



HOMELESS COORDINATING COUNCIL

Housing Committee

October 7th, 2020

1:00-3:00 p.m.

Minutes

Co-Chairs: Betty Valdez (BernCo Housing Dept.), Executive Director Bernalillo County Housing Department, Mark Childs, Professor Emeritus UNM School of Architecture & Planning, Lisa Huval, Deputy Director of Housing & Homelessness City of Albuquerque Dept. of Family & Community Services

Attendees: Councilor Benton and Commissioner O'Malley, Felipe Rael (Greater Albuquerque Housing Partnership), Izzy Hernandez (MFA), Jenny Metzler (AHCH), John Ames (HopeWorks), Leonette Archuleta (BernCo), Linda Bridge (AHA), Quinn Donnay (CFS), Robert Baade (BHI Supportive Housing), Yvette Ramirez Ammerman (coordinator/ consultant), John Ross(consultant), Quinn Donnay (FCS)

Item:	Discussion/Needs/Gaps:
<p>Welcome, introductions of participants.</p> <p>Overview and re-cap</p>	<p>1) Individual members introduced themselves and noted organizational affiliation.</p> <p>2) Minutes of Sept. 23rd were approved.</p> <p>Lisa provided the Overview & Recap:</p> <p>This committee is operating under the umbrella of the Homeless Coordinating Council (HCC). The purpose as a committee is to develop strategies that increase and protect the supply of affordable housing for low income people in Albuquerque particularly rental housing.</p> <p>There are two core documents, at the bottom of your agenda with links:</p> <ul style="list-style-type: none"> • Affordable Housing and Homelessness Needs Assessment the Urban Institute conducted earlier this year. • And the other, which is not directly related but has important data is the Assessing Shelter Capacity Report, also conducted earlier this year. <p>This Committee has a draft document we've been working on for the last few weeks and are finalizing today. Our committee document, along with the Needs, Gaps and High Impact Strategies from the other committees are all being consolidated into one document this week and will be presented to the Homeless Coordinating Council next Tuesday the 13th for approval. Once approved, the consolidated document will serve as the guiding document for the Homeless Coordinating Council and for these five committees going forward to set our direction over the coming year.</p>



	<p>The next step after its' approval by the Homeless Coordinating Council will be to start drilling down into the details; cost, planning out a timeframe, from where will the funding come, who's the lead entity or staff that are working on these key strategies.</p> <p>Most of our agenda today is finalizing this needs gaps high impact strategy document.</p>
<p>Lisa shared the Needs, Gaps, Strategies draft</p>	<p>Lisa shared the first part of the discussion draft and asked if there were any changes:</p> <p><u>Needs/Gaps</u> These needs and gaps are from the “Albuquerque Affordable Housing and Homelessness Needs Assessment” report, which was completed by the Urban Institute in May 2020¹.</p> <ul style="list-style-type: none"> • Albuquerque has a gap of about 15,500 units of affordable housing for renter households with extremely low incomes • The supply of rental units affordable to renter households with extremely low incomes is shrinking. From 2006–10 to 2012–16, the number of rental units increased by about 8,400, but the number of rental units affordable to renter households with extremely low incomes decreased by 700 (from 7,600 to 6,900). • The number of renter households with extremely low incomes is increasing. In 2012–16, 22,300 renter households had extremely low incomes, a 9 percent increase from 2006–10. Households with extremely low incomes made up about 1 in 4 renter households. • More than 40 percent of rental units affordable to households with extremely low incomes are occupied by households with higher incomes. Of the 6,900 rental units affordable to renter households with extremely low incomes, about 3,000 (43 percent) are occupied by renters with higher incomes. • 9 in 10 renter households with extremely low incomes are rent-burdened (Felipe Rael mentioned this needed to be defined). This includes 82 percent of households whose monthly rent is more than half their monthly income. • More than 4,700 assisted units could lose their subsidies by 2030. Although 300 new assisted housing units are expected to come online soon, nearly 3,000 may require intervention in the next five years to maintain their affordability, with an additional 1,700 between 2026 and 2030. • An estimated 2,200 Albuquerque households need permanent supportive housing. We produced this estimate using the number of individuals who were experiencing chronic homelessness from the 2019 point-in-time count, coordinated entry assessment data, and local estimates of individuals not previously known to the homeless system.

¹ <http://www.cabq.gov/family/documents/albuquerque-affordable-housing-and-homelessness-needs-assessment.pdf>



- Gap of nearly **800 units of rapid rehousing** for people experiencing homelessness. Based on our analysis of the data and interviews with local stakeholders, we make recommendations for how Albuquerque can address these gaps.

In 2019, the City commissioned a report on shelter capacity and demand in Albuquerque.² That report found that developing roughly 630 new PSH units targeted to people experiencing chronic homelessness would eliminate the need for additional emergency shelter beds. In addition, the report indicated that increasing the supply of rapid rehousing would also decrease the demand for emergency shelter beds.

It should be noted that all of this data was compiled pre-COVID, and that the economic impact of COVID-19 will only increase the number of people experiencing housing instability and homelessness. An estimated 37,275 renter households in Albuquerque may be unable to pay rent and are at risk of eviction. This estimate is based on an August, 2020 national study³ analyzing Census data and Census surveys that report an estimated 105,000 New Mexico households are at risk of eviction and do not feel confident that they will be able to pay next month's rent. The above Albuquerque estimate was calculated by applying the Census data showing that 35.5% of NM renter households live in Albuquerque.

High Impact Strategies

Strategies that can be implemented quickly, with immediate impact:

- Create a strategic plan to increase housing affordability that represents shared vision among key stakeholders
- Increase supply of permanent supportive housing vouchers
 - ⇒ Identify and/or create new funding sources, including those that are more flexible/less restrictive than HUD funding
 - ⇒ Build support from all of our community partners that have resources to offer.
 - ⇒ Optimize and fully leverage existing resources to meet spectrum of permanent supportive housing needs in the community (i.e. scattered site, single site and group homes).
 - ⇒ Fully utilize Medicaid to pay for supportive services component
 - ⇒ Develop landlord incentives, such as mitigation fund, would increase number of landlords willing accept vouchers.
- Increase supply of housing vouchers for low income tenants
 - ⇒ Identify and/or create new funding sources, including those that are more flexible/less restrictive than HUD funding
 - ⇒ Build support from all of our community partners that have resources to offer.

*From Urban Institute Report:
Dramatically increasing funding for tenant-based rental assistance is the fastest, most efficient way for Albuquerque to address the increase in homelessness and the unmet need for affordable housing among renters with extremely low incomes.*

² <http://www.cabq.gov/family/documents/assessing-shelter-capacity-final-report.pdf>

³ National study conducted by Stout Risius Ross on behalf of the Legal Services Corp (aka Legal Aid) using Census data and Census surveys of renter confidence to pay next month's rent

<https://app.powerbi.com/view?r=eyJrjoiNzRhYiq2NzAtMGE1MC00NmNjLTlOTMtYjM2NjFmOTA4ZjMyIiwidC16Ijc5MGJmNjk2LTE3NDYtNGE4OS1hZjI0LTc4ZGE5Y2RhZGE2MSIsImMIOjI9>



⇒ Develop landlord incentives, such as mitigation fund, would increase number of landlords willing accept vouchers

- Pair affordable housing developments with ongoing rental assistance (housing vouchers)
- Improve and strengthen the Albuquerque Housing Authority limited preference for Section 8 vouchers for supportive housing tenants

Linda Bridge asked about the (previous) bullet point. Lisa noted this was from the Urban Institute Report indicating Housing Authority vouchers **process** success rates could be improved, it does not relate to the **preference.**)

Jenny Metzler asked for a point of clarification, "I understand we can't ask for more of something for which we still have to optimize the process, but what if the landscape shifts? What might make a valid recommendation to increase preferences, if there are more vouchers?"

Betty Valdez Bernalillo County Housing Authority replied the BernCo HA has an internal vetting process for preferences, she also indicated the HA is almost at capacity for their voucher's; 99.9% leased-up.

Linda Bridge, with Albuquerque Housing Authority stated the AHA preferences were created out of collaboration with the City and the homeless providers. In order to get more individuals off the street, they need for people currently in temporary housing to move into permanent housing solutions. For the last 2-3 years they have had 125 – 150 vouchers for people experiencing homelessness. They have not been successful in reaching that target amount, due to a number of different reasons, for instance:

- 100 letters are sent out, but only 20 individuals will respond
- Of the 20 who respond, it takes more time to get documentation in place
- Individuals don't show up to meetings
- It's difficult to find property owners (landlords) who will lease to homeless individuals

Linda also noted, when they tried to serve people experiencing homelessness first, it resulted in not getting vouchers issued in that year, which negatively impacted their HUD funding. Trying to fulfill this preference impacted the other 5,000 people on the waiting list who are likely precariously housed. A preference for one group, may potentially put another group at risk for losing their housing.

Lisa Huval expanded on the conversation saying, "Permanent supportive housing is help paying the



rent, plus receipt of services. When folks get to a place in their lives, where they don't need the supportive services, only assistance paying the rent, this creates openings in our permanent supportive housing programs. A great model, as a community, we just have to work together to fully utilize it."

A discussion ensued regarding the balance (or prioritization) of preservation of existing versus creating new units. Mark Childs noted, if you're if you're faced with an application for keeping an existing housing unit versus building a new one. What criteria should you use to evaluate the two?

Izzy Hernandez stated, in the past it was 66% weighted towards the new construction. Under the 4% tax credit, MFA has underutilized the funds. One of the issues is there's at least a 30% difference in funding (preserving units is higher cost than building new). There is a board meeting next week. Given the comments of Linda Bridge, MFA will work toward a better balance.

Commissioner O'Malley asked for more specific information about the type of housing being discussed. Linda Bridge replied that in Albuquerque there are 26 different types of sites scattered throughout the city, in different areas. Most of them are centrally located with good access to transportation services, and jobs. In the application from the City, some rehabilitation projects would require, "virtually, taking the project down to the studs and redoing it." In particular, she cited the higher-level green requirements, mentioning the MFA has changed some of the sustainability requirements, making it easier for AHA to meet requirements for rehab.

Felipe Rael spoke about the requirements in Tiers I & II for either LEED certification (Leadership in Energy and Environmental Design); green building rating system, Build Green New Mexico or enterprise green, as having a three-point criterion. You can mix and match both but 15 total points in that in that section. Commissioner Benton clarified that is the CABQ Family Community Services Scoring System (not MFA), stating, "there's nothing more sustainable than to save something and reuse it."

Lisa Huval agreed with Linda's point regarding ensuring the way in which competitive funds are structured so that it does not automatically penalize or put preservation projects at a disadvantage. Summarizing, "preservation versus new construction; it's an impossible conversation, we need to do both. And we need to do both at a scale that's much greater than what we're currently doing."

Izzy Hernandez mentioned the following options for **additional funding**,

- The MFA is asking for funds **(2+ million) for the New Mexico Housing Trust** fund from the from the state legislature. Support from this group will be influential.
- Federal legislation has been introduced over the last several years to increase the 9% tax



credits by 50% for a five-year period, locking in the rate (instead of a floating rate).

- Other states have a state tax credit that is formulated by tax bracket, (similar to the 9% federal tax credit).

Lisa Huval and Commissioner O'Malley added ideas for dedicated funding streams for the Housing Trust Fund including, 1) Increasing the document recording fee (attempted previously), and 2) Land Title Trust fund - garnering funds from the interest on escrow accounts (currently, interest rates are too low to have this be a significant source of funds).

Strategies that are equally important, but that will take longer to development and implement

- Act aggressively to preserve existing subsidized and market-rate affordable units.
 - ⇒ Identify and/or create new funding sources, including those that are flexible/less restrictive than HUD funding
 - ⇒ Maximize existing funding sources, including NM Affordable Housing Tax Credit and Workforce Housing Trust Funds
 - ⇒ Create "right of first refusal" policies that allow government agencies, residents, or another entity such as a nonprofit developer the right to make an offer first when a property, such as a large multifamily building, is put up for sale
 - ⇒ Increase and develop weatherization and other operating cost reduction programs to help keep low income home owners in their homes
- Develop more affordable housing through regulatory, infrastructure and funding support for affordable housing development.
 - ⇒ Identify and/or create new funding sources, including those that are flexible/less restrictive than HUD funding
 - ⇒ Maximize existing funding sources, including NM Affordable Housing Tax Credit and Workforce Housing Trust Funds
 - ⇒ Build support from all of our community partners that have resources to offer.
 - ⇒ Coordinate with other governmental agencies (e.g. APS, AMAFCA) to identify excess land that could be used for subsidized and/or market rate housing.
 - ⇒ Acquire, rehab and convert existing properties, including those that are abandoned dilapidated properties, into affordable housing
 - ⇒ Create zoning changes that promote the development of affordable housing
 - ⇒ Encourage housing in walkable neighborhoods and near transit to help reduce transportation costs
 - ⇒ Understand what best practices are emerging from other communities
- Increase development of market-rate housing development targeted for low-income families.
 - ⇒ Review zoning codes, parking requirements, and other development regulations to allow and encourage a broader range of housing types such as ADUs, SROs, traditional NM



compounds, lofts, and apartments above commercial developments.

- ⇒ Review policies on extant units that do not comply with current codes (both those permitted under previous codes and those built without permits)
- ⇒ Review best practices for supporting ADU landlords.
- ⇒ Develop model and/or pre-approved plans for ADUs and other housing types.
- ⇒ Convene a regional roundtable of non-profit housing developers/builders
- ⇒ Encourage housing in walkable neighborhoods and near transit to help reduce transportation costs
- ⇒ Coordinate with other governmental agencies (e.g. APS, AMAFCA) to identify excess land that could be used for subsidized and/or market rate housing.

- Develop site-based permanent supportive housing, for those who need onsite supportive services to maintain housing stability

- Increase tenant protections

- ⇒ Pass legislation that prohibits source-of-income discrimination and includes a specific prohibition against voucher discrimination.
- ⇒ Increase funding for legal aid
- ⇒ Expand eviction prevention cash assistance, and better coordinate existing eviction prevention programs
- ⇒ Work with UNM's Law Clinic and other agencies to research methods to improve tenant protections

From Urban Institute Report: Princeton University's Eviction Lab estimates that Bernalillo County had an eviction rate of 4.5 percent in 2016, compared with 3.2 percent for New Mexico and 2.3 percent for the US.

- Increase connection to social service supports & community

- ⇒ Reduce evictions within federally funded properties, by linking tenants to services, supports and eviction prevention cash assistance
- ⇒ Link tenants to community services and supports that can help address behavioral issues that can lead to eviction
- ⇒ Optimize existing resources, including Medicaid, to pay for these types of services.
- ⇒ Link tenants to social capital building programs such as community gardens, and senior centers

- Pursue critical research questions that will help us better implement these high impact strategies

- ⇒ How many units of single site permanent supportive housing are needed in Albuquerque?
- ⇒ What successful strategies are other communities using for eviction prevention, landlord incentive and preservation of existing affordable units?
- ⇒ How do we develop income eligibility criteria for affordable housing that reflects true community need?
- ⇒ What is the current and projected impact of COVID-19 on local affordable housing



	<p>needs? ⇒ How can we conduct a successful public education campaign to change the perception of affordable housing in our community?</p> <p>Committee members discussed the definition of “housing” or home. Is it a three-bedroom, single family home, or does it include mobile homes, tiny homes, sanctioned encampments as stop-gap measures?</p> <p>A discussion followed regarding zoning (which has become exclusionary) differentiated from code-enforcement necessary for safety. Regarding zoning, Jenny recommended the link to the National Low Income Housing Coalitions Anti-racism series, the history of zoning (postscript; https://nlihc.org/resource/restrictive-zoning-and-political-opposition-development-linked-high-housing-costs-and)</p> <p>How could zoning changes prevent some of the 40 to 45% increase in COVID-related homelessness? If families are doubling up, we need to remove anything which prohibits them from doing so.</p> <p>Jenny Metzler reiterated the scope of this committee is affordable housing, and expressed concern about lateral conversations which may detract from that focus. Specifically, “If we put our energy into alternatives to housing, what we intend to be temporary, like the last 35 years of emergency shelters in this country, become real, permanent, institutional fixtures.” Regarding the distinction between shelter and housing: in particular sanctioned encampments, people are still effectively homeless. Temporary solutions are not ending homelessness, they’re in the crisis/emergency shelter category, but not housing. As a provider who sees homeless individuals every day, Jenny pointed to the micro-apartment housing units of their clients who succeed.</p> <p>Jenny Metzler asked of the members how the Needs/Gaps/Strategies document will be received by the larger HCC. Commissioner O’Malley commented on the productive and rich conversations of this committee and her anticipation of the positive impact of the document on the HCC – in light of the <i>existing</i> housing crisis as well as the impending COVID-related increase in homelessness.</p> <p>Lisa Huval closed the meeting, with appreciation for having service providers, housing authorities, elected officials, funders and developers combined to have the discussion.</p>
	<p>Next meeting: November 4th, 1:00-3:00 p.m. (October 21st meeting was canceled pending HCC review of document submitted.)</p>