

**2008 NCSHA Annual Awards for Program Excellence  
Special Achievement  
Foundation for Building, New Mexico**

New Mexico is a state that is large in area, small in population and burdened with poverty. With just under two million people, New Mexico is ranked 36<sup>th</sup> in the nation for population but, at 121,356 square miles, it is the fifth largest in size. The state averages less than 16 people per square mile. Since almost 60 percent of New Mexicans live in metropolitan areas like Albuquerque and Santa Fe, however, the remaining population is spread out even more sparsely over vast rural areas.

Almost 19 percent of all New Mexicans live below the poverty level. The median household income is \$40,629, which is 42<sup>nd</sup> in the nation. In addition, approximately 10 percent of the state is American Indian land, where the median household income drops to \$24,998. Almost 28 percent of the New Mexico Native American population lives below the poverty level.

Housing needs in New Mexico vary considerably throughout the state, but single-family development and homeownership are top priorities in all areas. Housing rehabilitation is also urgently needed in the state, since about 54 percent of all New Mexico's housing stock was built before 1978. Consider:

- Homes in Northwest New Mexico without complete plumbing facilities:
  - McKinley County – 27.7 percent
  - Catron County -- 10.8 percent
- Homes in Northwest New Mexico without complete kitchens:
  - McKinley County -- 25.1 percent
- Homes in Eastern New Mexico with housing stock at least 30 years old:
  - Harding County – 87.8 percent
  - Union County – 78.9 percent
  - Lea County – 76.4 percent

Housing needs in the state also vary considerably between urban and rural areas. Needs in urban areas are mostly related to affordability. Rural areas are challenged by housing stock that is in poor condition and is overcrowded. Furthermore, many rural areas do not have the resources or expertise to develop new housing. It is difficult to attract developers to areas where supplies and sub-contractors are limited and building projects are relatively small.

In late 2006, the New Mexico Mortgage Finance Authority (MFA) created a unique partnership with the non-profit group Foundation for Building (FFB) in order to address these issues. Their goals include:

- Providing housing expertise and capacity in communities that lack resources and/or expertise in housing, financing or construction
- Creating economies of scale through statewide provision of services by a single entity
- Addressing the unique housing needs of New Mexico's rural communities through an efficient and results-oriented approach
- Creating successful partnerships between MFA and New Mexico's rural communities

Foundation for Building was established in 1999 by the Home Builders Association of Central New Mexico to train young people in the construction trades. In 2006, FFB became the certifying entity for *Build Green NM*. FFB's non-profit status, limited scope of services and emphasis on construction was a good fit to partner with MFA to provide affordable, single-family development and construction services in underserved, rural areas of New Mexico.

The FFB-MFA partnership began in 2006 with a single-family, owner-occupied rehabilitation program under MFA's House by House program, funded with HOME monies. The first home was a pilot project that involved the Home Builders Association's Homebuilder's Care Committee. Since that time, FFB has completed the rehabilitation of three other homes under the House by House program and currently has four projects under construction.

In 2008, FFB was awarded \$313,189 from MFA's competitive HOME Homeowner Rehabilitation program. This funding will serve communities where there has been very little rehabilitation work done because of the lack of development capacity. FFB has developed successful partnerships with many local entities that are helping increase that capacity. FFB and local communities are working together to identify eligible homeowners. FFB will then provide construction management services such as work bid solicitation, assisting the homeowner in choosing a contractor, and overseeing the construction process. FFB plans to provide rehabilitation services to 12 homeowners in 2008, 16 homeowners in 2009, and 20 homeowners in 2010, all within rural areas.

FFB has also received HOME single family development and Housing Trust fund monies for a seven-unit homeownership project to be built on vacant lots in community in southeastern New Mexico. The project is a collaborative effort between FFB, serving as the developer and builder for the project, and a regional housing authority. The housing authority is donating the land and will oversee homebuyer outreach, counseling, prequalification and follow up case management for the homebuyers. Construction on the first four of those homes will be completed in September, 2008.