20-unit mixed-use redevelopment receiving an estimated $250 thousand Redevelopment Tax Abatement, which freezes property taxes at the predevelopment value for seven years.	Moderate/context-specific: can improve project feasibility by lowering operating costs, but effects vary by market and project.
Construction-Tax Deduction	Paid for through foregone state and local gross-receipts-tax revenue.	2026 SB151 affordable-housing gross receipts tax (GRT) deduction, which applies to qualifying multifamily construction where at least 80 percent of units meet affordable-housing requirements.	Too new to evaluate in New Mexico directly lowers qualifying construction costs, but production and affordability effects are not yet known.

Source: LFC analysis of HUD, FHWA, Urban Institute, Economic Development Quarterly, and LFC files.

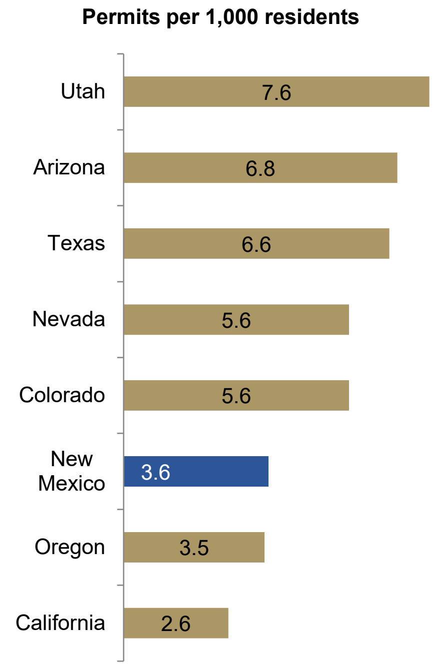
Financing tools address the cost and availability of capital; land-use, permitting, and infrastructure policies affect whether and how quickly housing can be built. (See Appendix D for additional detail on housing-supply reforms used in other states.)

New Mexico continues to permit relatively little housing compared with several western peers, and recent production remains concentrated in single-family homes. Pew ranks New Mexico second-to-last among states in the region in permits per capita from 2018 through 2025. From 2020 through 2024, about 80 percent of permitted units in New Mexico were in single-family structures, compared with about 18 percent in buildings with five or more units and less than 2 percent in duplexes and other two-to-four unit structures. Housing New Mexico notes that this mix provides relatively few alternatives for smaller households and households seeking lower-cost housing types.

Land-use, permitting, fees, and infrastructure requirements affect what housing can be built, where it can be built, its cost, and how long development takes. A 2025 RAND analysis found that lower-cost states generally use more predictable and time-limited approval processes, lower local impact fees, and fewer discretionary regulatory requirements. RAND highlighted Texas requirements for local permit decisions within 30 days and presumptive approval when deadlines are missed, estimating that shorter approval times could reduce development costs by about 8 percent in higher-cost markets. New Mexico has not adopted comparable statewide approval deadlines, presumptive approval requirements, or broad limits on local development fees. These reforms would not eliminate the need for subsidies for extremely low-income households, but reducing avoidable development costs could allow public resources to support more housing.

Other states and localities have pursued reforms intended to increase housing production and reduce development barriers. State legislative activity has accelerated substantially. Pew reports that more than 100 laws allowing more housing passed across more than 25 states in 2025. Recent measures include accessory dwelling unit requirements, middle-housing reforms in Arizona and Washington, apartments near commerce or transit in Arizona, Colorado, Florida, Hawaii, and Maryland, and reduced parking requirements in California, Colorado, Maryland, New Hampshire, and Washington. Evidence from several jurisdictions indicates that zoning and permitting reforms can increase housing production and moderate rent growth, although effects vary and many recent statewide reforms are too new for long-term evaluation.

Chart 21: Housing Permits per 1,000 Residents in Western States, 2025



Note: based on 2025 building permits and July 1, 2025 population count.

Source: U.S. Census Bureau QuickFacts

Table 12. State Housing Supply Reform Options at a Glance
Covered in greater depth in Appendix D

Option	What It Does	NM Relevance / Peer State Example	Evidence Base
Allow More Housing Types	ADUs, duplexes, townhomes, casitas, manufactured housing	OR/WA/ME; relevant to NM's single-family-heavy permitting	Moderate: higher production documented in cities adopting broader zoning reforms; effects of individual reforms difficult to isolate.
Reduce Lot and Parking Requirements	Lowers land/infrastructure cost per unit	CO/NV/OR/UT	Moderate–strong: documented cost reductions; associated with higher production and slower rent growth in some cities.
Streamline Approvals	By-right review, deadlines, third-party review	TX/ME; NM subdivision statute issue	Moderate: reduces review time and carrying costs; Austin and New Rochelle show faster approvals and higher permitting.
Review Code/Design Mandates	Reduce avoidable construction costs	Emerging NCSL approach	Moderate on cost; limited evidence on resulting unit production.
Support Infill/Adaptive Reuse	Convert existing buildings and ready sites	Homewise/Pew proposals for NM	Limited/mixed: can add units, but feasibility and costs vary substantially by building and site.
Pair Reforms with Local Capacity/Infrastructure Assistance	Helps smaller jurisdictions implement changes	Montana model	Limited direct evidence.

Source: LFC analysis of Pew Charitable Trusts, NCSL, RAND, Mercatus Center, Homewise, and Montana state materials.

Peer states generally set statewide requirements while retaining substantial local implementation authority. Oregon requires cities to allow duplexes and, in larger cities, additional middle-housing types. Washington varies middle-housing requirements by population. Montana requires faster-growing communities to plan for housing need, zone for sufficient capacity, select from a menu of reforms, and administratively approve compliant projects. Under these models, states establish minimum housing or approval requirements, while local governments retain authority over design, infrastructure, water and wastewater, hazards, growth sequencing, and community planning.

Rural project pipelines and rural administrative capacity may also be slowing housing development. Agencies cited limited rural pipelines and local capacity as barriers to assembling financing, completing predevelopment work, and moving projects to construction. A 2026 Mercatus Center review found only 19 New Mexico jurisdictions provide full planning, engineering, and building-permit services; others use hybrid arrangements or rely on counties, councils of governments, or the state Construction Industries Division. Mercatus found these differences can slow projects and recommended state support to strengthen local implementation capacity.

Beyond financing and regulatory constraints, New Mexico also lacks a single system for coordinating state housing programs and tracking investments through results.

New Mexico's housing programs remain fragmented across agencies, funding streams, and administrative processes, with no single system for tracking investments through results. Peer states use consolidated applications, lead housing entities, and statewide reporting to improve coordination and accountability. While New Mexico's Office of Housing has not been established in statute and has shifted between executive entities, it is now seeking a substantially expanded administrative role at WSD.

New Mexico housing projects often rely on multiple state, local, federal, and private funding sources administered through separate programs. Agency interviews identified separate application, underwriting, legal-review, and award processes as a source of administrative complexity, although LFC did not identify project-level data quantifying resulting delays. Local implementation capacity also varies substantially; a 2026 Mercatus review found only 19 New Mexico jurisdictions provide full planning, engineering, and building-permit services.

The state's administrative structure creates accountability and transparency risks because no single entity tracks state housing investments from appropriation through results. The Legislature cannot currently see in one place how much has been appropriated, awarded, encumbered, expended, leveraged, or converted into units, households served, affordability commitments. Similar coordination and reporting concerns were identified in LFC's 2023 Housing Spotlight and remain unresolved as state housing investments have expanded across more agencies and funding models. (See Appendix A for more on the 2023 LFC recommendations.)

Peer states offer models for stronger coordination without requiring all housing functions be consolidated. Minnesota and Massachusetts combine multiple housing resources in common application rounds, Oregon coordinates tax credits and gap financing as projects reach defined readiness stages, and California is developing a single application and coordinated review process across major multifamily housing-finance entities. Minnesota's consolidated process allows applicants to seek multiple funding sources through one application rather than separate competitions. These approaches suggest New Mexico could reduce duplicative application and review processes by coordinating award schedules, jointly reviewing capital stacks, and making coordinated funding decisions.

Statewide Homeless Data System Funded Through a Single County Grant

A FY23 $235 thousand nonrecurring appropriation to DFA was directed to expand the homeless management information system in additional agencies statewide and homeless services. The award was administered as a single grant to Santa Fe County, which expended $234,993.86 by June 30, 2024.

Source: LFC analysis of SB192

States also use lead entities to coordinate programs, planning, and accountability. Massachusetts created the Executive Office of Housing and Livable Communities in 2023 to consolidate housing programs, municipal funding, public housing, and statewide planning; Utah similarly consolidated major housing and community-development functions within a new division in 2026. California publishes statewide dashboards tracking housing-law enforcement, local allocations, homelessness grants, expenditures, disbursements, and reversions, while Colorado's Division of Housing serves a formal homelessness-coordination role for the Balance of State Continuum of Care. New Mexico has pursued a similar coordinating function, but the institutional arrangement has been less stable, with turnover among housing advisors, repeated movement of the Office of Housing between executive entities, and expansion of responsibilities beyond coordination into direct program administration without a clearly established statutory role.

New Mexico has repeatedly considered, but has not established in statute, a central function for coordinating housing. LFC's 2023 Housing Spotlight noted the governor's proposal for a cross-agency housing investment council rather than recommending creation of a new office. Since then, the executive branch has used housing policy advisors and supported three unsuccessful bills to establish or formalize a housing entity—House Bill 414 in 2023, Senate Bill 71 in 2024, and Senate Bill 205 in 2025. Those proposals generally contemplated annual operating costs of $2 million or less. The governor subsequently created an Office of Housing administratively in 2024 and moved it to WSD in 2025, along with housing appropriations previously administered by DFA. In developing the FY27 budget, LFC did not recommend funding housing activities at WSD because housing was not among the department's statutory duties. The enacted budget nevertheless provided WSD $30 million for housing and homelessness initiatives, $5 million for rental assistance, and $2 million in GRO funding for Office of Housing operations through FY29. The office has administered substantial housing resources transferred from DFA, but still lacks an established statewide housing role. WSD requested funding for the Office of Housing in developing the FY27 budget, which LFC did not include in its recommendation. LFC instead recommended a $100 million transfer to the Opportunity Enterprise Revolving Fund, which can support workforce housing.

WSD's FY28 budget request would substantially expand the office from a coordinating function into direct administration of housing programs. The department requested $19.7 million in recurring general fund support for Office of Housing activities, including homebuyer assistance, homelessness programs, preservation, and a statewide housing procurement initiative. It also requested about $1 million in nonrecurring funding for office operations, including personnel and other ongoing administrative needs, and another $1 million for housing-preservation programs and strategies. Separately, WSD submitted roughly $73 million in

GRO requests for housing and homelessness activities, including affordable and attainable housing development, vouchers, local housing capacity and planning, homelessness projects, and housing-workforce initiatives. Taken together, the requests would significantly increase the office's funding and direct program responsibilities even though its authority and relationship to existing housing entities have not been established in statute.

The Legislature has separately provided $2 million for FY27 through FY29 for Office of Housing operations through the Government Results and Opportunity framework. That funding requires intended outcomes, a logic model, performance measures, data sources, an evaluation plan, annual review, and a final report, providing a mechanism to assess whether the office improves statewide coordination and visibility into housing investments.

Appendix A. Progress on Past Recommendations

The 2023 LFC *Policy Spotlight: Homelessness Supports and Affordable Housing* found rising homelessness, affordable-rental shortages, fragmented administration, and weak outcome reporting. It recommended better targeting, preservation, rental assistance, landlord participation, coordination, reporting, and supply-side reforms.

Since then, the Legislature has substantially increased housing funding and expanded development finance, rental assistance, infrastructure, and homeownership programs. Progress has been strongest on funding and program expansion, while coordination, targeting, reporting, and outcome measurement remain incomplete.

2023 Recommendation	Status	Notes
Target funding to areas of greatest need.	Partial progress	Many investments have flowed to high-need areas, but the state lacks a consistent framework for aligning awards with geographic need.
Improve reporting on spending, outputs, and outcomes.	Limited progress	Some agencies have improved project-level reporting, but the state still lacks a consistent system for tracking appropriations through spending, outputs, affordability requirements, and outcomes
Preserve and rehabilitate existing affordable housing.	Limited progress	State funds support rehabilitation, weatherization, home repair, and manufactured-home replacement, but LFC identified only about $8.7 million in project-level preservation and repair allocations, less than 2 percent of the reviewed portfolio.
Use rental assistance and eviction-prevention supports.	Partial progress	State funds supported rental assistance and rapid rehousing, including 841 households reported served through WSD rapid rehousing, and the Legislature appropriated another $5 million for rental assistance in FY26. Housing-stability outcomes are not consistently reported.
Strengthen landlord participation.	Limited progress	State funding supported landlord participation through the Landlord Advantage Program and Housing New Mexico’s Rehab-to-Rental/State Landlord Incentive Program; the $2.5 million FY23 appropriation was fully expended or committed, although available reporting shows limited participation and does not establish the programs’ effect on voucher acceptance or rental access.
Improve Linkages reporting and supportive housing.	Not assessed	Outside the scope of this review.
Limit piecemeal capital outlay.	Not assessed	Outside the scope of this review.
Improve cross-agency coordination.	Partial progress	Agencies report increased coordination, but housing responsibilities remain distributed across entities with separate funding, application, underwriting, legal, and reporting processes, and no single entity tracks investments through results.
Use state funds to leverage long-term housing production.	Partial progress	The state expanded revolving loans, housing trust fund investments, and other development finance, but one-time appropriations and short deadlines remain poorly matched to some housing timelines.
Pair funding with noncapital supply reforms.	Limited progress	New Mexico has considered and adopted some narrower financing and tax tools, but housing-production rules remain primarily local and the state has not adopted broader statewide land-use, permitting, or production standards comparable with several western peers.

Overall status: Limited progress. New Mexico has substantially increased housing investment and expanded several financing and assistance programs, but core recommendations on targeting, coordination, reporting, outcome measurement, and housing-supply reforms remain only partially implemented or largely unresolved.

Appendix B. Housing Unit Change by County, 2020-2025

County	Units Added
Bernalillo	8,225
Doña Ana	6,656
Sandoval	5,730
Santa Fe	5,504
Valencia	2,443
Otero	2,421
Eddy	1,758
San Miguel	1,404
Lea	1,304
San Juan	1,059
Rio Arriba	981
Curry	934
McKinley	902
Chaves	837
Cibola	673
Taos	564
Lincoln	548
Grant	514
Colfax	504
Torrance	499
Mora	390
Luna	374
Sierra	353
Catron	337
Los Alamos	291
Roosevelt	261
Socorro	216
Guadalupe	120
Hidalgo	106
Quay	100
Union	62
Harding	34
De Baca	33

County	Percent Change
Mora	13.6%
Catron	10.4%
Sandoval	9.8%
San Miguel	9.5%
Valencia	8.2%
Otero	7.5%
Doña Ana	7.4%
Santa Fe	7.2%
Torrance	7.0%
Eddy	6.7%
Cibola	6.1%
Harding	5.7%
Guadalupe	5.5%
Colfax	5.3%
Rio Arriba	5.0%
Hidalgo	4.8%
Lea	4.7%
Curry	4.4%
Sierra	4.4%
McKinley	3.6%
Grant	3.5%
Los Alamos	3.4%
Luna	3.2%
Chaves	3.1%
Lincoln	3.1%
Roosevelt	3.1%
Union	3.0%
De Baca	2.9%
Socorro	2.9%
Bernalillo	2.7%
Taos	2.7%
San Juan	2.2%
Quay	1.8%

Source: US Census

Appendix C. New Mexico HUD AMI Calculations, FY26

County	Median family Income	30% of AMI (family of 4)	50% of AMI (family of 4)	80% of AMI (family of 4)
Bernalillo	$100,400	$33,000	$50,200	$80,300
Catron	$70,200	$33,000	$36,450	$58,300
Chaves	$65,600	$33,000	$36,450	$58,300
Cibola	$62,600	$33,000	$36,450	$58,300
Colfax	$64,700	$33,000	$36,450	$58,300
Curry	$79,000	$33,000	$39,500	$63,200
De Baca	$89,500	$33,000	$44,750	$71,600
Dona Ana	$79,900	$33,000	$38,850	$62,150
Eddy	$100,100	$33,000	$50,050	$80,100
Grant	$68,400	$33,000	$37,200	$59,500
Guadalupe	$60,500	$33,000	$36,450	$58,300
Harding	$95,500	$33,000	$42,600	$68,150
Hidalgo	$71,200	$33,000	$36,450	$58,300
Lea	$92,200	$33,000	$43,900	$70,250
Lincoln	$73,800	$33,000	$36,900	$59,050
Los Alamos	$182,500	$51,250	$85,450	$106,800
Luna	$48,300	$33,000	$36,450	$58,300
McKinley	$56,400	$33,000	$36,450	$58,300
Mora County	$57,700	$33,000	$36,450	$58,300
Otero	$71,000	$33,000	$36,450	$58,300
Quay	$60,400	$33,000	$36,450	$58,300
Rio Arriba	$73,700	$33,000	$36,850	$58,950
Roosevelt	$69,700	$33,000	$36,450	$58,300
San Juan	$80,300	$33,000	$40,150	$64,250
San Miguel	$74,300	$33,000	$37,150	$59,450
Sandavol	$100,400	$33,000	$50,200	$80,300
Santa Fe	$118,600	$33,000	$54,700	$87,500
Sierra	$71,300	$33,000	$36,450	$58,300
Socorro	$50,000	$33,000	$36,450	$58,300
Taos County	$80,500	$33,000	$40,250	$64,400
Torrance	$100,400	$33,000	$50,200	$80,300
Union	$66,700	$33,000	$36,450	$58,300
Valencia	$100,400	$33,000	$50,200	$80,300
Statewide	$89,000	$44,500	$26,700	$71,200

Source: HUD

Appendix D. Housing Supply Policy Strategies Used in Other States

The following options summarize approaches other states have used to reduce barriers to housing production and expand the range of housing that can be built.

Allowing a broader range of housing types, including manufactured housing. Most permitting in New Mexico remains concentrated in detached single-family housing even though smaller households are the majority. States can require or encourage local governments to permit duplexes, triplexes, fourplexes, townhomes, cottage developments, accessory dwelling units, and small apartment buildings in areas previously reserved for detached single-family homes. NCSL identifies "middle housing" as a way to add homes through compatible infill and create ownership and rental options at lower price points than large-lot detached homes. Oregon, Washington, and Maine have enacted laws expanding middle housing or accessory dwelling units in residential areas. The Pew Charitable Trusts has called for New Mexico to permit *casitas* and allow apartments near commercial corridors or transit as major state-level options.

Manufactured housing is especially relevant in rural New Mexico and already accounts for about 15 percent of the state's occupied housing stock, but annual shipments fell from about 8,250 homes in 1996 to about 1,650 in 2025, an 80 percent decline. Zoning, large-lot requirements, inspection processes, and titling rules can limit its use. Policy options include allowing manufactured homes wherever comparable detached housing is permitted, applying equivalent development standards, reducing minimum lot sizes, and allowing qualifying homes to be titled as real property, which can improve access to conventional mortgage financing and consumer protections.

Reducing minimum lot sizes and parking requirements. Large minimum lots limit the number of homes that can be built and increase the amount of land and infrastructure cost assigned to each unit. Off-street parking mandates can also reduce the buildable area of a site and add costs, particularly when structured parking is required. NCSL reports that states including Colorado, Nevada, Oregon, and Utah have reduced parking requirements or encouraged local governments to do so. Pew recommends reducing minimum lot sizes and parking mandates in New Mexico, including for manufactured housing and development in already-served areas.

Making qualifying housing development subject to administrative approval rather than discretionary review. Some barriers to streamlined approval are embedded in state law. Section 3-20-8 NMSA limits local governments' ability to use administrative approval for subdivisions of more than two lots, potentially requiring discretionary review even where local governments would otherwise prefer a by-right process. By-right development allows projects that meet adopted zoning and building standards to proceed without a project-specific rezoning or political approval. States have increasingly allowed apartments by right along commercial corridors and near transit, where infrastructure and services are often already available. Pew notes that housing markets operate regionally, meaning reforms in only one municipality may have limited effects if nearby jurisdictions continue restricting supply.

Streamlining permitting and inspections. Lengthy or duplicative review increases carrying costs and can make otherwise feasible projects uneconomic. Options include firm review deadlines, consolidated applications, concurrent agency review, electronic permitting, third-party plan review and inspections, and clearer approval standards. Jurisdictions can also manage permitting as a measurable process by tracking average approval times, mapping workflows to identify bottlenecks, establishing target review times, and reporting performance measures. Las Cruces, for example, has set goals for 85 percent of commercial, multifamily, and industrial permits to be issued within 30 business days and for 90 percent of applications to require no more than two plan reviews. NCSL cites Maine's consolidated application for affordable housing, Texas deadlines for local action and authorization of third-party review when deadlines are missed, and Rhode Island's expedited judicial process for land-use cases.

Reviewing building codes and design mandates for unnecessary costs. Health and safety standards remain essential, but states can review whether additional local requirements—such as prescribed façade materials, roof forms, minimum unit sizes, or limits on prefabricated components—raise costs without commensurate public benefits. NCSL identifies flexible building-code approaches as an emerging state strategy and notes that some states are examining changes that would allow small multifamily buildings on smaller sites while retaining safety protections.

Facilitating adaptive reuse and infill. States can remove barriers to converting underused offices, commercial properties, schools, or other structures into housing; clarify code requirements for conversions; allow residential uses in commercial districts; and support redevelopment of vacant or blighted parcels. Pew identifies office-to-residential conversions, including smaller co-living units, as a way to produce more homes from the same subsidy in suitable buildings, although these projects are highly site-specific and are unlikely to replace broader production reforms. Homewise proposes using state site-readiness assistance for infill, adaptive reuse, and small- to medium-scale housing projects facing infrastructure barriers.

Using tax and financing tools to reduce development costs and leverage private capital. Tax policy and public financing provide another set of tools for increasing housing production. Rather than relying on direct appropriations, governments can reduce or redirect taxes, lower borrowing costs, finance infrastructure, or use tax credits to attract private investment.

New Mexico already uses several of these tools, including federal and state housing tax credits, tax-exempt multifamily bonds, industrial revenue bonds (IRBs), public improvement districts (PIDs), tax increment development district (TIDD) financing, Metropolitan Redevelopment Area property-tax abatements, and below-market housing loans.

IRBs can provide tax-advantaged financing and, for qualifying projects, reduce certain property- or gross-receipts-tax costs. PIDs can issue bonds or impose special assessments to finance roads, water, sewer, and other infrastructure needed to support development. These tools differ from direct appropriations because they generally work through financing structures, tax treatment, or dedicated revenue rather than an upfront state grant. In 2026, SB151 added a gross receipts tax deduction for construction materials and labor used in qualifying multifamily developments where at least 80 percent of units meet affordable-housing requirements; LFC estimated the deduction could reduce state and local revenue by roughly $10 million annually once implemented.

Tax and financing tools are often layered with direct grants, subsidized loans, public land, infrastructure assistance, and other public financing. As a result, appropriation data alone does not necessarily show the full public support associated with a housing development. Consistent project-level reporting of the full public-support stack would allow policymakers to assess whether public assistance is proportionate to the additional housing, affordability, leverage, infrastructure, or other benefits produced.

Tax and financing tools can support housing production without direct appropriations, but without affordability protections some can add costs that price out lower-income households and reinforce economic segregation. LIHTC and the 2026 GRT deduction include explicit affordability requirements, while IRBs, PIDs, and TIDDs can support housing or infrastructure without necessarily targeting extremely low-income households. PIDs, for example, can repay infrastructure debt through special assessments or property levies charged to property owners, increasing housing costs within the developments they finance. This distinction is especially important in New Mexico, which has only 41 affordable and available rental homes for every 100 extremely low-income renter households, a shortage of nearly 40 thousand units. For these households, supply investments are most effective when targeted to housing targeted at below 30% AMI because market rents generally cannot support development and operating costs.

Appendix E. Project-level awards from reviewed housing appropriations

Blanks in project-level spending indicate lack of data.

Bernalillo						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Albuquerque	DFA	City of Albuquerque	DV transitional housing / shelter facility	$70,000		
Albuquerque	DFA	City of Albuquerque	Somos Apartments development (Sol Housing, 70 units)	$4,000,000		70 units
Albuquerque	DFA	City of Albuquerque	Youth homeless shelter acquisition (San Mateo NE)	$3,000,000		
Albuquerque	WSD	City of Albuquerque	Gateway @ Gibson	$9,474,101	$9,474,101	262 shelter/trans. beds
Albuquerque	WSD	City of Albuquerque	Gateway West	$6,503,003	$6,503,003	660 shelter/trans. beds
Albuquerque	WSD	City of Albuquerque	Gateway Young Adult Housing and Treatment Navigation Center	$862,500	$862,500	41 shelter/trans. beds
Albuquerque	WSD	Family Housing Development Corporation	Uptown Connect	$1,000,000	$999,897	175 rental
Albuquerque	HNM/MFA	Greater Albuquerque Habitat for Humanity	Home rehabilitation	$178,439	$176,370	14 units
Albuquerque	HNM/MFA	DBG Properties	Tierra Linda Apartments	$217,913	$217,913	240 units
Albuquerque	HNM/MFA	Saranam	Transitional housing for families exiting homelessness	$732,939	$459,375	13 units
Albuquerque	HNM/MFA	Chelsea Investment Corp.	West Mesa Ridge A	$3,000,000	$2,500,000	128 units
Albuquerque	NMFA	Spire Development / Plaza Luna Lofts	Affordable Housing Infrastructure	$1,100,000		57 units
Albuquerque	NMFA	Spire Development / San Mateo Manor	Affordable Housing Infrastructure	$1,015,000		50 units
Albuquerque	NMFA	West Central LLC - La Curva	Workforce Housing	$15,000,000		236 units
Albuquerque	NMFA	Cornerstone Capital - The View	Workforce Housing	$12,682,400		60 units
Albuquerque	NMFA	Emergent Development / Soluna West	Workforce Housing	$10,115,300		52 units
Albuquerque	NMFA	Inskies Investments	Workforce Housing	$4,000,000		40 units
Bernalillo County	DFA	Bernalillo County	DV shelter facility construction	$855,000		

Bernalillo County	DFA	Bernalillo County	Multi-parcel land banking (International District)	$3,050,000		
Bernalillo County	WSD	Bernalillo County	Affordable Housing in Bernalillo County	$52,359,841	$52,359,841	696 rental · 14 ownership
Bernalillo County	WSD	Bernalillo County	Cottages at 161 Chama	$1,800,000	$1,800,000	20 rental
Bernalillo County	WSD	Bernalillo County	Home Rehab	$1,000,020	$1,000,020	27 households
Bernalillo County	WSD	Bernalillo County	Ponderosa Place	$7,172,320	$7,172,320	76 supportive
Bernalillo County	WSD	Bernalillo County	Rapid Rehousing	$3,923,982	$3,923,982	841 households · 2,208 individuals
Central NM						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Central NM	HNM/MFA	Central New Mexico Housing Corporation	Weatherization	$250,000	$249,988	18 units
Central NM	HNM/MFA	Central New Mexico Housing Corporation	Weatherization - Energy$mart Solar Program	$425,000	$153,347	30 units
Chaves						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Chaves County	DFA	Chaves County	DV shelter facility renovation	$50,000		
Roswell	HNM/MFA	Artisan's Guild Contracting, LLC	El Toro Community	$3,000,000	$3,000,000	29 units
Roswell	HNM/MFA	JH Homes Inc.	Oaks Subdivision 7	$2,163,000	$1,672,058	48 units
Roswell	HNM/MFA	Synergy Community Development Corp	Sunset 1600 Apartments	$3,000,000	$1,988,750	60 units
Cibola						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Grants	DFA	City of Grants	DV shelter electrical panel / site work	$275,000		
Grants	DFA	City of Grants	Northwest NM DV shelter construction	$5,000,000		
Curry						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Clovis	DFA	City of Clovis	DV shelter perimeter fence replacement	$25,000		
Doña Ana						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Doña Ana County	DFA	Doña Ana County	Palms Center transitional housing (justice-involved)	$900,000		
Las Cruces	DFA	City of Las Cruces	DV shelter facility renovation	$301,000		
Las Cruces	DFA	City of Las Cruces	Permanent supportive housing initiatives	$2,500,000		
Las Cruces	WSD	City of Las Cruces	Affordable Housing in Las Cruces	$11,075,000	$11,075,000	224 rental · 84 ownership · 50 supportive

Las Cruces	WSD	City of Las Cruces	Landlord Risk Mitigation Program	$100,000	$100,000	71 households
Las Cruces	HNM/MFA	Crosstown	Re-entry housing for people exiting incarceration	$267,061	$0	8 units
Vado	HNM/MFA	Tierra del Sol Housing Corporation	Vado New Horizons	$1,000,000	$0	56 units
Eastern NM						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Eastern NM	DFA	Eastern Regional Housing Authority	Rehab of ~20 units for RAD project-based vouchers	$3,000,000		20 units
Eddy						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Carlsbad	DFA	City of Carlsbad	Battered Family Shelter improvements	$72,412		
Carlsbad	WSD	Forged Development	Chesterfield Acres	$1,612,000	$1,612,000	26 ownership
Grant						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Bayard	DFA	City of Bayard	Cobre School District on-site housing (2 mobile homes)	$125,000		
Santa Clara	HNM/MFA	Central New Mexico, LP	Central Apartments	$1,000,511	$0	20 units
Silver City	DFA	Town of Silver City	Workforce housing subdivision (≥25 units)	$3,000,000		25 units
Silver City	WSD	Cornerstone Apartments, LLC	Cornerstone Apartments	$3,000,000	$3,000,000	30 supportive
Silver City	HNM/MFA	Blueline Development	Cornerstone Apartments	$2,782,087	$0	30 units
Silver City	HNM/MFA	Rosedale Limited Partnership	Valley View Apartments	$1,259,192	$0	32 units
Lea						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Hobbs	WSD	City of Hobbs	Habitat for Humanity West Copper Street Development	$860,000	$860,000	14 ownership
Hobbs	HNM/MFA	Y.M.H. Inc dba Youngs Homes	South 40 Subdivision - Infrastructure	$2,000,000	$286,108	47 units
Lea County	DFA	Lea County	DV shelter facility repairs	$206,000		
Lincoln						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Lincoln County	DFA	Lincoln County	Transitional housing shelter repairs	$112,000		
Ruidoso	DFA	Village of Ruidoso	Workforce housing – 15-17 unit neighborhood (modular)	$3,000,000		15-17 unit
Ruidoso	HNM/MFA	Village of Ruidoso	Workforce housing	$712,498	$712,498	17 units
Los Alamos						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**

Los Alamos	WSD	Servitas	Coyote Mesa	$4,964,800	$4,964,800	98 rental
McKinley						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Gallup	WSD	NM NW COG	Downpayment Assistance Program	$300,000	$300,000	8 households
Gallup / McKinley County	DFA	NW New Mexico Council of Governments	Gallup public-housing-to-homeownership pathway	$3,000,000		
Navajo Nation						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Navajo Nation	HNM/MFA	Redfeather Development	Weatherization	$450,000	$449,999	32 units
Navajo Nation	HNM/MFA	Redfeather Development	Weatherization - Energy$mart Solar Program	$675,000	$77,886	48 units
North Central NM						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Española / North Central NM	DFA	North Central Regional Transit District	Española workforce housing design	$500,000		
NCNMEDD/ Agency	HNM/MFA			$2,000,000	$1,913,364	
Otero						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Alamogordo	DFA	City of Alamogordo	DV shelter facility construction	$400,000		
Alamogordo	NMFA	Sendero Alamo LLC	Workforce Housing	$15,000,000		80 units
San Juan						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Farmington	DFA	City of Farmington	Navajo United Methodist Center DV shelter support	$285,000		
Sandoval						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Rio Rancho	HNM/MFA	Rio Rancho Leased Housing Authority I, LLP	Sandoval Flats	$1,380,000	$1,380,000	216 units
Santa Fe						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Outside Santa Fe City Limits	HNM/MFA	Lincoln Avenue Communities	Cresta Ranch	$4,000,000	$4,000,000	240 units
Santa Fe	WSD	The Santa Fe Community Housing Trust	Arroyo Oeste	$6,500,000	$6,500,000	20 ownership
Santa Fe	WSD	The Santa Fe Community Housing Trust	Las Estrellas	$4,490,000	$4,490,000	78 ownership
Santa Fe	HNM/MFA	La Casa Inc.	Housing for victims of domestic violence	$500,000	$376,659	4 households
Santa Fe	HNM/MFA	The Life Link	Housing for victims of human trafficking	$350,000	$0	15 households

Santa Fe	HNM/MFA	Dominium Development and Acquisition LLC	Turquoise Trail Apartments	$2,000,000	$2,000,000	312 units
Santa Fe	NMFA	Midtown Santa Fe Productions	Workforce Housing	$15,000,000		102 units
Santa Fe	NMFA	Dharma Enterprises	Workforce Housing	$3,550,181		11 units
Santa Fe County	DFA	Santa Fe County	Camino de Jacobo public housing rehab (37 units)	$1,500,000		37 units
Socorro / Sierra						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Socorro/ Truth or Consequences Area	HNM/MFA	Forget Me Not Park	Emergency housing	$375,000	$355,270	15 units
Southwestern NM						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Southwestern NM	HNM/MFA	Southwest Regional Housing and Community Development	Weatherization	$250,000	$175,000	18 units
Southwestern NM	HNM/MFA	Southwest Regional Housing and Community Development	Weatherization - Energy$mart Solar Program	$1,400,000	$600,865	170 units
Statewide						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Statewide	DFA	University of New Mexico	BBER unhoused-services provider survey & asset map	$49,996		
Statewide	DFA	Grants to individuals	Direct grants to individuals	$63,774		
Statewide	DFA	Carmichael Consulting	Landlord Advantage Program (HCV landlord incentives)	$780,226		
Statewide	DFA	Administrative Office of the Courts	NM Courts housing helpline & legal/mediation services	$1,375,000		
Statewide	DFA	Mortgage Finance Authority	Rehab-2-Rental / SLIP landlord incentives	$1,656,000		
Statewide	HNM/MFA	HNM	FirstDown Plus	$8,370,000	$2,745,889	837 loans
Statewide	HNM/MFA	HNM	Home Improvement Program	$600,000	$62,773	26 units
Statewide	HNM/MFA	HNM	HomeForwardDPA	$1,200,000	$0	141 loans
Statewide	HNM/MFA	New Mexico Ramp Project	Ramps for mobility impaired households	$500,000	$227,439	180 households
Taos						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
El Prado	HNM/MFA	ECOHAB	New Construction	$384,063	$277,750	4 units
Red River	WSD	Town of Red River	Red River Workforce Housing	$1,600,000	$1,600,000	6 rental
Taos	DFA	Town of Taos	5 affordable units (<$300K, 20-yr affordability)	$1,000,000		
Torrance						

Location	Agency	Recipient / developer	Project / activity	Award	Spent / encumbered	Outputs
Moriarty	HNM/MFA	Clearbrook Investments, Inc.	Villa Encantada	$2,900,000	$2,549,318	83 units
Valencia						
Location	**Agency**	**Recipient / developer**	**Project / activity**	**Award**	**Spent / encumbered**	**Outputs**
Valencia County	DFA	Valencia County	DV shelter expansion – Phase 1 design	$2,348,588		
Valencia County	WSD	Valencia County	Downpayment Assistance Program	$1,800,000	$1,800,000	60 households

Source: LFC analysis of agency project-level responses.