

New Mexico Mortgage Finance Authority



MFA

Housing New Mexico

Legislative Oversight Committee

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Tab 1

Article 3A - Regional Housing Law, 11-3A-1 through 11-3A-31.

11-3A-1. Short title.

Chapter 11, Article 3A NMSA 1978 may be cited as the "Regional Housing Law".

11-3A-2. Finding and declaration of necessity.

It is declared that:

- A. unsanitary and unsafe dwelling accommodations exist in the state;
- B. low- and moderate-income persons are forced to reside in unsanitary and unsafe accommodations;
- C. within the state:
 - (1) there is a shortage of safe and sanitary dwelling accommodations available at rents that low- and moderate-income persons can afford;
 - (2) low- and moderate-income persons are forced to occupy overcrowded, congested dwelling accommodations; and
 - (3) these conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and impair economic values;
- D. excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection and other public services and facilities are necessitated;
- E. private enterprise alone cannot meet the need or resolve the problems inherent in providing appropriate, safe, sanitary and sufficient housing for low- and moderate-income persons, and public participation in construction of low- and moderate-income housing does not compete with private enterprise;
- F. demolition, replanning, reconstruction or renovation of unsanitary and unsafe housing and acquisition of land to provide safe and sanitary dwellings for low- and moderate-income persons are in the public interest and are essential state and local governmental functions requiring expenditures of public money; and
- G. it is in the public interest that work on projects for demolition, planning, reconstruction, renovation and land acquisition for provision of safe and sanitary dwellings for low- and moderate-income persons be started immediately in order to relieve the housing shortage that has reached emergency status, and it is a necessity that the Regional Housing Law be continued to relieve that emergency.

11-3A-3. Definitions.

As used in the Regional Housing Law:

A. "affordable housing" means housing that serves the needs of low- and moderate-income persons;

B. "affordable housing programs" means an ongoing delivery system of affordable housing services that assists persons of low- and moderate-income;

C. "federal government" includes the United States of America, programs of the United States department of housing and urban development, the farmers home administration and rural development administration of the United States department of agriculture or housing programs or any other agency or instrumentality, corporate or otherwise, of the United States of America;

D. "housing project" means an undertaking of an authority to:

(1) demolish, clear or remove buildings from any slum area. The undertaking may embrace the adaptation of the area to public purposes, including parks or other recreational or community purposes; or

(2) provide decent, safe and sanitary dwellings, apartments, single-family dwellings or other affordable living accommodations for low- and moderate-income persons. The undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation or gardening or administrative, community, health, recreational, welfare or other purposes. "Housing project" also may be applied to the planning of buildings and improvements, acquisition of property or existing structures, demolition of existing structures, construction, reconstruction, alteration and repair of improvements or buildings or any other work performed to complete housing projects;

E. "indebtedness" means any note, interim certificate, debenture or other obligation to be issued pursuant to the Regional Housing Law;

F. "local housing authority" means any municipal or county housing authority established by a municipality or county;

G. "local public body" means any county, municipality, commission, district or other political subdivision of the state;

H. "low-income person" means any individual, couple or family whose gross income does not exceed eighty percent of the person's particular area median income and who cannot afford to pay more than thirty-five percent of gross annual income for housing rent or mortgage payments; or a low-income person as defined by the federal government;

I. "moderate-income person" means any individual, couple or family whose gross annual income is not less than eighty percent of the person's particular area median income and does not exceed one hundred twenty percent of the area income;

J. "obligee" means:

(1) a holder of indebtedness issued pursuant to the Regional Housing Law or a trustee for the holder of debt;

(2) a lessor leasing to a regional housing authority or a local housing authority property used in connection with a housing project or any assignee of a lessor's interest or partial interest; or

(3) the federal government when it is a party to a contract with a regional housing authority or a local housing authority in regard to a housing project;

K. "real property" includes all lands, including improvements and fixtures on the land, property of any nature appurtenant to or used in connection with the land and every estate, interest and right, legal or equitable, in the land, including terms for years and liens by way of judgment, mortgage or other instrument and the indebtedness secured by the lien;

L. "regional housing authority" means any regional housing authority or a nonprofit housing corporation approved pursuant to Section 11-3A-9 NMSA 1978; and

M. "slum" means any area where dwellings predominate, which by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities or any combination of these factors is detrimental to safety, health or morals.

11-3A-4. Regional housing authorities created.

Three regional housing authorities are created for the state of New Mexico as follows:

A. the northern regional housing authority that shall include Cibola, Taos, McKinley, Rio Arriba, San Juan, San Miguel, Mora, Los Alamos, Colfax and Sandoval counties;

B. the eastern regional housing authority that shall include Chaves, De Baca, Eddy, Guadalupe, Harding, Lea, Lincoln, Otero, Quay, Roosevelt, Union and Curry counties; and

C. the western regional housing authority that shall include Grant, Hidalgo, Luna, Sierra, Socorro, Catron, Torrance and Valencia counties.

11-3A-5. Jurisdiction.

A. The regional housing authorities created pursuant to Section 11-3A-4 NMSA 1978 shall operate within the specified area of their region except for any portion within the territorial boundary of a municipality or county that has established a local housing authority. If the governing body of a municipality or county that has established a local housing authority consents by resolution to have the regional housing authority take action within the territory that would be excluded pursuant to this section, the regional housing authority may enlarge its jurisdiction to include that territory.

B. A subsequent withdrawal of consent by resolution of a governing body of a municipality or county that has established a local housing authority shall not prohibit the development and operation of any housing projects initiated within the territorial boundary of that municipality or county by the regional housing authority prior to the date of the resolution withdrawing consent, except upon terms that are mutually agreed upon between the regional housing authority and the governing body of the municipality or county.

11-3A-6. Powers of regional housing authority in board of commissioners; appointment of board of regional housing authorities; terms.

A. The powers of each regional housing authority shall be vested in its board of commissioners as the board may be constituted, from time to time. The board of commissioners of the regional housing authority for each of the three regions shall consist of one person from each county within the designated area of the regional housing authority, which person shall be a resident of that county and shall be appointed by the governor. Appointments shall be for terms of four years and shall be made so that the terms of not more than four commissioners on each board of commissioners expire on July 1 of each year. Vacancies shall be filled for the unexpired term. Commissioners shall serve until their successors have been appointed.

B. Members of a board of commissioners of a regional housing authority shall elect an executive committee consisting of a chair, vice chair, treasurer, secretary and one other member of the board to function and meet on a monthly basis as an executive committee. The executive committee shall have the authority to act on behalf of the board of commissioners of the regional housing authority as needed. The executive committee shall submit a report of actions to the full board of commissioners, which shall meet on a quarterly basis.

C. The members of the boards of commissioners may receive per diem and mileage as provided in the Per Diem and Mileage Act [10-8-1 NMSA 1978] but shall receive no other compensation, perquisite or allowance. A majority of the appointed commissioners shall constitute a quorum of a board of commissioners for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by a regional housing authority upon a vote of a majority of the commissioners present. Each board of commissioners shall organize itself at its annual meeting each year. A board of commissioners may employ an executive director, subject to approval by the New Mexico mortgage finance authority. With delegated authority from the board of commissioners, the executive director may hire or terminate, according to the procurement and personnel policies and procedures of the regional

housing authority, any technical experts, officers, attorneys, agents or employees, permanent or temporary, as the regional housing authority may require.

D. The threshold requirements for commissioners of regional housing authorities are that commissioners have expertise and experience in housing construction, real estate, architecture, law, banking, housing finance, business, property management, accounting, residential development, public housing programs, community development, social services or health care. The requirements set forth in this section shall not apply to commissioners serving pursuant to requirements of the federal department of housing and urban development.

E. Commissioners are expected to attend all meetings of the board of commissioners of the regional housing authority, and more than three unexcused absences may be grounds for dismissal from the board. All recommendations for appointment as commissioners shall be forwarded to and reviewed by the New Mexico mortgage finance authority prior to recommendation to the governor.

11-3A-7. Powers.

A. Every regional housing authority may:

(1) within its region, prepare, carry out, acquire, purchase, lease, construct, reconstruct, improve, alter, extend or repair any housing project and operate and maintain the housing project or affordable housing program. For any of such purposes, the board of commissioners of the regional housing authority may expend money and authorize the use of any property of the regional housing authority;

(2) lease or rent dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project or affordable housing program and establish and revise the rents or lease charges; own, hold and improve real or personal property; purchase, lease, obtain options upon or acquire by gift, grant, bequest, devise or otherwise any real or personal property or any interest therein; sell, lease, mortgage, exchange, transfer, assign, pledge or dispose of real or personal property or any interest in real or personal property; or procure or agree to the procurement of insurance or guarantees from the federal government of the payment of any bonds or parts thereof, including the power to pay premiums on the insurance;

(3) enter on lands, buildings or property for the purpose of making surveys, soundings and examinations in connection with the planning or construction, or both, of a housing project;

(4) insure or provide for the insurance of a housing project of the regional housing authority against the risks that the regional housing authority may deem advisable;

(5) arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for or in connection with a housing project or the occupants thereof and include in any construction contract let in connection with a housing project stipulations requiring that the contractor and subcontractors comply with employment requirements, including those in the constitution and laws of this state, as to minimum wages and

maximum hours of labor and comply with any conditions that the state or federal government may have attached to its financial aid of the project;

(6) within its area of operation, investigate the living, dwelling and housing conditions and the means and methods of improving those conditions; determine where slum areas exist or where there is a shortage of decent, safe and sanitary dwelling accommodations for low- and moderate-income persons; make studies and recommendations relating to the problem of clearing, replanning and reconstructing slum areas and the problem of providing dwelling accommodations for low- and moderate-income persons and cooperate with the state or any political subdivision of the state in action taken in connection with the problems identified; and engage in research, studies and experimentation on the subject of housing; and

(7) exercise all or any part or combination of powers granted in this subsection.

B. To standardize the delivery of affordable housing programs and affordable housing services in New Mexico, regional housing authorities within their jurisdictions may:

(1) create partnerships between state, federal, city and county governments, nonprofit entities and the private sector that will provide the necessary resources to carry out the planning, financing, development and delivery of affordable housing and affordable housing programs;

(2) assist local housing authorities or housing nonprofit agencies in developing the knowledge, expertise and technical capacity to provide a comprehensive approach to the development and delivery of affordable housing and affordable housing programs; or

(3) provide or secure planning, technical assistance and training that city or county governments and nonprofit entities may need in an effort to enhance the local affordable housing delivery system.

C. In the event a local housing authority is declared by the federal department of housing and urban development to be in default on its annual contributions contract with that department, the local housing authority may by resolution of its governing body transfer its assets and operations to the regional housing authority or local housing authority within which jurisdiction it lies.

D. In the event of a resolution pursuant to Subsection C of this section, the appropriate regional housing authority or local housing authority shall accept by resolution of its board of commissioners a transfer of the assets and operations of a local housing authority that has been declared by the federal department of housing and urban development to be in default on its annual contributions contract with that department.

11-3A-8. Requirements respecting lease.

A. Prior to the leasing of any housing project, the regional housing authority shall determine and find the following:

(1) the amount necessary in each year to pay indebtedness proposed to fund the housing project; and

(2) the amount necessary to be paid each year into any reserve funds that the regional housing authority may deem advisable to establish in connection with the retirement of any indebtedness and the maintenance of the housing project and, unless the terms under which the housing project is to be leased provide that the lessee shall maintain the housing project and carry all proper insurance with respect to it, the estimated cost of maintaining the housing project in good repair and keeping it properly insured.

B. The determinations and findings of the regional housing authority required to be made in this section shall be set forth in the proceedings under which the proposed indebtedness is to be incurred.

C. Prior to the incurrence of any indebtedness, the regional housing authority shall lease or sell the housing project to a lessee or purchaser under an agreement that is conditioned upon completion of the housing project and that provides for payment to the regional housing authority of rentals or payments in an amount that is found, based on the determinations and findings, to:

(1) pay the indebtedness incurred to fund the housing project;

(2) build up and maintain any reserve deemed by the regional housing authority to be advisable in connection with the housing project; and

(3) pay the costs of maintaining the housing project in good repair and keeping it properly insured, unless the agreement of lease obligates the lessee to pay for the maintenance and insurance of the housing project.

11-3A-9. Nonprofit corporations.

Every regional housing authority, in addition to other powers conferred by the Regional Housing Law, shall have, if authorized by resolution of its board of commissioners and approved by the state board of finance, the power to create nonprofit corporations to carry out the powers and duties set forth in Section 11-3A-7 NMSA 1978. The articles of incorporation and bylaws, and any subsequent changes, shall be recommended for approval by the state board of finance and the New Mexico mortgage finance authority. Such nonprofit corporations shall be subject to all of the duties and limitations imposed on the regional housing authority and its board of commissioners.

11-3A-10. Prohibited actions.

Neither the regional housing authority nor any of its contractors or their subcontractors may enter into any contract, subcontract or agreement in connection with a housing project under any contract in which any of the following persons has an interest, direct or indirect, during the person's tenure or for one year thereafter:

A. any present or former member of the board of commissioners of the regional housing authority or any member of the member's immediate family. The prohibition established by this subsection shall not apply to any member who has not served on the governing body of a resident management corporation, and who otherwise has not occupied a policymaking position with the resident management corporation or the regional housing authority;

B. any employee of the regional housing authority who formulates policy or who influences decisions with respect to a housing project, any member of the employee's immediate family or any partner of the employee; or

C. any public official, member of a governing body or state legislator, or any member of such person's immediate family, who exercises functions or responsibilities with respect to the housing project or the regional housing authority.

11-3A-11. Repealed.

11-3A-12. State policy; operation not for profit.

A. It is declared to be the policy of this state that each regional housing authority shall manage and operate its housing projects and affordable housing programs in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations.

B. No regional housing authority shall construct or operate a housing project for profit.

C. A regional housing authority shall set the rental rates for dwellings in the housing projects it manages and operates at no higher rates than it finds to be necessary in order to produce revenues that, together with any grants or subsidies from the state or federal government or other sources for housing projects, will be sufficient to:

(1) pay, as they become due, indebtedness or other obligations of the regional housing authority incurred pursuant to the Regional Housing Law;

(2) meet the cost of and provide for maintaining and operating the housing projects, including the cost of any insurance, the administrative expenses of the regional housing authority incurred in connection with the housing projects and the funding of operational reserves the regional housing authority deems appropriate;

(3) fund operational reserves to secure the payment of indebtedness as the regional housing authority deems appropriate; and

(4) allow private, profit-making entities to enter into agreements with the regional housing authority, without the agreements affecting the nonprofit status of the regional housing authority or conflicting with the intent of the creation of the regional housing authority.

11-3A-13. Sales, rentals and tenant selection.

A. In the operation or management of housing projects or the sale of any property pursuant to the Regional Housing Law, a regional housing authority shall:

- (1) rent, lease or sell the dwelling accommodations in the housing project only to persons falling within the standards adopted by the regional housing authority, which standards shall comply with state and federal law;
- (2) rent, lease or sell to a person dwelling accommodations consisting of the number of rooms, but no greater number, that it deems necessary to provide safe and sanitary accommodations to the proposed occupants without overcrowding; and
- (3) reject any person as a tenant in any federally subsidized housing project if the person has an annual gross income in excess of federally established standards.

B. Nothing contained in this section or Section 11-3A-12 NMSA 1978 shall be construed as limiting the power of a regional housing authority to vest in an obligee the right, in the event of a default by the regional housing authority, to take possession and operate a housing project or cause the appointment of a receiver for the housing project, free from all the restrictions imposed by this section or Section 11-3A-12 NMSA 1978.

11-3A-14. Repealed.

11-3A-15. Repealed.

11-3A-16. Repealed.

11-3A-17. Repealed.

11-3A-18. Repealed.

11-3A-19. Remedies of an obligee.

An obligee of a regional housing authority shall have the right, in addition to all other rights that may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee, to:

A. compel by mandamus, suit, action or proceeding at law or in equity, the regional housing authority and its officers, agents or employees to perform every term, provision and covenant contained in any contract of the regional housing authority with or for the benefit of the obligee and to require the carrying out of all covenants and agreements of the regional housing authority and the fulfillment of all duties imposed upon the regional housing authority by the Regional Housing Law; and

B. enjoin by suit, action or proceeding in equity, any acts or things that may be unlawful or in violation of the rights of the obligee of the regional housing authority.

11-3A-20. Additional remedies conferrable to an obligee.

A regional housing authority shall have the power by its resolution, trust indenture, lease or other contract to confer upon any obligee holding or representing a specified amount in indebtedness, or holding a lease, the right, in addition to all rights that may otherwise be conferred, upon default as defined in the resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

A. to cause possession of any housing project or any part of a housing project to be surrendered to the obligee and retained by the holder of debt or trustee so long as the regional housing authority continues in default;

B. to obtain the appointment of a receiver of any housing project of the regional housing authority and of the rents and profits from the housing project. If a receiver is appointed, the receiver may enter and take possession of all or a part of the housing project and, so long as the regional housing authority continues in default, operate and maintain the housing project and collect and receive all fees, rents, revenues or other charges arising from the housing project and shall keep the money in a separate account and apply it in accordance with the obligations of the regional housing authority as the court directs; and

C. to require the regional housing authority and its officers and agents to account for the money actually received as if it and they were the trustees of an express trust.

11-3A-21. Exemption of property from execution sale.

All real property owned or held by a regional housing authority for the purposes of the Regional Housing Law shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall be issued against property of the regional housing authority or shall any judgment against a regional housing authority be a charge or lien on the regional housing authority's real property; provided, however, that the provisions of this section shall not apply to or limit the right of obligees to pursue any remedies for the enforcement of any pledge or lien given to them on rents, fees or revenues

11-3A-22. Exemption of property from taxation.

The real property of a housing project, as defined in the Regional Housing Law, is declared to be public property used for essential public and governmental purposes and is property of a regional housing authority of this state and is exempt from taxation until a deed conveying that property to a nonexempt entity is executed and delivered by the regional housing authority.

11-3A-23. Aid from state or federal government.

In addition to the powers conferred upon a regional housing authority by other provisions of the Regional Housing Law, a regional housing authority is empowered to borrow money or accept contributions, grants or other financial assistance from the state or federal government for or in aid of any housing project or affordable housing program within its area of operation and, to these ends, to comply with conditions, trust indentures, leases or agreements as necessary, convenient or desirable. It is the purpose and intent of the Regional Housing Law to authorize every regional housing authority to do all things necessary, convenient or desirable to secure the financial aid or cooperation of the federal government in the undertaking, acquisition, construction, maintenance or operation of any housing project of a regional housing authority.

11-3A-24. Cooperation in undertaking housing projects and affordable housing programs.

For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects and affordable housing programs located within the area in which it is authorized to act, a local public body may, upon such terms as it may determine, with or without consideration:

- A. dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or any other rights or privileges to a regional housing authority;
- B. cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works that it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects and affordable housing programs;
- C. furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places that it is otherwise empowered to undertake;
- D. cause services to be furnished for housing projects and affordable housing programs of the character that the local public body is otherwise empowered to furnish;
- E. enter into agreements with respect to the exercise by the local public body of its powers relating to the repair, elimination or closing of unsafe, unsanitary or unfit dwellings;
- F. do any things necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of housing projects or affordable housing programs;
- G. incur the entire expense of any public improvements made by the local public body in exercising the powers granted in the Regional Housing Law; and
- H. enter into agreements, which may extend over any period, notwithstanding any provision or rule of law to the contrary, with a regional authority respecting action to be taken by the local public body pursuant to any of the powers granted by the Regional Housing Law. Any law or statute to the contrary notwithstanding, any sale, conveyance, lease or agreement provided for in

this section may be made by a local public body without appraisal, public notice, advertisement or public bidding.

11-3A-25. Procedure for exercising powers.

The exercise by a regional housing authority or other local public body of the powers granted in the Regional Housing Law may be authorized by resolution of the governing body of the regional housing authority or local public body adopted by a majority of the members of its governing body present at a meeting of the governing body. The resolution may be adopted at the meeting at which the resolution is introduced. The resolution shall take effect immediately and need not be laid over or published or posted.

11-3A-26. Supplemental nature of the regional housing law.

The powers conferred by the Regional Housing Law shall be in addition and supplemental to the powers conferred by any other law.

11-3A-27. Repealed.

11-3A-28. Law controlling.

Insofar as the provisions of the Regional Housing Law are inconsistent with the provisions of any other law, the provisions of the Regional Housing Law shall be controlling.

11-3A-29. Temporary provision; continuation of regional housing authorities and boards of commissioners.

Regional Housing Authorities and boards of commissioners created and organized under the provisions of Sections 11-3-1 through 11-3-6 NMSA 1978 [now repealed] are perpetuated and shall continue to exist as Regional Housing Authorities under the Regional Housing Law. Members of the boards of commissioners of Regional Housing Authorities appointed prior to the effective date of the Regional Housing Law shall continue to serve as members of boards of commissioners, until their terms expire and their successors are appointed and qualified pursuant to the provisions of the Regional Housing Law. All existing contracts and agreements of Regional Housing Authorities in effect on the effective date of the Regional Housing Law shall continue in effect under the provisions of the Regional Housing Law.

11-3A-30. Financial and operational oversight.

A. Without the prior approval of the New Mexico mortgage finance authority, no regional housing authority shall:

- (1) enter into any contract, memorandum of understanding or other agreement with a value greater than one hundred thousand dollars (\$100,000); or

(2) transfer, sell or liquidate any real or personal property with a value greater than one hundred thousand dollars (\$100,000).

B. Not less than thirty days prior to the beginning of its fiscal year, each regional housing authority and each nonprofit corporation established pursuant to Section 11-3A-9 NMSA 1978 shall submit a final operating budget for the subsequent fiscal year to the New Mexico mortgage finance authority for review.

C. The financial affairs of every regional housing authority and any nonprofit corporation created by a regional housing authority shall be thoroughly examined and audited annually by the state auditor, by personnel of the state auditor's office designated by the state auditor or by auditors approved by the state auditor. The audits shall be conducted in accordance with generally accepted auditing standards. Each regional housing authority shall submit to the state auditor, the department of finance and administration, the New Mexico mortgage finance authority, the Mortgage Finance Authority Act oversight committee and the legislative finance committee, within thirty days following the receipt of the annual audit of the regional housing authority, a copy of that audit.

D. Every regional housing authority shall submit an annual report of its financial and operational activities to the New Mexico mortgage finance authority for review and analysis and for dissemination to the department of finance and administration, the Mortgage Finance Authority Act oversight committee and the legislative finance committee. Each report shall set forth a complete operating and financial statement covering its operations since the previous report was presented.

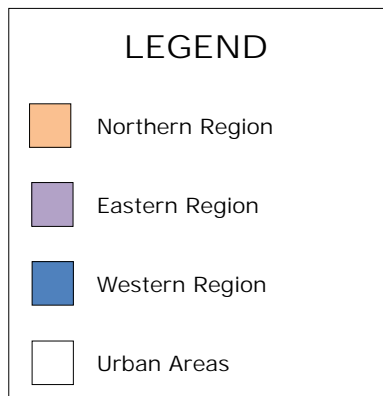
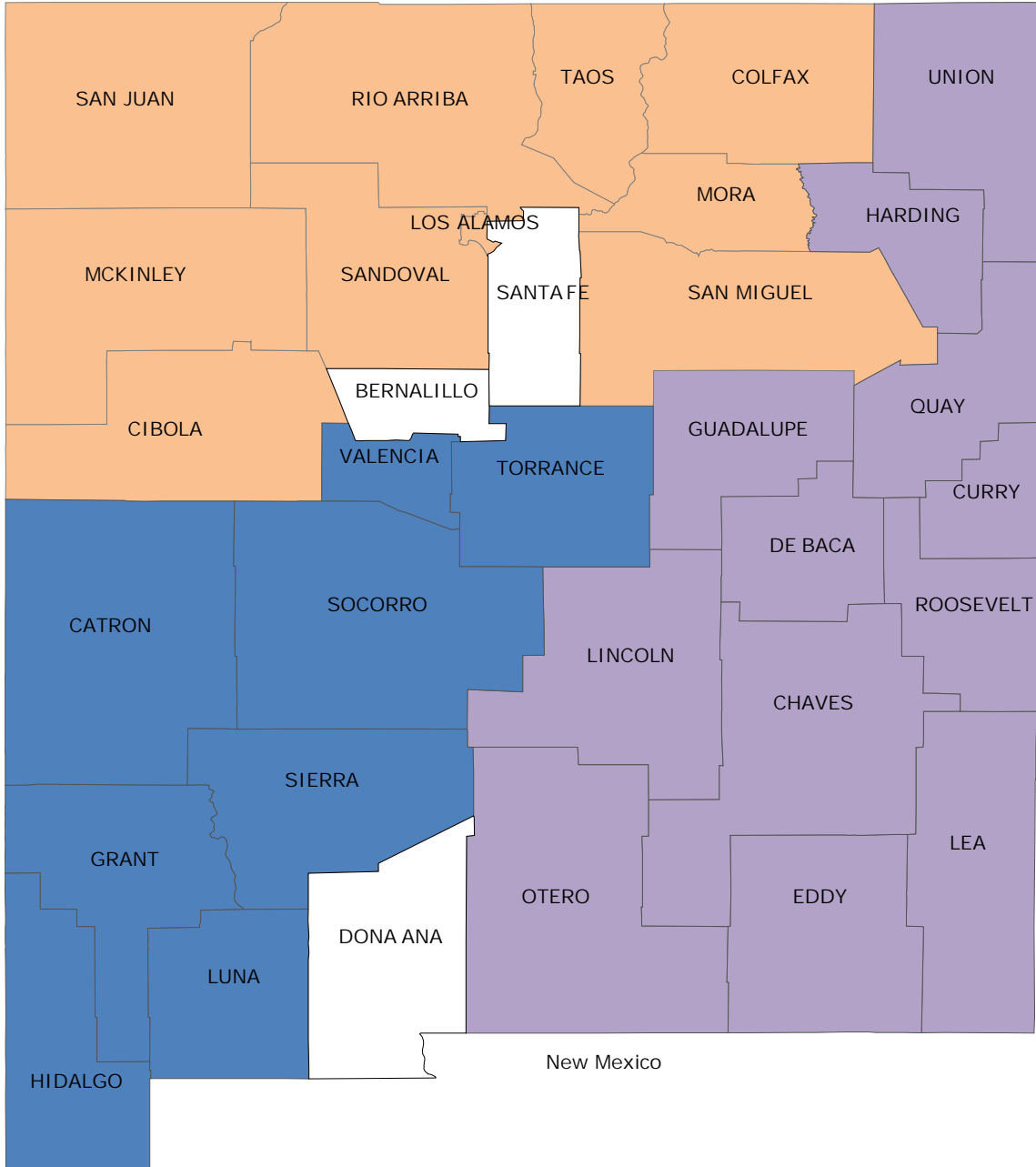
E. Failure on the part of a regional housing authority to correct any qualified audit within one year of the release of the audit shall result in the abatement of any state funds until such corrective actions are taken. If a regional housing authority should receive a qualified audit opinion for more than two consecutive years, the oversight agency shall recommend corrective action to be taken.

11-3A-31. Transitional provisions; commissioners; contracts and agreements.

A. Members of boards of commissioners of regional housing authorities appointed prior to the effective date of this 2009 act shall continue to serve as members of boards of commissioners until their terms expire or their successors are appointed and qualified pursuant to the provisions of this 2009 act.

B. All contracts and agreements of regional housing authorities in effect on the effective date of this 2009 act shall continue in effect.

New Regional Housing Authority Regions



Background on Regional Housing Authorities

Prepared by MFA for the Mortgage Finance Authority Act Oversight Committee

July 2, 2013

I. Background

Across the U.S., regional housing authorities became prevalent in the 1960s and 1970s, when federal programs that encouraged regionalization were widespread. The State of New Mexico's Regional Housing Law dates back to the mid-1970s, when seven regional housing authorities were established to serve the state's rural areas. As federal funding dried up in subsequent decades, New Mexico's seven regional housing relied on bonding capacity and other revenue streams to stay afloat.

Following a State-commissioned assessment to examine causes and solutions of alleged corruption, New Mexico's Regional Housing Law was amended in 2008 and 2009 to: 1) consolidate the state's regional housing authorities from seven to three, 2) establish regional housing authority oversight with MFA, 3) require minimum qualifications for regional housing authority commissioners and have commissioners appointed by the Governor, and 4) clarify how public and regional housing authorities would operate when their service areas overlap. Pursuant to the Regional Housing Law, regional housing authorities cannot provide services within municipalities or counties that have established public housing authorities (PHAs) unless the local government passes a resolution enabling them to do so. The local government can limit the regional housing authority to provide specific services to avoid duplication of services already offered by the PHA. Today, regional housing authorities continue to operate side-by-side with PHAs established by counties and municipalities under New Mexico's Municipal Housing Law (Section 3-45-1 NMSA 1978).

II. Status of Public Housing Agencies in Northern New Mexico

There are currently 31 PHAs in New Mexico. Many are categorized as "troubled" or having "substandard management" by HUD. As shown in the exhibit titled "Public Housing Authorities (PHAs) in New Mexico by Region," all either manage low rent units and/or issue Section 8 vouchers. None provide a full spectrum of housing services, such as rehabilitation and weatherization services which are vital to rural communities, and all could clearly benefit from significant capacity building to better serve their communities.

III. Status of the Regional Housing Authorities

Pursuant to the Regional Housing Law Amendments of 2008 and 2009, Governor Bill Richardson appointed Boards of Directors for all three regional housing authorities. The Eastern and Western Regional Housing Authorities have established organizations, hired staff, and are actively providing housing services in their respective regions.

While a Board of Directors is in place for the Northern Regional Housing Authority, no organization exists to provide housing services. Some troubled PHAs in the region have indicated that they would like to turn over their vouchers and units to a qualified entity. This entity would logically be the Northern Regional Housing Authority, if it existed. As verified by HUD, the limited capacity of many PHAs coupled with rapidly shrinking federal funds means that the trend toward regionalization will accelerate. It is important to establish a viable Regional Housing Authority for Northern New Mexico so that the communities in the north will continue to have access to affordable housing services.

IV. Proposed Solutions

A. Continue Technical Assistance and Capacity Building to Regional Housing Authorities

When the Regional Housing Law was amended in 2008 and 2009, MFA was given oversight responsibility for the state's regional housing authorities. *New Mexico Regional Housing Authority Assessment* (2006) and a subsequent study commissioned by MFA, *New Mexico Regional Affordable Housing Opportunities* (2008), found that in addition to oversight, technical assistance and capacity building were critically needed. To date, MFA has provided significant technical assistance and capacity building for regional housing authorities in areas such as new program development, use of MFA products, and production of new units. In 2014, MFA also needs funding to cover start-up costs for the Northern Regional Housing Authority, described below.

MFA uses appropriations from the State Legislature to fulfill these obligations. In 2013, MFA requested but did not receive a \$250,000 recurring appropriation in SB 61: Regional Housing Authorities. It is critical that similar legislation be proposed and funded, on a recurring basis, so that MFA can fulfill its state mandate to oversee the regional housing authorities and to provide consistent and reliable support for regional housing authorities in years to come.

B. Establish a Viable Northern Regional Housing Authority

Given shrinking federal funds and the troubled status of many PHAs in northern New Mexico, a viable regional housing authority must be established to provide critical housing services for all of northern New Mexico's rural communities.

In April 2013, the Taos County Commission passed a resolution authorizing the transfer of assets (housing units) from the former Taos County Housing Authority to the Northern Regional Housing Authority. MFA and HUD are currently assisting with that transition, which will provide both assets and federal funding for the Northern Regional Housing Authority to begin operations. In the next few months, an operational plan will need to be developed that provides a budget, staffing plan, and capital improvements plan for the Northern Regional Housing Authority.

C. Amend the Municipal Housing Law

In the course of working to establish the Northern Regional Housing Authority, MFA has identified a critical issue that if not addressed, could threaten the existence of housing services in the most rural and needy communities. Currently, there are no requirements or conditions for a PHA that takes

over units, vouchers or services from other PHAs that no longer wish to operate on their own. While the Regional Housing Law clearly describes requirements for representation and service provision within other jurisdictions, these issues are not covered in the Municipal Housing Law. The problems that MFA has identified with this scenario are:

- **Representation:** The PHA that is taking over units, vouchers or services from the other authority is not required to offer board representation to the community it will now serve. This is especially problematic when rural communities are “absorbed” into PHAs serving urban areas. There is no requirement that the urban PHA will act to benefit the rural community, which in many cases will be geographically distant and demographically distinct from the urban area.
- **Distribution of Services:** There is no requirement for the PHA that is taking over units, vouchers or services from the other authority to continue its obligations to the community from which the units, vouchers or services are located in or came from. As a result, the PHA will receive federal funding to serve the new community but is not obligated to spend those funds in that community. Funding or vouchers intended for a rural community may therefore be “redistributed” to other parts of the service area that are more profitable to the PHA.
- **Cherry-Picking:** Allowing PHAs to take over other housing authorities without any requirements in place undermines the viability of the regional housing authorities. All New Mexicans are aware that the rural nature of the state poses unique challenges. In housing, municipalities and large towns subsidize the services provided in small communities that are less profitable. Regional housing authorities depend on this balance to remain financially viable. If PHAs are allowed to “cherry pick” and absorb the more profitable housing authorities from the service areas designated by the Regional Housing Act, the regional housing authority for that area will be undermined, and in a worst case scenario, will be unable to support a portfolio that only includes small communities.

MFA is currently examining the language of the Municipal Housing Law to address these issues and to propose other needed amendments. We respectfully ask that you work with us to develop and sponsor legislation to address this issue and safeguard the continuation of housing services in New Mexico’s rural communities.

Eastern Regional Housing Authority (ERHA)

Mission Statement: The Eastern Regional Housing Authority of New Mexico is committed to serving the housing needs of low to moderate income families throughout our region by using all resources available and providing decent, safe and quality affordable housing.

Eastern Regional Housing Authority Board of Commissioners:

- Waymon Dowdy, (Chair) Curry County
- Alan Sparks, (Vice-Chair) DeBaca County
- Michael O'Hara, (Treasurer) Otereo County
- Mary Beth Fowler, (Secretary) Lincoln County
- Ella Turner, Lea County
- Dr. Fundador Adajar, Chaves County
- William Birdwell, Union County

Administrative Positions:

- Chris Herbert, Executive Director
- Iren Andazola, Deputy Director
- Olivia Cruz, Finance Director

The Eastern Regional Housing Authority serves Chaves, De Baca, Eddy, Guadalupe, Harding, Lea, Lincoln, Otero, Quay, Roosevelt, Union and Curry counties

ERHA Performance Status:

ERHA is currently ranked as a "High-Performer" through the Department of Housing & Urban Development, Awards received from HUD on 4-4-2013. Our 2012 audit resulted in an unqualified audit opinion. We anticipate the same results with our 2013 audit. Our Agency has had High Performer status through HUD for the last 9 years as well as unqualified audits for more than 9 years.

One of our biggest accomplishments is the successful merger of the Vaughn Housing Authorities Assets into the ERHA Public Housing Portfolio. We assumed control of the Vaughn housing Authority on 7-1-10, it had been rated as a troubled Housing Authority by HUD for more than 5 years. We were able to bring its performance level up the same level as our own Public Housing Stock and we were awarded High Performer status by HUD. In addition when we assumed the assets for the former Vaughn Housing Authority it was steadily at a 50 % occupancy rate, we have increased occupancy to 100 percent.

Eastern Regional Housing Authority Programs:

- **Housing Choice Voucher Program – 1850 Vouchers allocated to our Region**
The Section 8 Housing Choice Voucher Program is a federally funded program managed by Eastern Regional Housing Authority. This program helps low-income households by subsidizing their rent. The subsidy payments are made directly to the landlords, and are usually the difference between 30 – 40% of the tenant's monthly-adjusted gross income for rent and utilities. Families are allowed to choose their own rental home in the private market as long as the landlord is willing to participate in the Voucher Program. We also have the Voucher Homeownership program that works with the same funds as the rental program, but instead of subsidizing the rent, we subsidize the mortgage.

- **HUD Low-Rent Public Housing Program, 104 units total.**
52 units in Roswell, 18 units in Carrizozo, 14 units in Capitan, and 20 units in Vaughn.
 Our Low-Rent Public Housing Program consists of 106 units built on 4 sites within our region. All sites are owned and managed by Eastern Regional Housing Authority. The majority of the families, under this program, pay 30% of their monthly-adjusted gross income as rent. To qualify for this program, the family's gross income must be within the income limits established by HUD, as well as meet the eligibility criteria established by the Housing Authority.
- **PHA-Owned Units**
Rio Felix Apartments
USDA Rural Development Property
20 multi-family units in Hagerman, NM.
 Rio Felix is a Farmers Home Administration USDA housing development owned and operated by Eastern Regional Housing Authority. All families must income qualify to lease one of the units in this development.
- **Woodleaf Apartments**
152 units of affordable housing.
 Woodleaf apartments are owned and operated by the Eastern Regional Housing Authority, there are 152 units which are Workforce Housing and the rents are kept affordable and preference is provided for city and county employees, law enforcement personnel, first responders, education staff, and health care staff.

Challenges/Constraints:

- Eastern Regional Housing Authority's greatest concern is the lack of decent, safe and affordable housing in our area, particularly in Curry, Roosevelt, Chaves, Lincoln, Eddy, and Lea Counties. All Housing Authorities are limited by the HUD Fair Market Rents (FMR). FMR's for the above mentioned counties fall are short of what actual comparable rents for the area, this produces a situation in which our Section 8 Voucher holders are unable to find units which will pass the Housing Quality Standards inspection and have rents that are less than 110 percent of the counties FMR.
- One of the major constraints our agency is experiencing is the lack of funding available to our agency to properly administer our programs throughout our entire region. HUD has reduced the Housing Choice Voucher Program Administrative Fees by 31 percent for the current years budget, were are anticipating the same level of reduction in our administrative fees for the upcoming year starting in October, 2013. This will mean that The Housing Choice Voucher program will be operating at about 50 percent of 2008 level for the administrative fees, in the upcoming year. This has been compounded by the fact that the HAP funds (payments to landlords) have been reduced by only 4 percent during the same period. HUD has stated that Housing Authorities will have to do more with less. However a 50 percent reduction will make that very difficult to accomplish without reduction in the level of HAP funding.

Opportunities/Goals:

- Locate other sources of funding to allow us to hire additional staff to expand our outreach and additional housing programs to all of our service areas.
- Working with local Housing Authorities within the region to develop merger or collaborative plans to deal with the large reductions in federal funding.
- Our long-term vision is to promote affordable housing throughout our twelve counties for both rental assistance and homeownership.

Western Regional Housing Authority (WRHA)

The Mission of Western Regional Housing Authority is to provide decent, safe and affordable housing to low-income families as well as to promoting economic opportunity and a suitable living environment free from discrimination. We are committed to maintaining a high level of standards and professionalism in the day-to-day management of all programs that we administer.

Western Regional Housing Authority Board of Commissioners:

- Beverly Kostelnik, Luna County
- Awish Baechtle (Resident Commissioner), Grant County
- Vera Turner, Catron County
- Carol Anaya, Valencia County
- G. Vincent Barrett, Sierra County
- (Vacant) Socorro County
- Patricia Lincoln, Torrance County
- (Vacant) Hidalgo County

Administrative Positions:

- Cathy De Marco, Executive Director
- Sonia Flores, Deputy Director
- Norma Grado, Asst. Deputy Director
- April Cook, Accountant/Housing Coordinator

Western Regional Housing Authority serves the following counties in Western New Mexico: Grant, Catron, Hidalgo, Luna, Sierra, Socorro, Valencia and Torrance County.

WRHA Performance Status:

WRHA is currently ranked as a “High-Performer” through the Department of Housing & Urban Development. Our 2012 audit revealed no audit findings and we were given an unqualified audit opinion. Our Agency has maintained a High Performer status through HUD for the past 10 years as well as unqualified audits for more than 14 years.

Western Regional Housing Authority Programs:

- **Housing Choice Voucher Program – 911 Vouchers allocated to Grant, Catron, Luna and Hidalgo County**
The Section 8 Housing Choice Voucher Program is a federally funded program managed by Western Regional Housing Authority. This program helps low-income households by subsidizing their rent. Families are allowed to choose their own rental home in the private market as long as the landlord is willing to participate in the Voucher Program. We also have the Voucher Homeownership program that works with the same funds as the rental program, but instead of subsidizing the rent, we subsidize the mortgage. Families must be within 50% of the median area income to qualify for this program.
- **HUD Low-Rent Public Housing Program**
54 units in Silver City, New Mexico
Our Low-Rent Public Housing Program consists of 54 units built on two sites in Silver City, New Mexico. Both sites are owned and managed by Western Regional Housing Authority. The first site is

the Hillside Apartments; this site was built in 1984 and consists of 32 multi-family units. Our second site is Valley Vista Homes and consists of 22 units (4 duplexes and 14 single family dwellings). To qualify for this program, the family's gross income must be within the income limits established by HUD, as well as meet the eligibility criteria established by the Housing Authority.

- **PHA-Owned Units**

- **5 units in Silver City, New Mexico**

- The Housing Authority built these units with excess admin reserves from our Section 8 Program. They consist of a 3-bedroom single-family home and a 2-bedroom duplex both built in 1998 and a 1-bedroom duplex built in 2006. These units were designed to house families within 80% of the median area income. Currently, Voucher Program participants occupy them.

- **Linkages Permanent Supportive Housing Program**

- **Housing subsidy vouchers allocated to Grant, Luna, Hidalgo and Catron County**

- This program is a state-funded program designed to provide permanent supportive housing rental subsidies and supportive services to homeless individuals with serious mental illnesses including Native Americans living off reservation. Southwest New Mexico is one of three regions chosen to administer this program. Border Area Mental Health Services provides the supportive services to the clients and Western Regional is the housing administrator. New Mexico Mortgage Finance Authority oversees the administration of this program. Families must be within 30% of the median area income to qualify for this program.

- **Rental Assistance Program (RAP)**

- **Grant, Catron, Hidalgo, Luna, Sierra, Socorro, Valencia and Torrance County**

- This program is designed to assist eligible homeless or precariously housed persons find and maintain safe, decent affordable rental housing. Eligible clients may receive assistance with security and utility deposits, rent and/or utility arrearages, and rental assistance up to 11 months or until they receive assistance under another subsidized housing program, whichever is sooner. Families must be within 30% of the median area income to qualify for this program.

Challenges/Constraints:

- Western Regional Housing Authority's greatest concern is the lack of decent, safe and affordable housing in our area, particularly in the more rural areas, such as Hidalgo County. One way to address this problem is to start a Rental Rehab Program. WRHA administered this type of program through HUD about 16 years ago and it was beneficial to both landlords as well as tenants.
- One of the major constraints our Agency is experiencing is the lack of funding available to our agency to properly administer our programs throughout our entire region. We have 11 staff between our two offices, located in Silver City and Deming, and have not had the resources to hire additional staff since acquiring the 4 additional counties as well as our additional programs. In fact, we had 1 staff person leave last year and have not been able to replace them due to budget constraints.
- Another challenge our agency is facing, is trying to obtain a 98% lease-up rate with the funds and staff available. Our current lease-up rate as of June 1, 2013 is 91% region-wide. The breakdown by County is as follows:

Grant County – 93%

Catron County – 82%

Luna County – 89%

Hidalgo County – 83%

We are currently using 100% of our HAP Subsidy to maintain this lease-up as well as our HAP Reserves.

Opportunities/Goals:

- Locate other sources of funding to allow us to hire additional staff to expand our outreach and additional housing programs to all of our service areas.
- Our long-term vision is to promote affordable housing throughout our eight county areas for both rental assistance and homeownership.
- Research other housing opportunities for our Montaña Vista Property.

Tab 2

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AN ACT

RELATING TO PUBLIC FINANCE; PERMITTING STATE AND LOCAL
GOVERNMENTS TO PROVIDE OR PAY THE COST OF LAND, BUILDINGS OR
NECESSARY FINANCING FOR AFFORDABLE HOUSING PROJECTS; AMENDING
THE AFFORDABLE HOUSING ACT.

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

Section 1. Section 6-27-3 NMSA 1978 (being Laws 2004,
Chapter 104, Section 3) is amended to read:

"6-27-3. DEFINITIONS.--As used in the Affordable
Housing Act:

A. "affordable housing" means residential housing
primarily for persons or households of low or moderate
income;

B. "authority" means the New Mexico mortgage
finance authority;

C. "building" means a structure capable of being
renovated or converted into affordable housing or a structure
that is to be demolished and is located on land that is
donated and upon which affordable housing will be
constructed;

D. "governmental entity" means a state, a county,
a municipality or the authority;

E. "household" means one or more persons occupying
a housing unit;

1 F. "housing assistance grant" means the donation,
2 provision or payment by a governmental entity of:

3 (1) land upon which affordable housing will
4 be constructed;

5 (2) an existing building that will be
6 renovated, converted or demolished and reconstructed as
7 affordable housing;

8 (3) the costs of acquisition, development,
9 construction, financing and operating or owning affordable
10 housing; or

11 (4) the costs of financing or infrastructure
12 necessary to support affordable housing;

13 G. "infrastructure" includes infrastructure
14 improvements and infrastructure purposes;

15 H. "infrastructure improvement" includes, but is
16 not limited to:

17 (1) sanitary sewage systems, including
18 collection, transport, storage, treatment, dispersal,
19 effluent use and discharge;

20 (2) drainage and flood control systems,
21 including collection, transport, diversion, storage,
22 detention, retention, dispersal, use and discharge;

23 (3) water systems for domestic purposes,
24 including production, collection, storage, treatment,
25 transport, delivery, connection and dispersal;

1 (4) areas for motor vehicle use for road
2 access, ingress, egress and parking;

3 (5) trails and areas for pedestrian,
4 equestrian, bicycle or other nonmotor vehicle use for access,
5 ingress, egress and parking;

6 (6) parks, recreational facilities and open
7 space areas to be used by residents for entertainment,
8 assembly and recreation;

9 (7) landscaping, including earthworks,
10 structures, plants, trees and related water delivery systems;

11 (8) electrical transmission and distribution
12 facilities;

13 (9) natural gas distribution facilities;

14 (10) lighting systems;

15 (11) cable or other telecommunications lines
16 and related equipment;

17 (12) traffic control systems and devices,
18 including signals, controls, markings and signs;

19 (13) inspection, construction management and
20 related costs in connection with the furnishing of the items
21 listed in this subsection; and

22 (14) heating, air conditioning and
23 weatherization facilities, systems or services, and energy
24 efficiency improvements that are affixed to real property;

25 I. "infrastructure purpose" means:

1 (1) planning, design, engineering,
2 construction, acquisition or installation of infrastructure,
3 including the costs of applications, impact fees and other
4 fees, permits and approvals related to the construction,
5 acquisition or installation of the infrastructure;

6 (2) acquiring, converting, renovating or
7 improving existing facilities for infrastructure, including
8 facilities owned, leased or installed by the owner;

9 (3) acquiring interests in real property or
10 water rights for infrastructure, including interests of the
11 owner; and

12 (4) incurring expenses incident to and
13 reasonably necessary to carry out the purposes specified in
14 this subsection;

15 J. "municipality" means an incorporated city, town
16 or village, whether incorporated under general act, special
17 act or special charter, incorporated counties and H class
18 counties;

19 K. "qualifying grantee" means:

20 (1) an individual who is qualified to
21 receive assistance pursuant to the Affordable Housing Act and
22 is approved by the governmental entity; and

23 (2) a governmental housing agency, regional
24 housing authority, tribal housing agency, corporation,
25 limited liability company, partnership, joint venture,

1 syndicate, association or nonprofit organization that:

2 (a) is organized under state, local or
3 tribal laws and can provide proof of such organization;

4 (b) if a nonprofit organization, has no
5 part of its net earnings inuring to the benefit of any
6 member, founder, contributor or individual; and

7 (c) is approved by the governmental
8 entity; and

9 L. "residential housing" means any building,
10 structure or portion thereof that is primarily occupied, or
11 designed or intended primarily for occupancy, as a residence
12 by one or more households and any real property that is
13 offered for sale or lease for the construction or location
14 thereon of such a building, structure or portion thereof.

15 "Residential housing" includes congregate housing,
16 manufactured homes, housing intended to provide or providing
17 transitional or temporary housing for homeless persons and
18 common health care, kitchen, dining, recreational and other
19 facilities primarily for use by residents of a residential
20 housing project."

21 Section 2. Section 6-27-5 NMSA 1978 (being Laws 2004,
22 Chapter 104, Section 5) is amended to read:

23 "6-27-5. STATE, COUNTY, MUNICIPALITIES AND THE
24 AUTHORITY--AUTHORIZATION FOR AFFORDABLE HOUSING.--The state,
25 a county, a municipality or the authority may:

1 A. donate, provide or pay all, or a portion, of
2 the costs of land for the construction on the land of
3 affordable housing;

4 B. donate, provide or pay all or a portion of the
5 costs of conversion or renovation of existing buildings into
6 affordable housing;

7 C. provide or pay the costs of financing or
8 infrastructure necessary to support affordable housing
9 projects; or

10 D. provide or pay all or a portion of the costs of
11 acquisition, development, construction, financing, operating
12 or owning affordable housing."

13 Section 3. Section 6-27-7 NMSA 1978 (being Laws 2004,
14 Chapter 104, Section 7) is amended to read:

15 "6-27-7. REQUIREMENT FOR ENACTMENT OF AN ORDINANCE BY A
16 COUNTY OR A MUNICIPALITY AND REVIEW BY THE AUTHORITY
17 AUTHORIZING HOUSING ASSISTANCE GRANTS--REQUIREMENT FOR
18 ADOPTION OF A RESOLUTION BY THE GOVERNING BODY OF THE
19 AUTHORITY AUTHORIZING HOUSING ASSISTANCE GRANTS.--

20 A. A county or municipality may provide housing
21 assistance grants pursuant to Article 9, Section 14 of the
22 constitution of New Mexico after enactment by its governing
23 body of an ordinance authorizing grants, stating the
24 requirements of and purposes of the grants and authorizing
25 transfer or disbursement to a qualifying grantee only after a

1 budget is submitted to and approved by the governing body.
2 The ordinance may provide for matching or using local,
3 private or federal funds either through direct participation
4 with a federal agency pursuant to federal law or through
5 indirect participation through programs of the authority. No
6 less than forty-five days prior to enactment, the county or
7 municipality shall submit a proposed ordinance to the
8 authority, which shall review the proposed ordinance to
9 ensure compliance with rules promulgated by the authority
10 pursuant to Section 6-27-8 NMSA 1978. Within fifteen days
11 after enactment of the ordinance, the county or municipality
12 shall submit a certified true copy of the ordinance to the
13 authority.

14 B. A school district may transfer land or
15 buildings owned by the school district to a county or
16 municipality to be further granted as part or all of an
17 affordable housing grant if the school district and the
18 governing body of the county or municipality enter into a
19 contract that provides the school district with a negotiated
20 number of affordable housing units that will be reserved for
21 employees of the school district.

22 C. The governing board of a public post-secondary
23 educational institution may transfer land or buildings owned
24 by that institution to a county or municipality; provided
25 that:

1 (1) the property transferred shall be
2 granted by the county or municipality as part or all of an
3 affordable housing grant; and

4 (2) the governing board of the public
5 post-secondary educational institution and the governing body
6 of the county or municipality enter into a contract that
7 provides the public post-secondary educational institution
8 with affordable housing units.

9 D. The authority may provide housing assistance
10 grants pursuant to Article 9, Section 14 of the constitution
11 of New Mexico after enactment by its governing body of a
12 resolution authorizing grants, stating the requirements and
13 purposes of the grants and authorizing disbursement to a
14 qualifying grantee after a budget is submitted to and
15 approved by the governing body. The resolution may provide
16 for matching or for using local, private or federal funds
17 either through direct participation with a federal agency
18 pursuant to federal law or through indirect participation
19 through programs of the authority. The resolution shall
20 comply with rules promulgated by the authority pursuant to
21 Section 6-27-8 NMSA 1978.

22 E. As used in this section, "public post-secondary
23 educational institution" means a state university or a public
24 community college."

25 Section 4. Section 6-27-8 NMSA 1978 (being Laws 2004,

1 Chapter 104, Section 8) is amended to read:

2 "6-27-8. PROVISIONS TO ENSURE SUCCESSFUL COMPLETION OF
3 AFFORDABLE HOUSING PROJECTS--INVESTIGATION.--

4 A. State, county and municipal housing assistance
5 grants pursuant to the Affordable Housing Act shall be
6 applied for and awarded to qualifying grantees pursuant to
7 the rules promulgated by the authority subject to the
8 requirements of that act.

9 B. The authority shall adopt rules covering:

10 (1) procedures to ensure that qualifying
11 grantees meet the requirements of the Affordable Housing Act
12 and rules promulgated pursuant to that act both at the time
13 of the award and through the term of the grant;

14 (2) establishment of an application and
15 award timetable for housing assistance grants to permit the
16 selection of the potential qualifying grantees prior to
17 January of the year in which the grants would be made;

18 (3) contents of the application, including
19 an independent evaluation of the:

20 (a) financial and management stability
21 of the applicant;

22 (b) demonstrated commitment of the
23 applicant to the community;

24 (c) cost-benefit analysis of the
25 project proposed by the applicant;

1 (d) benefits to the community of a
2 proposed project;

3 (e) type or amount of assistance to be
4 provided;

5 (f) scope of the affordable housing
6 project;

7 (g) substantive or matching
8 contribution by the applicant to the proposed project; and

9 (h) performance schedule for the
10 qualifying grantee with performance criteria;

11 (4) a requirement for long-term
12 affordability of a state, county or municipal project so that
13 a project cannot be sold shortly after completion and taken
14 out of the affordable housing market to ensure a quick profit
15 for the qualifying grantee;

16 (5) a requirement that a grant for a state
17 or local project must impose a contractual obligation on the
18 qualifying grantee that the housing units in a state or local
19 project pursuant to the Affordable Housing Act be occupied by
20 low- or moderate-income households;

21 (6) provisions for adequate security against
22 the loss of public funds or property in the event that a
23 qualifying grantee abandons or otherwise fails to complete a
24 project;

25 (7) a requirement for review and approval of

1 a housing grant project budget by the grantor before any
2 expenditure of grant funds or transfer of granted property;

3 (8) a requirement that, unless the period is
4 extended for good cause shown, the authority shall act on an
5 application within forty-five days of the date of receipt of
6 an application that the authority deems to be complete and,
7 if not acted upon, the application shall be deemed approved;

8 (9) a requirement that a condition of grant
9 approval be proof of compliance with all applicable state and
10 local laws, rules and ordinances;

11 (10) provisions defining "low- and
12 moderate-income" and setting out requirements for
13 verification of income levels;

14 (11) a requirement that a county or
15 municipality that makes a housing assistance grant shall have
16 an existing valid affordable housing plan or housing elements
17 contained in its general plan; and

18 (12) a requirement that the governmental
19 entity enter into a contract with a qualifying grantee
20 consistent with the Affordable Housing Act, which contract
21 shall include remedies and default provisions in the event of
22 the unsatisfactory performance by the qualifying grantee.

23 C. In addition to the rulemaking mandated in
24 Subsection B of this section, the authority may adopt
25 additional rules to carry out the purposes of the Affordable

1 Housing Act. Rulemaking procedures pursuant to the
2 Affordable Housing Act shall:

3 (1) provide a public hearing in accordance
4 with the state Administrative Procedures Act; and

5 (2) require concurrence in a rule having
6 application to local government by both the New Mexico
7 municipal league and the New Mexico association of counties.

8 D. The attorney general shall investigate any
9 alleged violation of the Affordable Housing Act as reported
10 by the authority."

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NEW MEXICO MORTGAGE FINANCE AUTHORITY AFFORDABLE HOUSING ACT RULES

SECTION 1. AUTHORITY. These Rules are issued under and pursuant to the Mortgage Finance Authority Act, NMSA 1978, § 58-18-1 et seq. (the “MFA Act”) and pursuant to the Affordable Housing Act, NMSA 1978, §6-27-1 et seq. (the “Act”). Following review and comment by the Legislative Oversight Committee (“Oversight Committee”), these Rules will become effective upon the approval of the New Mexico Mortgage Finance Authority’s (“MFA”) Board of Directors.

SECTION 2. PURPOSE AND OBJECTIVES. These Rules are established to effectuate, and shall be applied so as to accomplish, the general purposes of the Act and the following specific objectives:

2.1 Procedures to ensure that both state and local housing assistance grantees are Qualifying Grantees (defined below) who meet the requirements of the Act and rules promulgated pursuant to the Act both at the time of the award and throughout the term of the grant;

2.2 The establishment of an application and award timetable for state housing assistance grants to permit the selection of the Qualifying Grantee(s) by the Governmental Entity (defined herein) and/or the MFA;

2.3 The evaluation by the Governmental Entity and/or the MFA of: the financial and management stability of the applicant, the demonstrated commitment of the applicant to the community, a cost-benefit analysis of the project proposed by the applicant, the benefits to the community of a proposed project, the type or amount of assistance to be provided, the scope of the affordable housing project, any substantive or matching contribution by the applicant to the proposed project, a performance schedule for the qualifying grantee with performance criteria, and any other rules or procedures which the Governmental Entity and/or the MFA believes is necessary for a full review and evaluation of the applicant, the application, and any Qualifying Grantee or which the MFA believes is necessary for a full review of the Governmental Entity’s evaluation of the applicant;

2.4 A requirement for long-term affordability of a state, county, or municipal project so that a project cannot be sold shortly after completion and taken out of the affordable housing market to ensure a quick profit for the Qualifying Grantee;

2.5 A requirement that the Governmental Entity and/or the MFA enter into a contract with the Qualifying Grantee consistent with the Act, which contract shall include

remedies and default provisions in the event of the unsatisfactory performance by the Qualifying Grantee and which contract shall be subject to the review of the MFA in its discretion;

2.6 A requirement that a grant for a state or local project must impose a contractual obligation on the Qualifying Grantee that the housing units in any Affordable Housing Project be occupied by low- or moderate-income households;

2.7 Provisions for adequate security against the loss of public funds or property in the event that the Qualifying Grantee abandons or otherwise fails to complete the project;

2.8 A requirement for review and approval of a housing grant project budget by the Governmental Entity and/or the MFA before any expenditure of grant funds or transfer of granted property;

2.9 A requirement that, unless the period is extended for good cause shown, the MFA shall act on an application within forty-five (45) days of the date of receipt of that application and, if not acted upon, the application shall be deemed approved;

2.10 A requirement that a condition of grant approval be proof of compliance with all applicable state and local laws, rules and ordinances;

2.11 Provisions defining “low-income and moderate-income” and setting out requirements for verification of income levels; and

2.12 A requirement that a county or municipality that makes a housing assistance grant shall have an existing valid affordable housing plan or housing elements contained in its general plan.

In carrying out its objectives and purposes, the MFA, pursuant to the MFA Act has the power to raise funds from private and public investors to make funds available for such purposes; to create and implement programs from time to time as may be necessary or appropriate to accomplish its purposes; and to assist, administer, finance or service housing programs and to contract for such services for or through private and nonprofit organizations and local, state, federal and tribal agencies or their instrumentalities.

SECTION 3. GENERAL DEFINITIONS. The following words and terms shall have the following meanings.¹

3.1 “Act” shall mean the Affordable Housing Act, Section 6-27-1 et seq. NMSA 1978.

¹ The following definitions in these Rules were either modeled on the MFA’s internal Rules and Regulations, which were revised by the MFA in October of 2006, approved by the Oversight Committee on November 14, 2006, and adopted by the Board on January 24, 2007; or they were modeled on or taken directly from the Act, as revised in the 2006 Legislative Session. All definitions given were created to support the goals of the Act and the Rules.

3.2 “Affordable” shall mean consistent with minimum rent and/or income limitations set forth in the MFA Act, and in guidelines established by MFA.

3.3 “Affordable Housing” means residential housing primarily for Persons or households of Low- or Moderate-Income.

3.4 “Affordable Housing Funds” shall mean any or all funds awarded or to be awarded, loaned or otherwise distributed under the Act.

3.5 “Affordable Housing Program” shall mean any programs that a Governmental Entity and/or the MFA establish pursuant to the Act.

3.6 “Affordable Housing Projects” shall mean any work or undertaking, whether new construction, acquisition of existing residential housing, remodeling, improvement, Rehabilitation or conversion approved by the Governmental Entity and/or the MFA for the primary purposes as allowed by the Act.

3.7 “Applicant” shall mean an individual, a governmental housing agency, regional housing authority, tribal housing agency, for-profit organization, including a corporation, limited liability company, partnership, joint venture, syndicate, or association or a nonprofit organization meeting the appropriate criteria of the Governmental Entity and/or the MFA.

3.8 “Application” shall mean an application to participate in one or more Affordable Housing Projects or programs under the Act submitted by an Applicant to the Governmental Entity and/or the MFA.

3.9 “Authority” shall mean the New Mexico Mortgage Finance Authority.

3.10 “Builder” shall mean a person or entity licensed as a general contractor to construct Residential Housing in the state which has been approved by the Governmental Entity and/or the MFA to participate in an MFA program and/or a program under the Act.

3.11 “Building” shall mean a structure capable of being renovated or converted into affordable housing or a structure that is to be demolished and is located on land that is donated and upon which Affordable Housing will be constructed.

3.12 “Congregate Housing Facility” shall mean Residential Housing designed for occupancy by more than four Persons of low or Moderate Income living independently of each other. The facility may contain group dining, recreational, health care or other communal living facilities and each unit in a Congregate Housing Facility shall contain at least its own living, sleeping, and bathing facilities.

3.13 “Contribution” shall mean any provision of assistance for affordable housing, including an Affordable Housing Grant or Affordable Housing Funds, made by a state, county, municipality, or the Authority.

3.14 “Federal Government” shall mean the United States of America and any agency or instrumentality, corporate or otherwise, of the United States of America.

3.15 “Governmental Entity” shall mean a state, county, or municipality.²

3.16 “Household” shall mean one or more persons occupying a housing unit.

3.17 “Housing Assistance Grant” means the donation, provision, or payment by a Governmental Entity or the MFA of:

A. Land upon which affordable housing will be constructed;;

B. An existing Building that will be renovated, converted, or demolished and reconstructed as Affordable Housing;

C. The costs of acquisition, development, construction, financing, and operating or owning affordable housing; or

D. The costs of Financing or Infrastructure necessary to support Affordable Housing.

3.18 “HUD” shall mean the United States Department of Housing and Urban Development.

3.19 “Infrastructure” shall mean Infrastructure Improvements and Infrastructure Purposes.

3.20 “Infrastructure Improvement” includes, but is not limited to:

A. sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge;

B. drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge;

C. water systems for domestic purposes, including production, collection, storage, treatment, transport, delivery, connection and dispersal;

D. areas for motor vehicle use for road access, ingress, egress and parking;

² Solely for the purposes of the Affordable Housing Act, to distinguish the Authority from any other Governmental Entity, the term “MFA” will always be used when a rule or provision applies to the Authority.

E. trails and areas for pedestrian, equestrian, bicycle or other non motor vehicle use for road access, ingress, egress and parking;

F. parks, recreational facilities and open space areas for the use of residents for entertainment, assembly and recreation;

G. landscaping, including earthworks, structures, plants, trees and related water delivery systems;

H. electrical transmission and distribution facilities;

I. natural gas distribution facilities;

J. lighting systems;

K. cable or other telecommunications lines and related equipment;

L. traffic control systems and devices, including signals, controls, markings and signs;

M. inspection, construction management and related costs in connection with the furnishing of the items listed in this subsection; and

N. heating, air conditioning and weatherization facilities, systems or services, and energy efficiency improvements, that are affixed to real property.

3.21 “Infrastructure Purpose” shall mean:

A. planning, design, engineering, construction, acquisition or installation of Infrastructure, including the costs of applications, impact fees and other fees, permits and approvals related to the construction, acquisition or installation of the Infrastructure;

B. acquiring, converting, renovating or improving existing facilities for Infrastructure, including facilities owned, leased or installed by the owner;

C. acquiring interests in real property or water rights for Infrastructure, including interests of the owner; and

D. incurring expenses incident to and reason ably necessary to carry out the purposes specified in this subsection.

3.22 “Market Value” shall mean the price at which buyers and sellers trade similar items in an open marketplace. In the absence of a marketplace, it is the estimated highest price a buyer would be warranted in paying and a seller justified in

accepting, provided both parties were fully informed and acted intelligently and voluntarily.

3.23 “MFA” shall mean the New Mexico Mortgage Finance Authority.

3.24 “MFA Act” shall mean the Mortgage Finance Authority Act, enacted as Chapter 303 of the Laws of 1975 of the State of New Mexico, as amended (being Sections 58-18-1 through 58-18-27, inclusive, N.M.S.A. (1978), as amended).

3.25 “Mortgage” shall mean a mortgage, mortgage deed, deed of trust or other instrument creating a lien, subject only to title exceptions as may be acceptable to the Governmental Entity and/or the MFA, on a fee interest in real property located within the state or on a leasehold interest that has a remaining term at the time of computation that exceeds or is renewable at the option of the lessee until after the maturity day of the Mortgage Loan or an instrument creating a lien on a mobile home.

3.26 “Mortgage Lender” shall mean any bank or trust company, mortgage company, mortgage banker, national banking association, savings bank, savings and loan association, credit union, building and loan association and any other lending institution, and which must be authorized to make mortgage loans in New Mexico.

3.27 “Mortgage Loan” shall mean a financial obligation secured by a Mortgage, including a project Mortgage Loan.

3.28 “Multiple Family Housing Project” shall mean Residential Housing that is designed for occupancy by more than four persons or families living independently of each other or living in a Congregate Housing Facility, at least sixty percent (60%) of whom are Persons of Low or Moderate Income, including without limitation Persons of Low or Moderate Income who are elderly and handicapped as determined by the Governmental Entity and/or the MFA, provided that the percentage of low-income persons and families shall be at least the minimum, if any, required by federal tax law.

3.29 “Multi-Family Housing Program” shall mean a program involving a Congregate Housing Facility, a Multiple Family Housing Project or a Transitional Housing Facility.

3.30 “Municipality” shall mean an incorporated city, town or village, whether incorporated under general act, special act or special charter, incorporated counties and H class counties all as set forth in the Act.

3.31 “Oversight Committee” shall mean the MFA’s Legislative Oversight Committee created by, and appointed in accordance with, the MFA Act.

3.32 “Persons of Low or Moderate Income” shall mean persons and families within the state who are determined by the MFA to lack sufficient income to pay enough to cause private enterprise to build an adequate supply of decent, safe and sanitary

residential housing in their locality or in an area reasonably accessible to their locality and whose incomes are below the income levels established by the MFA to be in need of the assistance made available by the Act, taking into consideration, without limitation, such factors as defined under the Act. For purposes of this definition, the word “families” shall mean a group of persons consisting of, but not limited to, the head of a household; his or her spouse, if any; and children, if any, who are allowable as personal exemptions for Federal income tax purposes.

3.33 “Policies and Procedures” shall mean Policies and Procedures of the MFA, including but not limited to, Mortgage Loan purchasing, selling, servicing and reservation procedures, which the MFA may update and revise from time to time as the MFA deems appropriate.

3.34 “Qualifying Grantee” means:

A. An individual who is qualified to receive assistance pursuant to the Act and is approved by the Governmental Entity and/or the MFA; and

B. A governmental housing agency, regional housing authority, tribal housing agency, corporation, limited liability company, partnership, joint venture, syndicate, association or a nonprofit organization that:

(1) Is organized under State, local, or tribal laws and can provide proof of such organization;

(2) If a non-profit organization, has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and

(3) Is approved by the Governmental Entity and/or the MFA.

3.35 “Recertification” shall mean the recertification of Applicants and/or Qualifying Grantees participating in any Affordable Housing Programs or in any programs under the Act as determined necessary from time to time by the Governmental Entity and/or the MFA.

3.36 “Rehabilitation” shall mean the substantial renovation or reconstruction of an existing single-family residence or a Multi-Family Housing Project, which complies with requirements established by the MFA. Rehabilitation shall not include routine or ordinary repairs, improvements or maintenance, such as interior decorating, remodeling or exterior painting, except in conjunction with other substantial renovation or reconstruction.

3.37 “Residential Housing” shall mean any Building, structure or portion thereof that is primarily occupied, or designed or intended primarily for occupancy, as a residence by one or more Households and any real property that is offered for sale or

lease for the construction or location thereon of such a building, structure or portion thereof. "Residential Housing" includes congregate housing, manufactured homes, housing intended to provide or providing transitional or temporary housing for homeless persons and common health care for supportive housing, kitchen, dining, recreational and other facilities primarily for use by residents of a residential housing project or a single room occupancy facility.

3.38 "Residential Use" shall mean that the structure or the portion of the structure to benefit from the Affordable Housing Funds or Housing Assistance Grant, is designed primarily for use as the principal residence of the occupant or occupants and shall exclude vacation or recreational homes.

3.39 "State" shall mean the State of New Mexico.

3.40 "Transitional Housing Facility" shall mean residential housing that is designed for temporary or transitional occupancy by Persons of Low or Moderate Income or special needs.

SECTION 4. REQUIREMENTS FOR GOVERNMENTAL ENTITIES. If a county or a municipality proposes to make a Housing Assistance Grant or provide Housing Assistance Funds under the Act, it shall first provide the MFA with a copy of the proposed ordinance and written certification that the proposed recipient is in compliance with the Act and these Rules. The county or municipality must also provide the MFA with documentation confirming that it has an existing valid affordable housing plan or housing elements contained in its general plan, so that the MFA may confirm that the ordinance is in compliance with the Act, that the Application is complete, and that the proposed recipient is a Qualifying Grantee under the Act and these Rules. For an ongoing housing assistance program, the county or municipality must provide MFA with a detailed written description of the program, in addition to other required documentation as specified in these Rules. Once the program receives MFA approval, it is not necessary to draft additional ordinances for subsequent transactions conducted under the approved program. MFA reserves the right to investigate each transaction conducted under the program.

4.1 The Proposed Ordinance:

A. Must be provided to MFA, with other required, documentation, within the period prescribed by the Rules in Section 5.3(B)(1)(a) for submission to MFA prior to the county's or municipality's provision of a Housing Assistance Grant or Affordable Housing Funds. Failure to provide said ordinance and documentation to the MFA, or to provide it in a timely fashion, or to act in accordance with the MFA's determination that an ordinance is invalid under the Act, the State Constitution, and/or any other applicable law, shall automatically invalidate the ordinance and shall render invalid any act taken pursuant to the ordinance.

B. Must authorize the contribution, state the requirements and purpose, and authorize the transfer or disbursement to the Qualifying Grantee only after a budget is submitted to and approved by the governing body of the county or municipality.

C. May provide for matching or using local, private or federal funds either through direct participation with a federal agency pursuant to federal law or through indirect participation through the MFA.

D. Shall comply with these Rules, as amended.

E. Shall be effective subject to local ordinance requirements for publication and filing.

F. Upon amendment, must be submitted to MFA for review of any and all changes for determination that the amended ordinance remains in compliance with the Act, these Rules, and other applicable law.

4.2. An Affordable Housing Plan. An Affordable Housing Plan created subsequent to the November 2007 amendment of these Rules must comply with the requirements set forth below. A housing plan created prior to November 2007 must, upon amendment, be made to comply with the requirements set forth below.

A valid affordable housing plan or housing elements in a general plan of a county or municipality shall contain the following elements:

A. Community and housing profile, which shall include;

(1) demographic characteristics, such as race and ethnicity, income, age, employment and population trends;

(2) household characteristics including the number of existing households and housing units by tenure; and,

(3) housing market analysis including housing costs, rents, vacancy rates, and sales prices;

B. Housing needs assessment that describes;

(1) existing needs, such as the number of households with a cost burden for housing, living in overcrowded situations, or with special needs, including disabilities, elderly, headed by a female, homeless, and other identified needs, and;

(2) projected needs which shall include the number of new units needed by tenure, type, and cost to meet current needs and to

accommodate expected population growth and job generation and a determination of the number of homes to be created through new construction, rehabilitation and preservation;

C. Land use and policy review that includes;

(1) a general analysis of land use parcels including zoning, size and existing use, environmental constraints, availability of infrastructure;

(2) an evaluation of suitability, availability and realistic development capacity of developable sites, including appropriate zoning for special needs housing, such as multi-family rental, mobile homes, transitional and homeless shelters;

(3) identification of constraints, such as land use controls, codes and enforcement, fees and exactions, processing and permit procedures, on/off site improvements, reasonable accommodation, availability of financing, land availability and prices, construction costs, local capacity to assist, finance and manage construction, provide housing support services and administer housing funds and programs;

(4) minimum density calculations targeted to affordable housing populations.

D. Goals, policies and quantifiable objectives that include;

(1) an estimate of the number and percentage of unit increases, by income levels, to be constructed, rehabilitated or conserved over a set period of time;

(2) identification of needed programs and agencies responsible for constructing new housing stock, improving existing housing stock, promoting access and equal opportunity to affordable housing, and increasing the capacity of residents to lower their housing cost burden, build long term equity, stabilize their housing situations through home-buyer training, rental vouchers, assistance to persons with disabilities, and other capacity assistance as deemed appropriate and necessary;

(3) plan to promote potential regulatory concessions and incentives for removing or mitigating governmental and non-governmental constraints to development, rehabilitation or conservation of affordable housing;

(4) identification of potential sources of federal, state and local financing and subsidies to support affordable housing;

(5) a thorough consideration of related issues, such as public participation, job/housing mix, consistency with existing planning and land use policy, protection of ecological resources, promotion of efficient development patterns and green building.

4.3 A county or municipality must base any transaction conducted under an approved program on a market valuation current at the time of the transaction. MFA may require proof from the county or municipality that the transaction was based on a current market value assessment.

4.4 Any contribution otherwise made in violation of the Act, the Rules, the Constitution, or other applicable law, shall be deemed invalid under the Act.

SECTION 5. GENERAL REQUIREMENTS. With the exception of Housing Assistance Grants of funding from the State which shall be governed by Section 5.13 below, the following requirements shall apply to all Housing Assistance Grants and Affordable Housing Funds provided by a Governmental Entity and/or the MFA under the Act to a Qualifying Grantee.

5.1 Request for Proposals. The Governmental Entity and/or the MFA, in its discretion, may issue one or more requests for proposals (“RFP’s”) to solicit applications (“Applications”) or shall otherwise identify a Qualifying Grantee for the use of any Affordable Housing Funds or Housing Assistance Grants to be awarded, loaned, or otherwise distributed under the Act.

5.2 Applicant Eligibility. The following individuals or entities (“Applicants”) are eligible under the Act to apply for Affordable Housing Funds or a Housing Assistance Grant to provide housing or related services to Persons of Low or Moderate Income in their community:

A. All individuals who are qualified to receive assistance pursuant to the Act and these Rules.

B. All regional housing authorities, tribal governments, tribal housing agencies, and any governmental housing agencies;

C. All for-profit organizations, including any corporation, limited liability company, partnership, joint venture, syndicate, or association or a nonprofit organization; or,

D. Nonprofit organizations are eligible to apply if the following requirements are met:

(1) A primary mission of the nonprofit organization must be to provide housing or housing-related services to Persons of Low or Moderate Income; and

(2) The non-profit organization must have received its 501(c)(3) designation prior to submitting an Application.

(3) The non-profit organization must have no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

E. For any non-individual applicant to be eligible, it must also:

(1) Be organized under state, local, or tribal laws and can provide proof of such organization;

(2) Have a functioning accounting system that is operated in accordance with generally accepted accounting principles or has designated an entity that will maintain such an accounting system consistent with generally accepted accounting principles;

(3) Have among its purposes significant activities related to providing housing or services to Persons or Households of Low or Moderate Income; and

(4) Evidence or certification that the applicant has no significant outstanding or unresolved monitoring findings from the Governmental Entity, the MFA, or its most recent independent financial audit, or if it has any such findings, it has a certified letter from the Governmental Entity, the MFA, or auditor stating that the findings are in the process of being resolved.

Any eligible Applicant may, at any time, submit to the Governmental Entity and/or the MFA the information required by Section 5.3(A) sub-paragraphs (4), (5), (6), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), (20), (21), and (22) of these Rules, as applicable, in order to pre-qualify as a potential Qualifying Grantee. The Governmental Entity and/or the MFA will review the information provided by any eligible Applicant and in its discretion, may certify in writing that the Applicant is a "Potential Qualifying Grantee." The Governmental Entity shall provide a copy of the certification to the MFA upon its request. The Governmental Entity's and/or the MFA's certification shall be valid for up to one (1) year, subject to the ability of the Potential Qualifying Grantee to certify in writing, at the time of any Application or response to any RFP, that there have been no material changes in any of the information or documentation provided by, or representations made by the Potential Qualifying Grantee to the Governmental Entity and/or the MFA and upon which information, documentation, and/or representations the Governmental Entity and/or the MFA has based its decision to certify the Applicant as a Potential Qualifying Grantee. Notwithstanding the foregoing, simply because an Applicant is certified by the Governmental Entity and/or the MFA as a Potential Qualifying Grantee does not mean that the Potential Qualifying Grantee will be chosen by the Governmental Entity or the MFA as a Qualifying Grantee, or that the MFA will

determine that the Potential Qualifying Grantee is a Qualifying Grantee, or that any Application submitted by the Potential Qualifying Grantee is complete or otherwise in compliance with the Act and these Rules or that the Potential Qualifying Grantee will be awarded any Affordable Housing Funds or any Housing Assistance Grants.

5.3 Applications.

A. Process for Applying. Individual Applicants and all other Applicants wishing to apply for a Housing Assistance Grant or Affordable Housing Funds to participate in any Affordable Housing Program are also required to submit to the Governmental Entity and/or the MFA the following, as applicable:

(1) One original Application, together with all required schedules, documents, or such other information which may be required by the Governmental Entity and/or the MFA or in any RFP which may have been issued by the Governmental Entity or the MFA, must be included in the completed Application;

(2) A proposal describing the nature and scope of the Affordable Housing Project proposed by the Applicant and for which the Applicant is applying for funds or a grant under the Act, and which describes the type and/or amount of assistance which the Applicant proposes to provide to Persons of Low or Moderate Income;

(3) Executive Summary & Project Narrative(s) that address the evaluation criteria set forth in any RFP issued by the Governmental Entity or the MFA for the Affordable Housing Funds or the Housing Assistance Grant for which the Applicant is applying;

(4) For non-profit organizations, proof of 501(c)(3) tax status;

(5) For non-profit organizations, documentation which confirms that no part of its net earnings inures to the benefit of any member, founder, contributor or individual;

(6) Current Annual Budget for the Applicant, including all sources and uses of funds not just those related to relevant programs and/or a Current Annual Budget only for the program for which the Applicant is applying for a Housing Assistance Grant, or as otherwise may be required by the Governmental Entity and/or the MFA in its discretion;

(7) A proposed budget for the Affordable Housing Project for which the Applicant is applying for Affordable Housing Funds or for a Housing Assistance Grant;

(8) Approved mission statement that has among its purposes significant activities related to providing housing or housing-related services to Persons or Households of Low or Moderate Income;

(9) List of current board members, including designated homeless participation, where required by the Governmental Entity and/or the MFA;

(10) Current independent financial audit;

(11) Evidence (or a certification as may be allowed by the Governmental Entity and/or the MFA) that the Applicant has a functioning accounting system that is operated in accordance with generally accepted accounting principals, or has a designated entity that will maintain such an accounting system consistent with generally accepted accounting principals;

(12) Evidence or certification that the Applicant has no significant outstanding or unresolved monitoring findings from the Governmental Entity, the MFA, or its most recent independent financial audit; or if it has any significant outstanding or unresolved monitoring findings from the Governmental Entity, the MFA, or its most recent independent financial audit, it has a certified letter from the Governmental Entity, the MFA, or the auditor stating that the findings are in the process of being resolved

(13) Organizational chart, including job titles and qualifications for the Applicant's employees or as otherwise may be required by the Governmental Entity and/or the MFA in its discretion. Job descriptions may be submitted as appropriate;

(14) Documentation that the Applicant is duly organized in accordance with State or local law and is in good standing with any state authorities such as the Public Regulation Commission (e.g. Articles, Bylaws, and Certificate of Good Standing for a Corporation; Articles, Operating Agreement, and Certificate of Good Standing for a Limited Liability Company; partnership agreement and certificate of limited partnership for a partnership);

(15) Certifications as may be required by the Governmental Entity and/or the MFA signed by Chief Executive Officer, Board President or other authorized official of the Applicant;

(16) Information as may be required by the Governmental Entity and/or the MFA in order for it to determine the financial and management stability of the Applicant;

(17) Information as may be required by the Governmental Entity and/or the MFA in order for it to determine the demonstrated commitment of the Applicant to the community;

(18) Applicant shall submit adequate information, as required by the Governmental Entity and/or the MFA, of the Affordable Housing Project proposed by the Applicant. The information provided must clearly evidence the need for the subsidy, that the value of the housing assistance grant reduces the housing costs to persons of low or moderate income, and that there is or will be a direct benefit from the project proposed by the Applicant to the community and/or to the purported beneficiaries of the project, consistent with the provisions of the Act;

(19) Applicant shall submit information to the Governmental Entity and/or the MFA supporting the benefits to the community of the Affordable Housing Project proposed by the Applicant;

(20) The Governmental Entity and/or the MFA may require that the Applicant provide proof of substantive or matching funds or contributions and/or in-kind donations to the proposed Affordable Housing Project in connection with the Application for funds under the Act. Nothing contained herein shall prevent or preclude an Applicant from matching or using local, private, or federal funds in connection with a specific Housing Assistance Grant or a grant of Affordable Housing Funds under the Act;

(21) Applicant shall provide the Governmental Entity and/or the MFA with any certifications or other proof which it may require in order for the Governmental Entity and/or the MFA to confirm that the Applicant is in compliance with all applicable federal, state and local laws, rules and ordinances;

(22) For Applicants who are submitting Applications in connection with a Multi-Family Housing Project, the following additional information shall also be required to be submitted by the Applicant to the Governmental Entity and/or the MFA:

(a) A verified certificate that, among other things:

(i) identifies every Multi-Family Housing Program, including every assisted or insured project of HUD, RHS, FHA and any other state or local government housing finance agency in which such Applicant has been or is a principal;

(ii) except as shown on such certificate, states that:

(I) no mortgage on a project listed on such certificate has ever been in default, assigned to the United States government or foreclosed, nor has any mortgage relief by the mortgagee been given;

(II) there has not been a suspension or termination of payments under any HUD assistance contract in which the Applicant has had a legal or beneficial interest;

(III) such Applicant has not been suspended, debarred or otherwise restricted by any department or agency of the federal government or any state government from doing business with such department or agency because of misconduct or alleged misconduct; and

(IV) the Applicant has not defaulted on an obligation covered by a surety or performance bond.

If such Applicant cannot certify to each of the above, such Applicant shall submit a signed statement to explain the facts and circumstances which such Applicant believes will explain the lack of certification. The Governmental Entity and/or the MFA may then determine if such Applicant is or is not qualified.

(b) The experience of the Applicant in developing, financing and managing Multiple-Family Housing Projects.

(c) Whether the Applicant has been found by the United States Equal Employment Opportunity Commission or the New Mexico Human Rights Commission to be in noncompliance with any applicable civil rights laws.

(23) If the Applicant is a Mortgage Lender, the Governmental Entity and/or the MFA shall consider, among other things:

(a) The financial condition of the Applicant;

(b) The terms and conditions of any loans to be made;

(c) The aggregate principal balances of any loans to be made to each Applicant compared with the aggregate principal balances of the loans to be made to all other Applicants;

(d) The Governmental Entity and/or the MFA's assessment of the ability of the Applicant or its designated servicer to act as originator and servicer of Mortgage Loans for any Multi-Family Housing Programs or other programs to be financed; and

(e) Previous participation by the Applicant in the MFA's programs and HUD, FHA, or RHS programs.

(24) All Applications shall contain a verification signed by the Applicant before a notary public that the information provided, upon penalty of perjury, is true and correct to the best of the Applicant's information, knowledge, and belief.

B. Submission Procedure:

(1) Time, Place and Method of Submission Delivery.

(a) If the Governmental Entity has issued an RFP, all Applications must be received by the Governmental Entity no later than whatever deadline has been set forth in the RFP; otherwise, all Applications must be received by the Governmental Entity by whatever deadline the Governmental Entity has established in connection with the respective award or grant. So that any Qualifying Grantees may be selected prior to January of the year in which any Housing Assistance Grant would be made, the Governmental Entity shall issue any RFP's, solicit any Applications, or otherwise identify any Qualifying Grantees no later than October 15 of any year in order to allow sufficient time for prospective applicants to respond to any such RFP, solicitation, or otherwise, and further to allow the MFA not less than forty-five (45) days in which to review any such Applications or otherwise determine or confirm that an Applicant is a Qualifying Grantee under the Act and consistent with these Rules.

(b) Applications shall be submitted by Applicants to the Governmental Entity or the MFA in the form and by the time as required by the Governmental Entity or the MFA and shall contain all information which is required by the Act, these Rules, any RFP which may have been issued, and by the Governmental Entity or the MFA.

(2) Additional Factors. The Application procedures shall take into consideration:

(a) Timely completion and submission to the Governmental Entity or the MFA of an Affordable Housing Program

Application or other appropriate response to any solicitation by the Governmental Entity or the MFA;

(b) Timely submission of all other information and documentation related to the program as required by the Governmental Entity and/or the MFA, or as set forth in these Rules;

(c) Timely payment of any fees required to be paid to the Governmental Entity or the MFA at the time of submission of the Application; and

(d) Compliance with program eligibility requirements as set forth in the Act and these Rules.

(3) Submission Format:

(a) Governmental Entity or MFA forms must be used when provided and no substitutions will be accepted; however attachments may be provided as necessary.

(b) An Applicant's failure to provide or complete any element of an Application, including all requirements of the Governmental Entity or the MFA, or as may be listed on any RFP, may result in the rejection of the Application prior to review.

(c) Illegible information, information inconsistent with other information provided in the application, and/or incomplete forms will be treated as missing information and evaluated accordingly.

(d) The Governmental Entity and/or the MFA reserve the right to request further information from any Applicant so long as the request is done fairly and does not provide any Applicant an undue advantage over another.

(e) The Governmental Entity or the MFA in its discretion may cancel any RFP or reject any or all proposals in whole or part submitted by any Applicant.

(f) Neither the Governmental Entity nor the MFA shall be responsible for any expenses incurred by an Applicant in preparing and submitting an Application. However, the Governmental Entity or the MFA, as applicable, may establish and collect fees from Applicants who file Applications. Notice that fees will be charged and the amount of any such fees shall be included by the Governmental Entity or the MFA, as applicable, in any RFP, or

otherwise shall be advertised as part of the Application solicitation process.

C. Review by the Governmental Entity and/or the MFA. On receipt of an Application, the Governmental Entity and/or the MFA shall:

(1) Determine whether the Application submitted by the Applicant is complete and responsive;

(2) Determine whether the Applicant is a Qualifying Grantee as defined herein and in the Act;

(3) Review and analyze whether the Applicant has shown a demonstrated need for activities to promote and provide affordable housing and related services to Persons of Low or Moderate Income;

(4) Determine whether the Applicant has demonstrated experience related to providing housing or services to Persons of Low or Moderate Income, as well as experience and/or the capacity to administer the Affordable Housing Program or Project for which the Applicant has applied;

(5) Determine whether the Applicant's proposal provides a plan for coordinating with other service providers in the community; whether the Applicant's plan addresses how Low Income or Moderate Income individuals or families in need of housing and/or housing related supportive services can receive supportive services and referrals to federal, state and local resources; and, whether the Applicant's plan addresses outreach efforts to reach the population to be served as identified by the Governmental Entity and/or the MFA in any RFP or otherwise;

(6) Determine whether the Applicant has support from "public service agencies," or such other support as may be required by the Governmental Entity and/or the MFA in its discretion, for its proposed services in the community. "Public Service Agencies" shall include, but are not limited to, any entities that support Affordable Housing and which believe that the program or project proposed by the Applicant is worthy and advisable, but which are not involved, either directly or indirectly, in the Affordable Housing Program or Project for which the Applicant is applying;

(7) Ascertain the amount of any matching funds or in-kind services specific to the program which may be utilized by the Applicant in connection with the program;

(8) Ascertain whether any local, private, or federal funds will be used by the Applicant in connection with the specific grant for which the Applicant is applying;

(9) Ascertain whether the Applicant has and can demonstrate the capability to manage the implementation of the program for which the Applicant is applying;

(10) If Applicant is a prior recipient of either a Housing Assistance Grant, Affordable Housing Funds and/or other program funds, confirm that the Applicant had no outstanding findings or matters of non-compliance with program requirements from the Governmental Entity or the MFA, as applicable, or if it has any such findings, it has a certified letter from the Governmental Entity, the MFA, or auditor stating that the findings are in the process of being resolved;

(11) If Applicant is a prior recipient of either a Housing Assistance Grant, Affordable Housing Funds and/or other program funds, confirm that the Applicant reasonably committed and expended the funds under the prior program and/or met anticipated production levels as set forth in any contract with the Governmental Entity or the MFA, as applicable, for those prior program funds;

(12) Evaluate the Applicant's proposal in part based upon the Applicant's current financial audit;

(13) Evaluate the Applicant's proposed budget for the project for which the Applicant is applying for Affordable Housing Funds or a Housing Assistance Grant, which proposed budget must be approved by the Governmental Entity and /or the MFA before Applicant can be approved as a Qualifying Grantee and any expenditure of grant funds under the Act or granted property is transferred to the Applicant;

(14) On receipt of an Application from a Builder, the Governmental Entity and/or the MFA will analyze the Builder's ability to construct and sell sufficient Residential Housing units to Persons of Low or Moderate Income within the time or times as may be required by the Governmental Entity.

(15) The Governmental Entity and/or the MFA may consider whatever factors it deems appropriate to ensure a reasonable geographic allocation for all Affordable Housing Programs.

5.4 Certification by the Governmental Entity to the MFA.

A. The Governmental Entity upon:

- (1) Completion of its review of the Application;
- (2) Determination that the Application is complete;
- (3) Determination that the requirements of these Rules and the Act have been satisfied; and
- (4) Determination that the Applicant is a Qualifying Grantee shall so certify in writing to the MFA.

B. Review by the MFA. The MFA upon its receipt of the certification from the Governmental Entity may, in its discretion, review the Application and any of the materials submitted by the Applicant to the Governmental Entity. The MFA may also request any additional information from the Applicant, which it may require in order to determine whether the Applicant is a Qualifying Grantee under the Act and the Application is complete. The MFA will then notify the Governmental Entity of its determination of whether or not the Application is complete and that the requirements of the Act and these Rules have been satisfied and the Applicant is a Qualifying Grantee. Unless the period is extended for good cause shown, the MFA shall act on an Application within forty-five (45) days of its receipt of any Application, which the MFA deems to be complete, and, if not acted upon, the Application shall be deemed to be approved.

5.5 Notification to Applicant. The Governmental Entity and/or the MFA, upon completion of its review of the Application and an evaluation of the criteria for approval of the Application as set forth in the Act, in any applicable ordinance, these Rules and in any RFP issued by the Governmental Entity and/or the MFA and upon its determination that the Applicant is a Qualifying Grantee, and upon its receipt of notification from the MFA that it agrees that the Application is complete and that the Act and these Rules have been satisfied and the Applicant is a Qualifying Grantee, by written notice shall notify each Applicant which has submitted an Application of the approval or disapproval of its Application. Upon approval of its Application, the Applicant shall be considered approved to participate in the Affordable Housing Program. The Governmental Entity's and/or the MFA's determination of any Application shall be conclusive.

5.6 Additional Requirements. Upon acceptance, the following additional requirements shall apply to any Applicant, who is a Qualifying Grantee:

A. Contractual Requirements. The Qualifying Grantee shall enter into one or more contracts with the Governmental Entity and/or the MFA, which contract(s) shall be consistent with the Act and subject to the review of the MFA, in its discretion, and which contract(s) shall include remedies and default provisions in the event of the unsatisfactory performance by the Qualifying Grantee;

B. Security Provisions; Collateral Requirements. In accordance with the Act and these Rules, the Governmental Entity and/or the MFA shall require the Qualifying Grantee to execute documents, which will provide adequate security against the loss of public funds or property in the event the Qualifying Grantee abandons or fails to complete the Affordable Housing Project, and which shall further provide, as may be permitted by law, for the recovery of any attorneys' fees and costs which the Governmental Entity and/or the MFA may incur in enforcing the provisions of these Rules, the Act and/or any agreement entered into by the Governmental Entity and/or the MFA and the Qualifying Grantee, and which documents may include, but are not limited to the following: note, Mortgage, loan agreement, land use restriction agreement, restrictive covenant agreements and/or any other agreement which the Governmental Entity and/or the MFA may require in order to allow for any funds which the Qualifying Grantee may receive under a Housing Assistance Grant to be adequately secured and to allow the Governmental Entity and/or the MFA to ensure that such funds shall be utilized by the Qualifying Grantee in accordance with the Act and these Rules;

C. Performance Schedule and Criteria. The Qualifying Grantee shall be required to abide by a reasonable performance schedule and performance criteria which the Governmental Entity and/or the MFA, in its discretion, may establish; and

D. Examination of Books and Records. The Qualifying Grantee shall submit to and the Governmental Entity and/or the MFA shall cause to be made such examinations of the books and records of each Qualifying Grantee as the Governmental Entity and/or the MFA deems necessary or appropriate to determine the Qualifying Grantee's compliance with the terms of the Act, these Rules and any contracts between the Qualifying Grantee and the Governmental Entity and or the MFA. The Governmental Entity and/or the MFA may require each Qualifying Grantee to pay the costs of any such examination.

E. Cost Reimbursement Contracts:

(1) Cost Reimbursements. Payment to a Qualifying Grantee under cost reimbursable contract provisions shall be made upon the Governmental Entity's and/or the MFA's receipt from the Qualifying Grantee of certified and documented invoices for actual expenditures allowable under the terms of any agreement between the Qualifying Grantee and the Governmental Entity and/or the MFA.

(2) Cost Reimbursements For Units of Service. Payment under any unit cost contract provisions shall be made upon the Governmental Entity's and or the MFA's receipt from the Qualifying Grantee of a certified

and documented invoice showing the number of units of service provided during the billing period.

(3) Rate at which Costs Incurred. Under unit cost or cost reimbursable contracts, it is anticipated that costs will be incurred by the Qualifying Grantee at an approximate level rate during the term of any agreement between the Qualifying Grantee and the Governmental Entity and/or the MFA. If the Governmental Entity and/or the MFA determine that the Qualifying Grantee is underspending or overspending, then the Governmental Entity and/or the MFA may reduce the budget and/or exercise such other budgetary fiscal controls it deems appropriate.

(4) Invoices. Qualifying Grantees shall not submit invoices more than once a month, unless written approval is obtained in advance from the Governmental Entity and/or the MFA. Failure to submit invoices within twenty (20) days of the close of the month for which payment is sought may result in the non-availability of funds for reimbursement.

(5) No Dual Application of Costs. The Qualifying Grantee shall certify that any direct or indirect costs claimed by the Qualifying Grantee will not be allocable to or included as a cost of any other program, project, contract, or activity operated by the Qualifying Grantee and which has not been approved by the Governmental Entity and/or the MFA in advance in writing.

(6) Prohibition of Substitution of Funds. Any Affordable Housing Funds or other amounts received by Qualifying Grantee may not be used by Qualifying Grantee to replace other amounts made available or designated by State or local governments through appropriations for use for the purposes of the Act.

(7) Cost Allocation. If required by the Governmental Entity and/or the MFA, the Qualifying Grantee shall clearly identify and distribute all costs incurred pertaining to the Affordable Housing Project by a methodology and cost allocation plan at times and in a manner prescribed by, or acceptable to the Governmental Entity and/or the MFA.

F. Additional Information. Qualifying Grantees shall provide the Governmental Entity and/or the MFA with any and all information which the Governmental Entity and/or the MFA reasonably may require in order for it to confirm that the Qualifying Grantees continue to satisfy the requirements of the Act and these Rules throughout the term of any contract and/or any Affordability Period (defined below) or otherwise as may be required by the Governmental Entity and/or the MFA in its discretion. At a minimum, on an annual basis, the Governmental Entity shall certify to the MFA in writing that the Qualifying Grantee is still in compliance with the Act and these Rules.

5.7 Affordable Housing Requirements. All Affordable Housing Funds or Housing Assistance Grants awarded under the Act are to be used by Qualifying Grantees for the benefit of Persons of Low or Moderate Income subject to the provisions of the Act and with particular regard to their to their housing related needs.

A. Single Family Property. Qualifying Grantees shall agree that they shall maintain any single-family property which has been acquired, rehabilitated, weatherized, converted, leased, repaired, constructed, or which property has otherwise benefited from Affordable Housing Funds, including but not limited to any loans which have been repaid with Affordable Housing Funds and which loans previously were secured by such properties, as Affordable Housing for so long as any or all of the Affordable Housing Funds which have been awarded, loaned, or otherwise conveyed to the Qualifying Grantee are unpaid and outstanding or the Affordability Period (defined below), which ever is longer.

B. Multi-Family Property.

(1) Single Apartment within a Multi-Family Property. Qualifying Grantees shall agree that, if any single apartments are to be rehabilitated, weatherized, converted, leased, repaired, constructed, or otherwise are to benefit from Affordable Housing Funds, those apartments shall be leased to Persons of Low or Moderate Income at the time of any such award. Qualifying Grantees, who are the landlords and/or owners of such properties, shall further agree to contribute at least sixty percent (60%) of the cost of the rehabilitation, weatherization, conversion, lease, repair, and/or construction. Qualifying Grantees also shall agree that the Persons of Low or Moderate Income, who are tenants of those apartments, shall be allowed to remain tenants for so long as there are no uncured defaults by those tenants under their respective leases and provided that there is no just cause for the landlord to terminate any lease agreement with those tenants.

(2) Multiple Apartments. Qualifying Grantees shall agree that, if multiple apartments or an entire multi-family property are to be acquired, rehabilitated, weatherized, converted, leased, repaired, constructed, or otherwise are to benefit from Affordable Housing Funds, including but not limited to any loans which have been repaid with Affordable Housing Funds and which loans previously were secured by such properties, they shall maintain not less than sixty percent (60%) of the housing units as Affordable Housing for so long as any or all of the Affordable Housing Funds which have been awarded, loaned, or otherwise conveyed to the Qualifying Grantee are unpaid and outstanding or the Affordability Period, which ever is longer.

C. Non-Residential Property. Qualifying Grantees shall agree that they shall maintain any non-residential property which has been acquired, rehabilitated, weatherized, converted, leased, repaired, constructed, or which property has otherwise benefited from Affordable Housing Funds, including but not limited to any loans which have been repaid with Affordable Housing Funds and which loans previously were secured by such properties, as a facility which provides housing related-services to Persons of Low or Moderate Income for so long as any or all of the Affordable Housing Funds which have been awarded, loaned, or otherwise conveyed to the Qualifying Grantee are unpaid and outstanding or the Affordability Period, which ever is longer.

D. Housing Assistance Grant Affordability Requirements. Qualifying Grantees shall agree that they shall maintain any land or buildings received as a Housing Assistance Grant either as either single-family or multi-family Affordable Housing in accordance with paragraphs A and B of this Section 45.6 or as a facility which provides housing related-services to Persons of Low or Moderate Income in accordance with paragraph C of this Section 45.6 (as applicable) for the duration of the Affordability Period. Qualifying Grantees shall agree that they shall maintain any land or buildings for which they have received the the costs of acquisition, development, construction, financing, operating, or owning as a Housing Assistance Grant either as either single-family or multi-family Affordable Housing or as a facility which provides housing related-services to Persons of Low or Moderate Income (as applicable) for the duration of the Affordability Period. In calculating the Affordability Period for Housing Assistance Grants of either land or buildings, or the costs of acquisition, development, construction, financing, operating or owning land or buildings, or the costs of Infrastructure at the time of the donation by the state, county or municipality shall apply.

E. Affordability Period Defined. If the fair market value of any Housing Assistance Grant or the total amount of Affordable Housing Funds which have been awarded, loaned, donated, or otherwise conveyed to the Qualifying Grantee is from \$1 to \$14,999, then the Affordability Period shall be not less than five (5) years. If the fair market value of any Housing Assistance Grant or the total amount of Affordable Housing Funds is from \$15,000 up to and including \$40,000, then the Affordability Period shall be not less than ten (10) years. If the fair market value of any Housing Assistance Grant or the total amount of Affordable Housing Funds is from \$40,000 up to and including \$100,000, then the Affordability Period shall be not less than fifteen (15) years. If the fair market value of any Housing Assistance Grant or the total amount of Affordable Housing Funds is greater than \$100,000, then the Affordability Period shall be not less than twenty (20) years. The Governmental Entity and/or the MFA, in its discretion, may increase the Affordability Period in any contract, note, mortgage, loan agreement, land use restriction agreement, restrictive covenant agreements and/or any other agreement which the Governmental Entity and/or the MFA may enter into with any Qualifying Grantee or beneficiary of the Affordable Housing Funds or of the Housing Assistance Grant. Notwithstanding the foregoing, in the

discretion of the MFA, Weatherization Funds conveyed from the State to the MFA and/or any other similar conveyances where an Affordability Period is not practical, shall not be subject to the Affordability Period requirements of this Section; but nevertheless, any such conveyances may be subject to recapture on some pro-rated basis as determined by the Governmental Entity and/or the MFA.

5.8 Consent to Jurisdiction. Each Qualifying Grantee shall consent to the jurisdiction of the courts of the State of New Mexico over any proceeding to enforce compliance with the terms of the Act, these Rules and any agreement between the Qualifying Grantee and the Governmental Entity and/or the MFA.

5.9 Recertification. The Qualifying Grantee must meet the requirements of the Act and these Rules and any applicable ordinance both at the time of any award and through out the term of any grant and contract related thereto. The Governmental Entity and/or the MFA may establish procedures for recertifying Qualifying Grantees from time to time. Qualifying Grantees which fail to satisfy the requirements for recertification shall cease to be eligible and shall be denied further participation in Affordable Housing programs until the requirements of the Governmental Entity and/or the MFA are satisfied.

5.10 Compliance with the Law. Qualifying Grantee shall provide the Governmental Entity and/or the MFA with any certifications or other proof which it may require in order for the Governmental Entity and/or the MFA to confirm that the Qualifying Grantee and the Qualifying Grantee's proposed project are in compliance with all applicable federal, state and local laws, rules and ordinances.

5.11 Extension of Affordable Housing Programs. The MFA shall have the power to create variations or extensions of such Affordable Housing programs, or additional programs which comply with the Act and these Rules.

5.12 The Governmental Entity and/or the MFA:

A. May hold any award of Affordable Housing Funds or any Housing Assistance Grant made by any county or municipality in suspense pending the issuance by the Governmental Entity and/or the MFA of any RFP, or pending the award of the Affordable Housing Funds or of the Housing Assistance Grant by the Governmental Entity and/or the MFA to the Qualifying Grantee without the issuance of an RFP by the Governmental Entity and/or the MFA.

B. Shall have oversight over the Qualifying Grantee under these Rules, upon the Qualifying Grantee's receipt of Affordable Housing Funds or a Housing Assistance Grant

5.13 School District and Post-Secondary Educational Institution Grant Requirements. If a school district or a post-secondary educational institution intends to make a Housing Assistance Grant, then it shall provide the MFA with a written

certification that the proposed grantee is in compliance with the Act and these Rules so that the MFA may confirm that the Application is complete and the proposed grantee is a Qualifying Grantee under the Act and these Rules. Any transfer of land by a school district to a county or municipality to be further granted as part or all of an Affordable Housing grant shall be subject to the additional limitations contained in the Act that the school district and the governing body of the county or municipality enter into a contract that provides the school district with a negotiated number of affordable housing units that will be reserved for employees of the school district. Any transfer of land by a post-secondary educational institution shall be subject to the additional limitations contained in the Act that (1) the property transferred shall be granted by the county, municipality or tribal government as part or all of an Affordable Housing grant; and (2) the governing board of the post-secondary educational institution and the governing body of the county, municipality or tribal government enter into a contract that provides the post-secondary educational institution with Affordable Housing units. As used in this Section, "post-secondary educational institution" means a state university or a public community college. The Governmental Entity and/or the MFA, in their discretion, may also hold any Housing Assistance Grant made by any school district or post-secondary educational institution in suspense pending the issuance by the Governmental Entity and/or the MFA of any RFP or pending the award of the Housing Assistance Grant by the Governmental Entity and/or the MFA to the Qualifying Grantee without the issuance of an RFP by the Governmental Entity and/or the MFA. Any award of a Housing Assistance Grant by a school district or a post-secondary educational institution shall subject the Qualifying Grantee of the grant to the oversight of the Governmental Entity and/or the MFA under these Rules.

5.14 Housing Assistance Grants From the State. All Housing Assistance Grants from the State pursuant to the Act shall be appropriated to the Department of Finance and Administration for disbursement by the MFA to a Qualifying Grantee through use of a contract consistent with the provisos in the State appropriation and these Rules.

SECTION 6. DISCRIMINATION PROHIBITED. The development, construction, occupancy and operation of an Affordable Housing Program or an Affordable Housing Project financed or assisted under the Act shall be undertaken in a manner consistent with principles of non-discrimination and equal opportunity, and the Governmental Entity and/or the MFA shall require compliance by all Qualifying Grantees with all applicable federal and State laws and regulations relating to affirmative action, non-discrimination and equal opportunity.

SECTION 7. ADMINISTRATION. The Governmental Entity and/or the MFA shall administer any Affordable Housing programs in accordance with provisions of the Act, these Rules, any applicable state and federal laws and regulations as each of which may be amended or supplemented from time to time. The Governmental Entity and/or the MFA, in establishing, funding and administering the Affordable Housing Programs and by making, executing, delivering and performing any award, contract, grant or any other activity or transaction contemplated by the Act, shall not violate any provision of

law, rule or regulation or any decree, writ, order, injunction, judgment, determination or award and will not contravene the provisions of or otherwise cause a default under any of its agreements, indentures, or other instruments to which it may be bound.

SECTION 8. ENFORCEMENT. The New Mexico Attorney General's Office is the State agency responsible for enforcing compliance with the requirements of the Act and these Rules. Noncompliance by any entity whose actions fall within the jurisdiction of the Act and these Rules will be reported by the MFA to the Attorney General's Office for investigation.

SECTION 9. MISCELLANEOUS. Capitalized terms not otherwise defined in these Rules and Regulations have the same meaning as defined in the Act.

SECTION 10. AMENDMENT TO RULES AND REGULATIONS. These Rules may be amended or supplemented by the MFA at any time. With regard to any amended or supplemental rules under this Section, the MFA shall seek comment from the Oversight Committee, provide a public hearing in accordance with the State Administrative Procedures Act, and require concurrence in any rule having application to local government by both the New Mexico municipal league and the New Mexico Association of Counties, all as required by the Act.

Adopted by the MFA's Board: October 17, 2007

**Affordable Housing Act Community Plans & Ordinances
Status as of June 2013**

Municipality	County	Ordinance	Plan	In Process	Note
Alamogordo, City of	Otero		yes		
Albuquerque, City of	Bernalillo	yes	yes		
Artesia, City of	Eddy			X	
Belen, City of	Valencia		yes		
Bernalillo, Town of	Sandoval	in review	yes		
Carlsbad, City of	Eddy		yes		
Clovis, City of	Curry	repealed	yes		
Espanola, City of	Rio Arriba			X	<i>plan with Rio Arriba County</i>
Eunice, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Farmington, City of and San Juan County	San Juan	yes	yes		
Gallup, City of	McKinley		yes		
Hobbs, City of	Lea	yes	yes		
Jal, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Las Cruces, City of	Dona Ana	yes	yes		
Las Vegas, City of	San Miguel	yes	yes		
Lea County	Lea	yes	yes		
Lordsburg, City of	Hidalgo			X	
Los Alamos County	Los Alamos	yes	yes		
Lovington, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Mesilla, Town of	Dona Ana	yes	yes		
Portales, City of	Roosevelt			X	
Rio Arriba, County of	Rio Arriba			X	
San Miguel County	San Miguel	yes			
Santa Fe, City of	Santa Fe	yes			
Santa Fe, County of	Santa Fe	yes	no		
Santa Rosa, Town of	Guadalupe		yes		
Silver City, Town of	Grant	yes	yes		
Taos, Town of	Taos	yes	yes		
Tatum, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Truth or Consequences, City of	Sierra			X	
TOTAL		17	17	5	

All Affordable Housing Plans and Ordinances are approved by MFA in accordance with the Affordable Housing Act.

**Affordable Housing Act Community Plans & Ordinances
Status as of June 2013**

Municipality	County	Ordinance	Plan	In Process	Note
Alamogordo, City of	Otero		yes		
Albuquerque, City of	Bernalillo	yes	yes		
Artesia, City of	Eddy			X	
Belen, City of	Valencia		yes		
Bernalillo, Town of	Sandoval	in review	yes		
Carlsbad, City of	Eddy		yes		
Clovis, City of	Curry	repealed	yes		
Espanola, City of	Rio Arriba			X	<i>plan with Rio Arriba County</i>
Eunice, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Farmington, City of and San Juan County	San Juan	yes	yes		
Gallup, City of	McKinley		yes		
Hobbs, City of	Lea	yes	yes		
Jal, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Las Cruces, City of	Dona Ana	yes	yes		
Las Vegas, City of	San Miguel	yes	yes		
Lea County	Lea	yes	yes		
Lordsburg, City of	Hidalgo			X	
Los Alamos County	Los Alamos	yes	yes		
Lovington, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Mesilla, Town of	Dona Ana	yes	yes		
Portales, City of	Roosevelt			X	
Rio Arriba, County of	Rio Arriba			X	
San Miguel County	San Miguel	yes			
Santa Fe, City of	Santa Fe	yes			
Santa Fe, County of	Santa Fe	yes	no		
Santa Rosa, Town of	Guadalupe		yes		
Silver City, Town of	Grant	yes	yes		
Taos, Town of	Taos	yes	yes		
Tatum, City of	Lea	yes	yes		<i>plan approved with Lea County</i>
Truth or Consequences, City of	Sierra			X	
TOTAL		17	17	5	

All Affordable Housing Plans and Ordinances are approved by MFA in accordance with the Affordable Housing Act.

Tab 3



2014 Legislative Strategy and Priorities

Presented by:

Jay Czar, Executive Director

Joseph Montoya, Deputy Director of Programs

Mortgage Finance Authority Act Oversight Committee

July 2, 2013

Legislative Strategy

1. Legislative Finance Committee Presentation and Outreach
2. Outreach to Department of Finance & Administration and Governor's Office
 - Make State mandates part of annual budget
 - Housing Trust Fund
3. Restructure Housing Advisory Committee to increase community-based support

Summary of Legislative Priorities

Core Legislative Priorities

1. Regional Housing Authority Funding
2. Affordable Housing Act Oversight Funding
3. NM Housing Trust Fund Appropriation
4. NM Energy Smart Appropriation

2014 Special Legislative Priorities

1. Affordable Housing Act Amendments
2. Mortgage Finance Authority Act Amendments
3. Municipal Housing Law Amendments

1. Regional Housing Authority Funding

- 2013 Request: \$250,000 (recurring)
- 2013 Result: \$0
- Background: 2006/2007 State mandate for MFA to restructure and oversee three Regional Housing Authorities (RHAs)
- Results: MFA provides training, technical assistance, and audits the RHAs. No fraud, waste or abuse has occurred with MFA oversight.
- RHAs are the primary housing service providers in rural areas and will become increasingly important as smaller agencies close due to budget cuts.
- State funding is critical to support this mandate.

2. Affordable Housing Act Oversight Funding

- 2013 Request: \$100,000 (recurring)
- 2013 Result: \$0
- Background: State mandate for MFA to oversee the Affordable Housing Act (AHA), which permits state and local governments to contribute resources for affordable housing
- Results: In addition to oversight, MFA provides technical assistance for housing plans and ordinances required by the AHA.
- State funding is critical to support this mandate.

3. NM Housing Trust Fund

- 2013 Request: \$5 million
- 2013 Result: \$200,000
- Background: Housing Trust Fund created by State Legislature in 2005 with initial appropriation of \$10 M and additional appropriations totaling \$8.2 M
- Results: 2,400 affordable homes constructed or rehabilitated to date
- Every state dollar leverages an additional \$11 through other sources, loan repayments and interest income.

4. NM Energy Smart Appropriation

- 2013 Request: \$1 million
- 2013 Result: \$0
- Background: MFA program that weatherizes homes for low-income households
- Results: MFA weatherizes approximately 1,000 homes per year, with an additional 4,000 homes weatherized with ARRA funds.
- State funding is leveraged four to one with the Department of Energy Weatherization Assistance Program and Low Income Home Energy Assistance Program.
- Federal funding was cut 55% between 2011 and 2012, making state funding critical.
- Low-income households may spend 25% of their monthly budgets on utility costs, compared to 5% for those with higher incomes.

2014 Special Legislative Priorities

1. Affordable Housing Act Amendments

(Bill already drafted—did not pass 2013 session)

- Lift the long-term affordability restriction if a donated property is foreclosed upon so that the property can be resold
- Add a penalty provision to ensure the Affordable Housing Act can be enforced

2. Mortgage Finance Authority Act Amendments

- Change name of MFA to Housing NM
- MFA as only recipient for federal housing monies intended for NM
- MFA as only housing authority that can work statewide in NM
- Allow flexibility in how MFA receives state funds

3. Municipal Housing Law Amendments

(Municipal League, Association of Counties, HUD and National Association of Housing and Redevelopment Officials will be consulted)

- Allow housing authorities to act separately, not as agents of the local government
- Add flexibility on number of Board members (5 required, 3-7 preferred)
- Require mechanism for local representation on Boards

Other Potential Legislative Priorities

- **Rapid Re-Housing**
 - Short-term assistance for recently homeless or those at risk of homelessness
- **Permanent Supportive Housing**
 - Supportive services to complement rental assistance for the chronically homeless
- **Emergency and Minor Repairs for Low-Income Households**
- **Rental Rehabilitation**
- **Energy Savers Appropriation**
 - Residential energy efficiency improvement loans for low and moderate income households, including solar upgrades

Other Potential Legislative Priorities

- **HERO Appropriation**
 - Below-market loans and down payment assistance to teachers, public safety workers, health care workers and active members of the military
- **Neighborhood Stabilization Program Appropriation**
 - Acquisition, rehabilitation and resale of foreclosed homes
- **Homebuyer Education**
 - Create and implement homebuyer education program
- **Foreclosure Counseling & Homebuyer Education**
 - Counseling for at-risk homeowners and for first-time homebuyers

Tab 4

2013 MFA Annual Report

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Homeownership: It Takes a Village

A Perfect Home in Las Cruces

After relocating from Silver City, Suzanne Stermer and her son Alfred “Freddie” Polanco dreamed of making a permanent home in Las Cruces.

As a first step, Suzanne and Freddie enrolled in homebuyer counseling classes with Tierra Del Sol Housing Corporation, where they learned how to prepare their credit and finances to apply for a mortgage. Homebuyer counseling is very important because it leads to much lower rates of delinquency and foreclosure, and helps families make better decisions.

Suzanne and Freddie then contacted loan officer Terry Melón at Bank ‘34. Because Suzanne and Freddie have medical disabilities and limited income, Terry recommended MFA’s Helping Hand loan. Helping Hand provided an interest-free, second mortgage of \$8,000 to help with the down payment and with closing costs. No payments on the second mortgage are required while Suzanne and Freddie live in the home.

Pre-qualification letter in hand, Suzanne and Freddie began to look at homes with Sandee Wimbley of Exit Realty Horizons. Sandee helped them write an offer for a house on Winters Street with a great back yard for gardening and for the family’s pets—“Bunny,” a rabbit and “Leo,” a turtle.

“It took some time to do it right,” says Suzanne, as she reflects on the process of homebuyer counseling, preparing the family’s finances and credit, securing the mortgage, and finding the perfect home. “We are very grateful to Terry, Sandee, Tierra Del Sol and MFA for helping to make our dream come true.”



It takes a village. Suzanne Stermer and Freddie Polanco found their perfect home in Las Cruces with a loan from MFA, homebuyer counseling from Tierra Del Sol Housing Corporation, and assistance from loan officer Terry Melón and Realtor® Sandee Wimbley. “The best parts for us are the great back yard and the sense of security and ease of having our own home,” says Suzanne.

Tab 5

New Mexico Mortgage Finance Authority

Bond Issuance History from 1994 to Current

Name of Bond Issue	Date of Issuance	Original Maturity Date Range	Date Bonds Paid Off
1994 Series A	9/7/1994	1/1/2008-1/1/2025	*
1994 Series B	6/15/1994	7/1/2008-7/1/2025	11/16/2010
1994 Series C	6/29/1994	7/1/2008-7/1/2025	1/14/2011
1994 Series D	9/7/1994	7/1/2008-1/1/2026	10/20/2011
1994 Series E	10/13/1994	7/1/2008-1/1/2026	4/1/2011
1994 Series F	11/9/1994	7/1/2008-1/1/2026	4/1/2008
1994 Series G	12/29/1994	7/1/1996-7/1/2026	9/15/2005
1994 Series H	3/8/1995	1/1/1997-7/1/2026	2/23/2006
1995 Series A	4/12/1995	1/1/1998-7/1/2026	11/23/2005
1995 Series B	11/9/1995	7/1/2028	2/23/2006
1995 Series C	6/7/1995	1/1/1998-1/1/2020	11/23/2005
1995 Series D	8/15/1995	1/1/1998-7/1/2026	2/23/2006
1995 Series E	10/25/1995	1/1/1997-1/1/2027	2/23/2006
1995 Series F	11/21/1995	1/1/1998-7/1/2027	2/23/2006
1995 Series G	3/20/1996	1/1/1998-7/1/2027	7/1/2006
1995 Series H	4/30/1996	1/1/1998-7/1/2027	7/1/2007
1996 Series C	5/29/1996	1/1/1998-7/1/2027	7/1/2006
1996 Series D	6/26/1996	1/1/1998-7/1/2027	7/1/2006
1996 Series E	9/4/1996	1/1/1998-1/1/2028	7/1/2007
1996 Series G	12/21/1996	1/1/2007-7/1/2028	7/1/2007
1997 Series A	2/26/1997	1/1/2007-7/1/2028	7/1/2007
1997 Series B	5/14/1997	7/1/2007-7/1/2028	7/1/2007
1997 Series C	6/25/1997	1/1/1999-7/1/2029	7/1/2007
1997 Series E	8/21/1997	7/1/1999-7/1/2029	7/1/2007
1997 Series F	11/6/1997	7/1/1999-7/1/2029	7/1/2007
1997 Series G	1/28/1998	1/1/2000-7/1/2029	7/1/2009
1998 Series A	4/15/1998	7/1/2008-7/1/2029	9/17/2010
1998 Series B	6/10/1998	7/1/2008-1/1/2030	9/17/2010
1998 Series C	7/23/1998	7/1/2008-7/1/2029	7/1/2010
1998 Series D	9/1/1998	1/1/2008-7/1/2030	7/1/2009
1998 Series E	10/21/1998	1/1/2008-1/1/2030	7/1/2009
1999 Series A	2/25/1999	9/1/2000-9/1/2030	9/1/2009
1999 Series B	5/20/1999	9/1/2008-9/1/2030	9/1/2009
1999 Series C	4/29/1999	3/1/2029	3/1/2010
1999 Series D	8/3/1999	3/1/2001-9/1/2030	5/1/2009
1999 Series E	10/5/1999	3/1/2001-9/1/2031	3/1/2010
1999 Series F	12/7/1999	9/1/2001-9/1/2031	3/1/2010
2000 Series A	3/21/2000	3/1/2002-9/1/2031	3/1/2010

2000 Series B	5/23/2000	3/1/2002-3/1/2032	3/1/2010
2000 Series C	7/28/2000	3/1/2002-3/1/2032	3/1/2010
2000 Series D	9/14/2000	9/1/2002-3/1/2032	3/1/2010
2000 Series E	12/12/2000	9/1/2012-9/1/2032	10/21/2011
2001 Series A	4/11/2001	3/1/2010-3/1/2032	10/21/2011
2001 Series B	6/19/2001	3/1/2003-3/1/2033	10/21/2011
2001 Series C	8/21/2001	3/1/2003-3/1/2033	10/21/2011
2001 Series D	11/29/2001	3/1/2003-9/1/2033	10/21/2011
2002 Series A	2/28/2002	9/1/2003-9/1/2033	10/21/2011
2002 Series B	4/25/2002	9/1/2003-9/1/2033	10/21/2011
2002 Series C	6/20/2002	3/1/2004-3/1/2034	10/21/2011
2002 Series D	8/15/2002	3/1/2004-3/1/2034	10/21/2011
2002 Series E	10/10/2002	3/1/2004-3/1/2034	9/11/2012
2002 Series F	12/5/2002	3/1/2004-3/1/2034	9/20/2012
2003 Series A	3/27/2003	3/1/2004-3/1/2035	9/20/2012
2003 Series B	5/15/2003	3/1/2004-3/1/2036	9/20/2012
2003 Series C	7/30/2003	3/1/2005-9/1/2034	9/20/2012
2003 Series D	9/25/2003	3/1/2005-9/1/2034	9/20/2012
2003 Series E	12/3/2003	3/1/2005-9/1/2034	7/1/2013
2004 Series A	3/11/2004	7/1/2005-7/1/2034	7/1/2013
2004 Series B	4/20/2004	1/1/2006-7/1/2035	*
2004 Series C	6/10/2004	1/1/2006-7/1/2035	*
2004 Series D	8/5/2004	1/1/2006-7/1/2035	*
2004 Series E	10/28/2004	1/1/2006-7/1/2035	*
2005 Series A	2/24/2005	7/1/2006-7/1/2036	*
2005 Series B	5/12/2005	1/1/2007-7/1/2036	*
2005 Series C	9/15/2005	1/1/2007-1/1/2037	*
2005 Series D	11/23/2005	1/1/2007-1/1/2037	*
2006 Series A	2/23/2006	7/1/2007-7/1/2037	*
2006 Series B	4/13/2006	1/1/2008-7/1/2037	*
2006 Series C	5/25/2006	1/1/2008-7/1/2037	*
2006 Series D	7/20/2006	1/1/2008-7/1/2037	*
2006 Series E	9/14/2006	1/1/2008-1/1/2038	*
2006 Series F	11/29/2006	1/1/2008-7/1/2038	*
2007 Series A	2/21/2007	1/1/2009-7/1/2038	*
2007 Series B	4/30/2007	7/1/2008-1/1/2039	*
2007 Series C	7/10/2007	7/1/2008-1/1/2039	*
2007 Series D	9/4/2007	1/1/2009-1/1/2039	*
2007 Series E	11/29/2007	1/1/2009-7/1/2039	*
2008 Series A	3/19/2008	1/1/2009-7/1/2039	*
2008 Series B	5/29/2008	7/1/2009-7/1/2039	*
2008 Series C	7/24/2008	1/1/2010-7/1/2039	*
2008 Series D	10/16/2008	1/1/2010-7/1/2039	*
2009 Series A	5/1/2009	9/1/2010-9/1/2039	*
2009 Series B	6/16/2009	9/1/2010-9/1/2039	*
2009 Series C	8/6/2009	9/1/2010-9/1/2040	*
2009 Series D	10/21/2009	9/1/2010-9/1/2040	*

2009 Series E	12/10/2009	3/1/2011-9/1/2040	*
2010 Series A	10/20/2010	9/1/2025-9/1/2040	*
2009/2011 Series A	5/19/2011	3/1/2030-9/1/2041	*
2009/2011 Series B	8/25/2011	3/1/2020-9/1/2041	*
2009/2011 Series C	10/11/2011	3/1/2028-9/1/2041	*
2012 Series A	6/19/2012	3/1/2013-3/1/2043	*
2012 Series B	9/18/2012	3/1/2013-9/1/2042	*
2013 Series A	1/23/2013	2/1/2043	*
2013 Series B	6/26/2013	7/1/2043, 10/1/2034	*

* Bonds are still outstanding.



Federal Low Income Housing Tax Credits (LIHTC)

The federal Low-Income Housing Tax Credit (LIHTC) Program was established by the Tax Reform Act of 1986 (Internal Revenue Code Section 42) to create market incentives for the acquisition and development or rehabilitation of affordable rental housing. The equity capital generated from the tax credits lowers the debt burden on LIHTC properties, making it easier for owners to offer lower, more affordable rents while investors, such as banks, obtain a dollar-for-dollar reduction in their federal tax liability. Over the past twenty-five years, this program has become an important tool for addressing the nation's affordable housing needs.

The Internal Revenue Service is the federal agency responsible for administering the LIHTC program. LIHTCs are distributed to State Housing Finance Agencies on an annual basis, based on state population. The state HFAs then allocate the credits to qualified affordable housing development projects on a competitive basis through a Qualified Allocation Plan (QAP) signed by the Governor. HUD collects overview data on LIHTC projects, and provides resources for using the program to develop affordable rental housing.

Description modified from: <http://www.occ.gov/topics/community-affairs/resource-directories/tax-credits/tax-credits-lihtc.html>

New Mexico's LIHTC Allocations (5 years)

Year	State of New Mexico Population	Credit \$ Per Capita	NM LIHTC Allocation
2013	2,085,538	2.25	\$ 4,692,461
2012	2,059,179	2.20	\$ 4,530,194
2011	2,009,671	2.15	\$ 4,320,793
2010	2,009,671	2.10	\$ 4,220,309
2009	1,984,356	2.30	\$ 4,564,019