



**Presentation to the
NMFA Legislative Oversight Committee
by the New Mexico Finance Authority**



**Overview of the
Colonias Infrastructure Project Fund**



November 30, 2020

**Doug Moore, Colonias Infrastructure Board Chair
Marquita Russel, Colonias Infrastructure Board Secretary**



Colonias Infrastructure Act

- The Colonias Infrastructure Board (CIB) was established by the Legislature effective July 2011
- The Act defines a Colonias as a rural community with a population of 25,000 or less located within 150 miles of the US-Mexico border that:
 - Has been designated a Colonia by the municipality due to:
 - Lack of potable water;
 - Lack of adequate sewage systems;
 - lack of decent, safe and sanitary housing;
 - Has been in existence as a Colonia prior to November 1990;
 - Colonia communities must provide documentation to the Colonias Infrastructure Board that supports the designation by the municipality or county.
- There are 171 Colonias within NM's 12 southern-most counties
- The Act allows funding to be used for a variety of infrastructure projects:
 - Water
 - Wastewater
 - Solid Waste Disposal
 - Road
 - Housing
 - Flood Control



Colonias Infrastructure Board

- The Act created a 12-member Board and appointed NMFA as administrator

Name	Representing
Doug Moore, Chair	Minority Leader of the Senate Appointee
Oscar Vasquez Butler, Vice Chair	President Pro Tempore of the Senate Appointee
Marquita Russel, Secretary	New Mexico Finance Authority
James Kenney	Environment Department
Deborah Romero	Department of Finance & Administration
Orlando Antonio Carrillo-Jimenez	Speaker of the House Appointee
Mary Helen Garcia	Minority Leader of the House of Representatives Appointee
Isidoro Hernandez*	New Mexico Mortgage Finance Authority
Steve Kopelman*	New Mexico Association of Counties
Priscilla Lucero*	Southwest Council of Governments
Jay Armijo*	South Central Council of Governments
Dora Bautista*	Southeastern Economic Development District Council of Governments

*Indicates non-voting member



Colonias Infrastructure Act

- The Act earmarks 4.5% of the annual Senior Severance Tax Bond proceeds for a variety of infrastructure projects
- First STB distribution was made available 2012, and nine application cycles have been completed to date:

Colonias Cycle	Applications Received		CIB Awards Made		Additional Funds Leveraged	Total Funding Provided
	#	Amount	#	Amount		
2012	75	\$40,360,527	38	\$12,801,965	\$13,141,403	\$25,943,368
2013	59	\$37,736,894	35	\$16,497,736	\$8,357,897	\$24,855,633
2014	77	\$40,351,172	37	\$12,719,872	\$10,437,286	\$23,157,158
2015	54	\$38,154,397	28	\$15,922,643	\$7,916,095	\$23,838,738
2016	36	\$30,842,183	13	\$11,460,915	\$5,366,034	\$16,826,949
2017	32	\$18,176,363	11	\$4,479,976	\$539,568	\$5,019,544
2018	30	\$16,100,000	17	\$9,519,823	\$962,324	\$10,482,147
2019	29	\$17,100,000	25	\$14,744,881	\$16,839,638	\$31,584,519
2020	31	\$25,528,474	26	\$19,996,093	\$4,346,896	\$24,342,989
TOTAL	423	\$264,350,010	230	\$118,143,904	\$67,907,141	\$186,051,045



Colonias Infrastructure Board Committees

- Pursuant to the Act, the Board meets at least quarterly
- Committees meet approximately six times per year
- Policy Committee recommends changes to:
 - Board Rules
 - Policies
 - By-Laws
- Project Review Committee
 - Vets project recommendations
- Each Committee is comprised of 3 voting members and all non-voting members



Program Responsibilities

- Duties of the Board
 - Promulgate rules governing acceptance, evaluation and prioritization of applications
 - Project prioritization
 - Funding recommendations
 - Requests for reconsideration
 - Policy setting
 - Establishment of Rules
 - Oversight of Project Management Team
- Duties of the NMFA
 - Provide staff support to the Board
 - Administer the project fund
 - Process, review and evaluate applications
 - Determine terms and conditions for financial assistance
 - Administer qualified projects that receive financial assistance



Current Application Timeline

- Applicant Training (February 2021)
- On-line Application begins (January 28, 2021)
- Evaluation of applications by Project Management Team (March)
- Consideration of policy waivers (April)
- Recommendation for funding (May)
- Funding Awards by NMFA (June)
- Training for award recipients (July)
- Four months to meet award conditions (September)
- Funding agreements secured thereafter: 90% grant/10% loan. The loan is structured as a 0% interest loan. Clients provided two years to draw funds. Loan repayments begin after project is complete.
- Applicants must demonstrate the ability to timely spend down the awards prior to applying for additional funds



Pace of Funding

- In 2012, projects averaged 286 days from NMFA Board approval to the securing of the award; by 2018 that had been cut by more than 100 days
- In 2012, the average time from securing the award to first draw was 409 days, by 2017 the average was reduced by half
- In 2012, the average days from NMFA Board approval to project completion was 1,163 days. By 2016, the average time was reduced by 250 days

Current Expenditure Summary

Colonias							% of Funds	Open	% Projects	
Cycle	Awarded	#	Pending	#	Secured	#	Open	Expended	Projects	Completed
2012	\$12,801,965	38	\$0	0	\$12,801,965	38	\$0	100%	0	100%
2013	\$16,497,736	36	\$0	0	\$16,497,736	36	\$0	100%	0	100%
2014	\$12,719,872	37	\$0	0	\$12,719,872	37	\$0	100%	0	100%
2015	\$15,922,643	28	\$0	0	\$15,922,643	28	\$0	100%	0	100%
2016	\$11,460,915	13	\$0	0	\$11,460,915	13	\$0	100%	0	100%
2017	\$4,479,976	10	\$0	0	\$4,479,976	10	\$0	100%	0	100%
2018	\$9,519,823	17	\$0	0	\$9,519,823	17	\$2,895,664	70%	9	47%
2019	\$14,744,881	25	\$0	0	\$14,744,881	25	\$10,781,252	27%	22	12%
2020*	\$19,996,093	26	\$19,996,093	26	\$0	0	\$19,996,093	0%	26	0%
SUBTOTAL	\$118,143,904	230	\$19,996,093	26	\$98,147,811	204	\$33,673,009	77%	57	73%

*2020 cycle was awarded on May 20, 2020; current RTP submission deadline date is October 21, 2020

Colonias Infrastructure Fund Projects

2012 – 2019

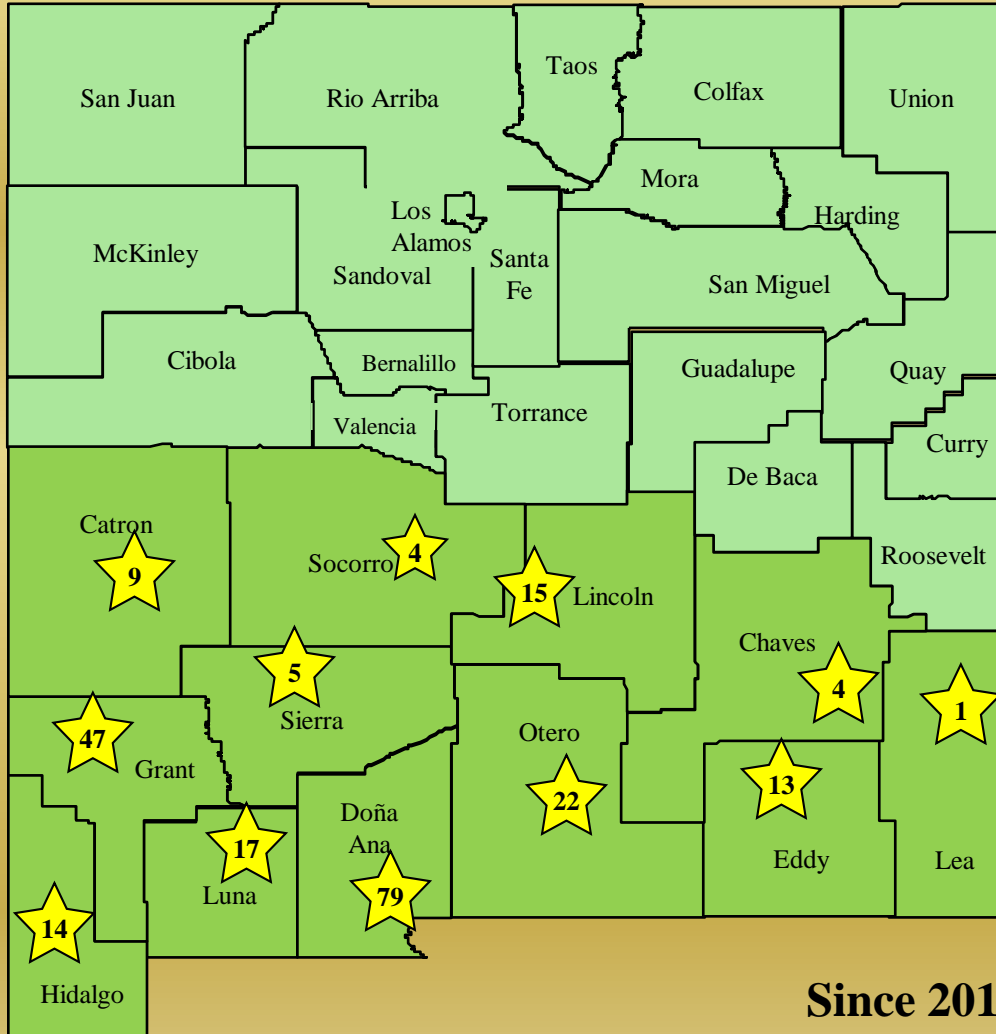
By Project Type



<u>Project Type</u>	<u># of Awards</u>	<u>Awarded Amount</u>
Flood Control	4	\$ 1,708,864
Planning	10	\$ 678,279
Roads/Drainage	53	\$ 25,530,646
Solid Waste Infrastructure	7	\$ 3,280,756
Wastewater Infrastructure	47	\$ 29,281,896
Water Infrastructure	85	\$ 37,674,989

Colonias Infrastructure Fund Projects

2012 - 2020



County	# of Awards	Amount
Catron	9	\$ 4,194,657
Chaves	4	\$ 1,986,007
Doña Ana	79	\$ 42,276,639
Eddy	13	\$ 6,573,240
Grant	47	\$ 23,879,135
Hidalgo	14	\$ 6,080,221
Lea	1	\$ 320,602
Lincoln	15	\$ 11,975,742
Luna	17	\$ 7,954,256
Otero	22	\$ 8,388,764
Sierra	5	\$ 2,840,000
Socorro	4	\$ 1,674,641
Total	230	\$118,143,904

Since 2012, 136 designated Colonias areas have received approval for 230 funding awards totaling \$118,143,904

