

City of Truth or Consequences

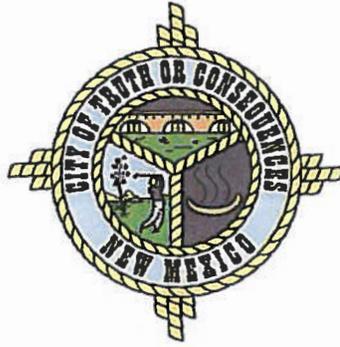


OCTOBER 2014

Affordable Housing Plan



PREPARED BY: CONSENSUS PLANNING, INC. and CRYSTAL & COMPANY



RESOLUTION NO. 17-14/15

A RESOLUTION ADOPTING THE 2014 AFFORDABLE HOUSING PLAN.

WHEREAS, the City wishes to take advantage of housing programs offered through the New Mexico Mortgage Finance Authority (NMMFA), and

WHEREAS, the NMMFA requires an Affordable Housing Plan in order to determine eligibility for certain programs, and;

WHEREAS, the City entered into a contract with Consensus Planning, Inc for the creation of the Plan as part of the 2014 Comprehensive Plan with Affordable Housing component; and

WHEREAS, the Affordable Housing Plan draft has been available to the public both in print and online for several months without comment; and

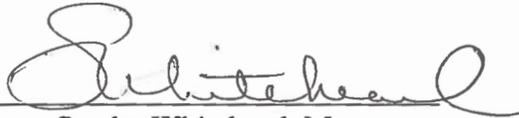
WHEREAS, the Plan was presented to the Commission at a workshop on October 14, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF TRUTH OR CONSEQUENCES, NEW MEXICO:

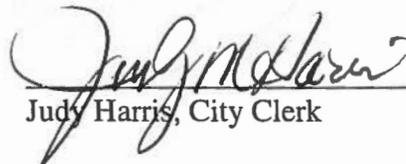
The City of Truth or Consequences through its Governing Body adopts the 2014 Affordable Housing Plan.

PASSED, APPROVED AND ADOPTED THIS 28th DAY OF OCTOBER 2014.

CITY OF TRUTH OR CONSEQUENCES

By 
Sandra Whitehead, Mayor

ATTEST:


Judy Harris, City Clerk

2014 Affordable Housing Plan pdf.



Affordable Housing Plan

ACKNOWLEDGEMENTS

CITY COMMISSION

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Funding for the City of Truth or Consequences Affordable Housing Plan was made available through the State of New Mexico Mortgage Finance Authority and the City of Truth or Consequences.



Affordable Housing Plan

TABLE OF CONTENTS

1	INTRODUCTION	1
2	COMMUNITY and HOUSING PROFILE	5
3	HOUSING NEEDS ASSESSMENT	25
4	LAND USE	51
5	GOALS, POLICIES, and QUANTIFIABLE OBJECTIVES	69

APPENDICES

Appendix A: Homes Sold and For Sale in Truth or Consequences	75
Appendix B: Definitions and Funding Resources	83

TABLES

2.1 Population Characteristics	7
2.2 Economic Characteristics	9
2.3 Industries by Advertised Jobs	11
2.4 Major Employers in Sierra County	12
2.5 Household Characteristics	13
2.6 Truth or Consequences Apartment Market	17
2.7 Homes for Sale in Truth or Consequences	19
2.8 Current Vacant Land for Sale	21
2.9 Sierra County Rent Levels and AMI Categories by Bedroom Size	21
2.10 Sierra County Housing Cost by AMI and Income	22
2.11 Annual Property Values in Sierra County	22
3.1 Housing Inventory by Tenure and Type	25
3.2 Number of Bedrooms in Housing Inventory	26
3.3 Current and Projected Housing Needs of Low and Moderate Income Households	42
3.4 Cost Burden by Income Category and Tenure	44
3.5 Valuation of Ownership Housing Inventory	45
3.6 Ownership Costs as a Percent of Income	45
3.7 Gross Rent Distribution for Occupied Rentals	46
3.8 Rental Cost Burden by Unit Type	46
3.9 Housing Distress for Those with a Mobility and/or Self-Care Limitation	47
3.10 Projected Need by 2019 for Ownership Housing	48
3.11 Projected 2019 Affordable Rental Need	49



Affordable Housing Plan

TABLE OF CONTENTS

4.1 City of Truth or Consequences Residential Zoning and Development Standards	56
4.2 Minimum Lot Size by Zoning District	61
4.3 Minimum Setbacks by Zoning District	62
4.4 Single Family Development Feasibility Analysis	66
4.5 Multi-Family Development Feasibility Analysis	67

FIGURES

2.1 Truth or Consequences and Sierra County Population Change	5
2.2 Source of Household Income	10
2.3 Industry Employment Distribution in Sierra County, 2Q 2013	11
2.4 Year Housing Built	14
2.5 Monthly Owner Costs as a Percent of Household Income	15
2.6 Gross Rent as a Percent of Household Income	16
3.1 City of Truth or Consequences Bedroom Distribution, 2007-2011 Average	26
3.2 Households Distressed by Income and Tenure	43
3.3 Current Households in Distress Earning Less than 80% AMI by Tenure & Type	43

MAPS

Community Vicinity Map	2
Current Homes for Sale in Truth or Consequences	20
Housing Areas	27
Potential Development Sites - City-Owned Lots	53

1 INTRODUCTION

A. Purpose and Overview

The purpose of the City of Truth or Consequences Affordable Housing Plan is to provide a comprehensive assessment of the existing and future housing needs of the community, and to provide recommendations for addressing those needs. The Affordable Housing Plan was developed as a component of the update to the City of Truth or Consequences Comprehensive Plan, and in coordination with the New Mexico Mortgage Finance Authority. The Affordable Housing Plan has been adopted by the City of Truth or Consequences concurrently with an Affordable Housing Ordinance. It is in full compliance with the New Mexico Affordable Housing Act, NMSA 1978, §6-27-1 et seq. (Act).

As required under the rules of the Act, the Plan provides the following elements:

- Community and Housing Profile, including demographic characteristics, household characteristics, and housing market analysis;
- Housing Needs Assessment, including descriptions of existing and projected needs;
- Land Use, including general analysis of land use parcels; evaluation of suitability, availability, and development capacity of developable sites; identification of regulatory constraints; and minimum density calculations targeted to affordable housing populations; and
- Goals, Policies, and Quantifiable Objectives, including an estimate of the number and percentage of unit increases; identification of needed programs and agencies responsible for constructing new or improving existing housing stock, promoting access and equal opportunity to affordable housing, and increasing the capacity of residents, etc., plan to promote regulatory concessions and incentives; identification of potential sources of federal, state, and local financing and subsidies to support affordable housing; and a consideration of related issues.

B. Housing Affordability

The US Department of Housing and Urban Development (HUD) defines affordability as a household that pays no greater than 30% of its annual income towards housing cost and utilities. Families that pay more than 30% of their income on housing are considered to be “cost burdened” and have challenges in paying for other basic necessities such as food, clothing, transportation, and medical care. The City of Truth or Consequences Affordable Housing Plan quantifies the number of families that are cost burdened.

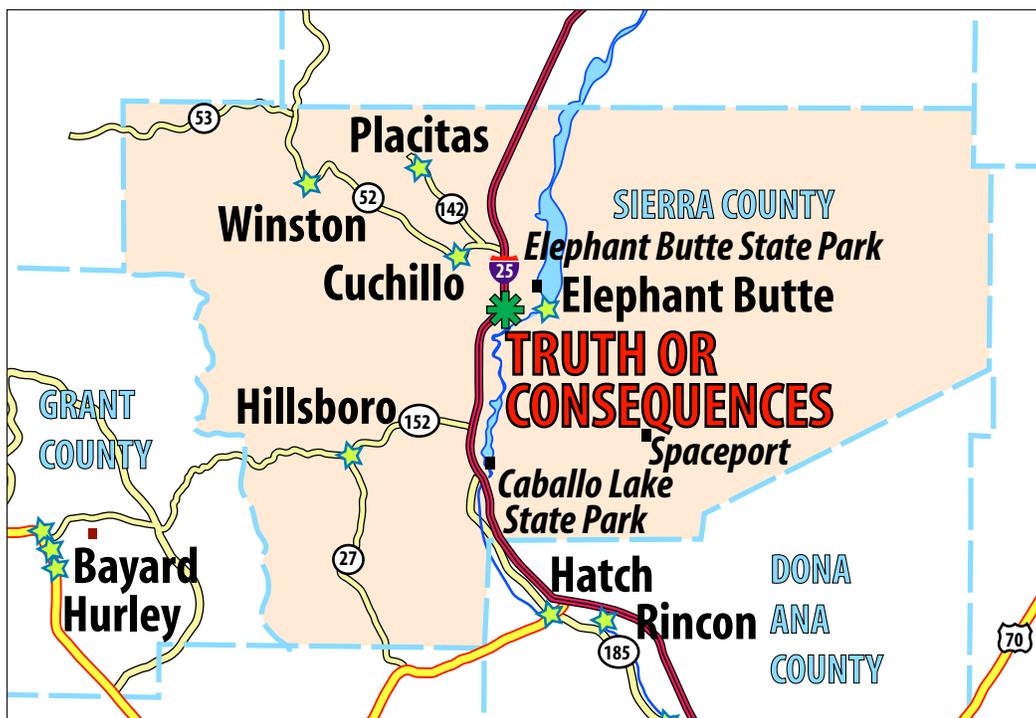
C. Area Median Income

HUD utilizes the area median income (AMI) to determine eligibility for a variety of housing programs. For the purposes of this Affordable Housing Plan, the population to be served in Truth or Consequences is up to 80% AMI. Needs are categorized by this Plan into 0 to 30% AMI, 31 to 50% AMI, and 51 to 80% AMI for affordable rental and ownership housing.

D. City of Truth or Consequences

The City of Truth or Consequences is located within Sierra County in southwestern New Mexico along Interstate 25. The City is the county seat and one of three incorporated communities within Sierra County. The other incorporated communities are the City of Elephant Butte and the Village of Williamsburg. In 2010, the population of the City of Truth or Consequences was 6,475, which was approximately 54% of the total population (11,988) of Sierra County as a whole. The median age in Truth or Consequences is significantly higher than the median for the state; 51.2 versus 36.7 years, which has an impact on housing needs for this community.

The primary economic drivers for the City of Truth or Consequences are tourism, the healing arts and health care, and agriculture. The Spaceport America is anticipated to have a significant impact on Truth or Consequences and the region as a whole by attracting new related and complementary businesses, as well as tourists from across the United States and abroad.



Community Vicinity Map

E. Other Current Planning Efforts

Starting in 2013, the City of Truth or Consequences engaged in three planning efforts; a Downtown Master Plan, an update to the 2004 Comprehensive Plan, and the Affordable Housing Plan. The Downtown Master Plan was initiated first, starting in June 2013. The Affordable Housing Plan and the update to the City of Truth or Consequences 2004 Comprehensive Plan commenced in November 2013. All three planning efforts were completed by Consensus Planning, Inc., which allowed for a high level of efficiency and consistency between the three plan documents.

As part of the Comprehensive Plan update, public meetings were held and a variety of planning issues were discussed, including housing issues in the community. In addition to the general public, representatives from the Truth or Consequences Housing Authority participated in the public

meetings. The consultants also interviewed the Executive Director to get more in-depth information on affordable housing issues in the community.

The Downtown Master Plan / MRA Plan was approved by the City Commission in September 2014. The Master Plan addresses the New Mexico MainStreet requirements and includes an asset inventory, market analysis, downtown vision / master plan, implementation, and funding sources. Strategies are categorized separately under the Downtown Master Plan and the MRA Plan, and address changes to the physical, regulatory, and administrative conditions. Housing is addressed in the Downtown Master Plan, specifically as it relates to vertical mixed use in the commercial retail buildings along Main Street and Broadway Street, as well as additional housing opportunities along Austin Avenue. As noted in the body of the Affordable Housing Plan, some of the old motels in Downtown have been reused for housing purposes.

The Comprehensive Plan is anticipated to be completed and adopted by the City Commission in late fall 2014. Planning elements included in the Comprehensive Plan include land use, economic development, housing, infrastructure, transportation, community character, community services and facilities, and hazard mitigation. The Comprehensive Plan includes goals, objectives, and implementation strategies for each of the planning elements.

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2 COMMUNITY and HOUSING PROFILE

A. Introduction

The Community and Housing Profile provides documentation of the demographic, economic, and household characteristics in Truth or Consequences and draws comparisons to Sierra County and the state as a whole. The resources for this information were the United States Census Bureau, the Bureau of Business and Economic Research (BBER) at the University of New Mexico, Bureau of Labor Statistics, and New Mexico Department of Workforce Solutions. This section also includes housing market data derived from the local realtors and listings on realtor.com, HUD, and the City of Truth or Consequences.

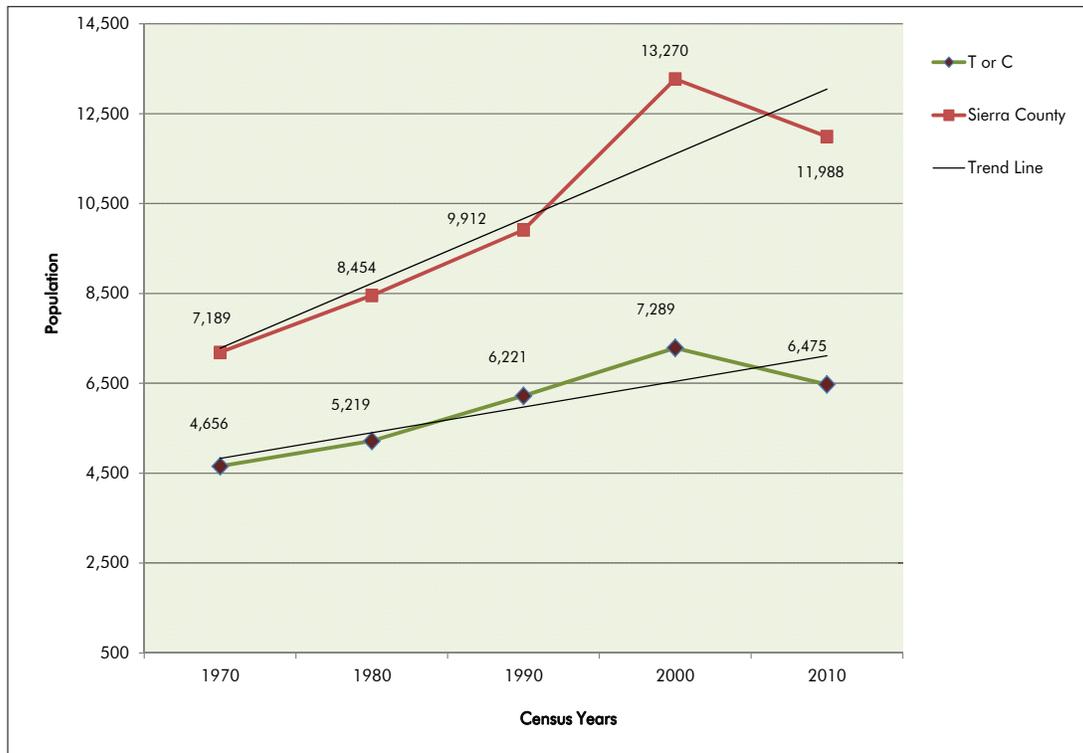
B. Population Characteristics

This section provides population characteristics, including total population and population trends, age distribution, race, ethnicity, income, and poverty rates. This data is provided for the City of Truth or Consequences, Sierra County, and the State of New Mexico (state) as a whole.

Population Over Time

In 2010, the population of the City of Truth or Consequences was 6,475, approximately 54% of the total population (11,988) of Sierra County as a whole. Between 1970 and 2000, the population of the City steadily increased at an overall rate of 56.5% (1.9% annual growth). The growth rate was slower than that of Sierra County, which increased by 84.6% (2.8% annual growth) between 1970 and 2000 (see Figure 2.1 below). The primary difference between the growth rates of the City and the County was due to the time period between 1990 and 2000, where Sierra County experienced a growth rate of 33.9% versus 17.2% for the City. Between 2000 and 2010, the population of both the City and Sierra County decreased; 11.2% and 9.7%, respectively.

Figure 2.1: Truth or Consequences and Sierra County Population Change, 1970-2010



Source: U.S. Census Bureau.

Population and Age Distribution

As previously noted, while the City experienced a decline in population between 2000 and 2010 from 7,289 to 6,475, the population in 2010 was still larger than in 1990 when it was 6,221. Accordingly, the majority of age cohorts have declined during the time period between 2000 and 2010, with cohorts between 5 and 19 years decreasing at a relatively acute rate. Exceptions include those Under 5 increased by 1.4%, 20 to 24 years increased by 11.9%, 55 to 59 years increased by 35.0%, and 60 to 64 increased by 18.6% (see *Table 2.1*). Accordingly, the portion of the City's population in 2010 that was 65 years and over was 28.8%, greater than in Sierra County or New Mexico. Taken as a whole, between 2000 and 2010, the median age increased by 8.8% from 48.0 to 52.2 years. The City's median age is significantly higher than that of New Mexico as a whole, which experienced a somewhat unremarkable increase in the median age from 34.6 to 36.7 in 2010, a 6.1% change.

The aging of Truth or Consequences reflects the fact that the City continues to attract a large retiree population that is coming from across the United States for the hot mineral springs, the healing arts, and the temperate weather. Truth or Consequences has also been gaining a reputation for being an unique and fun artist community, attracting people that are looking for a new experience.

Race

In 2010, there were 6,238 residents (96.3%) who identified themselves as being one race and 491 (7.6%) identified as being "some other race". Of the group that identified themselves as being one race, 5,551 (85.7%) identified themselves as being white. This is significantly higher than the state as a whole, where 68.4% of the population self identified as white, but consistent with Sierra County.

Ethnicity

In 2010, the residents identifying as Hispanic or Latino (of any race) in Truth or Consequences was 28.2%. This was significantly lower than that of the state (46.3%), but as in the case of race, relatively consistent with Sierra County. This segment of the population decreased at a slower rate between 2000 and 2010 than that of the overall population decline, 8.5% versus 11.2%.

TABLE 2.1: POPULATION CHARACTERISTICS					
	New Mexico	Sierra County	Truth or Consequences		
Population	2010	2010	2010	2000	% Change 2000-10*
Total Population	2,059,179	11,988	6,475	7,289	-11.2%
Age Cohorts					
Under 5	7.0%	4.7%	5.7%	5.0%	
			368	363	1.4%
5 to 9 years	7.0%	4.0%	4.1%	5.2%	
			265	382	-30.6%
10 to 14 years	6.9%	4.5%	4.6%	6.1%	
			299	447	-33.1%
15 to 19 years	7.3%	4.5%	4.5%	5.8%	
			290	423	-31.4%
20 to 24 years	6.9%	4.0%	4.8%	3.8%	
			310	277	11.9%
25 to 34 years	13.0%	6.7%	8.1%	7.8%	
			523	571	-8.4%
35 to 44 years	12.1%	8.6%	13.7%	12.2%	
			569	892	-36.2%
45 to 54 years	14.1%	13.8%	20.9%	12.7%	
			894	929	-3.8%
55 to 59 years	6.6%	9.1%	8.5%	5.6%	
			551	408	35.0%
60 to 64 years	5.8%	9.5%	8.4%	6.3%	
			543	458	18.6%
65 to 74 years	7.5%	16.8%	14.1%	14.2%	
			911	1,035	-12.0%
75 to 84 years	4.2%	10.3%	10.4%	10.9%	
			674	794	-15.1%
85 years and over	1.6%	3.5%	4.3%	4.3%	
			278	310	-10.3%
Male	49.4%	50.3%	49.4%	38.3%	
			3,201	2,792	14.6%
Female	50.6%	49.7%	50.6%	41.5%	
			3,274	3,023	8.3%
Median Age (years)	36.7	54.3	52.2	48.0	8.8%
18 years and over	74.8%	41.9%	82.9%	79.8%	
			5,371	5,815	-7.6%
65 years and over	13.2%	15.5%	28.8%	29.3%	
			1,863	2,139	-12.9%
Race					
Total population	2,059,179	11,988	6,475	7,289	-11.2%
One Race	96.3%	96.7%	96.3%	97.3%	
			6,238	7,094	-12.1%
White	68.4%	85.6%	85.7%	85.3%	
			5,551	6,221	-10.8%
Black or African American	2.1%	0.4%	0.6%	0.6%	
			41	46	-10.9%
American Indian and Alaska Native	9.4%	1.7%	1.9%	1.8%	
			121	129	-6.2%
Asian	1.4%	0.4%	0.5%	0.2%	
			32	12	166.7%
Native Hawaiian or Other Pacific Islander	0.1%	0.0%	0.0%	0.1%	
			2	4	0.0%
Some other race	15.0%	8.6%	7.6%	10.9%	
			491	793	-38.1%
Ethnicity					
Total population	2,059,179	11,988	6,475	7,289	-11.2%
Hispanic or Latino (of any race)	46.3%	28.0%	28.2%	27.4%	
			1,824	1,994	-8.5%
Not Hispanic or Latino	53.7%	72.0%	71.8%	72.6%	
			4,651	5,295	-12.2%

Source: US Census Bureau. *Percentage change calculated on raw population numbers.

C. Economic Characteristics

Employment Status

As shown in Table 2.2, the American Community Survey estimated the population within Truth or Consequences that was 16 years and older (i.e., working age population) to be 4,980 and the civilian labor force participation rate to be 2,111 (42.4%). In comparison, the civilian labor force for the state was significantly higher at 61.9%, but lower in Sierra County where the civilian labor force was 37.7%. Between 2000 and 2010, the civilian labor force of Truth or Consequences decreased from 2,628 to 2,111 (-19.7%). In 2010, a relatively small segment of the City's civilian labor force, 131 persons (2.6%) was unemployed, which was significantly lower than that of the state, but slightly higher than Sierra County. Between 2000 and 2010, the City's unemployed labor force experienced a 41.3% decrease, from 223 in 2000 to 131 in 2010. These employment characteristics reinforce the observation regarding the growing number of retirees in Truth or Consequences.

Income and Benefits

In 2010, the median household income in Truth or Consequences was \$21,862, which was slightly less than half the median household income was for the state (\$43,820) and approximately 17% less than Sierra County (\$25,583). Per capita income was approximately 18% lower in Truth or Consequences (\$13,673) than Sierra County (\$16,667) and approximately 40% lower than the state (\$22,966).

Poverty Level

In 2010, there were 1,021 families in Truth or Consequences, and 23.8% (243) of them had income below the poverty level. In comparison, 15.6% of families in Sierra County and 13.9% of families in the state were below the poverty level. The number increased to 37.7% (385) for families with a female householder. In 2000, although the percentage of the total was higher, there was a significantly smaller number of families (142) with a female householder with income below the poverty level. In 2010, there was also a higher percentage of people in Truth or Consequences with income below the poverty level than there was for Sierra County and the state.

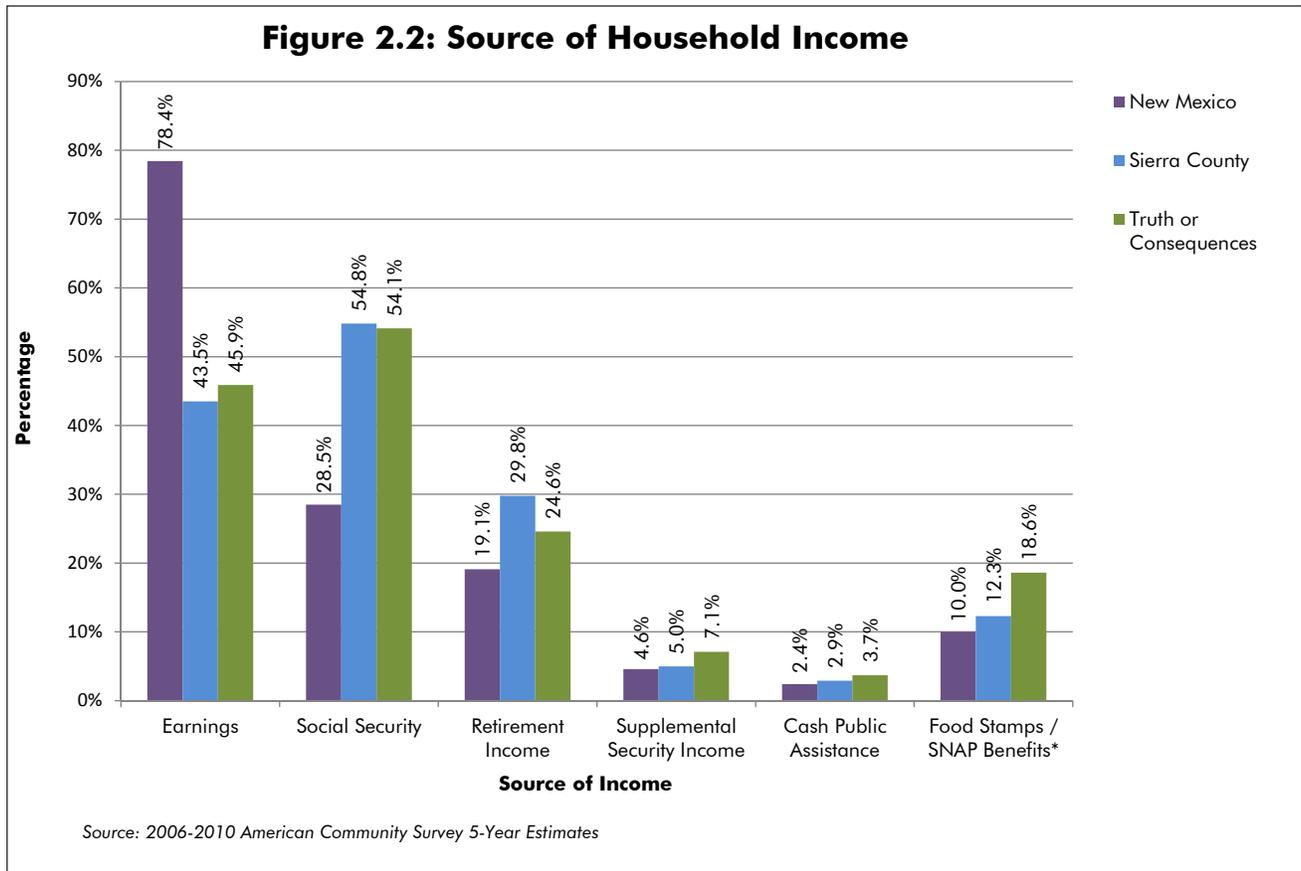
TABLE 2.2: ECONOMIC CHARACTERISTICS					
	New Mexico	Sierra County	Truth or Consequences		
Economic Categories	2010	2010	2010	2000	% Change 2000-10
Employment Status					
Population 16 years and over	1,561,181	10,072	4,980	6,037	-17.5%
In civilian labor force	61.9%	37.7%	42.4%	43.5%	
			2,111	2,628	-19.7%
Unemployed	7.2%	1.6%	2.6%	3.7%	
			131	223	-41.3%
Income and Benefits - Total Households					
Less than \$10,000	9.3%	17.2%	17.4%	22.3%	
			460	767	-40.0%
\$10,000 to \$14,999	6.6%	15.2%	19.8%	14.3%	
			524	493	6.3%
\$15,000 to \$24,999	12.8%	16.6%	22.1%	20.0%	
			584	689	-16.3%
\$25,000 to \$34,999	11.9%	13.3%	14.1%	14.4%	
			374	496	-24.6%
\$35,000 to \$49,999	15.2%	12.7%	9.5%	15.9%	
			252	547	-53.9%
\$50,000 to \$74,999	17.9%	15.4%	12.2%	8.1%	
			323	278	16.2%
\$75,000 to \$99,999	10.9%	3.6%	2.4%	2.5%	
			64	86	-25.6%
\$100,000 to \$149,999	10.0%	4.1%	1.8%	1.5%	
			47	50	-6.0%
\$150,000 to \$199,999	3.2%	0.8%	30.0%	0.3%	
			8	9	-11.1%
\$200,000 or more	2.4%	1.0%	0.4%	60.0%	
			10	22	0.0%
Median household income	\$43,820	\$25,583	\$21,862	\$20,986	4.2%
Per capita income	\$22,966	\$16,667	\$13,673	\$14,415	-5.1%
Families and People With Income Below Poverty Level					
All families	13.9%	15.6%	23.8%	15.6%	
			243	289	-15.9%
Families with female householder	33.8%	25.1%	37.7%	45.1%	
			385	142	171.1%
All people	18.4%	22.5%	28.8%	23.2%	
			1,865	1,620	15.1%

Source: US Census Bureau, 2006-2010 American Community Survey 5-Year Estimates and 2000 Census.

*Percentage change is calculated on raw numbers.

Source of Household Income

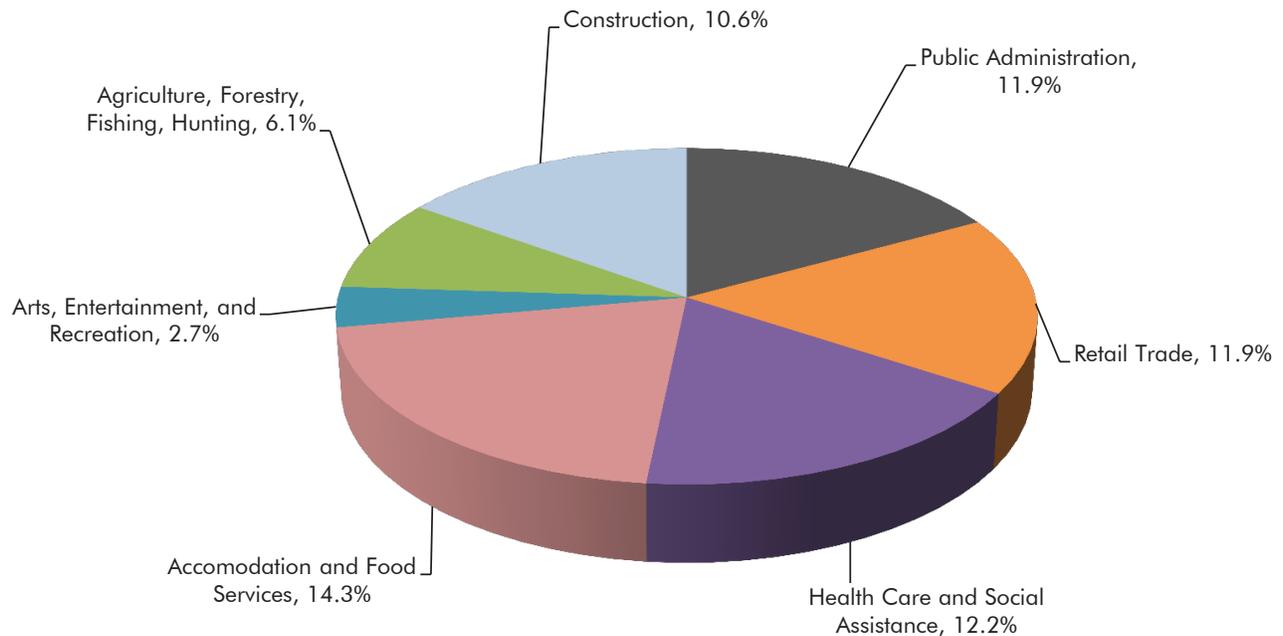
The source of household income and benefits in 2010 for Truth or Consequences, Sierra County, and the state is shown in Figure 2.2. The most notable difference that sets Truth or Consequences apart is the low percentage of income coming from earnings (45.9%). Not surprisingly, a greater percentage of household income is coming from Social Security and retirement income, which is another indicator of the high number of retirees in Truth or Consequences and Sierra County. Another notable difference is the higher percentage of Truth or Consequences households receiving food stamps / SNAP benefits; 18.6% versus 12.3% for Sierra County and 10.0% for the state.



D. Employment

The New Mexico Department of Workforce Solutions tracks the distribution of industries by county on a quarterly basis. The breakdown of industries in Sierra County are provided in Figure 2.3. Jobs are broken down into ten industry sectors. The industry sector with the most jobs in Sierra County is Health Care and Social Assistance at 27.3% of the jobs. Retail Trade and Accommodation and Food Service are the industries with the next highest percentage of jobs, 13.1% and 12.2% respectively. Education Services and Finance and Insurance industries are listed in the data set as “confidential”.

Figure 2.3: Industry Employment Distribution in Sierra County, 2Q 2013



Source: New Mexico Department of Workforce Solutions' QCEW Unit

Table 2.3 shows the industries with job openings advertised on-line in Sierra County in 2Q 2013. Jobs were available in eight industry sectors, with Public Administration having by far the most openings at 45. Health Care and Social Services and Transportation and Warehousing have the second and third highest numbers of advertised jobs.

TABLE 2.3: INDUSTRIES BY ADVERTISED JOBS	
Industries	Number of Job Openings
Public Administration	45
Health Care and Social Services	18
Transportation and Warehousing	13
Accommodation and Food Services	9
Professional, Scientific, and Technical Services	5
Administrative and Waste Services	3
Information	1
Other Services Except Public Administration	1

Source: New Mexico Department of Workforce Solutions

Major Employers

The major employers in Sierra County are provided in Table 2.4. The City of Truth or Consequences and health care employers (NM State Veterans Home, Sierra Vista Hospital, and Sierra Home and Health Hospice) represent the employers with the largest number of employees. Other major employers are schools, restaurants, public safety, and other commercial retailers.

TABLE 2.4: MAJOR EMPLOYERS IN SIERRA COUNTY	
Employer / 100 - 249 Employees	
New Mexico State Veterans Home	Sierra Vista Hospital
Sierra Home and Health Hospice	City of Truth or Consequences
Employer / 50-99 Employees	
Ambercare Hospice	M A and Sons (<i>in Arrey</i>)
Truth or Consequences Elementary School	Smithco Construction
Denny's	Walmart Supercenter
Bullock's Grocery Store	Percha Creek Traders
Employer / 20-49 Employees	
Hot Springs High School	Truth or Consequences Middle School
St Cloud Mining Co (<i>in Winston</i>)	City of Elephant Butte Fire (<i>in Elephant Butte</i>)
Mesilla Valley Chili Co (<i>in Arrey</i>)	Turtleback Mountain Development Co (<i>in Elephant Butte</i>)
VA Truth or Consequences Clinic	Sonic Drive-In
Caballo Dairy (<i>in Arrey</i>)	Coordinated Home Health
Elephant Butte Inn and Spa (<i>in Elephant Butte</i>)	Michaels
Bartoo Sand and Gravel	La Cocina Restaurant
Los Arcos Steak and Lobster House	Arrey Elementary School (<i>in Arrey</i>)
Appletree Educational Center	New Mexico Boating Training
Ken James Senior Center	Holiday Inn Express
Bedroxx Bowling Alley	Sierra Elementary Complex
Comfort Inn	ALCO Discount Store
Café Bellaluca	MBJ Packing LLC (<i>in Arrey</i>)
Club at Sierra Del Rio Restaurant	Sierra County Jail
Parks and Recreation (<i>in Elephant Butte</i>)	Ambercare Medical Supply Co
Los Arcos Package Liquors	Whitehead Chevrolet
McDonald's	

Source: New Mexico Department of Workforce Solutions

D. Household Characteristics

Households by Type

The total number of households in Truth or Consequences decreased between 2000 and 2010 by 5.9% (see Table 2.5). Family households, which decreased during this time period by 18.8%, made up a smaller proportion of the households in Truth or Consequences as compared to Sierra County and the state.

Average household size and average family size decreased in Truth or Consequences, 6.4% and 2.2% respectively. In 2010, the average household in Truth or Consequences was 1.91, lower than both Sierra County (1.98) and the state (2.55). Average family size was 2.69, which was slightly higher than in Sierra County (2.64), but lower than the state (3.13).

While the total number of households and family houses decreased between 2000 and 2010 in Truth or Consequences, there was an increase of 1.4% in female householders. In 2010, the percentage of female householders was 11.1%, which was higher than Sierra County (8.9%), but lower than the state (14.0%).

TABLE 2.5: HOUSEHOLD CHARACTERISTICS

	New Mexico	Sierra County	Truth or Consequences		
Households	2010	2010	2010	2000	% Change 2000-10*
Households by Type					
Total Households	791,395	5,917	3,247	3,450	-5.9%
Family Households	65.5%	52.8%	46.4%	53.9%	
			1,508	1,858	-18.8%
With own children under 18 years	29.1%	15.1%	16.2%	20.2%	
			525	698	-24.8%
Married-couple family	45.3%	40.0%	31.0%	40.5%	
			1,008	1,397	-27.8%
With own children under 18 years	17.9%	8.3%	7.3%	12.4%	
			238	428	-44.4%
Female householder, no husband present	14.0%	8.9%	11.1%	10.3%	
			361	356	1.4%
With own children under 18 years	7.8%	4.7%	6.4%	6.1%	
			208	210	-1.0%
Non-Family Households	34.5%	47.2%	53.6%	46.1%	
			1,739	1,592	9.2%
Householder living alone	28.0%	40.8%	46.6%	41.2%	
			1,513	1,422	6.4%
Householder 65 years and over	9.3%	9.1%	9.3%	22.1%	
			301	764	-60.6%
Householders with individuals under 18 years	33.7%	17.8%	19.0%	22.7%	
			616	782	-21.2%
Households with individuals 65 years and over	25.3%	44.9%	41.7%	42.8%	
			1,353	1,478	-8.5%
Average household size	2.55	1.98	1.91	2.04	-6.4%
Average family size	3.13	2.64	2.69	2.75	-2.2%
Housing Occupancy					
Total housing units	901,388	8,356	4,226	4,445	-4.9%
Occupied housing units	87.8%	70.8%	76.8%	77.6%	
			3,247	3,450	-5.9%
Vacant housing units	12.2%	29.2%	23.2%	22.4%	
			979	995	-1.6%
For seasonal, recreational, or occasional use	4.1%	15.9%	7.0%	7.4%	
			295	328	-10.1%
Homeowner vacancy rate (<i>percent only</i>)	2.0%	3.7%	3.7%	5.9%	-37.3%
Rental vacancy rate (<i>percent only</i>)	8.1%	16.6%	17.6%	20.0%	-12.0%
Housing Tenure					
Occupied Housing Units	791,395	5,917	3,247	3,450	-5.9%
Owner-occupied housing units	68.5%	72.4%	63.5%	67.9%	
			2,062	2,344	-12.0%
Average household size of owner-occupied unit	2.6	1.96	1.89	2.08	-9.1%
Renter-occupied housing units	31.5%	27.6%	36.5%	32.1%	
			1,185	1,106	7.1%
Average household size of renter-occupied unit	2.43	2.02	1.94	1.95	-0.5%

Source: US Census Bureau. *Percentage change is calculated on actual numbers.

Housing Occupancy

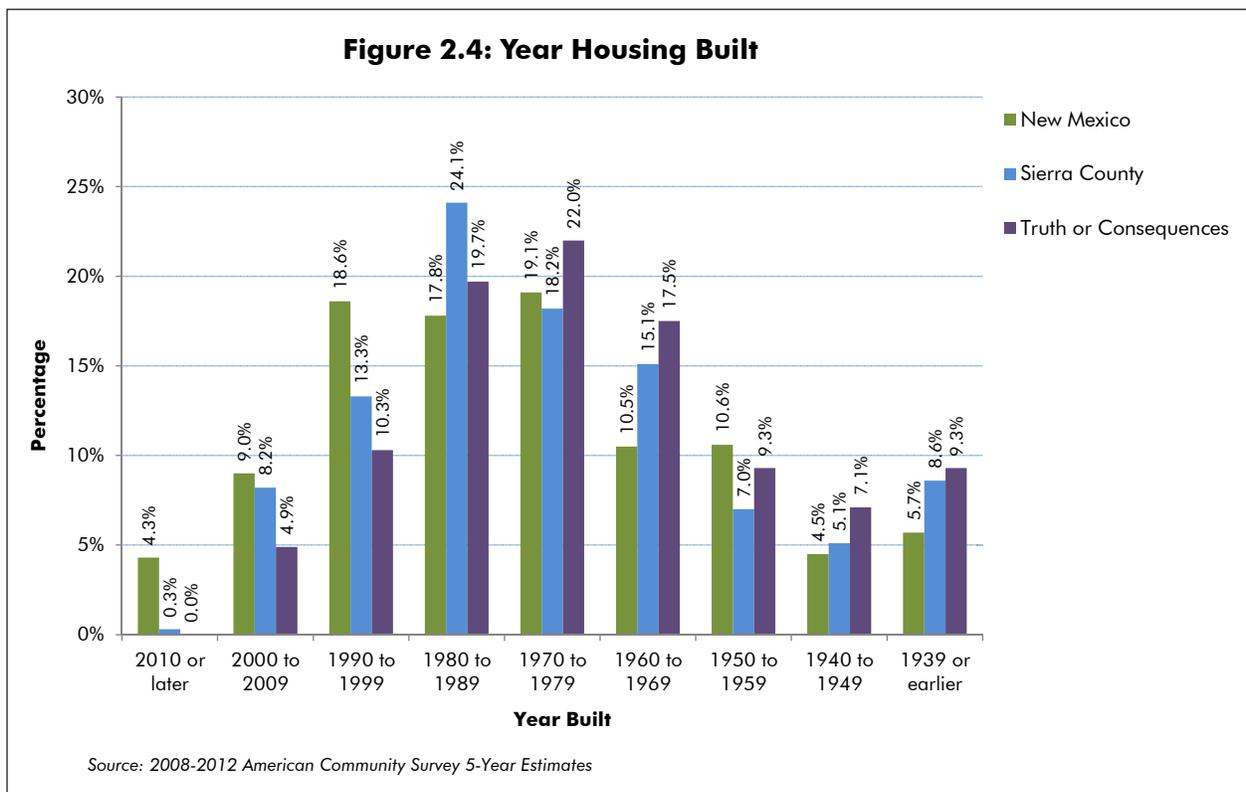
Between 2000 and 2010, the total number of housing units in Truth or Consequences decreased by 4.9%. Of those housing units, 76.8% were occupied in 2010, as compared to 87.8% in the state and 70.8% in Sierra County. In 2010, homeowner vacancy rates were consistent at 3.7% between Truth or Consequences and Sierra County. However, both homeowner vacancy rate and rental vacancy rate were considerably higher in Truth or Consequences and Sierra County than the state. This is likely due to the number of units that are in disrepair and in need of rehabilitation.

Housing Tenure

Between 2000 and 2010, the owner occupied rate of total occupied housing units in Truth or Consequences decreased by 12.0%. By 2010, 63.5% were owner-occupied in Truth or Consequences, which was lower both Sierra County and the state. The average household size of owner-occupied units decreased from 2.08 to 1.89 between 2000 and 2010, and was lower than both Sierra County and the state. The average household size of renter-occupied units in 2010 was 1.94, nearly unchanged since 2000, but was also lower than Sierra County and the state.

Year Housing Built

The median year for housing built in Truth or Consequences is 1973, which is older than that of Sierra County and the state. In comparison, the median year was 1978 for Sierra County and 1981 for the state. Figure 2.4 shows the year housing was built by decade. The peak time period for home building in Truth or Consequences was 1970 to 1979, with 22.0% of the structures built during that time.

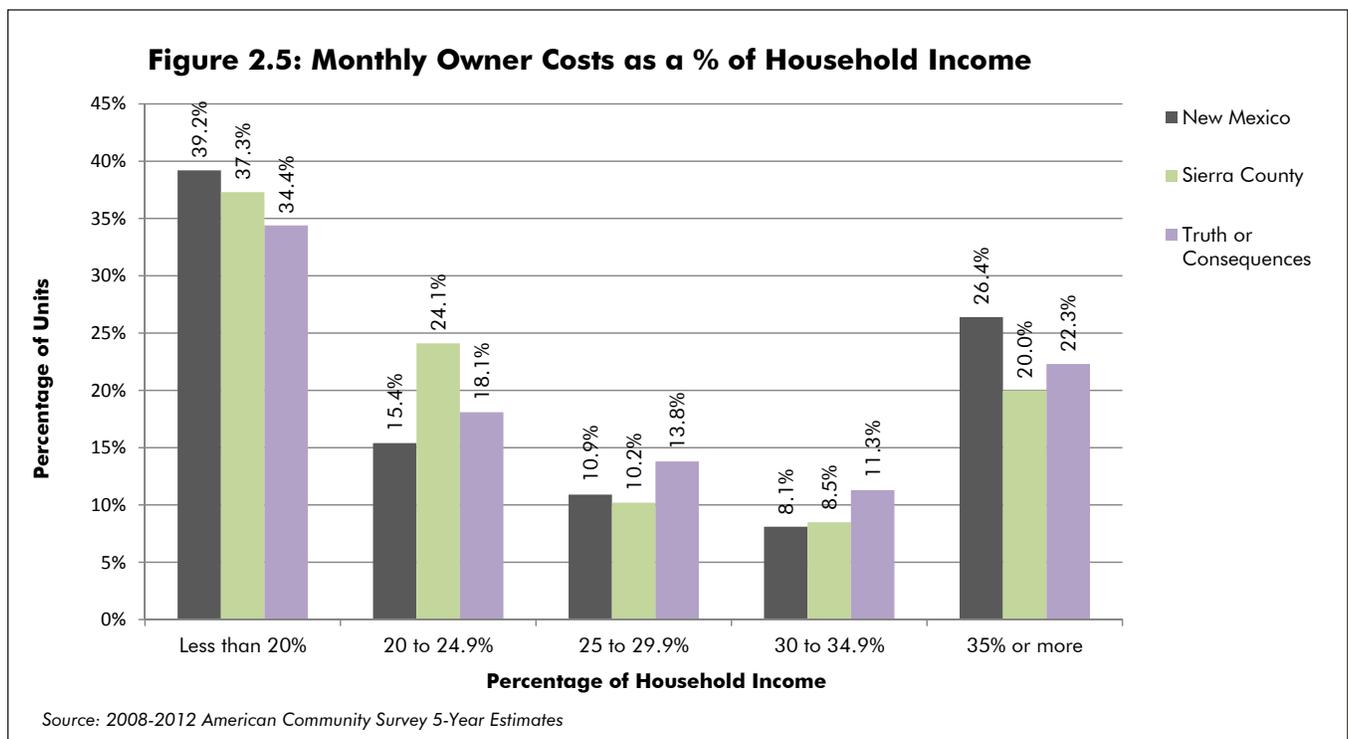


E. Housing Market Analysis

Another component of housing affordability is the percent of income spent on housing. Households, including owner-occupied and renter-occupied, with housing costs that exceed 30% are considered to be “cost burdened”.

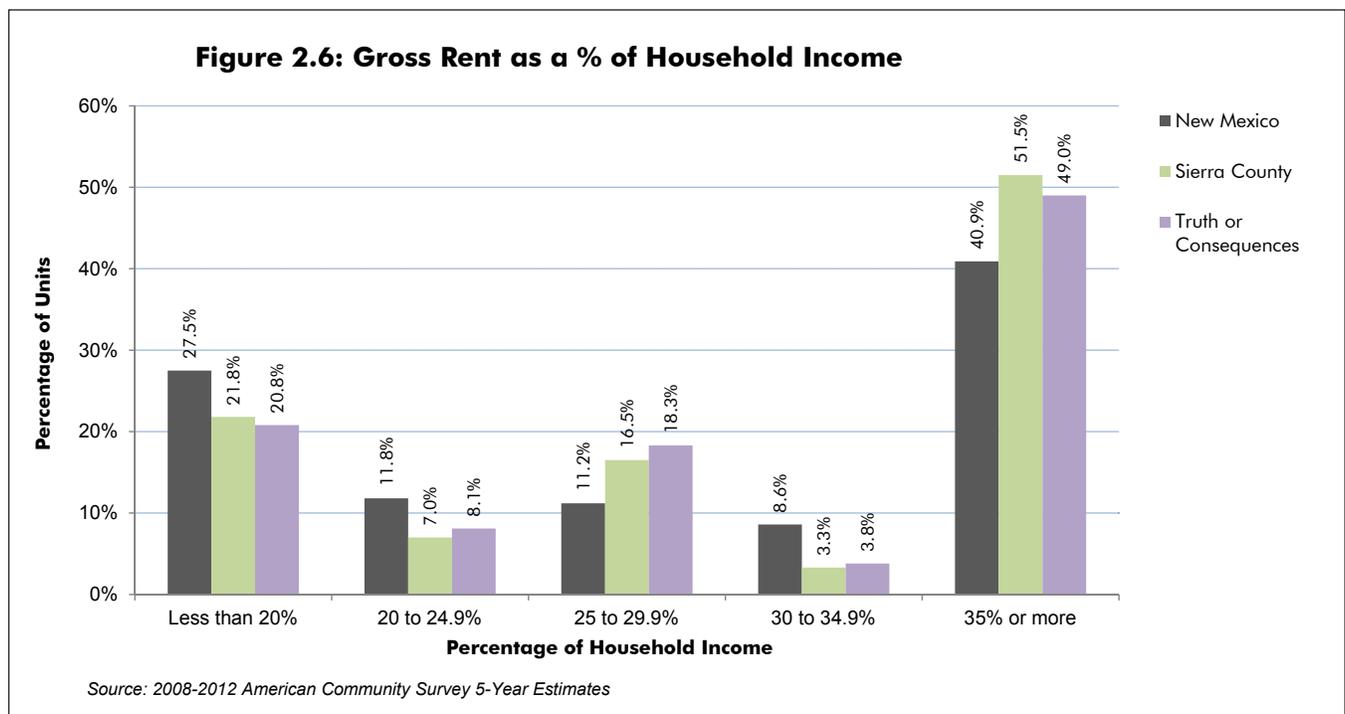
Household Costs as a Percent of Household Income

The American Community Survey estimates show there were a total of 547 housing units in Truth or Consequences with a mortgage. Of those housing units, there were 18 units where owner costs as a percentage of household income could not be computed. Of the remaining 529 housing units, 33.6% carried a mortgage that was 30% or more of their household income (see Figure 2.5). The median mortgage payment in Truth or Consequences was \$840 per month, which is higher than Sierra County at \$792 a month. The annual income needed to afford this housing cost is \$33,600. With a median household income of \$21,862, approximately 73% of the population in Truth or Consequences falls below this income level.



The ACS 5-year estimates show there were 818 occupied housing units paying rent, with a median rent of \$511. Of those housing units, there were 29 units where gross rent as a percentage of household income could not be computed. Of the remaining 789 occupied units, 52.8% had a gross rent that was 30% or more of household income (see Figure 2.6). The annual income needed to afford this rental housing cost is \$20,440. Approximately 59% of the population in Truth or Consequences falls below this income level. This was a substantial increase from 2000 when the percentage of households paying more than 30% of their income was 38.4% and the median rent was \$332.

Truth or Consequences has a relatively similar percentage of owner occupied households that are cost burdened as the state; 33.6% versus 34.5%, but higher than Sierra County with 28.5% cost burdened households. For renter occupied units, Truth or Consequences has a higher percentage of cost burdened households than the state, 52.8% versus 49.5%, but a lower percentage than that of Sierra County with 54.8% cost burdened households.



Existing Apartment Market - There are a number of existing apartments in Truth or Consequences scattered throughout the City. Information on the location, number of units, bedrooms, rental costs, and vacancy is provided in Table 2.6. Most of the apartment projects have relatively few units ranging from three to eleven units, with the exception being Rio Abajo located on 2nd Street. Rio Abajo is a low income tax credit project (LITC). There are also a number of converted motels/ bathhouses, but the data on these units is unavailable at this time.

TABLE 2.6: TRUTH OR CONSEQUENCES APARTMENT MARKET						
Apartments / Address	Studios (Rent)	1-Bed (Rent)	2-Bed (Rent)	3-Bed (Rent)	Total Units	Vacancies
Butler's / 600 E. Riverside Dr.	4 (\$365)	4 (\$375)			8	0
Holden Courts / 111 W. 4th St.	9 (\$400)	2 (\$450)			11	0
Roadrunner / 470 Foch St.	7 (\$335)	4 (\$360)			11	0
Vista Heights / W. Marie Ave.			4 (\$400)	4 (\$500)	8	0
Hoosiers / 516 Austin Ave.	\$375	\$360			12	?
1098 E. Riverside St.	4 (\$425-\$550)		1 (\$600)		5	One Studio
1580 7th St.		3 (\$475-\$500)	3 (\$500-\$550)		6	0
814 Poplar St.			4 (\$500)		4	One 2-Bed
510 Lincoln St.			4 (\$500-600)		4	0
600 Foch St.	4 (\$325)	2 (\$350)	2 (\$500)		4	Two Studios
707 Myrtle St.		1 (\$350)	2(\$450)		3	0
860 W. 6th St.	4 (\$300-\$325)				4	0
595 Main St.	2 (\$350)	9 (\$400-\$525)			11	Two 1-Bed
712 & 714 Austin St.	5 (\$375)	4 (\$450)	2 (\$550-650)		11	One 1-Bed
Rio Abajo / 1485 E. 2nd St.		32 (\$80-\$375)	10 (\$80-\$375)		42	One 2-Bed, Four 1-Bed

Subsidized Housing

The Truth or Consequences Housing Authority manages 268 units in Truth or Consequences, in addition to five properties in other New Mexico communities. It administers housing subsidies from Public Housing, HCV, Rural Development, and project-based Section 8. The Housing Authority also operates a Housing Choice Voucher (formerly Section 8) in Sierra County and is authorized for up to 190 vouchers; however, due to federal funding constraints, currently it only has approximately 153 vouchers with approximately 43 on the waiting list. The Housing Authority manages some of the largest apartment complexes in Truth or Consequences, which are very well-kept and typically receive high REAC scores.

The Truth or Consequences Housing Authority has residential development experience and is also capable of rendering support services to eligible housing program residents and participants. The Housing Authority would be an excellent partner to the City of Truth or Consequences on working to expand affordable housing capacity.

Information regarding Housing Authority's local properties is provided below:

- Villa del Sol - Villa del Sol is a 70-unit multi-family property for seniors and disabled adults located at 108 S. Cedar. Occupancy is currently at 93%. the wait list is one for efficiencies and four for 1-bedroom units.
- Vista del Cerro - Vista del Cerro is a 30-unit property for family housing comprised of twenty 2-bedroom and ten 3-bedroom apartments located on Third Street. Occupancy is currently at 97%. The wait list is two for 2-bedroom units and three for 3-bedroom units. The combined REAC score for Villa del Sol and Vista del Cerro is 95c.
- Hacienda Orgullo and Puesta del Sol - Two Rural Development 515 apartment projects that total 52 units and consist of Hacienda Orgullo for seniors/disabled and Puesta del Sol for families and singles. Puesta de Sol is a 20-unit complex comprised of sixteen 2-bedroom apartments and four 3-bedroom apartments located at 600-620 N. Tingley. Hacienda Orgullo is a 32-unit complex comprised of thirty-two 1-bedroom apartments located at 1425 E. 2nd Street. The wait list for these units is a total of 3 (one for 2-bedroom, two for 3-bedroom, and one for senior/disabled).
- Tradewinds Carriage and Casa del Rio - These are two project-based Section 8 properties totaling 116 units. Casa del Rio is a 84-unit complex for the disabled. Tradewinds Carriage (HUD 542c) is a 32-unit complex for singles and families comprised of twelve 1-bedroom, twelve 2-bedroom, and eight 3-bedroom units located at 1301 N. Pershing Street. The wait list is six for 1-bedroom, twenty for 2-bedroom, and two for 3-bedroom units. Occupancy is currently at 91%. The most recent REAC score for Tradewinds Carriage was 85c.



Casa del Rio is an 84-unit complex for the elderly and disabled comprised of eighty-two 1-bedroom units and two 2-bedroom units located at 165 N. Silver Street. It has a wait list of two for 1-bedroom and two for 2-bedroom. Occupancy is currently at 95%. The most recent REAC score for Casa del Rio was 89c.

- HUD information indicates that the City of Truth or Consequence is a standard performer and is authorized for up to 190 Section 8 vouchers. Due to sequestration and uncertain federal fiscal budgets, the agency has approximately 153 vouchers, with a wait list of 43.
- Two Low Income Housing Tax Credit deals totaling 73 units where none are at market rates. The two projects are the Rio Abajo and Tradewinds Carriage apartments (also noted above).
- Discussions with Rural Development (Self-Help and RD 502) and local non-profits indicate that single family programs are used in the locality.

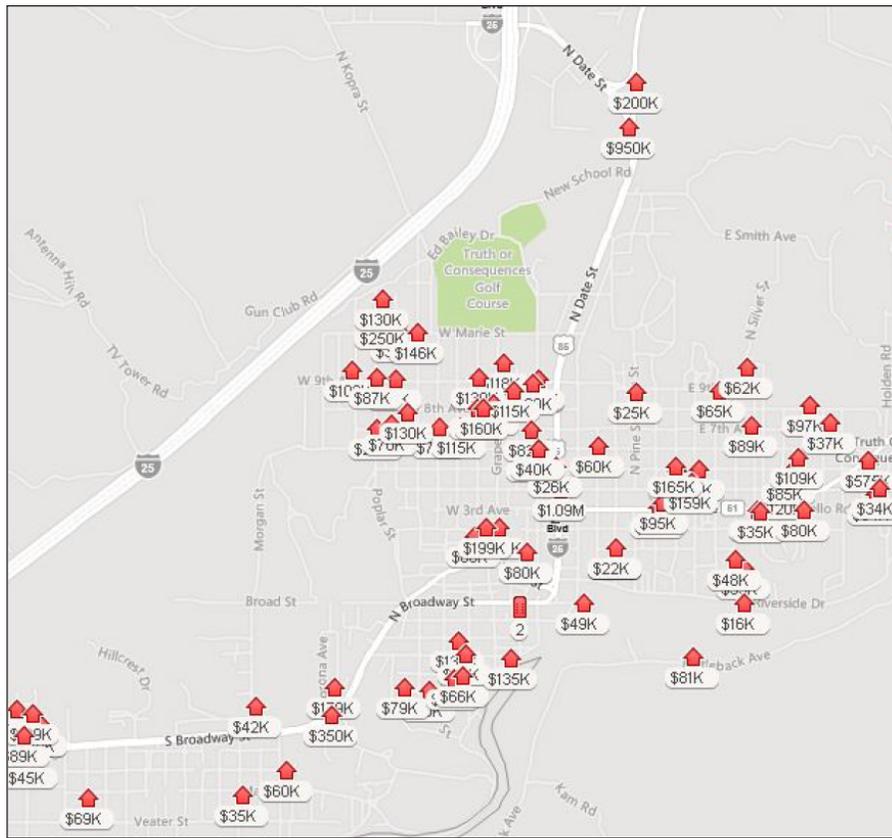
- The SWRHDC renovates a limited number of properties in the community, but inquiries did not produce a definitive number.
- Assisted housing opportunities for seniors are needed, but the pride of this clientele often mitigates actual requests for support.
- The region is generally characterized by relatively small assisted housing wait lists. According to the Truth or Consequences Housing Authority, many times assisted housing clients move out of public housing into their family’s dwellings because they are not willing to abide by the Truth or Consequences Housing Authority’s rules.
- Limited viable housing stock for rental subsidies given Housing Quality Standard (HQS) compliance issues. Accordingly, the incidence of substandard housing was estimated at 25% of the inventory.

Current and Recent Units for Sale

A total of 100 homes in Truth or Consequences were listed for sale on realtor.com for the month of February 2014 (see Table 2.7 below). The least expensive homes were mobile homes ranging from two to four bedrooms. The most expensive listing was a two-bedroom home on an 86 acre lot. Homes for sale were generally concentrated in the central developed part of the City, mainly found south of E. 9th Avenue, east of Poplar Street, south of N. Broadway Street. There were also a few listings along in the area of N. Date Street and S. Broadway Street (see map showing current listings).

TABLE 2.7 HOMES FOR SALE IN TRUTH OR CONSEQUENCES						
Cost	Mobile Home	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	Total
Under \$20,000	2					2
\$20,000-\$60,000	9	2	4	3		18
\$60,001-\$90,000	8		17	5		30
\$90,001-\$120,000	1	2	7	4	1	15
\$120,001-\$150,000		1	4	12	1	18
\$150,001-\$180,000				3	1	4
\$180,001-\$210,000	2			3	2	7
\$210,001-\$240,000				1	2	3
\$240,001-\$270,000				1		1
Over \$270,000			1*		1	2

As of February 2014. *This two bedroom home sits on 86 acres.



Current homes for sale in Truth or Consequences

Single-Family and Mobile Homes Sold and For Sale

In the past 24 months, 33 mobile homes have been sold in Truth or Consequences (see Appendix B for more detailed information). These homes averaged 184 days on the market. The sale of mobile homes per month during this 24 month period varied from one to four homes. The average asking price of those homes was \$52,854 and the average selling price was \$46,191. As of April 2014, there were 29 mobile homes were listed for sale with an average asking price of \$64,244.

In the past 24 months, a total of 56 single-family homes were sold in Truth or Consequences. These homes averaged 192 days on the market. Similar to mobile home sales, the sale of single-family homes sold per month during this 24 month period varied from one to four homes. The average asking price for those homes was \$84,871 and the average selling price was \$78,993. As of April 2014, there were 68 single-family homes listed for sale with an average asking price of \$128,562.

Vacant Land for Sale

Vacant parcels of land in Truth or Consequences are listed for sale on realtor.com. Based on February 2014 data, the cost of available land for residential development varies in size, location, and available municipal services.

As shown in Table 2.8, four properties are listed for sale that are approximately a third of an acre or less, and are generally located north of Downtown and east of I-25 in the developed area of the City with available municipal services. The cost for these properties ranges from \$39,950 to \$47,500.

Listed properties that are one acre and over range in cost from \$8,040 to \$55,900 per acre. These properties are located near the northeastern, southwestern, and northern edges of the City boundaries. With the exception of the ten acre property located along Highway 181, these one-acre-plus parcels are within the confines of existing services.

TABLE 2.8: CURRENT VACANT LAND FOR SALE	
Size	Cost
Under 1 Acre	
0.1 (43,560 SF)	\$45,000
0.28 (12,197 SF)	\$47,500
0.31 (13,504 SF)	\$45,000
0.32 (13,939 SF)	\$39,950
0.95 (41,382 SF)	\$85,000
1 Acre and Over	
1.0	\$55,900
1.44	\$39,000
10.19	\$199,900
48.0	\$440,000
49.0	\$394,000

Table 2.9 provides the monthly and annual costs for rental housing by bedroom size, and the necessary annual income need (not to exceed 30% of household income). It should be noted that the necessary annual income when correlated to the income category hinges on the assumed number of persons per household. Market rents for one, two, and three bedroom units require an annual income within the 51-80% AMI for the assumed household size shown, but this will vary in actuality. Based on these monthly rents and assumptions of household size, greater than half of renter households earning from 0 to 80% AMI would be considered cost burdened.

TABLE 2.9: SIERRA COUNTY RENT LEVELS AND AMI CATEGORIES BY BEDROOM SIZE					
Unit Size	2014 Monthly Market Rents	Annual Rental Expenses	Necessary Annual Income 1/ 2/	2014 Adjusted Median Income Category (minimum)	Assumed Household Size
One Bedroom	\$600	\$7,200	\$24,000	51-80% AMI	2
Two Bedroom	\$675	\$8,100	\$27,000	51-80% AMI	4
Three Bedroom	\$850	\$10,200	\$34,000	51-80% AMI	6

1/ The rents shown in the table are based upon a 2012 Rent Comparability Study prepared for the Truth or Consequences Housing Authority to determine market rents in Truth or Consequences.

2/ Income needed for payment not to exceed 30% of resources.

3/ Also subject to consumer credit.

Table 2.10 provides data on income, cost burden, and price gap by AMI range. A price gap of \$16,400 occurs at the 50% AMI range (\$23,600 annual income). See Table 3.4 in the Housing Needs Assessment for more detail on the percentage of the population that falls under each AMI range.

TABLE 2.10: SIERRA COUNTY HOUSING COST BY AMI AND INCOME				
2014 Sierra County Percent of The Median	2014 Annual Income	To Achieve Cost Burden Less than 30% Monthly Available	Maximum Purchase Price Factoring Consumer Debt Burden 1/ 2/	Price Gap At Median Home Valuation/Sales Levels of \$81,400 3/
120% AMI	\$56,500	\$1,413	\$197,000	n/a
100% AMI	\$47,180	\$1,180	\$160,000	n/a
80% AMI	\$37,750	\$944	\$124,000	n/a
50% AMI	\$23,600	\$590	\$65,000	-\$16,400

1/ Assumes standard FHA underwriting, taxes and insurance, downpayment of 5%, 30 year amortization at market and purchase price reduction to accommodate typical consumer debt loads.

2/ Also subject to consumer credit.

3/ From the latest US Census information.

County Property Valuations

According to the New Mexico Department of Finance and Administration, annual residential property values in Sierra County have increased on an annual basis since 2008 as shown in Table 2.11 below. The overall increase from 2008 to 2013 was 25.13%. In 2013, residential values for Sierra County was \$176,630,851. Section 3: Housing Needs Assessment provides more detail on ownership values in Truth or Consequences, Sierra County, and the state.

TABLE 2.11: ANNUAL PROPERTY VALUES IN SIERRA COUNTY, NM							
	2008	2009	2010	2011	2012	2013	% Change 2008-2013
Residential Property Value	\$140,873,865	\$152,899,365	\$160,385,650	\$167,518,694	\$173,018,508	\$176,630,851	25.4%

Source: NM Department of Finance and Administration

Building Permits

Building permits are issued by the City of Truth or Consequences. In 2013, there were 53 building permits issued, including eight demolitions. The result was a net loss of two residential units. The building permits were as follows:

- Four mobile homes
- Two site built homes (both were 3 bedrooms, 1,500 to 1,600 square feet in size, construction valuation was approximately \$175,000)
- 33 home remodels
- Six home additions

Foreclosures and Foreclosure Risk Scores

Information was analyzed from the HUD Neighborhood Stabilization Program (NSP) 3 data to offer insight into foreclosure activity and issues within the City of Truth or Consequences. All Census Tracts (2) within Truth or Consequences were assigned a foreclosure risk assessment of from 1 to 6, far less than the state minimum qualifying score of 14 and above, indicating a

low foreclosure risk for the City. At the peak of the foreclosure crisis during mid- 2009 through mid-2010, approximately 5% of mortgages were delinquent. In mid-2010, approximately 9% of residential addresses in Truth or Consequences were vacant and had not received mail within the last 90 days. Currently, no pre-foreclosures or bank-owned properties are evident in Truth or Consequences per RealtyTrac.

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3 HOUSING NEEDS ASSESSMENT

A. Introduction

This section of the Affordable Housing Plan builds upon the Community and Housing Profile, and identifies the affordable housing needs in the community. Housing needs are identified by for sale housing, rental housing, and special needs populations.

B. Housing Inventory Characteristics

As shown in Table 3.1, current housing occupancy estimates are estimated at about 62% ownership and 38% rental. The bulk of rental properties are comprised of single-family dwellings, followed by mobile homes/other units, while 98% of the ownership housing consists of single-family and mobile homes/other properties. Of major consequence is the fact that the occupied inventory has dropped substantially from 2000 to the present, with ownership having declined by 40% and rental by 22%. Just over 50% of the decline in the ownership inventory was attributable to mobile homes and 30% for detached single family properties. The City Utilities Department has observed this decrease through the number of cancelled municipal services and attributes it to residents moving to find better medical care and a significant drop in the number of snowbirds due to aging and the price of gas.

TABLE 3.1: HOUSING INVENTORY BY TENURE AND TYPE

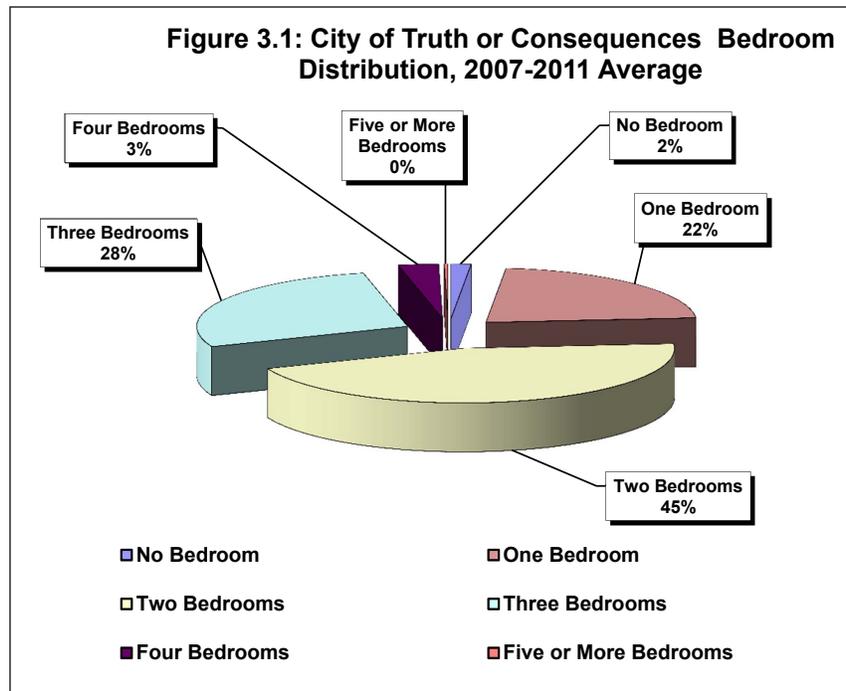
Unit Type (Units In Structure)	City of TorC	Percent Distribution	Sierra County	Percent Distribution	New Mexico	Percent Distribution
2007-2011 Average From American Community Survey						
RENTER-OCCUPIED	857	100.0%	932	100.0%	231,840	100.0%
Detached Unit (One)	243	28.4%	305	32.7%	85,198	36.7%
Attached Unit (One)	35	4.1%	35	3.8%	11,186	4.8%
2 Multi-family (Units)	55	6.4%	55	5.9%	12,081	5.2%
3 or 4 Multi-family (Units)	45	5.3%	45	4.8%	26,271	11.3%
5-9 Multi-family (Units)	127	14.8%	127	13.6%	19,893	8.6%
10 or more Multi-family (Units)	111	13.0%	111	11.9%	47,813	20.6%
Mobile Home or Other Type	241	28.1%	254	27.3%	29,398	12.7%
OWNER-OCCUPIED	1,422	100.0%	3,406	100.0%	530,162	100.0%
Detached Unit (One)	878	61.7%	2,156	63.3%	411,989	77.7%
Attached Unit (One)	23	1.6%	47	1.4%	17,954	3.4%
2 Multi-family (Units)	0	0.0%	0	0.0%	1,426	0.3%
3 or 4 Multi-family (Units)	0	0.0%	0	0.0%	1,817	0.3%
5-9 Multi-family (Units)	11	0.8%	11	0.3%	1,104	0.2%
10 or more Multi-family (Units)	0	0.0%	0	0.0%	1,333	0.3%
Mobile Home or Other Type	510	35.9%	1,192	35.0%	94,539	17.8%
2000 US Census						
RENTER-OCCUPIED	1,109	100.0%	1,542	100.0%	203,536	100.0%
Detached Unit (One)	369	33.3%	575	37.3%	72,154	35.5%
Attached Unit (One)	33	3.0%	39	2.5%	12,457	6.1%
2 Multi-family (Units)	114	10.3%	116	7.5%	11,129	5.5%
3 or 4 Multi-family (Units)	165	14.9%	165	10.7%	21,184	10.4%
5-9 Multi-family (Units)	143	12.9%	149	9.7%	15,100	7.4%
10 or more Multi-family (Units)	114	10.3%	114	7.4%	46,537	22.9%
Mobile Home or Other Type	171	15.4%	384	24.9%	24,975	12.3%
OWNER-OCCUPIED	2,333	100.0%	4,571	100.0%	474,435	100.0%
Detached Unit (One)	1,290	55.3%	2,315	50.6%	349,779	73.7%
Attached Unit (One)	22	0.9%	49	1.1%	18,418	3.9%
2 Multi-family (Units)	19	0.8%	19	0.4%	1,620	0.3%
3 or 4 Multi-family (Units)	0	0.0%	2	0.0%	1,800	0.4%
5-9 Multi-family (Units)	0	0.0%	2	0.0%	933	0.2%
10 or more Multi-family (Units)	5	0.2%	5	0.1%	1,285	0.3%
Mobile Home or Other Type	997	42.7%	2,179	47.7%	100,600	21.2%

Source: 2007-2011 American Community Survey 5-Year Estimates.

As shown in Table 3.2, the bedroom mix of the Truth or Consequences housing inventory tends to be comprised equally of one- (at 22%) and three- (at 28%) bedrooms with two-bedroom units accounting for 45% of the total inventory.

TABLE 3.2: NUMBER OF BEDROOMS IN HOUSING INVENTORY			
Number of Bedrooms	City of TorC	Sierra County	New Mexico
2007-2011 Average			
TOTAL HOUSING UNITS	3,738	8,405	896,228
No Bedroom	57	121	23,901
One Bedroom	827	1,118	86,439
Two Bedrooms	1,692	3,955	232,579
Three Bedrooms	1,036	2,807	409,758
Four Bedrooms	115	371	124,509
Five or More Bedrooms	11	33	19,042
2000 Census			
TOTAL HOUSING UNITS	3,442	6,113	780,579
No Bedroom	156	244	31,217
One Bedroom	619	918	102,120
Two Bedrooms	1,466	2,444	218,761
Three Bedrooms	1,015	2,196	331,247
Four Bedrooms	166	278	84,558
Five or More Bedrooms	20	33	12,676

Source: 2007-2011 American Community Survey 5-Year Estimates and 2000 Census



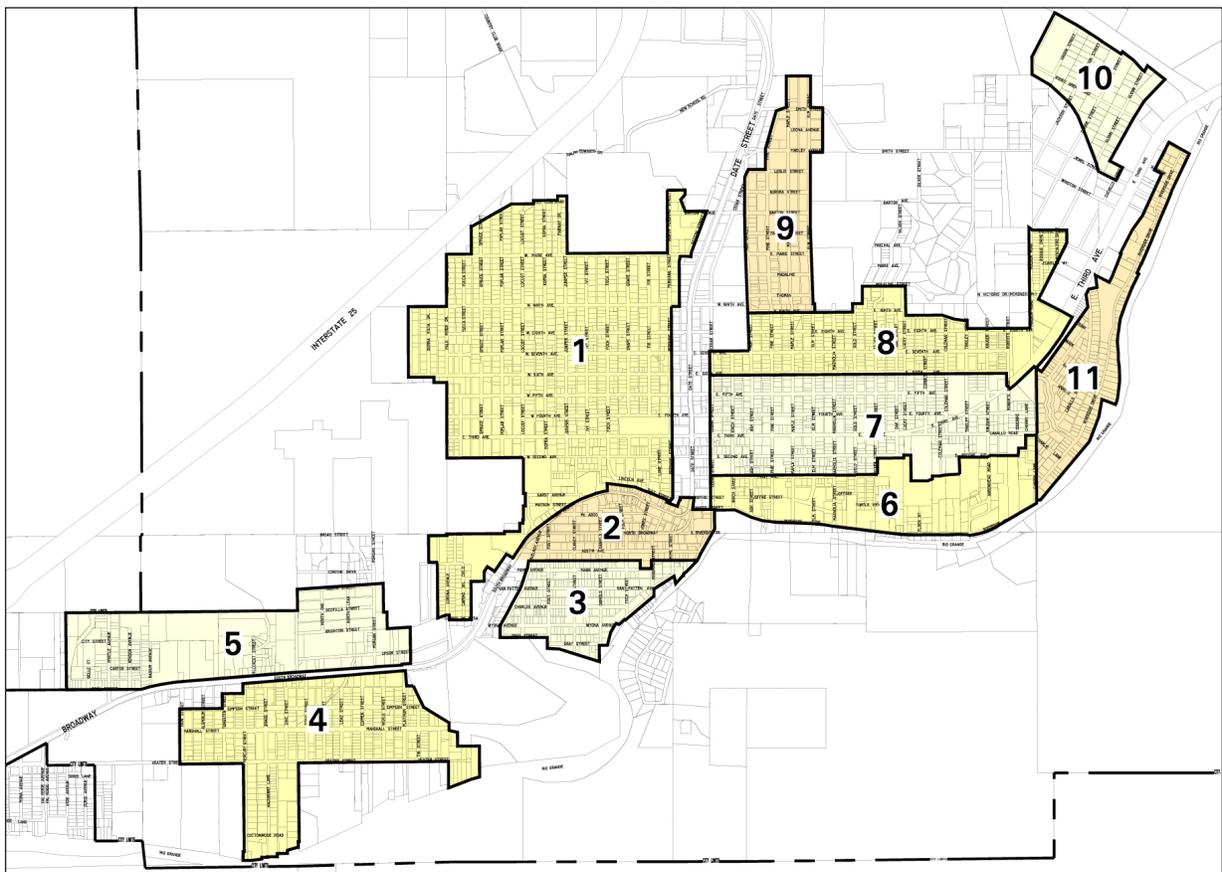
The condition of the Truth or Consequences inventory is mixed according to a host of data sources. The most recent census data (2006-2010 average) for the community indicates only 20 units are lacking either kitchen or plumbing facilities.

B. Housing Conditions Windshield Survey

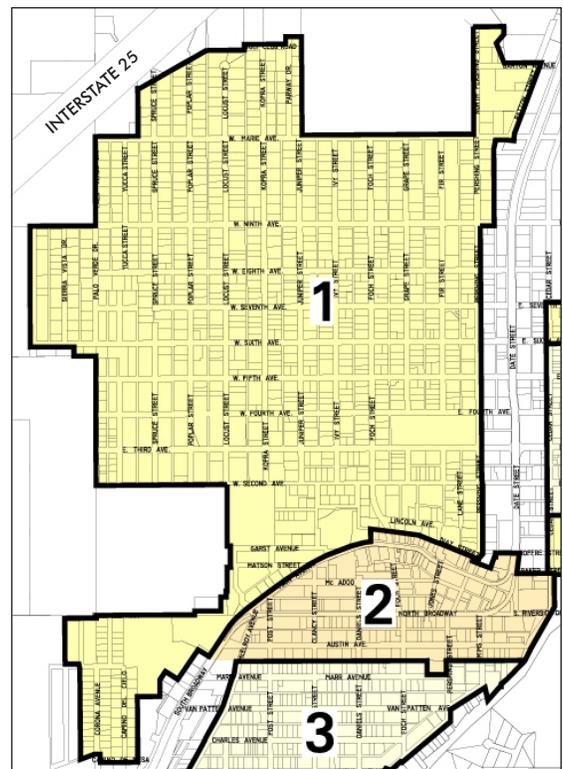
Consensus Planning performed a windshield survey of housing conditions in Truth or Consequences on November 7, 2013. Notes were taken on the general character and condition of the housing, and observations were documented through sample photographs. In order to avoid bias, the survey was performed prior to the collection of official data on the conditions of housing stock in the City and the route chosen for the survey was determined by geographical location to optimize efficiency (see map showing Housing Areas below).

One of the overall observations obtained from the survey is that Truth or Consequences has a mix of single family, multi-family, and mobile homes of varying conditions located throughout the City. This made it difficult to group some areas according to housing type and/or condition. However, the Housing Areas as shown below are identified by overall housing characteristics and defining roadways.

As part of the windshield survey, an attempt was made to provide an overall "grade" for the City's housing stock condition, which was determined to be a "C" grade. For each Housing Area, a very general, overall condition to each area is listed under each description - good, moderate, or poor/deteriorating - with the criteria based on observed exterior condition. "Good" was based on an overall appearance that the housing was maintained, the roofs looked to be relatively new, no major structural cracking, and the doors and windows appearing to be in working order. "Moderate" was based on an overall appearance that the housing had some maintenance issues, including the need for roof repair, restucco or repainting, and/or some need for door or window replacement. "Poor" was based on an overall appearance that the housing had major structural issues evidenced through cracking, caving roofs, etc.



Housing Area 1: This area is located west of Date Street and to the southeast of Interstate 25. It is the largest of the Housing Areas in this study, and is predominately characterized by site-built, single family homes. The residential development is at a medium density and vacant lots are available for development. This area has the largest concentration of newer, well maintained homes, including the Cielo Vista Estates in the southwest portion of the area, and well-maintained or revitalized older homes. The development pattern of this area follows a traditional grid pattern. Single family homes within Housing Area 1 appear to have the least need for rehabilitation, as compared to other areas within the City. There are a few multi-family residential units, including the Tradewinds Carriage Apartments, which is managed by the Truth or Consequences Housing Authority and located at 1301 N. Pershing Street, and the Popular Apartments at 174 W. Seventh Street. These apartments appear to be in good condition from the exterior, and do not appear to be in need of any obvious rehabilitation. This area was observed to be in overall “good to moderate” condition.



There are some smaller multi-family structures in this area (northwest of Downtown) that are either vacant or are in a deteriorated condition. One such example is the 7th Street Apartments located at 175 W. Seventh Street.



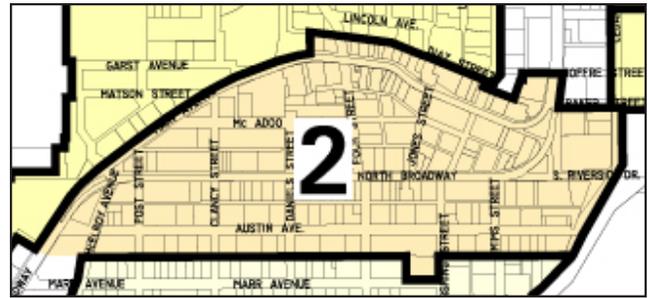
The northern portion of Housing Area 1 is less dense and contains vacant lots interspersed with single family development. The grid pattern of the streets start to break down where development ends at the north and west boundary of the area. The lots in this area are larger and site-built, and in general, the single family houses are not in as good condition as they are closer to Downtown. There are smaller (4-8 units) multi-family developments (mixed in with single family development) that are in deteriorated condition and in obvious need of rehabilitation.



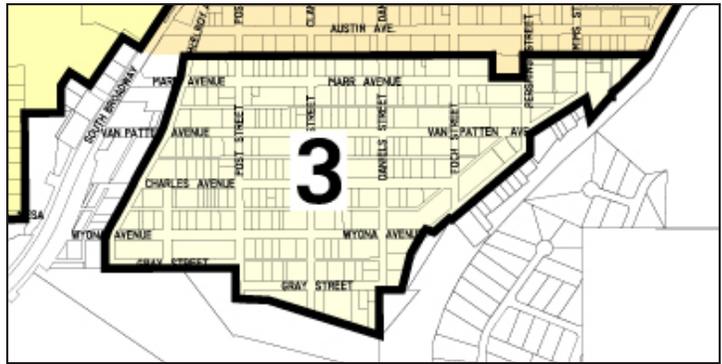
The southern portion of this Housing Area located just north of Downtown, contains a mix of single family, mobile homes, and multi-family development. Much of the housing in this area appears to be in need of rehabilitation. In addition, the development pattern is much more haphazard than the grid-like pattern of the rest of this area.



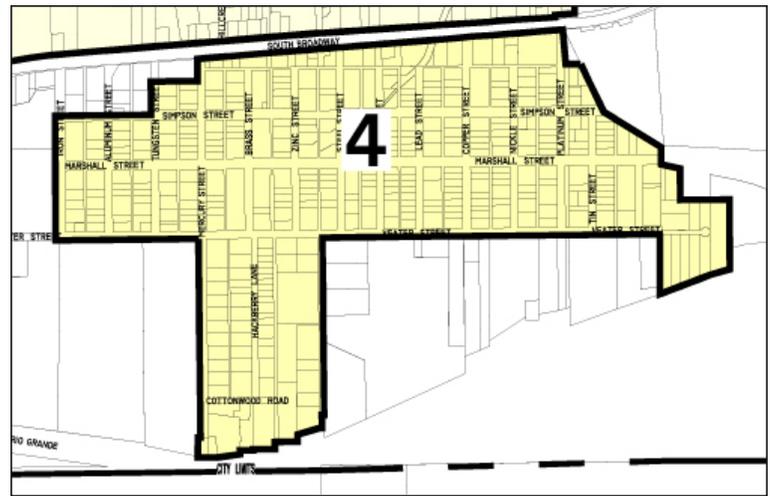
Housing Area 2: Housing Area 2 (Downtown Truth or Consequences) includes multi-family development (some of which have been converted from motel use into residential use), mobile homes, and some single family homes. The multi-family units are primarily concentrated along Austin Avenue, and advertise current vacancies. There are also 2-story commercial buildings along Main Street and Broadway Street that are vacant on the second floor, which contributes to the appearance of neglect. There is good potential for the second floor of these buildings to be used for residential purposes, which would serve a dual purpose in revitalizing Downtown. In general, there is a fair amount of under-utilized residential space within Downtown. The majority of the multi-family structures are in good to fair condition. This area was observed to be in overall “poor” condition.



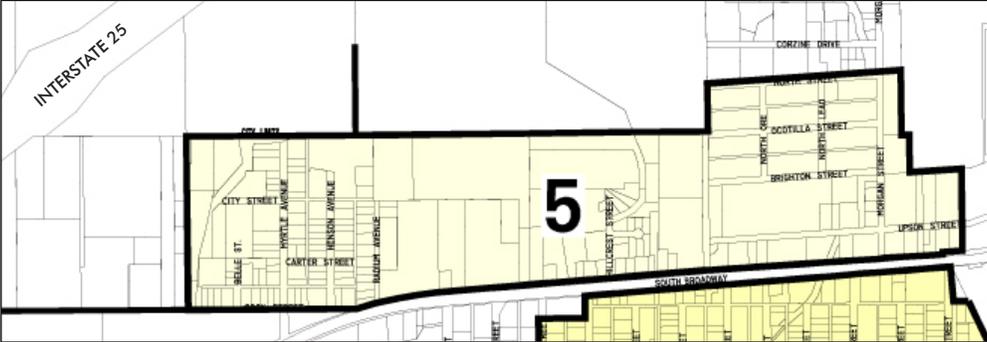
Housing Area 3: Located south of Austin Avenue, between Broadway and the Rio Grande, Housing Area 3 contains a mix of mostly single family homes, mobile homes, RV parks, and some multi-family development, including the Cherokee Apartments on Van Patten. Both the single family homes and the multi-family developments are in need of varying degrees of rehabilitation. Some of the observed conditions include deteriorated double hung and casement windows, roofs, peeling paint, and cracked stucco. This area was observed to be in overall “poor” condition.



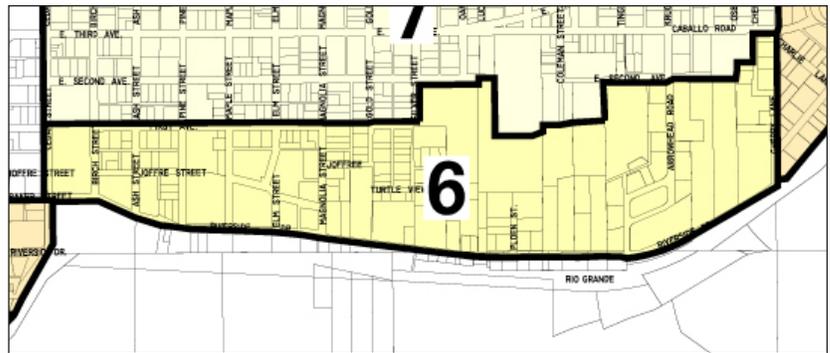
Housing Area 4: This area is located south of Broadway Avenue and to the north of the Rio Grande. The housing stock is almost entirely comprised of single-wide mobile homes on platted lots. The roads are in poor condition and are often not paved on the edges of the area. The majority of the housing stock in Housing Area 4 is in a deteriorated condition, including the need for roof repair, new windows and doors, new stucco, and cosmetic repair to fix the peeling paint. This area was observed to be in overall “poor” condition.



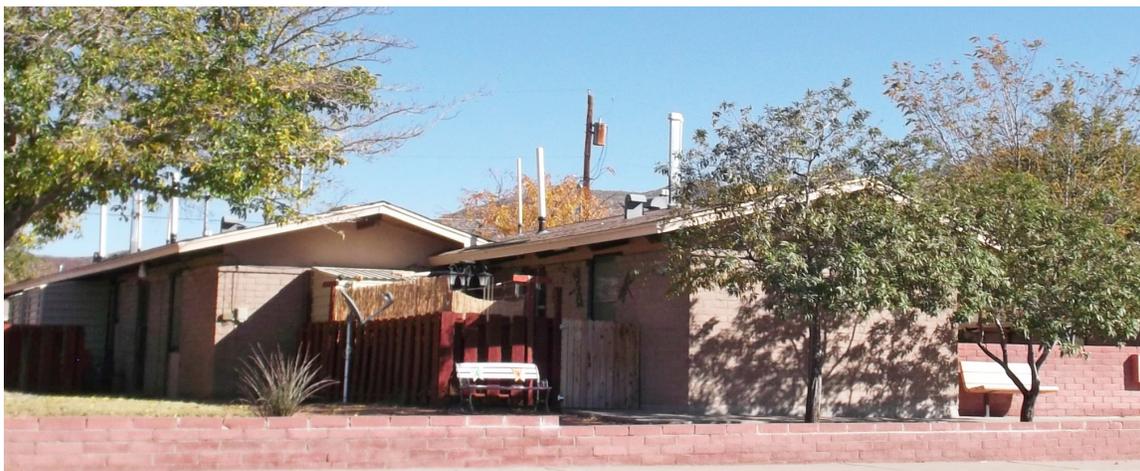
Housing Area 5: Housing Area 5 is located north of Broadway Avenue, east of Interstate 25. A portion of this area sits at the west edge of City limits. This area contains a mix of site built and mobile homes, as well as heavy commercial businesses, situated in pockets between foothills. This area was observed to be in overall “moderate” condition.



Housing Area 6: This area is located to the south of First Avenue, west of Cherry Lane, and just north of the Rio Grande. Like many areas within Truth or Consequences, Housing Area 6 is a mix of single family, mobile homes, and multi-family development. There are several relatively large multi-family



projects in this area, including the Villa del Sol and Casa del Rio Apartments, both for senior and disabled adults and managed by the Truth or Consequences Housing Authority, and the Rio Abajo Apartments. These projects appear to be very well kept and managed. There are also some single family homes on large lots. Some of the mobile homes in this area do not appear to be in good condition. The housing stock within the northern portion of this area is mostly site built, while many of the homes that border the Rio Grande are mobile homes. A few of the site built homes in this area were listed for sale at the time of the windshield survey. This area was observed to be in overall “moderate” condition.



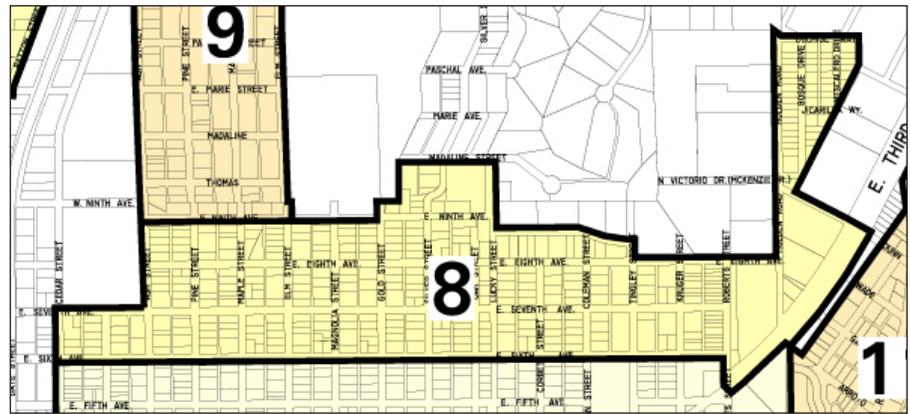
Housing Area 7: Housing Area 7 is located north of First Avenue and south of Sixth Avenue. Within this area, there is a strip of primarily commercial development along E. Third Avenue. There are a number of mobile home and RV parks to the south of East Third Avenue. The RV parks appear to be primarily used as long term housing, and appear to be in good to fair condition.



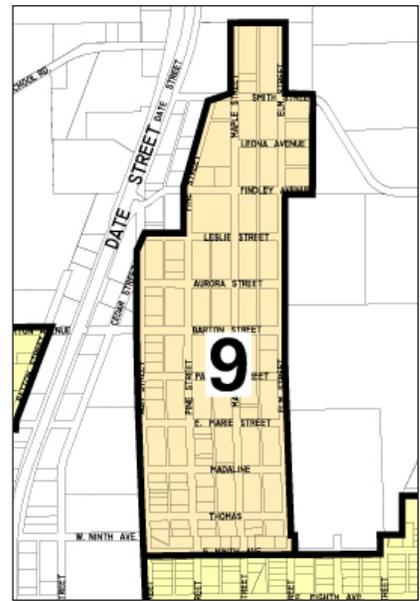
The residential area north of E. Third Avenue is a mix of mobile home and site-built single family development in moderate condition. There are quite a few site-built single family homes mixed in with the primarily commercial development on E. Third. Most of these are in poor to fair condition and in obvious need of rehabilitation and maintenance. This area was observed to be in overall “moderate” condition.



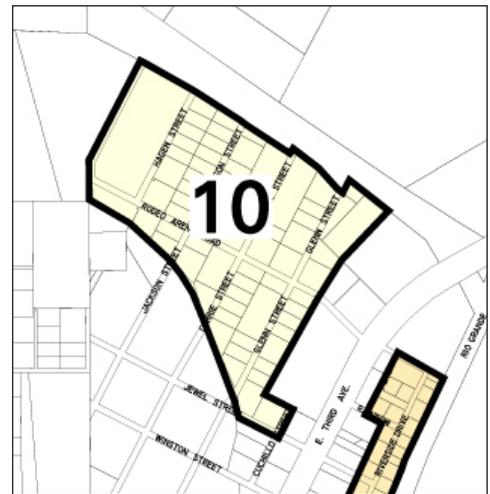
Housing Area 8: Housing Area 8 is located to the south of W. Ninth Avenue and to the north of Sixth Avenue. It is made up of mostly site-built, single family homes, with the exception of the Crestview Mobile Home Park Apartments at 906 Lucky Street. Crestview MHP contains 16 mobile home spaces, two RV spaces, and two duplexes. It appears to be in good condition, with no obvious visible need for repair. The site-built houses are also well kept, and are in general in moderate to good condition. In the northeast portion of this area, are some newly constructed apartments that are in good condition. This area was observed to be in overall “good” condition.



Housing Area 9: Housing Area 9 is located north of W. Ninth Avenue and to the east of Date Street. This area is less dense and more rural (including some unpaved roads) than most areas in Truth or Consequences. It also has some undulating terrain. Sierra Vista Hospital and Sierra Vista Elementary School is located to the east. The housing stock within this area is relatively well kept. This area is primarily made up of site-built, single family homes in small pockets of development, but separated by unplatted parcels. There are some small multi-family developments in the area, mostly in good condition. The street pattern follows a traditional grid, but lots are bigger at the edges of the area. This area was observed to be in overall “good” condition.

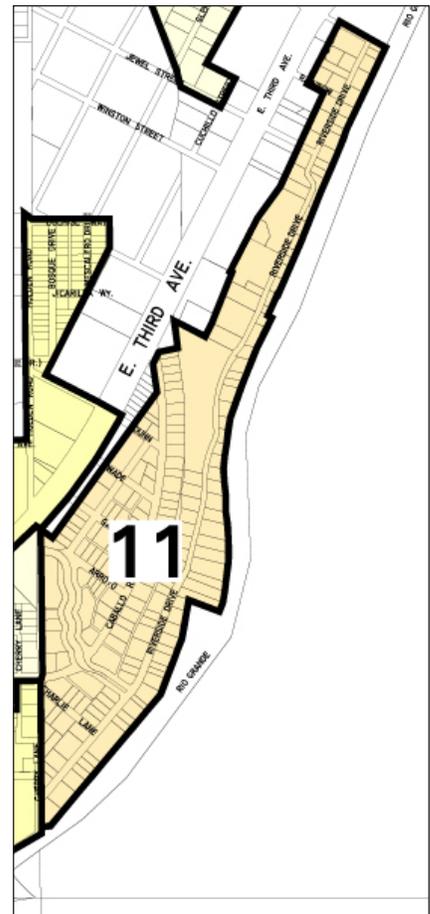


Housing Area 10: This area is located northwest of E. Third Avenue at the edge of the City. The Sierra County Sheriff's Posse Arena is located within Housing Area 10. The houses in this area are primarily mobile homes on relatively large lots. This area has the lowest density with respect to residential development, and is in general, the most rural area of the City. These homes are in relatively good to fair condition. The mobile homes appear to be structurally sound, but have some general maintenance issues such as chipped paint and cosmetic repair. This area was observed to be in overall "good" condition.



Housing Area 11: This area is located southeast of E. Third Avenue and north of the Rio Grande. The housing stock is primarily single family mobile homes that border the Rio Grande. These homes are aesthetically characterized by their bright colors. The housing development in this area has a slightly lower density than Housing Area 6, which is to the southwest and also bordering the Rio Grande. Houses are on larger lots, and there is a more rural character to Housing Area 11.

There is some variation in the condition of housing stock. The houses along the Rio Grande tend to be in better condition than the houses in the interior that have some minor upkeep issue including old structures, peeling paint, etc. This area was observed to be in overall “moderate” condition.



General Observations: As noted in the individual descriptions, there is a variety of housing types (single family, mobile homes, and apartments) located throughout the City. There are also people living in RV parks.

In general, the housing conditions vary within each area. However, the best maintained houses appear to be located in Housing Area 1. Housing Area 4 contains houses that are most in need of rehabilitation, but rehabilitation needs varying from minor to substantial can be found throughout Truth or Consequences. The best maintained mobile homes run along the Rio Grande in Housing Area 11. Projects managed by the Truth or Consequences Housing Authority are also very well maintained.

C. Housing Need By Income Category

The research methodology used to estimate and project gross affordable housing needs involved the application of ratios of households in distressed conditions evident in 2006 through 2010 (average) to projected 2019 households. A household residing in distressed conditions contains at least one or more of the following problems per federal standards:

- Paying more than 30% of their disposable income for housing; or
- Lacking plumbing facilities; or
- Lacking kitchen facilities; or
- Overcrowded, with more than 1.01 persons/room.

Depicted on Table 3.3, the following population estimate procedure was employed to project gross affordable housing need from the present to 2019:

- Based on past trends (2000 vs. 2012), drop population by 1% per annum or 11% in total from the 2008 ACS average to 2019.
- Extrapolate prevailing (2006-2010 averages) indicators of housing distress by tenure and household type to the aforementioned population/household projections.

Current and projected households in distress are presented in Table 3.3 by tenure and income category. The emphasis of affordable housing program design is oriented to those households earning less than 80% of the area adjusted median income. Within Sierra County, the following income ranges are relevant for an average family size of four:

- Earning less than \$14,150/annum or under 30% of the Adjusted Median Income (AMI).
- Earning from \$14,151-\$23,600 or 31% to 50% of the AMI.
- Earning \$23,601- \$37,750 or from 51% to 80% of the AMI.
- Earning over \$37,751 or more than 80% AMI.

The cost burden factor is the major driver of housing distress (a.k.a. need) as shown in Table 3.3. While other Census items, such as the lack of plumbing or kitchen facilities and cost burden were considered, they did not drive need. Windshield surveys were more appropriately used to estimate the incidence of substandard dwellings and this factor is shown as a subset of current and projected affordable housing need conveyed on Tables 3.11 and 3.12. Continuing the trend of household decline in the region from 3,412 households in 2000 and 2,585 in 2006, the projected number of total households by 2019 is estimated to be 2,415. The projected number of 874 renter households and 1,541 owner households in 2019 is derived from the proportion of those household types from the total evident in 2010 and extrapolated to 2019 projections.

TABLE 3.3: CURRENT AND PROJECTED HOUSING NEEDS OF LOW & MODERATE INCOME HOUSEHOLDS, 2000-2019											
Household by Type, Income, & Housing Problem	Renters					Owners					Total
	Elderly 1-2 Member Households	Small (2-4)	Large (5 or more)	Other Households	Total Renters	Elderly 1-2 Member Households	Small (2-4)	Large (5 or more)	Other Households	Total Owners	Total (O&R)
1. '00 Earning \$0 to \$14,150 or 0 to 30% AMI	104	75	4	114	297	94	27	19	29	169	466
'06-'10 Avg.	25	85	10	50	170	120	10	10	100	240	410
2019 Projections	23	79	9	47	159	112	9	9	93	224	383
2. '00 Earning \$0 to \$14,150 or 0 to 30% AMI with any Housing Problem	38%	73%	100%	79%	63%	59%	70%	100%	100%	72%	66%
'06-'10 Avg.	60%	71%	100%	60%	68%	71%	100%	100%	80%	78%	75%
2019 Projections	60%	71%	100%	60%	68%	71%	100%	100%	80%	78%	75%
3. '00 Earning \$14,151 to \$23,600 or 31 to 50% AMI	154	54	18	89	315	243	58	8	25	334	649
'06-'10 Avg.	175	40	0	95	310	200	50	0	120	370	680
2019 Projections	163	37	0	89	290	187	47	0	112	346	635
4. '00 Earning \$14,151 to \$23,600 or 31 to 50% AMI with any Housing Problem	71%	72%	78%	27%	59%	42%	86%	100%	40%	50%	54%
'06-'10 Avg.	46%	75%	0%	53%	52%	50%	90%	0%	83%	66%	59%
2019 Projections	46%	75%	0%	53%	52%	50%	90%	0%	83%	66%	50%
5. '00 Earning \$23,601 to \$37,750 or 51 to 80% AMI	74	53	20	69	216	232	110	14	54	410	626
'06-'10 Avg.	110	60	10	15	195	195	80	0	60	335	530
2019 Projections	103	56	9	14	182	182	75	0	56	313	495
6. '00 Earning \$23,601 to \$37,750 or 51 to 80% AMI with any Housing Problem	5%	26%	100%	35%	29%	12%	59%	29%	26%	27%	24%
'06-'10 Avg.	18%	67%	100%	100%	44%	31%	19%	0%	42%	27%	33%
2019 Projections	18%	67%	100%	100%	44%	31%	19%	0%	42%	27%	33%
7. '00 Earning Greater Than \$37,751 or 80% AMI	65	69	20	120	274	602	557	94	144	1,397	1,671
'06-'10 Avg.	85	75	0	100	260	365	220	40	80	705	965
2019 Projections	79	70	0	93	243	341	206	37	75	659	902
8. '00 Earning Greater Than \$37,751 or 80% AMI with any Housing Problem	0%	6%	50%	0%	5%	4%	14%	15%	3%	8%	8%
'06-'10 Avg.	0%	0%	0%	10%	10%	0%	2%	25%	0%	2%	4%
2019 Projections	0%	0%	0%	10%	10%	0%	2%	25%	0%	2%	4%
9. '00 Total Households	397	251	62	392	1,102	1,171	752	135	252	2,310	3,412
'06-'10 Avg.	395	260	20	260	935	880	360	50	360	1,650	2,585
2019 Projections	369	243	19	243	874	822	336	47	336	1,541	2,415
10. '00 Total Households % with any Housing Problem	39%	45%	77%	35%	41%	18%	28%	33%	22%	23%	29%
'06-'10 Avg.	5%	27%	0%	21%	41%	2%	8%	68%	40%	17%	14%
2019 Projections	5%	27%	0%	21%	41%	2%	8%	68%	40%	17%	14%
11. 2019 Projected Households 1/					874					1,541	2,415

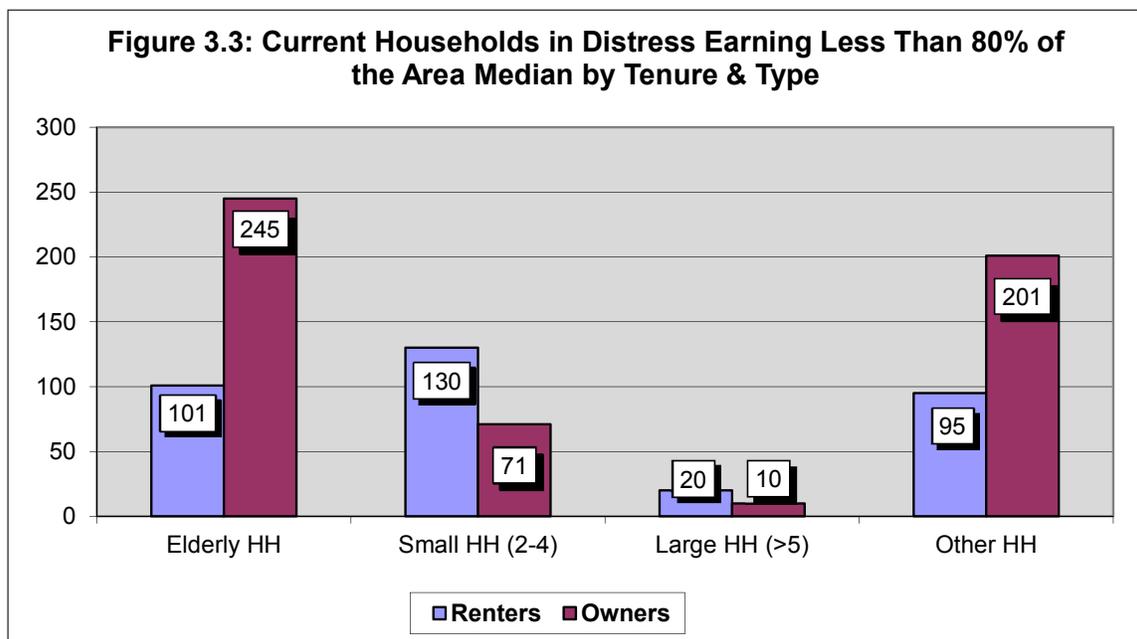
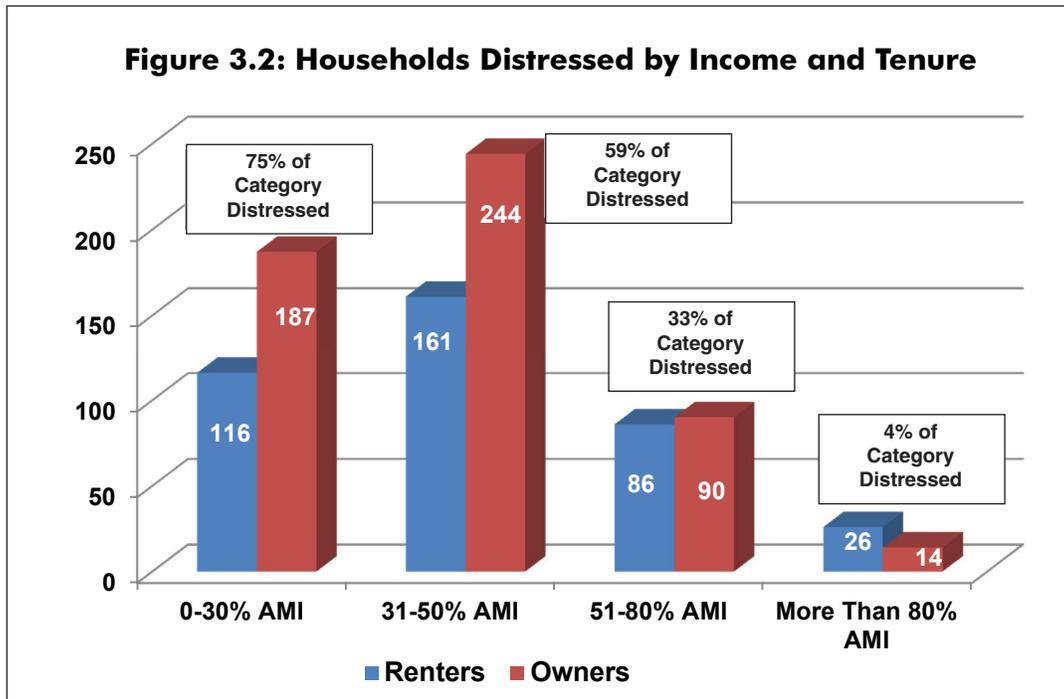
Source: 2000 HUD CHAS Census runs, ACS average 2006-2010 HUD data, Crystal & Company 2019 projections.

1/ Projected households derived from 2000 to 2012 population trends indicating an average decline of 1% per annum.

2/ 2014 income limits for a family of four.

On average, well more than half of all households earning less than 80% of the area median income in Truth or Consequences are distressed according to the 2006-2010 data. Figure 3.2 illustrates the overall percentage of households that are distressed by AMI and the actual number of renter and owner households that fall under each category.

As shown in Figure 3.3, such distress tends to be focused in small (2-4 persons), elderly, and other households for renters. For ownership housing, elderly, other, and small households are the major focus. Current estimates of housing distress depicted on Tables 3.11 and 3.12 are derived from 2006-2010 estimates drawn from Table 3.3.



D. Cost Burden

Cost burden in Truth or Consequences is prevalent and motivates the need and demand for affordable housing within the community. It is most pronounced in households earning less than 50% of the median regardless of tenure (see Table 3.4). Cost burden has risen since 2000 for both owners and renters, and is the major driver of need.

TABLE 3.4: COST BURDEN BY INCOME CATEGORY AND TENURE				
City of Truth or Consequences	Owner Households	Owner Households	Renter Households	Renter Households
Percent With Cost Burden	(>30% of income)	(>50% of income)	(>30% of income)	(>50% of income)
2006-'10 ACS Average				
Earning < 30% AMI	79.0%	50.0%	67.0%	59.0%
Earning 31-50% AMI	52.0%	31.0%	57.9%	8.0%
Earning 51-80% AMI	8.0%	1.0%	40.0%	0.0%
2000 Census				
Earning < 30% AMI	59.0%	32.0%	63.0%	46.0%
Earning 31-50% AMI	50.0%	17.0%	58.0%	12.0%
Earning 51-80% AMI	27.0%	15.0%	18.0%	0.0%
Sierra County				
Owner Households	Owner Households	Renter Households	Renter Households	
Percent With Cost Burden	(>30% of income)	(>50% of income)	(>30% of income)	(>50% of income)
2006-'10 ACS Average				
Earning < 30% AMI	84.0%	57.0%	61.0%	53.0%
Earning 31-50% AMI	50.0%	27.0%	55.0%	16.0%
Earning 51-80% AMI	11.0%	5.5%	40.0%	0.0%
2000 Census				
Earning < 30% AMI	74.0%	46.0%	63.0%	49.0%
Earning 31-50% AMI	47.0%	24.0%	60.0%	15.0%
Earning 51-80% AMI	26.0%	14.0%	20.0%	1.0%
New Mexico				
Owner Households	Owner Households	Renter Households	Renter Households	
Percent With Cost Burden	(>30% of income)	(>50% of income)	(>30% of income)	(>50% of income)
2006-'10 ACS Average				
Earning < 30% AMI	67.6%	48.8%	72.1%	60.1%
Earning 31-50% AMI	50.1%	28.1%	71.8%	27.3%
Earning 51-80% AMI	39.2%	13.3%	40.6%	6.0%
2000 Census				
Earning < 30% AMI	69.0%	59.0%	74.0%	69.0%
Earning 31-50% AMI	58.0%	37.0%	64.0%	22.0%
Earning 51-80% AMI	51.0%	20.0%	35.0%	5.0%

Source: HUD Special Census Runs from the 2006-2010 American Community Survey average.

The valuation of the ownership inventory is provided in Table 3.5, indicating a median of \$81,400 as compared to \$105,100 for Sierra County and \$161,800 for the state as a whole.

TABLE 3.5: VALUATION OF OWNERSHIP HOUSING INVENTORY			
Owner Occupied Housing Units	City of TorC	Sierra County	New Mexico
2007-2011 Average From The American Community Survey			
TOTAL	1,422	3,406	530,162
Less Than \$50,000	373	691	69,959
\$50,000-\$99,999	521	961	81,056
\$100,000-\$149,999	256	573	88,005
\$150,000-\$199,999	127	535	92,415
\$200,000-\$299,999	70	256	102,613
\$300,000-\$499,999	4	168	63,413
\$500,000-\$999,999	15	162	26,523
Greater Than \$1,000,000	56	60	6,178
Median	\$81,400	\$105,100	\$161,800
2000 US Census			
TOTAL	1,228	2,061	340,158
Less Than \$50,000	324	429	44,746
\$50,000-\$99,999	698	1,026	109,097
\$100,000-\$149,999	140	317	91,528
\$150,000-\$199,999	34	163	45,314
\$200,000-\$299,999	7	84	31,123
\$300,000-\$499,999	18	32	13,460
\$500,000-\$999,999	0	3	3,870
Greater Than \$1,000,000	7	7	1,020
Median	\$66,500	\$77,800	\$108,100

Source: 2007-2011 American Community Survey 5-Year Estimates.

Households paying more than the federal standard of 30% is estimated at about 414 households. Approximately 47% of those households hold a mortgage and 53% do not hold a mortgage. Those not holding a mortgage often tend to be elderly, which is the case for Truth or Consequences.

TABLE 3.6: OWNERSHIP COSTS AS A PERCENT OF INCOME			
	2007-2011 ACS Average With A Mortgage	2007-2011 ACS Average No Mortgage	2000 US Census Total
City of Truth or Consequences			
Less Than 20%	208	522	753
20 to 24.9%	74	62	115
25 to 29.9%	90	35	82
30 to 34.9%	45	11	69
Greater Than 35%	133	225	191
Not Computed	17	0	18
Total	567	855	1,228
Sierra County			
Less Than 20%	353	416	1,281
20 to 24.9%	41	26	213
25 to 29.9%	56	25	129
30 to 34.9%	12	57	98
Greater Than 35%	78	21	310
Not Computed	4	18	30
Total	544	563	2,061
New Mexico			
Less Than 20%	125,285	161,839	189,771
20 to 24.9%	48,198	12,139	42,044
25 to 29.9%	35,251	8,009	29,773
30 to 34.9%	26,618	5,613	19,918
Greater Than 35%	84,190	18,588	54,226
Not Computed	1,872	2,560	4,156
Total	321,414	208,748	339,888

Source: 2007-2011 American Community Survey 5-Year Estimates.

The median gross rent in Truth or Consequences is \$492 per month as indicated in Table 3.7. In comparison, median gross rent in Sierra County is slightly lower at \$487, but much higher in New Mexico, which has a median gross rent of \$713.

TABLE 3.7: GROSS RENT DISTRIBUTION FOR OCCUPIED RENTALS			
	City of TorC	Sierra County	New Mexico
2007-2011 Average From The American Community Survey			
Total	763	796	211,502
Less Than \$200/Mo.	40	50	6,026
\$200-\$299	159	159	7,835
\$300-\$499	193	207	30,590
\$500-\$749	264	264	72,351
\$750-\$999	107	116	49,607
\$1,000-\$1,499	0	0	36,429
\$1,500 or more	0	0	8,664
Median	492	487	713
Not Paying Rent	84	136	20,338
2000 Census			
Total	1,003	1,271	181,450
Less Than \$200/Mo.	207	221	13,066
\$200-\$299	193	218	13,901
\$300-\$499	459	592	62,912
\$500-\$749	144	222	58,152
\$750-\$999	0	18	21,749
\$1,000-\$1,499	0	0	9,165
\$1,500 or more	0	0	2,505
Median	332	348	503
Not Paying Rent	106	237	19,458

Source: 2007-2011 American Community Survey 5-Year Estimates.

Among rental properties, cost burden problems are heavily concentrated among mobile homes as shown below in Table 3.8. For further information on cost burden, see Section 2, Community and Housing Profile.

TABLE 3.8: RENTAL COST BURDEN BY UNIT TYPE				
Units in Structure	Single Units (detached or not)	2 to 4 Units	5 Or More Units	Mobile Homes/RVs
Total Units	296	148	277	199
Less than 20%	64	19	61	20
20 to 24%	9	17	30	8
25 to 29%	29	0	115	0
30 to 34%	0	30	0	0
35% or More	129	43	71	144
Not Computed	65	39	0	27
Greater Than 30%	43%	49%	25%	72%

Source: 2008-2012 American Community Survey 5-Year Average.

The incidence of homeless in Sierra County is not construed by the State of New Mexico to constitute a large demand for supportive housing units. A recent study suggesting the need for 5,000 additional supportive housing properties throughout New Mexico appropriated only 30 to Sierra County. However, special federal Census runs generated in CY 2000 (later information not available from HUD to date) indicated the potential need for more units, of which 55% were owner-occupied and the balance of 45% rental. Just over half of these properties were occupied by elderly households. The 2000 data is reinforced by the incidence of assisted housing in the community for seniors and disabled persons.

The Truth or Consequences Housing Authority estimates that there are less than 100 homeless persons in the community with no emergency housing facilities. An ombudsman has been suggested to assist the homeless clientele.

TABLE 3.9: HOUSING DISTRESS FOR THOSE WITH A MOBILITY AND/OR SELF-CARE LIMITATION			
Tenure and Income	City of TorC	Sierra County	New Mexico
RENTER OCCUPIED	161	201	17,220
Earning < 30% of the Median	80	104	7,700
Earning 31-50%	66	69	4,660
Earning 51-80%	15	24	3,090
Earning Over 80%	0	4	1,770
Proportion Elderly	50.0%	38.0%	49.0%
OWNER OCCUPIED	152	368	32,238
Earning < 30% of the Median	25	60	9,125
Earning 31-50%	60	104	7,012
Earning 51-80%	39	66	7,068
Earning Over 80%	28	138	9,033
Proportion Elderly	57.0%	58.0%	34.0%

Source: 2000 Special Census Federal Runs (later information not available from HUD yet).

Sierra County and Truth or Consequences are served by the following community organizations:

- Alianza of New Mexico, providing services to persons with HIV.
- Community Action Agency of Southern New Mexico, providing child and adult care, food services, WAP, and KIDS programs.
- Southwestern Regional Housing and Community Development Corporation (SWRHCCDC), providing housing rehabilitation and weatherization services, etc.
- The Ability Center for Independent Living, providing services for the disabled.
- The Domestic Abuse Intervention Center, providing non-residential domestic abuse support services.

Approximately 116 supportive housing facilities were evident in Truth or Consequences with a combined wait list of 3. In addition, 70 public housing units are in operation serving seniors (50 and older).

E. Community Input

A public meeting was held in Truth or Consequences as part of the planning process for the update to the 2004 Comprehensive Plan, of which the Affordable Housing Plan is a component. Questions were asked about participants' views on housing needs in the community. Key input is highlighted below and addressed in Section 5, Goals, Policies, and Quantifiable Objectives:

- Differentiate between modular and mobile homes
- 300 homes are currently on the market
- Interest in green building, energy conservation and sustainability
- A need for programs to help families acquire and renovate housing
- Residential program opportunities not known or understood
- Pursue infill housing
- Pursue housing for young families and single parent households
- Stress code enforcement for owners inside and outside of the community
- Increase density for new housing
- Address homeless issues and the need for transitional housing
- Many affordable rentals in poor condition
- Furnished short-term rentals may be needed
- Co-housing of import

F. Projected Housing Needs Through 2019

This section projects the need for ownership and rental housing within the community region from the present and five years hence. Following the need projections, analyses and suggestions are offered concerning amenities of import to absorption of and the penetration of market need. It should be stated that while needs data offers a limited perspective into housing demand, it does not comprehensively address the issue. It is estimated that no new households will be added earning less than 80% of the median by 2019. Based on current housing distress in the community, it is estimated that a maximum need will exist for 521 affordable ownership units and 363 affordable rental units by 2019 (for persons earning under 80% of the median). Most of the affordable ownership demand stems from existing owners. Such estimates are shown on Tables 3.10 and 3.11, and factor in additions and deletions to the housing inventory based on a variety of issues. Losses to any of the subsidized inventory would increase community need. Estimates of the incidence of substandard housing drawn from the windshield survey are assumed to be a subset of housing distress (a.k.a. need) as such households typically face a variety of challenges.

TABLE 3.10: PROJECTED NEED BY 2019 FOR OWNERSHIP HOUSING				
ITEM	0-30% MED. INC. 1/	31-50% MED. INC. 1/	51-80% MED. INC.	TOTAL
Homeownership Need by 2019				
1. Households in Distress				
Current Need	187	244	90	521
Additional needs to 2019	0	0	0	0
Total Distress, Present to 2019	187	244	90	521
2. Estimated Deletions to the City Subsidized Stock	0	0	0	0
3. Demand from Dilapidated Housing Conditions	In estimates above	In estimates above	In estimates above	In estimates above
4. Net Households in Need	187	244	90	521

Sources: Special ACS Census Runs (2006-2010 averages), BBER & Crystal & Company projections.

1/ Per State of New Mexico MFA rules, only households earning greater than 50% of the median are to be included in homeownership program estimates. However, support for existing owners are to be included.

TABLE 3.11: PROJECTED 2019 AFFORDABLE RENTAL NEED				
ITEM	0-30% MED. INC.	31-50% MED. INC.	51-80% MED. INC.	TOTAL
1. Renters in Distress				
Present	116	161	86	363
Added through 2019	0	0	0	0
Total Distress, Present to 2019	116	161	86	363
2. City of TorC Subsidized Units Added or Planned	0	0	0	0
3. "AT RISK" Deletions to the City of TorC Subsidized Stock	0	0	0	0
4. Need from Dilapidated Housing	In estimates above.	In estimates above.	In estimates above.	In estimates above.
5. Net Households in Need	116	161	86	363

Sources: Special ACS Census Runs (2006-2010 Averages), BBER & Crystal & Company projections.

For the maximum of 521 affordable ownership needs, the following conclusions were reached based on a review of socio-economic conditions, community input, windshield survey data, and a detailed assessment of housing and market conditions:

- Considerable housing rehabilitation needs are evident among the mobile home and manufactured (priority) and single-family inventory in need of renovation. Weatherization program opportunities are also evident.
- Elderly households are most especially in need with large, small, and other households also needing lower levels of support. The types of support needed include affordable apartment production for both families and elderly/disabled households in addition to rental rehabilitation efforts.
- As cost burden is motivating a substantive portion of rental problems, program emphasis should be diverse involving a wide variety of program approaches assisting the current mobile home (priority) and single family inventories in addition to new production.
- While new construction opportunities are evident, they are limited (less than 90 units) and embody new single-family opportunities. These opportunities are most germane to elderly, small family (2-4), and other households earning from 51% to 80% AML.
- Foster green construction/rehabilitation.
- Aggressively enforce local codes and pursue all (especially external property owners) who do not maintain properties.

For maximum of 363 affordable rental needs, the following conclusions were reached based on a thorough review of socio-economic conditions, windshield survey data, and a detailed assessment of housing and market conditions:

- Housing rehabilitation needs are evident among the mobile home (priority) as well as some of the single-family and multi-family inventory. Based on the windshield survey and a follow-up interview with the City's Code Enforcement Officer, it is estimated that approximately 25% of the housing stock in Truth or Consequences is in need of rehabilitation.
- Elderly, small (2-4), and other households are predominantly in need of support. The types of support needed includes affordable apartment production for both families and elderly/disabled households, in addition to rehabilitation efforts. Thus, the bedroom mix would range from 1 to 2 bedroom units, with some 3 bedrooms.

- As cost burden is motivating a substantive portion of rental problems, program emphasis should be diverse involving a wide variety of program approaches assisting the current mobile home (priority) and single family inventories in addition to new production.
- Given limited resources, emphasis is most appropriate for those in the lowest income categories.
- Supportive housing needs are also evident in the community from a predominantly elderly client group. This information warrants further exploration of assisted housing opportunities in the community.
- With vacancy rates generally stable at the 5% level, new and affordable rental production appears viable in limited quantities given the ability to capture new rental demand outside the community and the removal of any subsequent substandard rental inventory from within the community. Residential and commercial acquisition and rehabilitation like the Armory building, Sportsman Bar, Old Lumber Yard, Dude Motel, Alamo at 7th/Date, Black Range Lodge and Motor Manor, etc that may be worth consideration.
- Foster green construction/rehabilitation.
- Aggressively enforce local codes and pursue all (especially external property owners) who do not maintain properties.

The ability of Truth or Consequences to address current and projected need embody its ability to preserve the existing housing stock in good condition, rehabilitate the inventory in need of such, and foster more limited affordable housing production for both owners and renters. It is critical that the community tap all available governmental, nonprofit, and private sources of funding.

Capturing possible housing demand and maximizing absorption for both affordable- and market-rate dwellings include, but are not limited to, the following factors:

- Capture prospective, but not definitive, demand from households working in Truth or Consequences yet residing elsewhere;
- Execute economic development efforts aimed at creating and retaining employment within the region at wage rates that foster the prospect of homeownership (*as identified in the Downtown Master Plan and Comprehensive Plan update*);
- Offer competitive and value-oriented residential product;
- Foster infill housing (*as identified in the Downtown Master Plan and Comprehensive Plan update*); and
- Pursue higher density residential (*starter homes at around 800 square feet per community input received during the Comprehensive Plan update*).

4 LAND USE

A. Introduction

The purpose of this section is to evaluate the existing land use conditions, patterns, and regulatory policies in order to determine opportunities and constraints affecting the ability to plan for and provide affordable housing within the City of Truth or Consequences. This section is complementary to the ongoing update to the City of Truth or Consequences Comprehensive Plan, which also includes a land use section.

B. Existing Conditions - Land Use

The City of Truth or Consequences is located off of Interstate 25, just south of Elephant Butte Dam. Although development of the City was spurred by the building of the Elephant Butte Dam in 1912, the City's built history is based on the tourism of the hot mineral springs. After the building of the dam, the area gained recognition as a health center and early motorists came to the area to partake in the springs. The beginnings of tourism in Truth or Consequences can be seen in the early motor courts in the area that were built to accommodate these first tourists. Many of these motor courts have been remodeled and are still being used as motels. There are also a number of these old structures that are in need of repair and appear to be used as longer term rental housing.



The City boundaries include a large area to the north of the developed core of the City that, excluding the municipal airport, is largely undeveloped. The majority of this area is characterized by steep slopes, does not have current access to municipal services, and is not easily suitable for development.

The northern developed portion of the City begins at the I-25 exit. The development here is not very dense, and houses the City's franchise retail and services, such as Wal-Mart, motels and hotels, and fast food restaurants. The Truth or Consequences Golf Course is located in this area, and delineates a boundary to the south where more dense residential development begins.

The City is generally bisected east and west by Date Street and the Rio Grande is the south boundary. Excluding the downtown, development in the City is characterized by commercial development along the main streets, including Date Street, Third Avenue, and South Broadway, and medium density residential in the interior, and lower density residential at the edges.

Generally, Truth or Consequences is developed within existing topographic constraints. There are areas that contain steep slopes, which makes them either undevelopable or difficult to develop. However, every area of town has an abundance of vacant or underutilized lots that would be suitable for infill development.

The majority of housing (22.0%) in Truth or Consequences was built between 1970 and 1979. As shown in the Community and Housing Profile, the housing stock in Truth or Consequences is

considerably older than the housing stock in the rest of New Mexico, and slightly older than the housing stock in Sierra County. However, as was observed in the windshield survey, there are a number of older, historic houses that have been restored, and are being well maintained. The historic houses, motor courts, and retail buildings make a significant contribution to the character of Truth or Consequences, and are a cornerstone of the tourism economy.

C. Developable Land

There are numerous vacant lots in Truth or Consequences, the majority of which are privately owned. The vacant lots within the more developed areas are generally smaller and vacant lots of one acre or more are located at the edges of the City. Within existing neighborhoods, there are vacant lots that would be suitable for affordable housing. When siting new housing, consideration should be given regarding access to support services as well as groceries and daily services. The Wal-Mart is located north of Housing Area 1, and west of Housing Area 9, which would provide access to groceries and daily service needs. These character areas also contain a number of vacant, developable lots, and are close to the Ben Archer Health Center. Taking these factors into consideration, these Housing Areas would be the priority for consideration of new affordable housing, particularly larger housing projects.

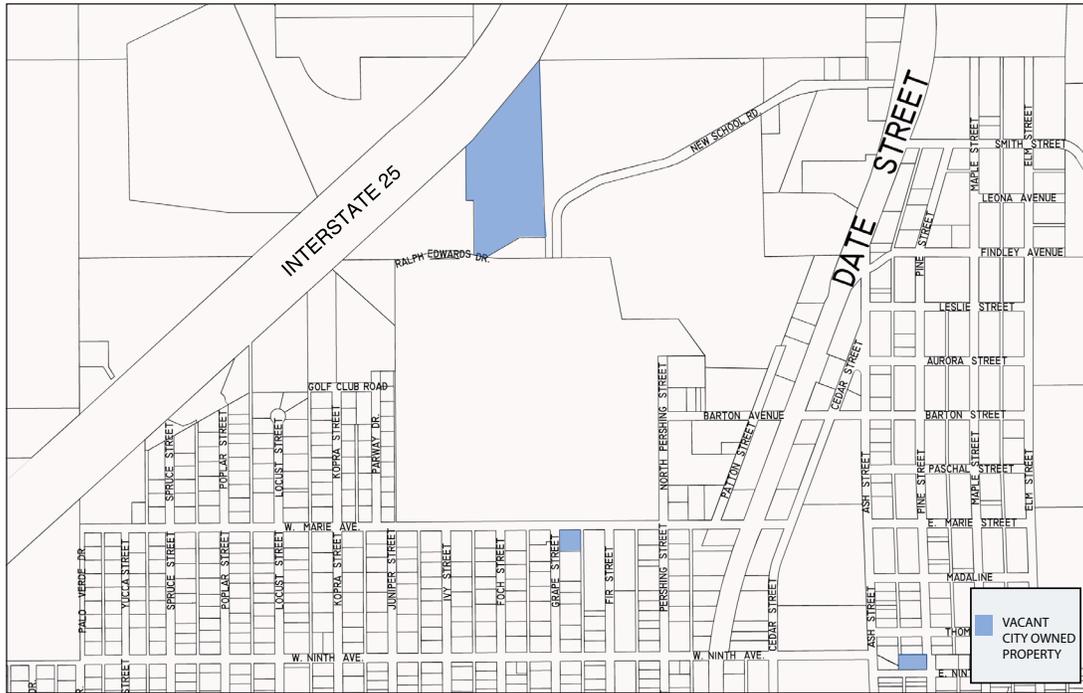
Potential Development Sites

There are seven vacant sites in Truth or Consequences that are owned by the City and are available for an affordable housing project. Some of these sites are single residential lots and some are larger. All of them have access to City utilities. These sites would be ideal locations for affordable housing projects, as the land could be donated by the City, thereby reducing overall housing costs significantly. The two maps on the following page indicate the location of these sites.

The potential development sites are as follows:

- The largest of the City-owned sites is located south of Interstate 25, and north of Ralph Edwards Drive. It is particularly appropriate for affordable housing because it is conveniently located close to health care (the Ben Archer Health Center), the Middle and High Schools, and commercial services located on Date Street. This site is approximately 35 acres in size, larger than what would be needed for an affordable housing project on its own. It would work well for a mixed use project that includes commercial development given its frontage on Interstate 25. The south portion of the site is currently zoned R-1; for affordable housing purposes, it should be rezoned either R-2 or R-3.
- 1000 Grape Street - This property is located at the northeast corner of Grape Street and W. Marie Street. It should be noted that this property has some development constraints due to an arroyo that runs through the site.
- 900-902 Pine Street - This property is located at the northwest corner of Pine Street and E. Ninth Street. It appears large enough to fit two single family units.
- 600-699 Wyona Avenue - This property is located at the northwest corner of Wyona Avenue and Clancy Street. It is a relatively large lot that could property accommodate 3-4 single family lots and is within walking distance to the commercial services located Downtown, including Bullock's (grocery store).

- 900-970 W. Sixth Avenue - This property is located at the southwest corner of Sixth Avenue and Locust Street. There are a fair amount of undeveloped lots in this area. The property has some slope issues, but could be developed for single family housing.



Potential Development Sites - City-Owned Lots

D. Infrastructure Availability

An analysis of the availability of infrastructure is a key component of a plan for affordable housing. In order to provide for new development, there has to be sufficient infrastructure to accommodate change. Infrastructure includes transportation, water, sanitary sewer, natural gas, and electricity. All of Truth or Consequence's primary infrastructure facilities are located within the City, which is an advantage because the City is not reliant on outside sources for the provision of infrastructure.

Transportation

The City's street network is primarily laid out in a grid pattern, with Date Street serving the primary north/south traffic and E. Third Avenue and South Broadway serving the primary east/west traffic. The majority of the residential streets in the City are in need of repair. There are visible issues with road conditions, particularly pot holes, missing sidewalks, missing curb and gutter, etc. There are no observable issues with traffic congestion in the City, and the transportation infrastructure appears to be sufficient to handle growth.

The NMDOT recently renovated the Date Street corridor. The project was focused on sidewalks and pedestrian improvements to bring the corridor into compliance with Americans with Disabilities Act. Planned municipal projects include addressing local road condition issues.

Utilities

The provision of water, wastewater treatment, and solid waste removal are provided through the City Utilities Department. There are issues with the overall water and sanitary sewer systems. According to Smith Engineering Company (*consultant on the Wastewater Treatment Plan Preliminary Engineering Report*), there is no excess capacity in the wastewater treatment plant and there are issues with infiltration. The system and the plant need to be improved, which is reflected in the City's ICIP. The City of Truth or Consequences is also approaching its limits on water rights. These factors have impacts on the overall, long term growth capacity of the City, but likely do not have much of an impact on the development of affordable housing, which would be on a relatively small scale over an incremental amount of time.

The City charges a utility connection fee for new development. The connection fee is assessed based on the size of pipes needed for a specific project. According to the City's Community Development Director, an estimate of these costs is \$700 per single family home and \$1,000 per multifamily development.

Water - The provision of water includes an \$8.15 monthly customer charge and the rates are as follows:

- \$1.75 per 1,000 gallons for first 7,000 gallons
- \$1.93 per 1,000 gallons from 7,001 to 29,000 gallons
- \$2.12 per 1,000 gallons from 29,001 to 50,000 gallons
- \$2.33 per 1,000 gallons for amount over 50,000 gallons

These rates are not excessive as compared to other municipalities, and do not present an impediment to development.

The City of Truth or Consequences requires that development have adequate water rights (.50 acre feet per residential lot) that are to be transferred to the City upon subdivision approval. If development does not have water rights, or does not have adequate water rights, the City requires the developer to pay \$1,000 per lot. This fee can add significantly to the project development costs.

Sanitary Sewer - The provision of wastewater includes an \$8.15 monthly customer charge and \$2.30 per 1,000 gallons for existing customers. New customers are charged a \$19.10 flat monthly fee. This fee is less expensive than the City of Socorro, which was used for comparison purposes. Socorro charges approximately \$2.60 per 1,000 gallons. These rates do not present an impediment to development in Truth or Consequences.

Natural Gas - Natural gas is provided by the New Mexico Gas Company. The cost of gas changes as it is provided at the market rate. The current cost of gas is approximately fifty four cents per therm. The residential connection fee is \$70. These rates and fee do not present an impediment to development. They are approximately the same for the entire New Mexico Gas Company Service Area, which covers most of the state.

Electric - Electricity is provided by the City, and there is an \$8.00 monthly customer charge. The City is allotted 2,338,000 kWh of hydroelectric power per month. The hydroelectric power is provided through the United States Department of Energy Western Area Power Administration (WAPA). If the City consumes more than the allotment, power is purchased from Sierra Electric Cooperative. The current rate electric rate in Truth or Consequences is \$0.1314 per kWh. It was noted at a community meeting that electric service in Truth or Consequences is expensive. Public Service Company of New Mexico (PNM) rates are currently \$0.0906237 per kWh for the first 450 kWh per month and \$0.1576960 kWh for all additional use.

The national average kWh use per household is approximately 900 kWh. Using these rates for comparison, the average electric bill from PNM would be approximately \$112.50, and the average electric bill in Truth or Consequences would be approximately \$117.00. Electricity on Truth or Consequences is slightly higher than that provided by PNM, but it is not a big enough difference to significantly impact development, and there are no known issues with electricity shortages, and/or the ability to provide electric service for new development. The rate that the City charges for electricity is comparable to PNM rates, so it can be concluded that current electric rates in Truth or Consequences do not present an impediment to development.

In December 2013, the City issued a RFP for the development of a 1.5 megawatt solar photovoltaic system as a renewable source of energy to incorporate into their power grid. This will allow the City to generate its own power in order to provide the lowest cost of energy. The project is planned to be located on the north side of South Broadway Street. This project will not affect development costs, but will be beneficial for lowering overall housing costs as it will reduce electricity costs for the user.

E. Land Use Plans and Policies

The Affordable Housing Plan was completed in conjunction with an update of the City's Comprehensive Plan. The Comprehensive Plan guides City policies and regulations and includes specific goals supporting the development of affordable housing.

The City has a Zoning Code and Subdivision Ordinance. The Subdivision Regulations were updated and approved in 1990, and the Zoning Code was approved in 2007. The Zoning Code establishes a planning and zoning district map, zoning categories with permissive, special, and conditional uses, and district standards with development regulations. The Subdivision Regulations establish the submittal and approval requirements for subdivision and set standards for required infrastructure. The relevant parts of these policies (as related to affordable housing) are summarized below.

Zoning Code

A summary of the City's designated residential zoning districts and associated development standards are provided in Table 4.1. The C-1 General Commercial zone is also included because it allows residential use.

TABLE 4.1: CITY OF TRUTH OR CONSEQUENCES RESIDENTIAL ZONING AND DEVELOPMENT STANDARDS						
Zone District	Permissive Uses	Conditional Use/Special Use Permit	Minimum Setbacks	Minimum SF Lot Size	Minimum Dwelling Area (SF)	Min. Lot Frontage
R-1 Single Family, Low Density	Detached SF, Accessory Dwelling Unit, Special Needs Home, Home Occupation, Manufactured Home	N/A	Front: 25' Rear: 25' Side: 8'	9,000	1,200	60'
R-2 Medium Density	Apartments, Boarding House, Condominium, Special Needs Home, Home Occupation, Manufactured Home, Detached SF	Manufactured Home Subdivisions, Nursing or Retirement Home	Front: 25' Rear: 20' Side: 6'/0'	Single: 5,000 Two: 4,000/unit MF: 3,500/unit Apts: 3,500/unit MH: 5,000	Single: 900 Two: 650/unit MF: 600/unit Apts: 500/unit	60'
R-3 High Density	Apartments, Boarding House, Condominium (Residential & Professional), SF, MF, Townhouses, Special Needs Home, Manufactured Home Subdivision, Manufactured Home Park	Halfway House, Quasi-Institutional, RV Park	Front: 20' Rear: 15' Side 5'/0'	Single: 4,500 Two: 3,000/unit MF: 3,000/unit Apts: 2,000/unit MH: 4,500	Single: 700 Two: 500/unit MF: 450/unit Apts: 400/unit MH: 550	45'
R-4 Rural Residential	SF Detached, Home Occupation, Manufactured Home	N/A	Front: 25' Rear: 25' Side: 5'	1 Acre	1,200	75'
RR-1 Riverside Residential District	Detached SF, Home Occupation	Manufactured Home Park	Front: 25' Rear: 15' Side: 5'	5,000	800	50'
C-1 General Commercial	SF & MH (except adjacent to Broadway, Date, or Main)	SF & MH adjacent to Broadway, Date or Main, Apartments, MH Park or Subdivision, RV Park, Townhouses (per R-2)	Front: 20' Rear: 15' Side: 5'/0'	5,000 MH: 4,000	800 MH: 550	60' MH: 45'
T-1 Transition District (Temporary Zone for Future Development)	Detached SF, MH on individual lots, Guest Dwellings or Accessory Living Quarters, Home Occupations	Boarding House, Rest Home, MH Park, MH Subdivision, RV Park	Front: 25' Rear: 25' Side: 15'	21,780	800 MH: 550	100' MH: 60'

The Zoning Code outlines the City's development process. It provides that the Zoning Code be administered by the City Building Inspector until a Zoning Official is designated by the City Commission. The Zoning Official is charged with administering and enforcing the Zoning Code, receiving applications, and Code inspection, and issuing permits and certifications. The Zoning Code establishes a Planning and Zoning Commission and designates it as the body for interpretation of the Code, approval of conditional uses and home occupations, and review and recommendation of requests for annexation, special uses, variances, and subdivision and zone change requests. The City currently does not have an appointed Planning and Zoning Commission, so the City Commission has been performing this function. Under typical circumstances, development is reviewed by the Planning and Zoning Commission and final decisions regarding code amendments, special uses, variances, and zoning amendments are made by the City Commission. The development process and procedure is clearly outlined in the Zoning Code and there are no recommendations for amendments relative to the development process itself.

Some other regulations that could potentially have an impact on the ability to provide affordable housing include the following:

Accessory Dwelling Units - Accessory dwelling units are an important component of affordable housing. They provide the possibility of single family home ownership through the opportunity for rental income of an accessory dwelling unit that can help to pay a mortgage. The definition of Accessory Dwelling Unit is good. It does not unduly limit the types of accessory units that can be built and it permits the units to be used for rental purposes. The Zoning Code allows Accessory Dwelling Units by right in all of the residential districts.

Home Occupations - The allowance for Home Occupations can impact affordable housing by providing the opportunity for additional income through a home business, which can help make single family home ownership a possibility for a wider range of people. Home Occupations are very well defined and include levels of intensity which require different levels of approval. Home Occupations are a permissive use in all of the residential zones, and the least intense levels of Home Occupations can be approved administratively by the Zoning Official.

Special Use Populations - Special populations include seniors, persons with disabilities, persons seeking rehabilitation, and persons with criminal records. The Zoning Code includes definitions of housing that is targeted to these populations. The definition for Halfway House is targeted toward people seeking rehabilitation and those with criminal records. The definition does not limit the number of people that can be housed in one structure. The definition for "Home for Handicapped, Disabled, Retarded, or Retired" states that there can be no more than 5 people within one structure.

The section below analyzes these housing types by residential zone:

- R-1 - The R-1 Zone does not allow housing for special populations as either a permissive or a special use.
- R-2 - The R-2 Zone revises the definition of housing targeted to the disabled and elderly, increases the number of permitted residents within one home to 10, and lists this housing type as a permissive use. The R-2 Zone also adds a new housing type as

a Special Use, which is not included in the definition section, of Nursing or Retirement Home (11 or more residents).

- R-3 - The R-3 Zone lists Halfway House and Quasi-Institutional House as a Special Use.
- R-4 - The R-4 and RR-1 Zones do not permit any housing types that are specifically designed for special populations.
- T-1 - The T-1 Zone lists Rest Home as a Special Use.

Manufactured Homes - Manufactured and Mobile Homes provide an affordable option for single family home ownership. Manufactured Homes and Mobile Homes (including lots, parks, and subdivisions) are well defined, are expressly encouraged in the Zoning Code, and are listed as a permissive use in all of the residential zones. The Zoning Code includes standards, including that the units be placed on permanent foundations. The Zoning Code also contains a requirement that all manufactured homes receive an installation permit before moving a manufactured home within or into the City. The stated intent of the permit is to review the placement and infrastructure connections for public safety purposes, which are not unduly restrictive.

Manufactured Home Park (MHP) - Manufactured Home Parks (MHP) are permitted by right in the R-1, R-2, and R-3 districts, and are permitted by Special Use Permit in the RR-1, C-1, and T-1 districts. The Zoning Code contains standards for the development of MHPs that include the provision of perimeter walls and refuse collection and location on an arterial or collector street. The standards contained in the MHP regulations are not unduly restrictive.

Manufactured Home Subdivision (MHS) - Manufactured Home Subdivisions (MHS) are permitted by right in the R-3 district and by Special Use Permit in the R-2, C-1, and T-1 districts. The development requirements are largely similar to the requirements for a site built, single family subdivision (site plan, landscape plan, and grading and drainage plan), and are not unduly restrictive. In order to encourage the development of MHS as an affordable housing option, the City will update the Zoning Code in order to permit MHS by right in the R-1 and R-2 districts.

RV Parks - It was observed in the windshield survey that RV Parks are being used for permanent occupancy as a form of affordable housing, which is contrary to the intent of the Zoning Code. There are no zones that list RV Parks as a use permitted by right. RV Parks are not permitted in R-1, R-2, R-4, and they are a conditional or special use in R-3, RR-1, and T-1. Permitting them as a special or conditional use provides a mechanism for review in order to ensure that they are being properly maintained.

Zone Map

R-1 Single Family Low Density - Aside from a very small area zoned R-1 west of Downtown, there are only two areas of the City that are zoned R-1. They are the northern portion of Housing Area 1, and a vacant area east of Housing Area 9. The R-1 in Housing Area 1 is primarily built out as single family residential to the south and includes the Golf Course to the north. There is a portion of this area adjacent to Interstate 25 and north of the Golf Course that is currently vacant and appears potentially suitable for residential development.

R-2 Medium Density - The largest portion of R-2 zoned land is located in the southern portion of Housing Area 1. This area is mostly built out as single family and some small multi-family projects. The other large area of R-2 is located north of E. Third Avenue in Housing Area 7. There are some vacant lots that could be suitable for residential development at the northern boundary just east of Ninth Street. However, they might be cost prohibitive for affordable housing due to the slope. There is also a small portion of R-2 land located north of Housing Area 8 that is vacant and could be suitable for development.

R-3 High Density - The majority of residentially zoned land in the City is zoned R-3. R-3 zoning is dispersed throughout the City and located in every housing area except Area 1. There are some large areas of vacant R-3 zoned property north of Housing Area 5.

R-4 Rural Residential - There is only one area zoned R-4 in the City it is in the south part of Housing Area 8 and north of Area 8. It is currently vacant and has been graded and would be suitable for residential development.

RR-1 Riverside Residential - There are currently no areas zoned RR-1 shown on the Zone Map. The intent of the RR-1 Zone is to provide a pleasant and fairly low density setting for those who desire to live near the Rio Grande. The RR-1 Zone is an appropriate zone for the area that should be designated on the Zone Map for existing lots that either currently contain or could be developed with dwelling units less than 800 square feet in size. The City will concurrently reduce the minimum dwelling area from 800 square feet to 550 square feet.

T1 Transitional District - This district provides temporary zoning for transition areas that are located at the edges of the City. The intent is to allow for more comprehensive planning of a predominantly undeveloped area. There are some T-1 areas that would be suitable for residential development, particularly larger scaled projects. However, they would need to undergo a zone change.

C-1 General Commercial - The C-1 zone is found along Date Street, Third Street, and the entire MainStreet District (Downtown). Though most of the developed land zoned C-1 is in commercial use, there are a number of properties within the Downtown area that are residential and zoned C-1. There is also potential for more residential use in the Downtown area as documented by the Downtown Master Plan. As such, it would be appropriate for the City to amend the Zoning Code to reduce the minimum dwelling area in this zone from 800 square feet to 550 square feet.

Subdivision Ordinance

The Subdivision Ordinance establishes procedures for applying for subdivision and provides standards for streets and other infrastructure that is required to be provided by the developer. The City's Subdivision Regulations are fairly simple and straight forward. There are clear criteria for submittal and procedures for review, variance, and appeal. The Ordinance provides the application and review standards for subdivisions, and includes street, sidewalk, park, and utility standards. There are no procedures, regulations, or standards in the Subdivision Regulations that would be considered as an impediment to new development.

As noted above, the Subdivision Ordinance contains standards for required right-of-way widths classified by street type. Even a modest reduction in the required right-of-way would, in turn, help to reduce overall development costs for new subdivisions. For new residential subdivisions, the likely street section will be a local street, which currently has a right-of-way width of 50 feet, and a pavement width of 36 feet. Amending the Subdivision Ordinance to allow a reduction in the local street section to 44 feet, with a minimum pavement width of 34 feet, would be a logical step in reducing typical development costs.

Additionally, the Subdivision Ordinance contains standards, including the provision for infrastructure, and the required information for preliminary and final plat review. The majority of the standards are typical requirements for infrastructure that include ensuring there is existing infrastructure capacity, and connecting the new development to the existing infrastructure (water, sewer, and dry utilities) systems. The City permits dual trenching of utilities, which can reduce infrastructure costs. The parks standard is more fully analyzed below, as it offers the potential of reducing costs through a public/private partnership.

Parks

The Subdivision Ordinance standard for parks requires the developer of any subdivision containing over 50 lots to provide land for park and recreational facilities within the subdivision at the rate of .5 acres per 12 acres of development. There is also an option to pay a parks fee in lieu of dedicating land. The fee is calculated at the same rate as the dedication, with the provision that the fee must equal the value of the property that would have been dedicated. This standard provides an opportunity for the City to incentivize the development of a large affordable housing project. If a developer is interested in developing a 50+ lot affordable housing project, the City will waive the open space dedication requirement.

F. Development Constraints

Land Use Controls

The Zoning Code regulations that could be considered as impediments to affordable housing, along with recommendations on how to amend them, are listed below.

Accessory Dwellings - As mentioned above, accessory dwellings are only permissive in the R-1 and T-1. The City will amend the Zoning Code to make accessory dwellings permissive in all of the residential zones.

Special Use Populations - The regulations pertaining to housing that is geared toward special use populations are confusing. The definitions contained in the zones do not match the definitions at the beginning of the Zoning Code. The Zoning Code will be revised to clarify the definitions. Also, the majority of developable residential land in Truth or Consequences is zoned R-3. This is a higher density residential zone and is appropriate for the development of housing that would meet all of the categories of people that fall under the "special use population" definition. The R-3 zone lists Halfway House and Quasi-Institutional Houses as permissive, but is silent on housing for other special populations. The Zoning Code will be revised by the City to expressly permit in the R-3 Zone all housing that is targeted toward special populations.

Zone Map - In regard to the provision of affordable housing, the zone map does not create a development constraint. As previously mentioned, the majority of vacant land that could be suitable for residential development is currently zoned R-3, which provides for higher density housing that is compatible with affordable housing goals. There is a fairly large area of vacant R-1 land in the northern portion of the City. This area could be considered for a zone change to permit a higher density, if there was a feasible site for the development of multi-family affordable housing.

Design Standards - Other than those specifically noted in the previous sections, the design standards contained in the Zoning Code and Subdivision Ordinance are minimal. They do not contain any design requirements that would inhibit the construction of affordable housing. The exception is for residential development within the Downtown area. The Zoning Code and the associated design standards do not allow for vertical mixed use, and the Code applies the typical standards to Downtown residential as it does to the entire City. The Downtown Master Plan identifies amending the Zoning Code to allow for vertical mixed use and alternative setbacks as a key administrative strategy for revitalizing the MainStreet District.

Lot Size - The cost of land is higher in Truth or Consequences than other similarly sized communities in southern New Mexico. As such, the minimum lot size requirements in the Zoning Code are a moderate constraint to affordable housing. Amending the Zoning Code by reducing the minimum lot sizes in the City’s residential zones would help promote affordable housing development. Recommendations for reducing the minimum lot size requirements are provided in Table 4.2.

TABLE 4.2: MINIMUM LOT SIZE BY ZONING DISTRICT		
Zone/Housing Type	Requirement	Recommendation
R-1	9,000	6,000
R-2/Single	5,000	4,500
R-2/Two	4,000	3,500
R-2/MF	3,500	3,000
R-2/Apartments	3,500	3,000
R-2/MH	5,000	4,500
R-3/Single	4,500	4,000
R-3/Two	3,000	2,500
R-3/MF	3,000	2,500
R-3/Apartments	2,000	1,800
R-3/MH	4,500	4,000

The conclusion of this analysis is that a reduction in the minimum lot size requirements in Truth or Consequences would be a logical step towards encouraging the development of affordable housing. Simply stated, smaller lot sizes will reduce development costs. There is not an across the board standard for minimum lot size to encourage the development of affordable housing, because it is based on the community context. However, these recommendations would permit the reduction of development costs, while still preserving the density character of the community.

Setbacks - The setback requirements that are contained in the Zoning Code create a minor development constraint. The minimum setbacks are relatively large, and as was observed in the windshield survey (particularly in R-1 zoned areas) not always compatible with existing, built development. Reducing minimum setbacks is a good method to reduce development costs with an added benefit of improving the pedestrian environment and staying compatible with the existing development character. Table 4.3 contains recommendations for setback reductions.

TABLE 4.3: MINIMUM SETBACKS BY ZONING DISTRICT		
Zone	Requirement	Recommendation
R-1	Front: 25 feet Rear: 25 feet Side: 8 feet	Front: 15 feet, except 20 feet if garage faces road Rear: 15 feet Side: No Change
R-2	Front: 25 feet Rear: 20 feet Side: 6 feet/0 feet	Front: 15 feet, except 20 feet if garage faces road Rear: 15 feet Side: No Change
R-3	Front: 20 feet Rear: 15 feet Side: 5 feet/0 feet	Front: 10 feet, except 20 feet if garage faces road Rear: No Change Side: No Change

G. Fees and Exactions

The City assesses impact fees based on the number of fixtures/drains in the dwelling. The fees are calculated at \$150 per fixture and/or drain; for a single bathroom with a sink, toilet, and shower the fee would be \$450. A single family house with two full bathrooms, a kitchen with a sink and dishwasher, and a washer/dryer would be approximately \$1,350. These fees are relatively low when compared to other more urban municipalities such as Albuquerque or Rio Rancho (which also charges impact fees for fire, parks and open space, roads, drainage, and roads), but high for rural areas within New Mexico, which typically do not charge impact fees. The cost of the impact fees in Truth or Consequences increases development costs, which are subsequently passed on to the home buyer, and puts the City at a disadvantage when competing for new residential development.

Truth or Consequences Development Fees are listed below:

- Master Plan - \$100 + \$200 per lot
- Master Plan Amendment - \$200
- Change of Zone \$100 or \$10 an acre, maximum - \$250
- Annexation \$100 or \$10 acre, maximum - \$250
- Appeal - \$50
- Variance - \$25
- Zone Ordinance Amendment - \$250
- CUP/SUP - \$25
- Preliminary Plat or Replat - \$100 + \$200 per lot
- Final Plat - \$50
- Summary Plat - \$50
- Plat Amendment - \$50

These fees are comparable to the development fees of other municipalities, and do not present an impediment to development.

H. Environmental Constraints

The City of Truth or Consequences is located off of Interstate 25 and has easy transportation access to urban areas such as Albuquerque and Las Cruces. The environmental constraints in Truth or Consequences primarily consist of the steep slopes in the area and drainage issues. Much of the vacant developable land at the edges of the City would be cost prohibitive to develop because of the amount of grading that would be required, the potential for flooding, and the lack of City services.

I. Reasonable Accommodation

As is explained more fully above, the definitions for housing that is targeted toward special use populations and the regulations that are contained in the Zoning Code are confusing. The Zoning Code shall be amended to revise and consolidate the definitions and housing targeted toward these populations shall be made permissive in the R-3 Zone.

J. Availability of Financing

According to information obtained from the Southwest Regional Housing Community Development Corporation (SWRHCD), and confirmed by the First New Mexico Bank in Deming, one obstacle in Truth or Consequences regarding financing is appraisals. Federal regulations regarding housing assessment criteria have gotten stricter because of the sub-prime mortgage crisis. Assessors are required to follow certain regulations regarding how they perform their comparable analysis (comps). This has made the profit margin for buying and selling houses lower and the high cost of land is probably not always considered in this analysis.

According to the First New Mexico Bank in Deming, the primary financing obstacle is that federal regulations, responding to the sub-prime mortgage crisis, have made it increasingly difficult to qualify for a mortgage. A couple of examples of this are: 1) USDA Mortgage loans have increased their minimum qualifying credit score from 620 to 640; and 2) The new federal regulations on qualified mortgages have disincentivized banks providing in-house funding. The regulations have increased the qualification criteria to an extent that banks are no longer as able to view each prospective mortgage on a case-by-case basis.

The SWRHCD also identified a need for marketing and advertisement of available financial assistance as a primary issue. The SWRHCD performs credit and mortgage counseling, but many people in Truth or Consequences are not aware of their services. It was noted that people feel that they do not have any possibility of affording a mortgage, so they are disinclined to seek assistance as they have already ruled out the possibility of qualifying for a loan.

K. Land Availability and Prices

While there is an abundance of vacant land in the City of Truth or Consequences, research conducted through local real estate websites conversations with real estate agents and the SWRHCD suggest that land costs are very high and that this is one of the biggest obstacles for the development of affordable housing. For instance, land in Deming or Doña Ana County is almost half the cost of land in Sierra County. As is noted in the windshield survey, a significant number (estimated at 20 – 25%) of single family homes within the housing stock are in need

of rehabilitation. Rehabilitation would be a less expensive and more feasible option for the provision of more single family affordable housing in Truth or Consequences. Another potential solution for overcoming land costs is to explore the possibility of the trade of land between the City and private landowners.

L. Construction Costs

As is further detailed in the Development Feasibility Analysis located below, construction costs in Truth or Consequences are higher than areas that are located closer to large metropolitan areas. The majority of materials and labor are brought in from outside of the Truth or Consequences metro area. As a result, labor cost is higher due to the overnight stay or additional travel time.

M. Local Capacity to Provide Housing Support Services and Administer Housing Funds and Programs

Southwest Regional Housing and Community Development (SWRHCD)

The SWRHCD provides the following services:

- Credit and mortgage counseling
- First time home buyer program
- Homeowner occupied rehabilitation program
- Weatherization program
- Individual development accounts

The SWRHCD is a recipient of HUD HOME grants for rehabilitation, and is currently providing service in a nine county area in New Mexico, including Sierra County. The SWRHCD recently received a HUD grant that is going to be used to market its services to the public and to hire more debt and mortgage counselors.

The SWRHCD has experience applying for, receiving, and administering grant monies, as well as experience managing construction. It is recommended that this organization be selected by the City to manage future affordable housing assistance funds should they become available.

Non-Profit Special Population Support Organizations

There are several existing non-profit organizations that provide support services to special population residents living in Truth or Consequences. While they do not have the expertise or capacity to administer housing funds and/or grants at this time, they are recommended as support agencies for collaboration on housing projects targeted to special populations. They include:

- Alianza of New Mexico, serving persons with HIV.
- Community Action Agency of Southern New Mexico providing children and adult care, food services, WAP, and KIDS programs.
- The Ability Center for Independent Living, providing services for the disabled.
- The Domestic Abuse Intervention Center, providing non-residential domestic abuse support services.

N. Development Feasibility Analyses

The single family and multi-family development feasibility analyses looks at the impact of density and public land contribution on housing affordability. For the purpose of this study, MFA guidelines and examples were used along with development cost estimates from agencies experienced in affordable housing development in the area.

Density may impact the ability to develop more affordable homes. Land costs, land development costs, construction costs, and soft costs are reduced when density is increased and house and/or apartment square footage is decreased, which enables the construction of more houses on a smaller area of land. However, if density alone cannot achieve affordability, other factors to reduce costs will need to be considered.

The Single Family Development Feasibility Analysis in Table 4.2 applies maximum purchase prices by AMI and illustrates affordability as determined by density. The current zoning regulations allow for a density range of 4 dwelling units in R-1 to 14 dwelling units in R-3. Densities are derived by lot size requirements, not a specific cap on dwelling units.

Under the currently permitted range of densities, detached single family homes at a typical low density of 4 DU/Acre and average square footage of 1,500 SF are unaffordable to households earning up to 120% AMI. Assuming a density of 9 du/ac and a small unit size of 1,000 SF, single family homes are affordable at a level well above the 80% AMI, which clearly does not meet the current housing needs for the large number of cost burdened households in Truth or Consequences.

In order to further demonstrate how density and land donation can affect affordability, Table 4.4 includes three development scenarios of varying densities, land donation, building sizes, and waived fees.

Scenario 1

Scenario 1 considers the impact of building single family at the highest density permitted under R-3, which is 14 dwelling units per acre. Developing under this density would be affordable for households earning close to 80% AMI and above.

Scenario 2

Scenario 2 considers land donation and a medium density of 9 du/ac. Considering the high cost of land in Truth or Consequences, the land donation scenario eliminates the gap for those households earning close to 80% AMI and above.

Scenario 3

Scenario 3 assumes a high density, smaller lot size, and smaller unit size (900 SF). It also waives impact fees and utility hook-up fees. Even with these assumptions, housing is not affordable for those households earning up to 50% AMI. The gap at this scenario remains substantial at \$56,927.

As demonstrated in the Housing Needs Assessment, a large portion of households in Truth or Consequences are cost burdened and housing affordability cannot be achieved for new single family development without a combination of land donation, increase in density, and significant subsidy. This suggests that an emphasis be placed on the rehabilitation of existing homes, and that when new single family development is pursued as an option, that it be developed under the highest reasonable density and under a public/private partnership that includes public land donation.

TABLE 4.4: SINGLE FAMILY DEVELOPMENT FEASIBILITY ANALYSIS

R-1, R-2, and R-3 Zones	Very Low Density (2 DU/AC)	Low Density (4 DU/AC)	Medium Density (9 DU/AC)	Scenario 1: High Density (14 DU/AC)	Scenario 2: Land Donation (9 DU/AC)	Scenario 3: Increase Density, Reduce Lot Size, Reduce Unit Size, Waive Impact and Utility Fees
DEVELOPMENT COST						
Unit Size	2,500	1,500	1,000	900	1,000	900
Lot Size (Square Feet)	21,780	10,890	4,840	3,111	4,840	3,500
Land Cost \$3.28/Square Foot	\$71,438	\$35,719	\$15,875	\$10,204	DONATION	\$11,480
Cost to Build at \$105/SF	\$262,500	\$157,500	\$105,000	\$94,500	\$105,000	\$94,500
Soft Costs as 9% of Construction Costs	\$23,625	\$14,175	\$9,450	\$8,505	\$9,450	\$8,505
Utility Connection Fees	\$700	\$700	\$700	\$700	\$700	WAIVED FEES (\$700)
Impact Fees	\$1,200	\$1,200	\$750	\$750	\$750	WAIVED FEES (\$750)
Total	\$359,463	\$209,294	\$131,775	\$114,659	\$115,900	\$114,485
Developer Profit (6.5%)	\$23,365	\$13,604	\$8,565	\$7,453	\$7,534	\$7,442
TOTAL UNIT COST	\$382,828	\$222,898	\$140,340	\$122,112	\$123,434	\$121,927
120% Max. AMI Purchase Price	\$197,000	\$197,000	\$197,000	\$197,000	\$197,000	\$197,000
Surplus Capacity/Gap 1/	-\$185,828	-\$25,898	\$56,660	\$74,888	\$73,567	\$75,073
100% AMI Max. Purchase Price	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
Surplus Capacity/Gap 1/	-\$222,828	-\$62,898	\$19,660	\$37,888	\$36,567	\$38,073
80% AMI Max. Purchase Price	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000
Surplus Capacity/Gap 1/	-\$258,828	-\$98,898	-\$16,340	\$1,888	\$567	\$2,073
50% AMI Max. Purchase Price	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Surplus Capacity/Gap 1/	-\$317,828	-\$157,898	-\$75,340	-\$57,112	-\$58,434	-\$56,927

1/ Actuals will vary based on varying consumer debt levels, household size, and borrower credit. Assumptions: 1) Loan period of 30 years, at 5% interest. 2) Professional services are estimated at \$1,500. 3) Densities are based on the minimum, median, and maximum density allowed in the R-1, R-2, and R-3 zones.

Table 4.5 provides an analysis for new construction of multi-family development at different densities and calculates a total cost per unit for development. The total cost is then capitalized using assumptions regarding vacancy rates and operating expenses in order to come up with the total cost a developer must charge for monthly rent in order to make a multi-family project feasible to build. The surplus capacity/gap/unit shows the capacity or the gap in funds required to build a multi-family project under the conditions that are outlined in the Development Cost section of the table. The break even point is approximately 80% AMI.

This analysis assumes an average monthly rental cost of approximately \$1,000 will support the average development cost of approximately \$95,000 per unit. The result of this analysis shows that only households earning 80% AMI and above would be able to afford a market rate (new construction) apartment in a multi-family project with a very high density of 35 du/ac. For households with incomes at 50% AMI, the rental gap would be approximately \$450 for a 15 du/ac project and would slightly decrease as the density of the project increases. The conclusion from this analysis is even at higher development densities, the difference in cost per unit to build is not significant, which translates to having very little difference to the rental costs for market rate apartments. Subsidies would be necessary to attract a developer willing to build a new multi-family project that would accommodate cost burdened households in Truth or Consequences.

TABLE 4.5: MULTI-FAMILY DEVELOPMENT FEASIBILITY ANALYSIS				
Density (Units/Acre)	15	25	35	Highest Density, Land Donation + Fee Waiver
DEVELOPMENT COSTS				
Land Cost/Acre (\$142,877)	\$142,877	\$142,877	\$142,877	\$0
Permits	\$925	\$1,900	\$2,900	\$2,900
Infrastructure (on-site)	\$9,300	\$9,300	\$9,300	\$9,300
Construction Costs (\$104/SF)	\$1,014,000	\$1,690,000	\$2,366,000	\$2,366,000
Utility Connection Fee	\$1,000	\$1,000	\$1,000	FEE WAIVED (\$1,000)
Impact Fee	\$11,250	\$18,750	\$26,250	FEE WAIVED (\$26,250)
Soft Costs (12.5%)	\$126,750	\$211,250	\$295,750	\$295,750
Total Development Cost	\$1,306,102	\$2,075,077	\$2,844,077	\$2,673,950
Developer Profit (6.5%)	\$84,897	\$134,880	\$184,865	\$173,807
Other Soft Costs (8.4%)	\$109,713	\$174,306	\$238,902	\$224,612
TOTAL COST	\$1,509,711	\$2,384,263	\$3,267,844	\$3,072,369
Cost Per Unit	\$100,047	\$95,371	\$93,367	\$87,782
MONTHLY RENT (based on carrying cost) 1/				
120% AMI Affordable Rent 2/	\$1,413	\$1,413	\$1,413	\$1,413
Surplus Capacity/Gap/Unit	\$65,702	\$70,378	\$72,382	\$77,967
Monthly Rental Gap	n/a	n/a	n/a	n/a
100% AMI Affordable Rent 2/	\$1,180	\$1,180	\$1,180	\$1,180
Surplus Capacity/Gap/Unit	\$29,466	\$34,142	\$36,146	\$41,731
Monthly Rental Gap 3/	n/a	n/a	n/a	n/a
80% AMI Affordable Rent 2/	\$944	\$944	\$944	\$944
Surplus Capacity/Gap/Unit	-\$7,237	-\$2,561	-\$557	\$5,028
Monthly Rental Gap 3/	negligible	n/a	n/a	n/a
50% AMI Affordable Rent 2/	\$590	\$590	\$590	\$590
Surplus Capacity/Gap/Unit	-\$62,291	-\$57,615	-\$55,611	-\$50,026
Monthly Rental Gap 3/	-\$450	-\$416	-\$410	-\$362
30% AMI Affordable Rent 2/	\$354	\$354	\$354	\$354
Surplus Capacity/Gap/Unit 4/	-\$98,993	-\$94,317	-\$92,313	-\$86,728
Monthly Rental Gap 3/	-\$687	-\$653	-\$639	-\$601

Notes: 1. An average square footage of 650 (2 bedrooms, 1 bath) was used for each unit. 2. Soft Costs include general costs, contractor's overhead, and professional fees. 3. Other Costs include Contingency, underwriting, title and insurance costs.

1/ Assumes a one acre parcel, with net operating income capitalized by a rate of 6.25%. A 10% vacancy rate is assumed and typical operating expenses per unit.

2/ Deduct 10% for utilities from rent and assumption is family of four.

3/ Break even point is about 80% AMI subject to household size. As density increases, gaps will decrease somewhat.

4/ The surplus capacity/gap/unit at this income level may be somewhat overstated based on the methodology, but it is within a reasonable estimate.

O. Conclusion

Overall, the existing land use and zoning policies do not contain any significant constraints to development. There are City approvals and procedural processes that could be streamlined, and some modifications to the Zoning Ordinance that could make the development of affordable housing more feasible.

The high cost of land in Truth or Consequences and the City's impact fees presents a relatively significant development constraint, particularly in a community like Truth or Consequences where the household incomes are low. The City owns vacant land that it has determined would be suitable for development and is willing to donate it (or a portion of the land in the case of the 35-acre parcel) for affordable housing. A public/private partnership should be pursued where the City provides the land and waives impact fees, and a private developer (with MFA and/or HUD assistance in the form of tax credits) builds the project(s). Section 5: Goals, Policies, and Quantifiable Objectives provides the structure for accomplishing this type of partnership.

5 GOALS, POLICIES, and QUANTIFIABLE OBJECTIVES

A. Introduction

For purposes of this Affordable Housing Plan, all goals, policies, and quantifiable objectives cover the period from Plan approval in 2014 five years hence to 2019. The City of Truth or Consequences Commission will continue to coordinate current and future affordable housing needs for the community and render oversight of the implementation of the Affordable Housing Plan. City staff will work in concert with the Truth or Consequences Housing Authority, the Southwestern Regional Housing and Community Development Corporation, Sierra County, selected profit and non-profit development entities yet to be determined, U.S. Department of Housing and Urban Development, U.S. Rural Development, the State of New Mexico Mortgage Finance Authority, and other organizations as needed.

It should be noted that the goals, policies, and quantifiable objectives contained in this section are derived from and consistent with the Housing Element of the updated City of Truth or Consequences Comprehensive Plan. A portion of these goals, policies, and quantifiable objectives may also be realized through additional affordable housing opportunities within the Downtown area as identified in the City of Truth or Consequences Downtown Master Plan.

The responsibilities of the City Commission and its agents will include, but are not limited to, the following:

- Updating and refining the Affordable Housing Plan on an 'as needed' basis.
- Attendance at MFA's training and technical assistance programs for affordable housing providers to foster their ability to assist with the implementation of this program.
- Adjusting utility hook-up and impact fees for affordable housing projects deemed a priority by the City of Truth or Consequences.
- Developing policies to assemble and convey land at reduced or donated values for the development of affordable housing deemed a priority by the City of Truth or Consequences.
- Pursuing resources for the development of affordable housing deemed a priority by the City of Truth or Consequences.
- Maintaining an inventory of City-owned lots with adjacent infrastructure which may serve as affordable rental and for sale housing deemed a priority by the City of Truth or Consequences.
- Pursuing amendments to the Zoning Code, Subdivision Ordinance, and building code to facilitate the rehabilitation and/or construction of affordable rental and/or for-sale housing deemed a priority by the City of Truth or Consequences.

B. Goals, Policies, and Quantifiable Objectives

Goal I. Foster affordable housing production for households earning at or below 80% of the Sierra County adjusted median income (AMI).

Objective A: From 2014 through 2019, the City of Truth or Consequences seek to place 20 affordable single family units into production for persons earning at or below 80% of the median (adjusted by household size) within the locality.

Policy A-1: The City of Truth or Consequences will assemble City-owned properties for the production of affordable housing. Sites may accommodate single family subdivision development, scattered single family infill development, or multi-family development.

Policy A-2: Once assembled, the City of Truth or Consequences will convey the City-owned properties to a Qualifying Grantee for the production (new construction or acquisition/rehab) of single family dwellings for households earning at or below 80% of the Sierra County AMI.

Policy A-3: The Qualifying Grantee will comply with all the requirements ultimately contained within the development agreement governing the conveyance of land between the City of Truth or Consequences and itself. The agreement will contain public purpose requirements that include, but are not limited to, city residency of households assisted, income restrictions for both initial and future clients, the provision of initial homeownership counseling and other requirements deemed necessary by the City, a Qualifying Grantee, and other relevant funding agencies, etc.

Policy A-4: For those ultimate site/s conveyed, the City of Truth or Consequences will waive utility hook-up and impact fees for households earning at or below 80% of the Sierra County AMI.

Policy A-5: The Qualifying Grantee will comply with all the requirements ultimately contained within the development agreement governing the conveyance of land between the City of Truth or Consequences and itself. The agreement will contain public purpose requirements that include but are not limited to city residency of households assisted, income restrictions for both initial and future clients, the provision of initial homeownership counseling and other requirements deemed necessary by the City of Truth or Consequences, the Qualifying Grantee, and other relevant funding agencies, etc.

Policy A-6: The Qualifying Grantee will seek available funding from the US Department of Rural Development (Section 502), HUD, HOME, and/or HTF resources, as well as resources available from the New Mexico MFA, local banks and lenders, etc.

Policy A-7: The City of Truth or Consequences will provide office space and application/intake support, as needed, to the Qualifying Grantee for affordable housing endeavors within the locale.

Goal II. The City of Truth or Consequences will foster the rehabilitation of substandard single family and multi-family dwelling units for households earning at or below 80% of the Sierra County adjusted median income (AMI).

Objective B: From 2014 through 2019, the City of Truth or Consequences will seek to rehabilitate up to 30 affordable, single-family, multi-family, and manufactured housing/mobile homes occupied by households earning at or below 80% of the Sierra County median income (adjusted by household size) within Truth or Consequences.

Policy B-1: In partnership with the City of Truth or Consequences, the Qualifying Grantee will focus production throughout the community for ownership households earning at or below 80% of the Sierra County AMI.

Policy B-2: In cooperation with the City of Truth or Consequences, the Qualifying Grantee will annually pursue the receipt of the maximum amount of HOME and CDBG funds possible, as well as USDA Rural Development rural repair and rehabilitation loans and RD 504 grants for elderly persons (aged 62 or greater) in the community in need of housing rehabilitation.

Policy B-3: The Qualifying Grantee will ensure rehabilitation support is committed through soft-second, deferred loans and/or interest bearing loans are repaid (pursuant to HOME/CDBG regulations) upon property transfer. Local bank and lender financing will be used to leverage federal resources. Any private funding leveraged will be recycled back into the project, if viable.

Policy B-4: The Qualifying Grantee will mandate homeownership counseling as a condition of rehabilitation loan commitments.

Policy B-5: The Qualifying Grantee will utilize green building design and construction practices in the rehabilitation of substandard single family and multi-family dwelling units.

Policy B-6: The Qualifying Grantee will pursue manufactured housing rehabilitation via available weatherization programs.

Goal III. The City of Truth or Consequences will foster the production of affordable rental units for households earning at or below 60% of the Sierra County adjusted median income (AMI).

Objective C: From 2014 through 2019, the City of Truth or Consequences will seek to produce up to 20 affordable, rental units for households earning at or below 60% of the Sierra County median income (adjusted by household size) within the locale. Rental units will be either newly constructed or undertaken through acquisition and rehabilitation, and will endeavor to utilize green building design and construction practices. This will be undertaken by local non-profits and/or profit development entities with municipal site contribution committed in tandem with other prospective federal and/or state funding providers.

Policy C-1: The City of Truth or Consequences will assemble City-owned assets (as identified under *Potential Development Sites on page 52*) for use as affordable housing serving households earning at or below 60% AMI.

Policy C-2: The City of Truth or Consequences will convey such City-owned assets to qualified local non-profits and/or profit development entities for the production (new construction or acquisition/rehab infill) of multi-family dwellings for households earning at or below 60% of the Sierra County AMI.

Policy C-3: For those site/s conveyed, the City of Truth or Consequences will waive utility hook-up and/or impact fees for households earning at or below 60% of the Sierra County AMI.

Policy C-4: The Truth or Consequences Housing Authority or private consultant/s will assist the City of Truth or Consequences to identify and select possible non-profit or private funding providers to enter into ultimate development agreements.

Policy C-5: The non-profit or private developer ultimately selected will comply with all the requirements ultimately contained within the development agreement governing the conveyance of land between the City of Truth or Consequences and itself. The agreement will contain public purpose requirements mandating the city residency of households assisted, income restrictions that are at or below 80% of the Sierra County AMI for both initial and future clients, the provision of specified support services for clients and other requirements deemed necessary by the City, funding providers, and developer/s.

Policy C-6: The non-profit or private developer ultimately selected will pursue Low Income Housing Tax Credit support with gap financing mitigation as/if applicable. The selected developer may also pursue financing packages for project development that includes, but are not limited to: tax-exempt bond support in tandem with public or private credit-enhancement, HOME, the New Mexico Housing Trust Fund, RD Rural Rental support or HTF resources, non-profit CDFI Ventana Fund, etc. (see *Appendix B, Funding Resources*).

Goal IV. Commencing in 2014, the City of Truth or Consequences will increase the volume of supportive housing available for seniors and/or disabled households.

Objective D: Between 2014 and 2019, the City of Truth or Consequences will increase the supply of supportive housing by 10 units for seniors and/or disabled households earning at or below 50% of the Sierra County area median income adjusted by household size and induce the provision of transitional housing by up to five units for 'at risk' or homeless persons.

Policy D-1: The City of Truth or Consequences will follow all of the policies articulated under Goal III, Objective C to foster the production of supportive housing and/or transitional housing for seniors, disabled, or homeless households earning at or below 50% of the Sierra County area median income adjusted by household size.

Policy D-2: The Truth or Consequences Housing Authority, in concert with the City of Truth or Consequences, shall explore all opportunities associated with the procurement of HUD 202 and RD rural rental housing programs for the community oriented to elderly and/or disabled households.

Policy D-3: The City of Truth or Consequences will provide an office space as an incentive to supportive housing providers, such as Alianza of New Mexico, Community Action Agency of Southern New Mexico, the Ability Center, the Domestic Abuse Intervention Center, and the Southwestern Regional Housing and Community Development Corporation.

Goal V. The City of Truth or Consequences will support affordable housing through the provision of regulatory concessions and incentives for new development.

Objective E: The City of Truth or Consequences will seek to increase affordable housing stock by amending the residential development standards in the Zoning Code; amending the local residential street standards in the Subdivision Ordinance; increasing the amount of R-2 and R-3 zoning; and donating City-owned land to qualified development entities.

Policy E.1: The City of Truth or Consequences will waive impact fees and utility hook-up fees for affordable housing projects that meet the goals of the City of Truth or Consequences Affordable Housing Plan.

Policy E.2: The City will identify its land holdings that would be suitable for donation or selling at a reduced cost for an affordable housing project. Additional dilapidated and abandoned lots will be identified over time that would be suitable for donation towards affordable housing development.

Policy E.3: The City of Truth or Consequences will modify its Zoning Code and Subdivision Ordinance as follows:

- Revise/clarify definitions regarding special use populations and allow housing targeted to special use populations in the R-3 zone;
- Reduce minimum lot sizes and minimum setbacks in residential zones (*as identified in the Land Use section*);
- Allow vertical mixed use and special setbacks for residential use in the Downtown area (*consistent with recommendations contained in the City of Truth or Consequences Downtown Master Plan*);
- Reduce the minimum dwelling unit size in the RR-1 and C-1 zones from 800 square feet to 550 square feet; and
- Reduce the right-of-way widths and pavement section requirements for local streets.

Policy E.4: The City of Truth or Consequences, in conjunction with property owners, will rezone 10-12 acres of undeveloped properties to R-2 and R-3 zoning in order to increase the proportion of land available to multi-family development.

C. Consideration of Related Issues

Comprehensive Plan and Public Participation

The Affordable Housing Plan was completed as part of an update to the City of Truth or Consequences Comprehensive Plan.

A series of public meetings were held at the Lee Belle Johnson Senior Recreation Center as part of the public participation process. Housing was one of the primary planning elements and the participants provided valuable input on housing issues that was incorporated into both documents.



Representatives from the Truth or Consequences Housing Authority participated in each of the public meetings. The Comprehensive Plan is anticipated to be adopted by the end of 2014.

Sustainability and Green Building

The City of Truth or Consequences operates its own electric utility and grid system. The City purchases its power from private entities. A new initiative is underway for a private entity to build and operate a 1.5 megawatt solar facility on behalf of the City. This would allow the City to generate its own electricity and it is anticipated that this will lead to lower utility costs.

There is a relatively strong interest in the community for green building and alternative energy systems. There are some current residents in Truth or Consequences that live off the grid and the desire to live a simpler lifestyle has attracted new people to the community. Residents at the Comprehensive Plan public meetings spoke about co-housing and allowing smaller units to be built in order to make housing more affordable. This represents an excellent opportunity for a private developer that is interested in building a more sustainable, smaller footprint, type of development project.

Job/Housing Mix

Truth or Consequences has been losing population for a number of years. The median age is older than the state-wide median. Young people have difficulty finding jobs, which likely can be attributed to the rise in the median age. They also have a difficult time finding adequate housing. Many people live in RVs, which is another indication of the lack of suitable housing in the community.

While the overall population has been declining, Truth or Consequences does attract new people to the community that are drawn by the hot mineral springs and the City's reputation as a health and wellness community, its unique character, and the arts community which is drawn to living and working close to the Downtown area. There is some potential for new employers, including the Copper Flat Mine, but the projection for operation of the mine is limited to 17 years. The Spaceport and complementary uses will also provide some new employment over time. A hotel associated with the Spaceport will bring new, relatively low paying jobs to the community and these employees will be looking for housing. It is important that the housing stock keep up with these new expansions in employment opportunities.

APPENDIX A: HOMES SOLD AND FOR SALE IN TRUTH OR CONSEQUENCES

A. Single Family Homes Sold

RESIDENTIAL Summary Statistics												
High			Average			Median			Low			
LP:\$173,000			\$84,871			\$82,450			\$15,000			
SP:\$173,000			\$78,993			\$75,000			\$15,000			
RESIDENTIAL - Sold												
Address	Status	Lst Date	Close Date	ApxSF	MLS #	How Sold	DOM	LtLdSize	Type	DOM	LP	SP
712 N Fir	Sold-In House	8/13/2012	9/25/2012	798	20124183	Cash	43	60X140	Single Family	43	\$15,000	\$15,000
625 Charles	Sold-In House	12/10/2013	1/30/2014	980	20135542	Cash	51	49.81' x 120.12'	Single Family	51	\$19,900	\$17,000
845 Van Patten	Sold-Co-Op W/ MLS Member	8/22/2013	11/15/2013	700	20134043	Conventional	85	45 X 105	Single Family	85	\$27,000	\$24,000
880 W 6th Street	Sold-Non-MLS Member	2/21/2012	4/3/2012	1184	20121399	Cash	42	113 x 115	Single Family	42	\$26,900	\$26,000
100 Cherry Lane	Sold-Co-Op W/ MLS Member	4/17/2013	7/11/2013	762	20131777	Conventional	85	0.34	Single Family	85	\$34,000	\$27,500
609 Lucky St.	Sold-In House	4/8/2013	8/15/2013	1877	20131556	Cash	129	150X140	Single Family	129	\$35,000	\$28,700
1300 E 8TH ST.	Sold-In House	6/25/2012	8/23/2013	1200 PAO	20123365	Conventional	424	100' X 175.4' PAO	Single Family	424	\$44,200	\$29,000
612 E 6th	Sold-Co-Op W/ MLS Member	12/15/2011	4/23/2012	864	20120561	Cash	130	70x105	Single Family	130	\$29,700	\$29,000
1301 Copper	Sold-Co-Op W/ MLS Member	2/5/2013	6/26/2013	1311	20130572	Cash	141	75 X 142	Single Family	141	\$34,900	\$31,500
402 Cherry Lane	Sold-Co-Op W/ MLS Member	12/21/2013	3/12/2014	606	20135660	Cash	81	80 x 80	Single Family	81	\$34,500	\$32,000
807 Locust	Sold-In House	4/29/2012	7/27/2012	624 per AO	20122520	Cash	89	10170 per AO	Single Family	89	\$35,000	\$32,500
765 W 6TH	Sold-In House	10/15/2011	5/15/2012	1024 PAO	20119861	Cash	213	70' x 105'	Single Family	213	\$47,000	\$35,000
708 Corbett St	Sold-Co-Op W/ MLS Member	11/16/2012	3/1/2013	967	20130277	Cash	105		Single Family	105	\$44,900	\$37,000
906 N Locust	Sold-Co-Op W/ MLS Member	8/7/2013	11/20/2013	1309	20133683	Conventional	105	80X140	Single Family	105	\$47,000	\$43,000
600 Corbett	Sold-In House	1/31/2012	7/16/2012	784	20121342	Cash	167	70' x 120'	Single Family	167	\$49,900	\$49,000
425 Marr	Sold-In House	11/22/2011	10/3/2013	590PAO + 512 POA	20120308	Cash	681	25 x 120 PAO	Single Family	681	\$49,000	\$49,000
702 Locust	Sold-Co-Op W/ MLS Member	5/11/2012	3/20/2013	1188	20122587	Conventional	313	61 x 140	Single Family	313	\$64,000	\$58,000
801 Yucca	Sold-In House	1/30/2013	9/20/2013	1209	20130542	Contract For Deed	233	87.72 x 112.84	Single Family	233	\$60,500	\$58,500
912 Poplar St	Sold-In House	9/28/2012	1/31/2013	1882	20124814	Cash	125	0.35	Single Family	125	\$63,180	\$59,000
810 Juniper St	Sold-Co-Op W/ MLS Member	9/7/2012	2/25/2013	1310	20124528	FHA	171	0.38	Single Family	171	\$61,900	\$61,900
704 Silver	Sold-In House	7/17/2013	2/13/2014	920	20133477	Cash	211	60X140	Single Family	211	\$64,900	\$62,000
715 W SEVENTH ST.	Sold-Co-Op W/ MLS Member	11/19/2012	1/24/2013	818 PAO	20125638	Cash	66	120' X 94' PAO	Single Family	66	\$67,500	\$65,000
704 LOCUST	Sold-Co-Op W/ MLS Member	10/4/2013	3/28/2014	1040	20134674	Cash	175	60 X 140	Single Family	175	\$70,000	\$66,000

709 Grape	Sold-Co-Op W/ MLS Member	1/28/2013	8/2/2013	1712	20130450	FHA	186	8400	Single Family	186	\$71,900	\$68,000
915 IVY	Sold-In House	10/27/2011	4/20/2012	1644 PAO	20119992	Cash	176	99 X 140	Single Family	176	\$90,000	\$71,000
808 IVY	Sold-In House	3/1/2012	8/15/2012	1328 PAO	20121522	Conventional	167	90'X140' PAO	Single Family	167	\$75,000	\$71,500
721 Wyona	Sold-Co-Op W/ MLS Member	11/15/2013	3/7/2014	910	20135296	Cash	112	50' x 120'	Single Family	112	\$79,000	\$72,000
624 W 6 th st	Sold-In House	9/27/2013	11/26/2013	1,300	20134654	Assumption	60	45x140	Single Family	60	\$75,000	\$75,000
615 N Caballo Road	Sold-In House	10/12/2012	2/28/2013	1200 PAO	20124989	Contract For Deed	139	60 x 140	Single Family	139	\$109,900	\$75,000
601 W 1st Street	Sold-In House	4/17/2013	9/4/2013	924	20131711	VA	140	50' x 100'	Single Family	140	\$85,000	\$79,000
717 CORBETT	Sold-Co-Op W/ MLS Member	4/9/2013	6/27/2013	1092	20131569	VA	79	75X140	Single Family	79	\$79,900	\$80,000
908 POPLAR	Sold-Co-Op W/ MLS Member	12/21/2013	3/25/2014		20135699	FHA	94	80 x 140 per survey	Single Family	94	\$87,000	\$81,500
608 CORONA	Sold-In House	9/6/2011	5/14/2012	964 PAO	20119261	Conventional	251	50' X 110' PAO	Single Family	251	\$86,000	\$81,900
1002 Kopra	Sold-Before Processed	1/26/2013	2/7/2013	1752	20130626	Cash	12		Single Family	12	\$85,000	\$85,000
509 Corona	Sold-Co-Op W/ MLS Member	7/26/2012	1/10/2013	1093	20123802	Cash	168	60 x 120	Single Family	168	\$98,000	\$85,000
409 Juniper	Sold-In House	1/29/2012	7/19/2013	1146	20121516	Cash	537	60 x 140	Single Family	537	\$88,800	\$85,000
313 N Foch	Sold-In House	12/15/2011	3/15/2013	950 sq ft + 240 sq ft PAO	20120544	Cash	456	60 x 140	Single Family	456	\$89,000	\$85,000
1019 Parway	Sold-Co-Op W/ MLS Member	11/8/2012	1/23/2013	1248	20125361	Cash	76	100x90	Single Family	76	\$85,900	\$85,250
810 Sierra Vista	Sold-Co-Op W/ MLS Member	8/27/2012	10/9/2012	1656	20124530	Cash	43	102 x 120	Single Family	43	\$90,000	\$87,500
713 Corbett	Sold-In House	8/4/2012	5/22/2013	1422	20124046	VA	291	75' x 140'	Single Family	291	\$89,000	\$89,000
475 E Riverside	Sold-Co-Op W/ MLS Member	12/12/2011	11/27/2012	805	20125509	Conventional	351	0.126 acre	Single Family	351	\$138,000	\$90,500
711 Kopra	Sold-Before Processed	1/29/2013	2/1/2013	1512	20130522	Cash	3	90 x 140	Single Family	3	\$92,000	\$92,000
905 Spruce	Sold-Co-Op W/ MLS Member	8/7/2012	4/24/2013	1226	20124050	Conventional	260	66 x 140	Single Family	260	\$108,000	\$94,900
908 YUCCA	Sold-In House	1/30/2013	6/27/2013	2336	20130468	Conventional	148	111 X 90	Single Family	148	\$121,000	\$110,000
1017 POPLAR	Sold-In House	8/22/2013	3/14/2014	1367	20134054	Cash	204		Single Family	204	\$130,000	\$117,000
920 Ivy	Sold-In House	6/5/2012	11/21/2013	1504	20122940	VA	534	141 x 140	Single Family	534	\$119,000	\$119,000
804 YUCCA	Sold-In House	12/7/2010	7/16/2012	1440 PAO	20115443	FHA	587	80' X 112.84' PAO	Single Family	587	\$147,500	\$133,000
600 N Foch St.	Sold-Co-Op W/ MLS Member	2/1/2013	7/2/2013	1199	20130456	FHA	151	140'x90'	Single Family	151	\$134,500	\$134,000
602 CAMINO DE CIELO	Sold-Co-Op W/ MLS Member	4/19/2013	7/12/2013	1292	20131743	Conventional	84	98 X 110	Single Family	84	\$149,000	\$140,000
1007 Kopra	Sold-Co-Op W/ MLS Member	4/8/2011	12/5/2012	2284	20117137	FHA	607	.22	Single Family	607	\$149,000	\$147,000
380 W RIVERSIDE	Sold-In House	8/5/2012	9/27/2012	868	20124030	Conventional	53	50 X 120	Single Family	53	\$149,000	\$149,000
100 N Pershing	Sold-In House	10/12/2011	6/15/2012	1320	20119772	Cash	247	irreg	Single Family	247	\$153,000	\$150,000
1365 E RIVERSIDE DR.	Sold-In House	6/15/2013	2/6/2014	1033 PAO	20132774	Conventional	236	.694 AC. PAO	Single Family	236	\$165,000	\$155,000
906 Pershing	Sold-Co-Op W/ MLS Member	10/5/2012	9/27/2013	1550 pao	20124897	Conventional	357	.25	Single Family	357	\$169,500	\$162,000
217 Austin	Sold-Before Processed	8/1/2012	8/10/2012	1361	20124100	Cash	9	56.5 x 70	Single Family	9	\$165,000	\$165,000
105 Juniper	Sold-In House	1/30/2013	4/30/2013	1648	20131897	Cash	90	0.23 + 0.31 Acres	Single Family	90	\$173,000	\$173,000
	Total									Avg	Avg	Avg
	56									192	\$84,871	\$78,993

B. Single Family Homes - Active Listings

RESIDENTIAL Summary Statistics												
High			Average			Median			Low			
LP:\$675,000			\$128,562			\$112,500			\$40,000			
SP:\$0			\$0			\$0			\$0			
RESIDENTIAL - Active												
Address	Status	Lst Date	Close Date	ApxSF	MLS #	How Sold	DOM	LtLdSize	Type	DOM	LP	SP
1273 Simpson	Active	3/5/2014		720	20140955			70 x 100	Single Family	0	\$40,000	
603 Gold	Active	7/1/2012		678	20123388			90 x 140	Single Family	0	\$42,500	
717 Ash	Active	7/20/2013		522	20135630			30 x 120	Single Family	0	\$45,000	
655 Clancy	Active	6/5/2012		529	20122985			37 x 65	Single Family	0	\$49,999	
311 N Maple	Active	6/24/2013		1880	20132961			45' x 141'	Single Family	0	\$54,000	
800 N Elm	Active	3/25/2014		1285	20141246			.19	Single Family	0	\$59,900	
1225 Simpson	Active	4/28/2013		860	20131992			72' x 157'	Single Family	0	\$60,000	
635 Post	Active	12/16/2013		912 per assessor	20135606			50 x 100	Single Family	0	\$62,500	
202 E 4th	Active	1/3/2014		915	20140042			4320 sq ft	Single Family	0	\$64,900	
712 SILVER	Active	12/27/2013		928 PAO	20135459			66' X 140' PAO	Single Family	0	\$65,000	
419 Cedar	Active	10/28/2013		900	20135004			45 x 140	Single Family	0	\$68,500	
800 E 5th	Active	6/17/2013		900 mol	20132769			60 x 140	Single Family	0	\$69,000	
904 POPLAR	Active	6/19/2013		864 PAO	20132808			78'X140'PAO	Single Family	0	\$69,900	
709 Juniper	Active	10/11/2012		846	20124979			45' x 140'	Single Family	0	\$69,900	
209 W Sixth	Active	3/27/2014		1128	20141307			50 x 150	Single Family	0	\$70,000	
819 Ash	Active	3/13/2014		549	20141139			35 x 161	Single Family	0	\$72,500	
705 Foch	Active	6/28/2013			20132998			60 X 140	Single Family	0	\$74,900	
514 Kopro	Active	2/19/2013		715	20135631			60 x 140	Single Family	0	\$75,000	
265 W Lincoln	Active	12/13/2013		1408	20135573				Single Family	0	\$79,500	
112 FIRST ST.	Active	10/31/2012		1641 PER AO	20125382			60' X 140' PAO	Single Family	0	\$79,950	
516 IVY	Active	5/3/2013		1556 PAO	20131947			90' X 140' PAO	Single Family	0	\$82,000	
806 FOCH	Active	12/1/2013		1078	20135493			60X140	Single Family	0	\$84,900	
1301 E 5th St	Hold-Do Not Show	6/10/2013		1086	20132787			140' X 60'	Single Family	0	\$85,000	
1100 Henson Ave.	Active	2/5/2014		1070	20140516			0.17	Single Family	0	\$88,900	
1008 E 7th	Active	11/1/2013		1503	20135152			120 x 140	Single Family	0	\$89,000	
520 Charles	Active	4/26/2013		764	20131836			50 x 120	Single Family	0	\$89,000	
502 - 508 Elm	Active	2/4/2013		1971	20130571			120 x 140	Single Family	0	\$89,000	
400 Corbett	Active	3/6/2014		2196 per AO	20140979			120 x 140	Single Family	0	\$92,000	
823 Ivy	Active	8/18/2013		1104	20133997			118' x 140'	Single Family	0	\$95,000	
616 Oak	Active	3/25/2013		1143	20131316			70 x 140	Single Family	0	\$95,000	
1400 E 8th	Active	3/18/2013		1204	20131287			80' x 115' +/-	Single Family	0	\$97,000	
619 Wyona	Active	1/31/2014		976 per AO	20140435			75x120	Single Family	0	\$99,000	
512 Coleman	Active	9/14/2013		1343	20134389			60' x 140'	Single Family	0	\$109,000	

380 W 8th	Active	4/9/2011	1450 PAO	20117100					120 x 72	Single Family	0	\$110,000
814 Fir	Active,U/C-Take Back Ups	1/16/2014	1430	20140237					120' x 140'	Single Family	0	\$115,000
913 Grape	Active	2/25/2013	1326	20130885					75' x 140'	Single Family	0	\$118,000
706 Palo Verde	Active	2/28/2014	1527	20140878					99.75x120	Single Family	0	\$119,000
710 Grape	Active	1/28/2014		20140370						Single Family	0	\$119,000
915 Locust	Active	2/7/2014	1825	20140552					86 x 168	Single Family	0	\$125,000
922 GRAPE	Active	12/2/2013	1729 PER AO	20135466					132'X140' LESS 2,373 SQ.FT LOT 2 PER SURVEY	Single Family	0	\$125,000
840 W 8th	Active	4/14/2011	1734	20117202					85 x 90	Single Family	0	\$129,500
908 Foch	Active	5/30/2013	1781	20132419					115' x 140'	Single Family	0	\$130,000
820 W 4th	Active	5/17/2013	979	20132221					60 x 140	Single Family	0	\$135,000
913 Locust	Active	2/22/2014	1620	20140794						Single Family	0	\$136,000
1080 W SEVENTH ST.	Active	11/15/2011	1485 PAO	20120253					90' X1 40' PAO	Single Family	0	\$139,000
815 YUCA	Active	7/16/2012	1338 PAO	20123810					80'X112.84' PAO	Single Family	0	\$139,900
915 PALO VERDE	Active	1/16/2014	1519 PER AO	20140235					90' X 112' PER AO	Single Family	0	\$139,990
704 Grape	Active	2/24/2014	1792 pao	20140798					60x140	Single Family	0	\$139,999
920-922 GRAPE	Active	12/2/2013	1729 PER AO	20135463					APPROX. 25,347 SQ.FT. PER AO & SURVEY	Single Family	0	\$140,000
608 CAMINO DE CIELO	Active	1/25/2013	1526 PAO	20130606					107' X 110' PAO	Single Family	0	\$149,000
1180 E Riverside	Active	9/15/2012	1909	20124633					68' x 176.75' per survey	Single Family	0	\$149,999
419 W 8th	Active	5/10/2013	1600 PAO	20132100					70 X 90	Single Family	0	\$159,500
514 N Elm	Active	5/17/2013	2306 + apartment	20132203					90 x 140	Single Family	0	\$165,000
301 N Riverside Dr.	Active	10/10/2013		20134756						Single Family	0	\$169,000
717 Tingley	Active	2/2/2014	2788	20140369					75x140	Single Family	0	\$179,000
922 CAMINO DE MESA	Active	4/9/2013	2000	20131595					125 X 100	Single Family	0	\$179,000
700 POPLAR	Active	8/19/2012	2139	20124256					90 X 140	Single Family	0	\$189,000
225 W 9th	Active	11/27/2013	1700	20135390					74'.6" x 140'	Single Family	0	\$189,900
902 Pershing	Active	4/25/2008	1522 per AO	20087568					52 x 140	Single Family	0	\$189,900
410 GRAPE	Active	10/4/2013	2164 PAO	20134671					60'X140' PAO	Single Family	0	\$195,000
918 N PERSHING	Active	1/17/2014	2448 PAO	20140258					98.5' X 140' PLUS 40' X 140' PAO	Single Family	0	\$198,500
613 SPRUCE	Active	8/5/2013	1855 PAO	20133692					15,900 SQ.FT.	Single Family	0	\$210,000
904 PERSHING	Active	10/4/2012	1863	20124894					66X140	Single Family	0	\$214,900
1014 Locust	Active,U/C-Take Back Ups	7/20/2013	1964	20133389					100 x 140	Single Family	0	\$216,500
818 LOCUST	Active	1/20/2014	2427 PER AO	20140274					75' X 140' PER AO	Single Family	0	\$225,000
608 Grape	Active	10/21/2013	1656	20134911					105 x 140	Single Family	0	\$230,000
1007 Locust	Active	1/12/2010	2656	20110498					168 x 115	Single Family	0	\$329,900
43 Turtleback Rd	Active	7/9/2013	2927	20133140					86+ acres	Single Family w/ Acreage	0	\$675,000
Total											Avg	Avg
											0	\$128,562

C. Manufactured Homes Sold

RESIDENTIAL Summary Statistics												
High			Low			Average			Median			
LP:\$165,000			\$18,000			\$52,854			\$48,000			
SP:\$145,000			\$16,500			\$46,191			\$39,000			
RESIDENTIAL - Sold												
Address	Status	Lst Date	Close Date	ApxSF	MLS #	How Sold	DOM	LtdSize	Type	DOM	LP	SP
500 E Riverside # 13	Sold-In House	1/11/2013	8/9/2013	1120	2013268	Cash	210	no lot, MH ONLY SALE	Manufactured Home	210	\$20,000	\$16,500
1303 ORE	Sold-In House	4/5/2013	10/17/2013	624	2013148	Cash	195	50 x 100 APPROX	Manufactured Home	195	\$18,000	\$16,500
606 E 4th	Sold-In House	2/7/2011	7/16/2012	1096 PAO	2011618	Cash	525	60' x 140'	Manufactured Home	525	\$30,000	\$18,500
415 N Silver	Sold-In House	7/19/2012	11/25/2013	840	2013029	Cash	494	60 x 140	Manufactured Home	494	\$40,000	\$22,500
1512 Mercury	Sold-Co-Op W/ MLS Member	10/18/2013	12/20/2013	1064	2013488	Cash	63	100' X 165'	Manufactured Home	63	\$29,000	\$25,000
1201 Caballo	Sold-In House	2/29/2012	6/6/2012	1064	2012151	Cash	98	Rented Space	Manufactured Home	98	\$29,000	\$25,000
1201 CABALLO ROAD - SPACE 8	Sold-In House	11/18/2013	12/6/2013	980 MFH - 240 SUNROOM PAO	2013532	Cash	18	NO LAND	Manufactured Home	18	\$29,000	\$26,000
236 W 7th	Sold-Co-Op W/ MLS Member	3/15/2012	5/11/2012	1056	2012172	Cash	57	70 x 90 PAO	Manufactured Home	57	\$32,000	\$26,500
1201 CABALLO RD - SPACE 10	Sold-In House	8/26/2013	10/30/2013		2013412	Cash	65	MFH ONLY - NO LAND	Manufactured Home	65	\$31,000	\$27,000
904 E Ninth	Sold-In House	2/27/2012	5/10/2012	1411	2012158	Cash	73	90X91	Manufactured Home	73	\$34,000	\$27,000
601 SILVER	Sold-In House	7/6/2012	8/16/2013	14X70 PAO	2012348	Cash	406	60'X140' PAO	Manufactured Home	406	\$30,000	\$29,000
1409 Tungsten	Sold-In House	3/25/2013	4/25/2013	720 sq ft	2013130	Cash	31	50 x 140	Manufactured Home	31	\$33,500	\$30,000
106 N Magnolia	Sold-Co-Op W/ MLS Member	3/27/2012	6/6/2012	636	2012201	Contract For Deed	71		Manufactured Home	71	\$35,000	\$30,000
309 Tingley Street	Sold-In House	11/17/2012	3/12/2013	1960	2012543	Cash	115		Manufactured Home	115	\$34,900	\$34,900
1211 Lead	Sold-In House	12/3/2012	4/19/2013	980	2012562	Seller	137	50' x 112'	Manufactured Home	137	\$40,000	\$36,000
1206 Platinum	Sold-In House	10/3/2013	11/22/2013	756 sq ft - Main House	2013466	Contract For Deed	50	.20	Manufactured Home	50	\$48,000	\$38,000
500 E Riverside #18	Sold-In House	6/13/2012	7/12/2012	1280	2012316	Contract For Deed	29	no land	Manufactured Home	29	\$39,000	\$39,000
1403 Aluminum St	Sold-In House	8/4/2012	10/9/2012	784	2012401	Cash	66	150 x 140	Manufactured Home	66	\$58,000	\$40,000

712 N Foch	Sold-In House	7/19/2012	12/3/2013	1288				2012370	Cash	502	70 x 140	Manufactured Home 502	\$49,900	\$40,000
608 E FIRST ST	Sold-In House	8/21/2012	9/11/2013	928				2012432	Cash	386	90 X 140	Manufactured Home 386	\$49,900	\$44,900
785 W 5 Th Ave	Sold-Co-Op W/ MLS Member	1/14/2012	10/31/2012					2012085	Conventional	291		Manufactured Home 291	\$49,300	\$45,220
305 E Second St	Sold-In House	10/25/2013	1/27/2014	1680				2013507	Cash	94	60X140	Manufactured Home 94	\$59,000	\$50,000
1000 E 5th	Sold-Co-Op W/ MLS Member	2/11/2013	1/15/2014	1680				2013070	Conventional	338	72' x 140'	Manufactured Home 338	\$55,900	\$50,000
1415 Platinum	Sold-In House	5/16/2012	9/24/2012	1344				2012265	Cash	131	75' x 142'	Manufactured Home 131	\$65,000	\$55,000
708 Silver	Sold-In House	4/26/2013	11/20/2013	960				2013459	Cash	208		Manufactured Home 208	\$65,000	\$61,000
309 Osborne	Sold-In House	12/6/2012	5/17/2013	1344				2012568	FHA	162		Manufactured Home 162	\$67,500	\$67,500
206 Garnett	Sold-Co-Op W/ MLS Member	10/11/2013	1/31/2014	1736				2013478	Cash	112	114 x140	Manufactured Home 112	\$79,500	\$72,000
1925 Veater St	Sold-Co-Op W/ MLS Member	2/21/2012	1/7/2013	1188				2012143	Cash	321	75' x 140'	Manufactured Home 321	\$75,000	\$72,000
401 Camino del Cielo	Sold-In House	9/20/2013	1/30/2014	1336				2013479	Contract For Deed	132	9559	Manufactured Home 132	\$75,900	\$75,900
1305 RIVERSIDE	Sold-In House	10/1/2012	4/2/2013	14X70' - 980 PER AO				2012490	Conventional	183	65' X 120' PAO	Manufactured Home 183	\$98,500	\$78,500
1110 Turtle View	Sold-Co-Op W/ MLS Member	8/29/2012	4/23/2013	1680				2012442	Cash	237	247 x 128 mol - NEW survey on file	Manufactured Home 237	\$79,900	\$79,900
1195 Riverside	Sold-In House	1/6/2012	5/16/2012	1092				2012074	Seller	131	87.20X150	Manufactured Home 131	\$98,500	\$80,000
1309 N Riverside	Sold-Co-Op W/ MLS Member	11/20/2012	4/17/2013					2012546	Conventional	148	240X90	Manufactured Home 148	\$165,000	\$145,000
	Total												Avg	Avg
	33												\$52,854	\$46,191

D. Manufactured Homes - Active Listings

RESIDENTIAL Summary Statistics												
High			Low			Average			Median			
LP:\$199,000			\$13,500			\$64,244			\$65,000			
SP:\$0			\$0			\$0			\$0			
RESIDENTIAL - Active												
Address	Status	Lst Date	Close Date	ApxSF	MLS #	How Sold	DOM	LtdSize	Type	DOM	LP	SP
1103 Bosque	Active	1/28/2014		1000	20140371			50x100	Manufactured Home	0	\$13,500	
909 E THIRD ST.	Active,U/C-Take Back Ups	3/10/2014		12'X52' (642 SQ.FT.) PAO	20141055			6690 SQ.FT. PAO	Manufactured Home	0	\$20,000	
707 Tingley	Active	11/23/2013		1517	20135355				Manufactured Home	0	\$32,200	
1201 Caballo Rd.	Active	6/7/2013		1500	20132613				Manufactured Home	0	\$34,900	
1402 Copper	Active	3/20/2013		896	20131312			50' x 142'	Manufactured Home	0	\$35,000	
1058 Turtleview	Active	10/8/2013		980	20134784			49.5' x 147'	Manufactured Home	0	\$39,000	
106 S Silver	Active	9/11/2012		784	20124659			50' x 140'	Manufactured Home	0	\$39,500	
475 Morgan St	Active	11/30/2013		1120	20135068			0.19	Manufactured Home	0	\$41,500	
1107 N Bosque	Active	3/2/2014		960	20140967			75 x 100	Manufactured Home	0	\$45,500	
125 N ASH	Active	9/5/2013		840	20134267				Manufactured Home	0	\$49,000	
519 Silver	Active	2/27/2013			20130999				Manufactured Home	0	\$49,999	
1001 Madeleine St.	Active	2/17/2014			20140631			lot	Manufactured Home	0	\$52,000	
302 OSBORN LANE	Active	8/30/2012		1120	20124454				Manufactured Home	0	\$54,000	
1107B Myrtle	Active	1/25/2014			20140337			2 city lots	Manufactured Home	0	\$55,900	
904 E Ninth	Active	12/19/2013		1411	20135636			90X91	Manufactured Home	0	\$65,000	
1605 Glenn	Active	12/5/2013		720 sq ft	20135489				Manufactured Home	0	\$68,000	
1404 Aluminum	Active	10/11/2013		1056 Approx.	20134831			50' x 140'	Manufactured Home	0	\$69,000	
628 Wyona	Active	2/28/2014		1280 MH Title	20140896			75 x120	Manufactured Home	0	\$69,900	
619 Gray	Active	10/9/2013		1120	20134738			50 x 120	Manufactured Home	0	\$69,900	
755 Post	Active	2/23/2012		960 PAO	20121435			4,298 sq ft PAO	Manufactured Home	0	\$69,900	
1503 Caballo	Active	7/15/2012		1256	20123626			65 x 145	Manufactured Home	0	\$70,000	
700 VAN PATTEN	Active	3/25/2011		28 X 40 PAO + ADD.	20116845			75'X120' PAO	Manufactured Home	0	\$72,500	
116 Foch	Active	2/26/2013		1440	20130893			90' x 130' +/-	Manufactured Home	0	\$74,990	
200 Pleen Ln.	Active	2/19/2014		1316 - 28x47	20140723			1.09 ac	Manufactured Home	0	\$85,900	
313 BRCH	Active	2/3/2014		1056 PAO	20140484			60' X 140' PAO	Manufactured Home	0	\$87,000	
307 N Maple	Active	10/18/2013		1472 - house	20134901			60" x 140'	Manufactured Home	0	\$95,000	
512 Van Patten	Active	4/8/2013		1728	20131541			50X120	Manufactured Home	0	\$95,000	
1509 Carrie	Active	12/9/2013		approximately 1400 sq ft.	20135524			0.70	Manufactured Home	0	\$110,000	
400 W Second	Active	1/8/2012		1500 + 600	20120756				Manufactured Home	0	\$199,000	
Total	29									Avg	Avg	Avg
										0	\$64,244	\$64,244

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APPENDIX B: DEFINITIONS and FUNDING RESOURCES

The source for the following definitions is the New Mexico Mortgage Finance Affordable Housing Act Rules, which are pursuant to the Mortgage Finance Authority Act, NMSA 1978 §58-18-1 et seq. and the Affordable Housing Act, NMSA 1978, §6-27-1 et seq. These definitions are incorporated in the Lordsburg Affordable Housing Plan to assist readers in understanding some of the terminology used in the document.

Act: Affordable Housing Act, §6-27-1 et seq. NMSA 1978.

Affordable: means consistent with minimum rent and/or income limitations set forth in the MFA Act, and in guidelines established by the MFA.

Affordable housing: residential housing primarily for persons or households of low or moderate income.

Affordable housing funds: any or all funds awarded or to be awarded, loaned, or otherwise distributed under the Act.

Congregate housing facility: 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 community living facilities, and each unit shall contain at least its own living, sleeping, and bathing facilities.

Household: one or more persons occupying a housing unit.

HUD: United States Department of Housing and Urban Development.

Market value: price at which buyers and sellers trade similar items in an open marketplace. In the absence of a marketplace, it is the estimated highest value a buyer would be warranted in paying and a seller justified in accepted, provided both parties were fully informed and acted intelligently and voluntarily.

MFA: New Mexico Mortgage Finance Authority.

Multi-family housing project: 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 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.

Multi-family housing program: a program involving a congregate housing facility, a multiple family housing project, or a transitional housing facility.

Persons of low or moderate income: 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 ad-

equate 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 the 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.

Rehabilitation: 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.

State: State of New Mexico.

Transitional housing facility: residential housing that is designed for temporary or transitional occupancy by persons of low or moderate income or special needs.

HOMELESS, SPECIAL NEEDS, & RENTAL ASSISTANCE PROGRAMS

PROGRAM	GRANTOR	NOTES
Continuum of Care (COC)	MFA/NM Coalition to End Homelessness	A partnership between MFA and the New Mexico Coalition to End Homelessness, this program funds agencies that provide assistance for people experiencing homelessness. Services include prevention, street outreach, emergency shelter, transitional housing and permanent supportive housing.
Daniels Fund	Private	Daniels Fund awards grants to nonprofit organizations. One of the grant focus areas includes Homeless and Disadvantaged Families & Individuals. Grant funding may be used towards emergency shelter or transitional housing with supportive services. http://www.danielsfund.org/Grants/index.asp
Domanica Foundation	Private	Domanica Foundation awards up to \$5,000 to nonprofit organizations to help fund project oriented, educational and social programs including homeless programs. http://www.domanica-foundation.org/
Emergency Housing Assistance Program (EHAP)	MFA	Support for community non-profits and local governments that provide emergency and transitional housing and supportive services for individuals and families who are experiencing homelessness or at risk of becoming homeless.
Emergency Shelter Grant (ESG)	HUD/CoC	Competitively grant program for emergency shelters and other short-term housing assistance for the homeless and those at risk of becoming homeless. Part of HUD's Continuum of Care programs coordinated on the state level.
Housing Opportunity for Persons with AIDS (HOPWA)	MFA	Provides supportive housing and case management services to individuals who have been diagnosed with HIV/AIDS to prevent homelessness.
Linkages Program	MFA	A permanent supportive housing voucher program for persons with behavioral health disorders who have experienced long-term homelessness. Services are provided through community partnerships between local or regional public housing authorities and licensed behavior health providers.
Rental Assistance Program (RAP)	MFA	A short and medium term rental assistance program for low-income individuals and families who are experiencing homelessness or who are at risk of becoming homeless. Assistance can include payments for security deposits and utility bills.
Rural Rental Assistance Program	USDA	The Rural Rental Assistance (RA) program provides an additional source of support for households with incomes too low to pay the HCFP subsidized (basic) rent from their own resources.

Supportive Housing Program (SHP)	HUD/CoC	Competitively awarded grant program for transitional housing combined with supportive services. Part of HUD's Continuum of Care programs coordinated on the state level.
Shelter Plus Care	HUD/CoC	Competitively awarded grant program for long-term housing combined with supportive services for chronic homeless with disabilities. Part of HUD's Continuum of Care programs coordinated on the state level.
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)	HUD	Moderate rehabilitation program that supports the creation of Single Room Occupancy (SRO) with dedicated rental assistance vouchers.
Emergency Homeless Assistance Program (EHAP)	MFA	ESG and state funds awarded through RFP for emergency shelters.
Housing Opportunities for People with AIDS	HUD	Federal program that provides funding to support housing for housing people with HIV/AIDS.
HUD Section 811	HUD	Support to non-profits for the creation of rental housing with supportive services for the very low income and disabled.
HUD Section 202	HUD	Capital advances to non-profit organizations for the creation of affordable rental housing for very low-income seniors.
HUD Section 231	HUD	Mortgage insurance loans for the rehabilitation of multifamily rental housing for the elderly/disabled.

RESOURCES FOR RENTAL HOUSING

PROGRAM	GRANTOR	NOTES
Section 8 Housing Choice Vouchers	HUD	Floating rental voucher that subsidizes rent in market rate rental units for low-income and disabled people. Managed by public housing authorities (PHAs).
Project Based Section 8 Vouchers	HUD	Rental vouchers that are attached to a specific housing project.
Mortgage Insurance for Single Room Occupancy (SRO) Projects	HUD	Section 221(d)(3) and 221(d)(4) insures mortgage loans for projects containing SRO units.

HOMEOWNERSHIP PROGRAMS		
PROGRAM	GRANTOR	NOTES
Bank of America Foundation	-	Bank of America Foundation funds programs focused on creating and preserving affordable housing and homeownership opportunities, foreclosure counseling and mitigation, real-estate owned (REO) disposition and programs that help individuals and families create better money habits and become more financially capable. http://about.bankofamerica.com/en-us/global-impact/charitable-foundation-funding.html
Bank of the West	-	Bank of the West provides grants that benefit low- to moderate-income individuals and communities. In New Mexico, Bank of the West provides grants that will serve the following counties: Bernalillo, Sandoval, Valencia and Doña Ana. The Charitable Giving Categories include Community and Economic Development category includes the following activities: <ul style="list-style-type: none"> • Creation, preservation or rehabilitation of affordable housing • Homeownership and credit counseling programs for low- to moderate-income individuals • Financing services and technical assistance programs for small businesses and farms • Asset creation and preservation programs for low- to moderate-income individuals https://www.bankofthewest.com/about-us/community-support.html
Building Trust	MFA	Below-market rate loans to Native American Families or individuals from federal recognized tribes who have a home site lease on trust land to buy, build or make repairs on existing homes. First-time home-buyer requirements are waived.
Helping Hand	MFA	\$8,000 for down payment and closing cost assistance to low-income families in which one family member has a disability. Helping Hand is a 0% loan due on sale, transfer or refinance of the home. Guidelines may vary by location.
HERO	MFA	The HERO program is a first mortgage loan that includes a 3.5% down payment assistance grant. The grant does not need to be repaid. HERO is available to low-to moderate-income households in which at least one member is a public safety worker, healthcare worker, educational worker or an active or reserve member of the armed forces. The HERO program is a 30-year, fixed-rate, FHA-insured mortgage loan.
Housing Counseling Grant	HUD	Competitively awarded grant funding for HUD certified housing counseling organizations. Provides funding for housing counseling and group education. Primary focus on homeownership but can also cover homelessness prevention, rental and post-purchase counseling and education.

Helping Hand	MFA	Up to \$8,000 down payment assistance for families with at least one member who is disabled who are below 80% AMI.
HOME Rehabilitation (REHAB)	MFA	Assistance for low-income homeowners to make necessary home repairs. MFA selects local housing authorities, community non-profit organizations and local governments to administer the program in communities throughout the state, excluding the cities of Albuquerque and Las Cruces.
Housing Counseling	-	Pre-purchase housing counseling for prospective buyers funded by U.S. Department of Housing and Urban Development (HUD) grants. Counseling is done by sub-grantees selected by MFA.
Housing Application Packaging Grants	USDA	Housing Application Packaging Grants provide government funds to tax-exempt public agencies and private non-profit organizations to package applications for submission to Housing and Community Facilities Programs.
Individual Development Accounts	DHHS	Funding for matched savings plans for extremely low-income households that can be used for down payment, education, or transportation expenses.
Individual Water and Waste Grants	USDA	Individual Water and Waste Water Grants provide Government funds to households residing in an area recognized as a colonia before October 1, 1989.
Mortgage Booster	MFA	A fixed-rate second mortgage that is used in conjunction with either a MortgageSaver or MortgageSaver Zero first mortgage. Mortgage Booster features a 30-year term and a maximum loan amount of \$8,000. Mortgage Booster has a 6% interest rate.
MortgageSaver	MFA	30-year fixed below-market rate mortgage loans priced with 1% discount and 1% origination fee for low to moderate-income first-time homebuyers.
MortgageSaver Zero	MFA	Thirty-year fixed rate mortgage for low and moderate-income households, no discount or origination points.
MortgageSaver Plus	MFA	30-year fixed rate mortgage program that includes a 3.5% grant to offset down payment and closing costs for low- to moderate-income first-time homebuyers. MortgageSaver Plus carries a slightly higher interest rate than MortgageSaver and MortgageSaver Zero loan products and features a 0% origination and 0% discount fee.
MortgageSaver Zero	MFA	30-year fixed-rate mortgage loans priced with 0% discount and 0% origination fee for low- to moderate-income first-time homebuyers.
MortgageSaver Xtra	MFA	30-year fixed rate mortgage with very low interest rate and no discount or origination point for buyers below 50% AMI.

Municipal Funds	City/County	To be developed mechanism for providing direct support for homeownership related activities by non-profits.
New Mexico EnergySmart (Weatherization)	MFA	Assistance for qualified households to improve their homes' energy efficiency and reduce utility expenses by as much as \$500 per year. Homes receive an average of \$5,000 in energy efficiency upgrades through the program, which may include insulation, caulking, new windows and/or new heating systems.
Partners Program	MFA	First mortgages for families earning less than 60% of the area median income. Mortgages are procured through non-profit housing providers.
PaymentSaver	MFA	A second mortgage loan that provides 8% of the sales price of the home (up to \$8,000) for down payment, closing costs, principal reduction and/or interest rate buydown for lower income families in eligible areas of the state. PaymentSaver is a 0% loan due on sale, transfer or refinance of the home.
PaymentSaver Smart Choice	MFA	Down payment Assistance program that provides \$15,000 in the form of a soft second mortgage for participants in the Section 8 Voucher program.
Rural Housing Guaranteed Loan	USDA	Applicants for loans may have an income of up to 115% of the median income for the area. Area income limits for this program are here. Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance. In addition, applicants must have reasonable credit histories.
Rural Housing Site Loans	USDA	Rural Housing Site Loans are made to provide financing for the purchase and development of housing sites for low- and moderate-income families.
Rural Repair and Rehabilitation Loan and Grant	USDA	The Very Low-Income Housing Repair program provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards. Rural Housing Repair and Rehabilitation Grants are funded directly by the Government. A grant is available to dwelling owner/occupant who is 62 years of age or older. Funds may only be used for repairs or improvements to remove health and safety hazards, or to complete repairs to make the dwelling accessible for household members with disabilities.
Section 502 Mutual Self-Help Loan	USDA	The Section 502 Mutual Self-Help Housing Loan program is used primarily to help very low- and low-income households construct their own homes.
Section 502 Rural Housing Direct Loan	USDA	Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to acquire, build (including funds to purchase and prepare sites and to provide water and sewage facilities), repair, renovate or relocate a home.

Self-Help Technical Assistance Grants	USDA	To provide financial assistance to qualified non-profit organizations and public bodies that will aid needy very low and low-income individuals and their families to build homes in rural areas by the self help method. Any State, political subdivision, private or public nonprofit corporation is eligible to apply.
Smart Choice	MFA	In areas where the local public housing authority offers the Section 8 Housing Choice Voucher Home-ownership program, program participants may be eligible for a Smart Choice down payment and closing costs assistance loan of \$15,000. Smart Choice features a 0% interest rate and is due on the sale, transfer or refinance of the home.
Streamline 203(K)	MFA	A 30-year, fixed rate FHA first mortgage that includes up to \$35,000 for home improvements or energy efficiency upgrades. Down payment assistance programs may be used in conjunction with this loan.
Technical and Supervisory Assistance Grants	USDA	To assist low-income rural families in obtaining adequate housing to meet their family's needs and/or to provide the necessary guidance to promote their continued occupancy of already adequate housing. These objectives will be accomplished through the establishment or support of housing delivery and counseling projects run by eligible applicants.
US Bank	-	US Bank provides grants to nonprofit organizations. One of the funding priorities is affordable housing. Eligible activities include: <ul style="list-style-type: none"> • Organizations that support the preservation, rehabilitation and construction of quality affordable housing that assists low- and moderate-income populations. • Programs that provide home buyer counseling and related financial education to low- and moderate-income individuals and families. https://www.usbank.com/community/charitable-giving.html
203(b) Mortgage	FHA	Federally backed mortgage insurance with low down payment requirements and 30-year conventional terms.
203(k) Mortgage	FHA	Federally backed mortgage that includes additional funds beyond the purchase price of the home for rehabilitation and non-luxury upgrades.

HOUSING DEVELOPMENT PROGRAMS

PROGRAM	GRANTOR	NOTES
ACCESS Loan	MFA	Streamlined Risk Sharing construction and permanent loans up to \$2 million for small-scale affordable rental housing projects.
Bank of the West	-	Bank of the West provides grants that benefit low- to moderate-income individuals and communities. In New Mexico, Bank of the West provides grants that will serve the following counties: Bernalillo, Sandoval, Valencia and Doña Ana. The Charitable Giving Categories include Community and Economic Development category includes the following activities: <ul style="list-style-type: none"> • Creation, preservation or rehabilitation of affordable housing • Homeownership and credit counseling programs for low- to moderate-income individuals • Financing services and technical assistance programs for small businesses and farms • Asset creation and preservation programs for low- to moderate-income individuals https://www.bankofthewest.com/about-us/community-support.html
Bond Financing	MFA	MFA may issue tax exempt bond financing for affordable multifamily housing developments.
“Build It!” Loan Guaranty Program	MFA	Up to a 50% guaranty of interim loans used to acquire, build or rehabilitate affordable rental and for-sale housing. Build It! Is available to non-profit organizations, for profit corporations, units of local government, housing authorities and tribal entities.
Calvert Social Investment Foundation		Calvert Social Investment Foundation lends to established community organizations including, CDFIs, loan funds, microfinance institutions, affordable housing developers and, social enterprises. Funds may be used towards loan capital and pre-development costs. http://www.calvertfoundation.org/
CDFI Ventana Fund	US Department of Treasury	The Fund provides capital to Community Development Financial Institutions (CDFIs) that serve low-income people and distressed communities. It also offers incentives to traditional banks and thrifts that partner with CDFIs or that invest in distressed communities.
Community Housing Development Organization (CHDO) Operating Fund Program	MFA	Operating funds designed to increase production capacity in non-profit organizations that develop affordable housing.
Colonias Infrastructure Funds	New Mexico Finance Authority	The Colonias Infrastructure Board awards funding for infrastructure projects in designated Colonias to improve quality of life and economic development. Public infrastructure, providing access to affordable housing, is an eligible activity. Match requirement. Open application cycle. http://www.nmfa.net/financing/colonias-loans-and-grants/colonias-infrastructure-board/

Community Development Block Grant (CDBG)	State of New Mexico Department of Finance & Administration (DFA)	CDBG funds are granted to projects which benefit low to moderate income beneficiaries and improve areas of slum & blight. Permanent housing structures are an eligible activity which must benefit specific groups including, persons who have been abused, who are elderly, disabled, homeless or persons living with disease. CDBG funding requires citizen participation and matching funds. There is an annual application process. http://nmdfa.state.nm.us/cdbg_Information_1.aspx
Community Housing Development Organization	MFA/HUD	Federal designation for non-profit organizations with proven development capacity that allows access to specific pools of HOME funding for affordable housing development and operational overhead.
Elderly / Assisted Living Resources	MFA	Funds for facilities that can be created through new construction, acquisition / rehab or existing properties, and conversions of non-residential buildings. This facilities are designed to meet the needs of particular resident populations, such as the elderly or people with certain kinds of disabilities.
Farm Labor Housing Loans and Grants	USDA	The Farm Labor Housing Loan and Grant program provides capital financing for the development of housing for domestic farm laborers.
FDIC, Community Affairs Program (CRA), Dallas Region	-	Banks develop a CRA strategy based on community needs, public plans and initiatives. CRA investments support activities that revitalize or stabilize the community, including affordable housing. Low-interest loans may be structured for a rehabilitation product for low-moderate income homeowners. Investments may also be made towards the rehabilitation or new construction of multi-family rental. http://www.fdic.gov/consumers/community/
FHA Section 207	FHA	Mortgage insurance for market stable rental projects up to 90% LTV.
FHA Section 207/233(F)	FHA	Mortgage insurance for acquisition/rehabilitation of multifamily rental projects or five or more units that were originally financed with FHA or conventional loans.
FHA Section 221(d)(3) 221(d)(4)	FHA	Mortgage insurance for market rate single room occupancy (SRO) multifamily.
Guaranteed Rental Housing	USDA	The Rural Housing Programs guarantees loans under the Rural Rental Housing Guaranteed loan program for development of multi-family housing facilities in rural areas of the United States. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.
Home Depot Foundation, Community Impact Grants Program	Home Depot Foundation	Home Depot Foundation, Community Impact Grants Program, awards up to \$5,000 to registered nonprofit organizations to help fund community projects. Framing Hope provides a donation of materials to nonprofit organizations that focus on affordable housing. http://www.homedepotfoundation.org/

HOME Rental Loan Program	MFA	Funds are designed to provide gap financing for a variety of affordable and special needs housing projects throughout the state of New Mexico.
Housing Preservation Grants	USDA	The Housing Preservation Grant (HPG) program provides grants to sponsoring organizations for the repair or rehabilitation of low- and very low-income multi-family housing.
Industrial Revenue Bonds (IRB)	Local municipalities and counties	Pursuant to the Industrial Revenue Bond Act, New Mexico municipalities and counties are authorized to issue IRBs to stimulate the expansion and relocation of commercial and industrial projects in the state. IRB financing is available for land, buildings and equipment for headquarter office buildings, warehouses, manufacturing facilities, service-oriented facilities not primarily engaged in the sale of goods and commodities at retail, a 501(c)3 non-profit organization, and all expenses, attorneys', engineering and architects' fees, premiums and commissions that the commission may deem necessary. HOUSING? Approximately 30 communities in New Mexico have issued IRBs. Refer to NM State Statute 4-59 et. al. NMSA. Local Fees attached to Services. Local municipalities and counties may include fees on applications and/or permits which may be used to fund a local general fund for affordable housing.
Land Title Trust Fund (LTF)	MFA	Loans or grants to provide housing for low-income persons whose household income does not exceed 80% of area median income. MFA awards funds quarterly on a competitive basis to eligible applicants that include non-profit organizations, governmental housing agencies, housing authorities, governmental entities, governmental instrumentalities, tribal governments, and tribal housing agencies.
Local Economic Development Act (LEDA)	New Mexico Economic Development Department	Similar to the Affordable Housing Act, LEDA allows public resources to be used towards economic development projects. LEDA allows for public/private partnerships to foster local economic development. 83 communities in New Mexico have passed the Local Development Act. Eligible projects must create jobs. Funds may be used towards new construction, rehabilitation, and/or infrastructure. MFA has a Memorandum of Understanding with NM Economic Development Department to allow LEDA funds to be used in mixed-use projects which include affordable housing. http://gonm.biz/Local_Economic_Development_Act.aspx
Local Funding, Bonds or General Fund	-	Local municipalities and counties may allocate general funds or issue bonds towards affordable housing which may include financing of acquisition, construction, and/or rehabilitation.

Low Income Housing Tax Credit (LIHTC)	MFA	A federal tax-based program that encourages private investment for the construction or rehabilitation of affordable rental housing. Each year, MFA awards funds on a competitive basis, as outlined in the Qualified Allocation Plan.
Multi-Family Housing Preservation and Revitalization (MPR) Loans and Grants	USDA	The goal of the MPR program is to restructure Rural Rental Housing loans and Off-Farm Labor Housing loans and provide grants to revitalize Multi-Family Housing projects in order to extend the affordable use of these projects without displacing tenants due to increased rents.
Municipal Funds	City	To be developed mechanism to provide land and/or cash donation for the development of an affordable rental housing project.
NM Affordable Housing Tax Credit Program	MFA	Provides state tax credits to individuals, businesses and local governments that provide donations of land, buildings, materials, cash or services to affordable housing projects approved by MFA or cash donations made to the MFA Charitable Trust. The credit is equal to 50% of the value of the donation. Project sponsors can apply for an eligible affordable housing project designation and for a reservation of credits as outlined in the Notice of Funding Availability.
NM Housing Trust Fund	MFA	Provides financing for affordable housing initiatives targeted primarily to low- to moderate-income households. MFA awards funds on a competitive basis as outlined in the Notice of Funding Availability. Eligible applicants include non-profit and for-profit housing developers and providers, units of local government, housing authorities and tribal entities.
NM State Affordable Housing Tax Credit	MFA	A charitable state tax credit for up to 50% of the value of donations (cash, land, buildings or services) for affordable housing projects approved by the MFA, or for donations made directly to the NM Affordable Housing Charitable Trust.
Preservation Revolving Loan Fund	MFA	Provides loans to rehabilitate housing. Eligible borrowers include governmental housing agencies, regional housing authorities, government entities, governmental instrumentalities, etc.
Primero Investment Fund	MFA	Provides loans to meet the financial needs of affordable housing development initiatives that cannot be accommodated with other sources. For-profit and non-profit sponsors, public or government agencies including tribal entities are all eligible to apply. Permanent supportive housing pre-development and development grants are available for projects that set aside units for permanent supportive housing.

Risk Sharing Loans HUD 542(c) and USDA 538	MFA	Construction and permanent loan programs aimed at the production and preservation of affordable, low-income rental housing units. Both programs require set-asides for a specific number of units to be rented to lower income tenants. These loans are often combined with Federal Low Income Housing Tax Credits and/or HOME Rental loans. Risk Sharing loans can also provide credit enhancements for tax-exempt bond financing.
Rural Housing Site Loans	USDA	Rural Housing Site Loans are made to provide financing for the purchase and development of housing sites for low- and moderate-income families.
Rural Rental Housing	USDA	This program is adaptable for participation by a wide variety of owners. Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, State or local public agencies, consumer cooperatives, and profit or nonprofit corporations.
Tax-Exempt Bonds	MFA	MFA is a qualified issuer of tax-exempt bond financing and 501(C)3 bond financing for multi-family developments throughout the state. Risk Share financing can be utilized for credit enhancement. Federally mandated tenant income restrictions apply.
US Bank	-	US Bank provides grants to nonprofit organizations. One of the funding priorities is affordable housing. Eligible activities include: <ul style="list-style-type: none"> • Organizations that support the preservation, rehabilitation and construction of quality affordable housing that assists low- and moderate-income populations. • Programs that provide home buyer counseling and related financial education to low- and moderate-income individuals and families. https://www.usbank.com/community/charitable-giving.html
Wells Fargo Foundation	-	Wells Fargo Foundation awards grants to nonprofit organizations, including qualified governmental entities. One of the grant priority areas is Community Development which includes building and sustaining affordable housing. https://www.wellsfargo.com/about/charitable/nm_guidelines
W.K. Kellogg Foundation	-	W.K. Kellogg Foundation concentrates two-thirds of its grant awards in several priority areas including New Mexico. The Kellogg Foundation concentrates on “early childhood (prenatal to age 8), within the context of families and communities, offers the best opportunity to dramatically reduce the vulnerability caused by poverty and racial inequity over time.” Past grantees include affordable housing developers and organizations. http://www.wkkf.org/

542 (C) FHA-Insured Multi-Family Loan Program	MFA	Construction and permanent loans for affordable rental developments. Loans of \$2 million or less may be funded by MFA and are termed ACCESS loans, which are designed to minimize transaction and due diligence costs and expedite processing for small projects. Eligible projects include new construction, substantial rehabilitation, refinancing or acquisition of projects having no less than five units per site. Detached, semi-detached, row houses or multi-family structures.
538 Rural Loan Program	MFA	Construction and permanent loans for affordable rental developments in an eligible rural area.

GREEN BUILDING FOR AFFORDABLE HOUSING RESOURCES		
PROGRAM	GRANTOR	NOTES
Energy\$avers – Housing Development	MFA	This program offers below market interest rate loans for energy efficiency improvements, including alternative energy upgrades, to new housing development projects and to projects involving the acquisition and rehabilitation of existing rental and for-sale housing throughout the state.
Energy\$avers – Home Rehabilitation	MFA	Formerly called the Weatherization Assistance Program, this free service, for income-qualified households, provides limited assistance to improve the energy efficiency of their homes and reduce their utility expenses. The program is administered through community-based non-profit organizations.

For more information on each funding source, refer to MFA's Rental Development webpage: <http://www.housingnm.org/rental-development>