

New Mexico Mortgage Finance Authority Eviction and COVID-19

Isidoro Hernandez, Executive Director

Legislative Health and Human Services Committee September 25, 2020

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Our Results

In 2019, MFA provided more than \$527 million in low-interest financing and grants for affordable housing and related services.

Homeless

Special Needs

Renter

First-Time Homebuyer

Homeowner











Nearly 7,600 persons sheltered & housed and 640 households where homelessness was prevented with over \$2 million in shelter and rapid rehousing assistance.

Over 1,550 special needs households assisted with \$2.1 million in housing vouchers and services.

Nearly 5,200 lowincome renters assisted

with project-based Section 8 rental assistance totaling \$31.2 million.

Nearly 980 rental homes built and preserved with \$35.2 million in MFA financing. Over 2,800 New
Mexico families
became
homeowners
with \$432.4 million in
MFA mortgage loans
and \$18.3 million in
down payment
assistance.

Nearly 770 homes rehabilitated or weatherized with \$5.8 million in MFA funding.

Increased Financial Insecurity, Increased Risk of Eviction

Financial Insecurity

- Renters are more likely to experience job loss or reduced hours
- Expiration of federal unemployment benefits resulted in the loss of a resource used to keep current on rent

Accumulation of Arrears

- While unemployment remains high, federal stimulus and unemployment have yet to be renewed by Congress
- Renters struggle to meet housing cost obligations

Eviction Moratorium

 State and federal policies to prevent eviction are important measures to keep renters housed and slow the spread of the virus but do not relieve debt for which households are liable

Eviction

- As a result of inability to pay rent and accumulation of arrears, a tsunami of evictions is expected after moratoriums expire.
- 67,000-105,000 households are at risk of eviction in New Mexico

Role of MFA in Mitigating Eviction



FUNDERS

MFA funding to prevent eviction is drawn from the New Mexico Housing Trust Fund. Federal resources to prevent eviction are received through the Department of Housing and Urban Development.



MFA

MFA allocates resources to different affordable housing programs and develops other programs to administer in house.



PARTNERS

MFA contracts with service providers throughout New Mexico to aid in the housing cost assistance.



CONSTITUENTS

New Mexico residents with low and moderate incomes may be eligible for housing cost assistance to prevent eviction and homelessness.

New Mexico Housing Trust Fund

Funding

• \$3 million allocated

Rental Assistance Program

 Residents in communities that are approved will receive three months of rental assistance for the full amount of their contract rent

Client Eligibility

- Renter households at or below 80% of Area Median Income
- Live in MFA's income- and rentrestricted properties
- Experience financial hardship related to COVID-19

Partners

 Affordable housing owners and property managers

Emergency Solutions Grant

Funding

- Annual HUD allocation: \$1,200,740
- CARES Act allocation: \$12,936,302
- Total ESG funding: \$14,137,042

Rental Assistance Program

- Homelessness
 Prevention/Shelter
 Operations
- Rapid Re-Housing

Client Eligibility

- Homelessness or at risk of homelessness
- At or below 50% percent of the Area Median Income
- Lack sufficient resources and support network

Partners

Catholic Charities, CLN
 Kids, Crisis Center of
 Northern NM, Elance
 Comunitaro, HopeWorks,
 Mesilla Valley Community
 of Hope, Samaritan
 House, San Juan County
 Partnership,
 Southwestern Regional
 Housing, The Life Link,
 Valencia Shelter Services,
 Western Regional
 Housing Authority

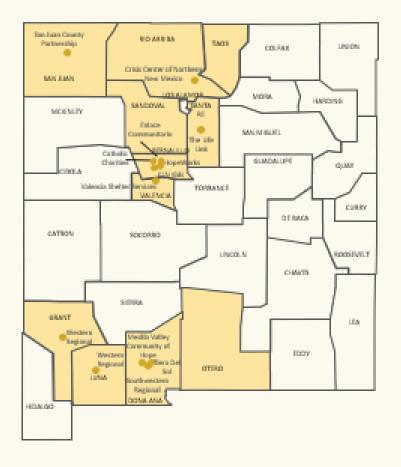
Emergency Solutions Grant

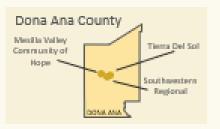
Service Area Map

Legend:

RAP Service Providers

Counties with RAP Services



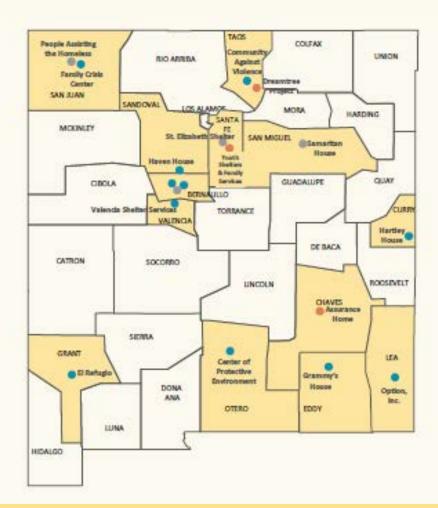




Emergency Solutions Grant

Service Area Map







Community Development Block Grant

Funding

- CDBG-CV \$13.3M
- 120-day \$1,000,000 setaside for each Council of Government area

Emergency Housing Cost Assistance

 Housing cost assistance for up to three months

Client Eligibility

 Households at or below 80% of Area Median Income that have suffered financial hardship due to COVID-19 and that have a late notice

Partners

- DFA Local Government Division
- Non-profit housing service provider to assist with applicant support

Legislative Requests

Appropriation

• \$12 million for the New Mexico Housing Trust fund for the construction, rehabilitation, or preservation of about 1,000 quality affordable homes and to weatherize and provide energy efficiency upgrades to an additional 300 homes

Statutory Change

 Allow MFA to utilize New Mexico Housing Trust Fund for more types of housing activities, including a broad housing assistance program



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