

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

**September 13, 2005  
Mortgage Finance Authority Office  
344 Fourth Street SW  
Albuquerque, New Mexico**

The fourth meeting of the Mortgage Finance Authority (MFA) Act Oversight Committee was called to order by Senator Nancy Rodriguez, chair, on September 13, 2005 at 10:15 a.m.

**Present**

Sen. Nancy Rodriguez, Chair  
Rep. Fred Luna, Vice Chair  
Sen. Cisco McSorley  
Sen. Leonard Lee Rawson  
Rep. Harriet I. Ruiz

**Absent**

Rep. Thomas A. Anderson  
Sen. Mark Boitano  
Rep. Teresa A. Zanetti

**Advisory Members**

Rep. Roberto "Bobby" J. Gonzales  
Sen. Phil A. Griego  
Sen. Richard C. Martinez  
Rep. Daniel P. Silva

Rep. Daniel R. Foley  
Sen. John T.L. Grubestic  
Sen. Steven P. Neville  
Sen. H. Diane Snyder

**Staff**

Ramona Schmidt  
Chase Van Gorder

**MFA Staff**

Isidoro Hernandez  
Lionel Holguin  
Sandra Marez  
Katherine Miller  
Erin Quinn  
Renee Roberts  
Tina Sanchez

**Tuesday, September 13**

Erin Quinn presented an overview of the results from the Chaves County Housing Needs Assessment and reviewed the purpose of the study and the methodology used for the study. She stated the report is quite lengthy and offered to distribute copies of the report to committee

members if they are interested. She noted the income levels are average and the income growth is stagnant. The top industries in Chaves County include government; health care and social assistance; accommodation and food services; retail trade; agriculture; and manufacturing. Ms. Quinn reviewed the housing units, vacancy rates, housing values and housing affordability. The citizen survey includes review of homeowners' repairs, renters' repairs and homeownership. The survey indicates an estimated 400 owner-occupied units and an estimated 800 units of rental housing in the county are "unlivable". The key findings include identification of top needs. Primary findings of the study address housing affordability, housing conditions and access to housing. The report includes recommendations, including pursuing community development block grant funds; exploring the creation of a housing rehabilitation program; creating programs for special needs populations; focusing on revitalization efforts in South Roswell; increasing knowledge of a down payment assistance program; and supporting increased Section 8 funding. Discussion occurred as to the feasibility of addressing concerns raised by the surveys.

Bruce Wiggins, MFA legal counsel, stated that until a few years ago, MFA did not experience conflicts between providing affordable housing and the anti-donation clause, but due to the recent need to provide assistance in current workforce needs, the anti-donation clause has caused limitations for the MFA to use the funds it has been granted, particularly the funds granted through the Affordable Housing Act. He noted recent MFA initiatives to provide affordable housing have come up against the anti-donation clause and he proposed a resolution to the clause to allow for the state, a county or a municipality to pay for the costs of buildings for construction or the costs of land. Senator Rawson moved to accept the proposed amendment. Senator Rodriguez noted the proposed resolution should be accepted in concept. The motion was seconded, moved and carried unanimously. Discussion occurred as to the need to develop legislation to address the issue of eminent domain. It was decided to address eminent domain at a future meeting. Discussion also occurred regarding appropriate language to be included and whether there had been past amendments to the anti-donation clause and if the proposed amendments had passed.

A motion was made to approve the minutes from the August meeting, which was seconded and unanimously adopted.

Tina Sanchez, MFA staff, reviewed the State of New Mexico FY 2006-2010 Consolidated Plan and noted it is a five-year consolidated plan. She gave an overview, including the background on the consolidated plan and the development process; discussion of the strategic plan and the identified priorities; discussion of the one-year action plan; discussion of state programs; and discussion of anticipated funding allocation and distribution. She reviewed the results from the Citizen Participation Plan, including public meetings and comment period, citizen survey and key person interviews and survey. Ms. Sanchez reviewed the 2006 State of New Mexico Action Plan, including the resources expected to be available; community development objectives and resource allocation; community development activities and geographic distribution; housing objectives and resource allocation; and housing activities and geographic distribution. The action plan priorities and objectives for community development were shared with committee members. Ms. Sanchez stated the factors used to determine priority

areas included homeowner assistance, homeowner new development, owner-occupied rehabilitation, rental acquisition and rental development/new construction.

Linda Bridge, MFA staff, reviewed the current status on the Affordable Housing Tax Credit Program, which was created by approval of the Affordable Housing Tax Credit Act during the past legislative session. She noted the first funding round is anticipated to begin November 1 with applications being solicited from qualified applicants for projects that will provide affordable housing in accordance with the State Tax Credit Program.

Ms. Quinn presented an update on the New Mexico Housing Trust Fund Act and stated the purpose of the act is to provide flexible funding for housing initiatives in order to produce significant additional housing investment in the state. She noted that Senator Rodriguez was the sponsor of Senate Bill 115, which created the New Mexico Housing Trust Fund. She stated the New Mexico Housing Trust Fund Act complements the Affordable Housing Act. The MFA will serve as trustee and administrator, with the State Investment Council serving as the investment agent. She stated the initial emphasis will be on workforce housing development. Ms. Quinn reviewed the advisory committee members; notice of funding availability (NOFA) and funding guidelines; the evaluation criteria; the funding priorities; and the funding rounds. Ms. Quinn noted the funding priorities include homeownership housing development; workforce housing development; geographic area; interim or short-term financing; and assisting the lowest income beneficiaries. Priorities are subject to change dependent on the projects coming to the MFA.

Committee members were reminded of the MFA open house on September 20 from 3:00 p.m. to 6:00 p.m. and were encouraged to attend. There being no further business to be considered at this meeting, the committee adjourned at 12:00 noon after a motion duly made, seconded and unanimously adopted.

Materials distributed at the meeting are in the meeting file in the Legislative Council Service Library.