

Housing Innovation Program

New Mexico Mortgage Finance Authority

Special Achievement

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Housing New Mexico

2025 NCSHA Award Submission

ENTRY CATEGORY:
Special Achievement

ENTRY SUBCATEGORY:
Special Achievement

ENTRY NAME:
Housing Innovation Program



HOUSING
NEW MEXICO | MFA

Housing New Mexico's Vision and Mission

With 50 years as the state's housing agency, Housing New Mexico | New Mexico Mortgage Finance Authority's (MFA's) vision is for all New Mexicans to have quality, affordable housing opportunities. Housing New Mexico is the state's leader in affordable housing, providing innovative products, education, and services to strengthen families and communities. The **Housing Innovation Program** is a resource to address housing needs that are currently not being served through other Housing New Mexico programs and an opportunity for eligible applicants to fund a community tailored housing solution. Through the program, Housing New Mexico seeks to assist underserved populations, to cultivate new partnerships, and to fund projects that may be scalable.

The Housing Innovation Program is Innovative

In response to the severe economic impact from the pandemic, the New Mexico legislature appropriated \$25 million in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery to Housing New Mexico. Using \$4.75 million of this funding, Housing New Mexico published a flexible Notice of Funding Availability, allowing a wide range of applicants to pursue projects that could not be funded through existing Housing New Mexico programs, from homelessness to homeownership. The diversity of applications received confirmed the need for a flexible program to bring in new partners and to fund novel or grassroots affordable housing initiatives. What began as a limited pilot turned into the permanent **Housing Innovation Program**, which was strategically developed with adherence to the rules and regulations of state funding while allowing latitude for community tailored solutions.

The **Housing Innovation Program** aims to engage with communities dealing with affordable housing challenges, and in turn provide resources to allow those communities to dictate their path toward a successful solution. Often, affordable housing programs are created with the intention of solving a singular problem and pigeonhole agencies into these specific activities with requirements that may not meet community needs. The flexibility of the **Housing Innovation Program** serves as its greatest strength, allowing the program to adapt with New Mexico communities as they grow and change in relation to their needs and influences at the time.

The Program Responds to an Important State Housing Need

The vision of Housing New Mexico is for all New Mexicans to have quality affordable housing opportunities regardless of where they fall in the housing continuum. **The Housing Innovation Program** allows Housing New Mexico to address every need from homelessness to homeownership. Following are examples of **Housing Innovation Programs** across the housing continuum:

Homelessness: In December of 2024, Saranam was awarded \$732,939 for the construction of 13 additional housing units, which will serve families battling homelessness. Saranam is a community partner whose mission is to empower families to end their homelessness and poverty through housing, education, and supportive community. Saranam's model provides no-cost housing while participants pursue education and job training. While federal and state programs primarily focus on transitional housing through a treatment approach, Saranam lifts families who need skills development to break generational cycles of homelessness.

Transitional: In March of 2025, Doña Ana County was awarded \$714,972 to support Phase II of the Reconnect Project, a three-phase development aiming to close the gap in available

and accessible housing and supportive services for male, justice-involved individuals. The development aims to provide the least restrictive and lowest-barrier housing option for people who have been jailed or have been involved in the justice system previously and are considered unhoused. Doña Ana County's project recognizes the connection between housing opportunity and recidivism and is using Housing Innovation funding to develop a local approach to improving re-entry outcomes.

Specialized: In September of 2024, City of Las Cruces was awarded \$1.5 million for the construction of Amador Crossing, a 50-unit permanent supportive housing development serving homeless and at-risk individuals and families in the community. Most residents will be utilizing tenant-based rental subsidies and will be able to call Amador Crossing home on a permanent basis, while others will be renting until permanent homes become available within the complex or families transition into permanent housing. The City of Las Cruces is working closely with the Mesilla Valley Community of Hope, who will provide on-site supportive services and resources for tenants. This project represented a "non-Low Income Housing Tax Credit" model for housing development and municipally led solutions to addressing the root causes of homelessness.

Single-Family Development: In September of 2024, Village of Ruidoso was awarded \$1 million for the infrastructure costs to support an affordable single-family modular housing development. The project was born in response to the emergency state caused by the South Fork and Salt Fires and subsequent flooding. As one of the state's most devastating natural disasters, the fires and floods significantly impacted the Ruidoso and Mescalero areas, affecting an estimated 1,400 structures and destroying at least 500 primary residences. The Housing Innovation Program allowed Housing New Mexico to urgently respond to the community's immediate housing needs to house its workforce and limit the economic impact of municipal work slowing down or stopping due to lack of housing.

Homeowners: In April of 2024, San Felipe Pueblo Housing Authority was awarded \$450,000 to address housing needs for 60 low-income homeowners on the San Felipe Pueblo reservation, specifically funding roof repair and replacement. This funding is an important resource for not only improving housing conditions but allowing San Felipe Pueblo residents to continue to have housing opportunity in their community rather than be compelled to move to other areas. The Tribal Workforce completed the construction work, which helped defray some costs and spread word to other sovereign pueblos about housing resources available through Housing New Mexico. Their workforce model also supports growth in the trades industry, benefiting all of New Mexico.

The Program Achieves Intended Results

The **Housing Innovation Program** opened in December of 2023 and since then has awarded **\$8.3 million to 13** projects located across the state that otherwise would not have been considered due to the strict requirements of existing federal and state funded programs. These awards will positively impact the lives of at least **631** low- and moderate-income New Mexicans across the state. Beyond the main goal, cultivating unique and innovative approaches to housing challenges, the program aims to:

1) *Fund Scalable Projects: 77%* of Grantees Leverage Funding

In February of 2024, HagermanForward Inc., a non-profit organization, applied to the **Housing Innovation Program** for the Rehab-to-Rental (R2R) program for \$500,000. HagermanForward

identified a surplus of housing vouchers in the Chaves County area but a lack of housing to accommodate those with these vouchers. To address this need, the R2R program works with landlords in Chaves County to rehabilitate vacant rental homes to U.S. Department of Housing and Urban Development NSPIRE standards with the requirement that the homes are used to house voucher holders in the area. News of the R2R program began to spread around New Mexico and resonated with many communities as they are facing similar challenges. Listening to the response and demand from communities, Housing New Mexico officially announced the statewide Rental-to-Rehab program in March of 2025.

2) **Assist Underserved Populations: 77% of Grantees Serve Rural Areas and 15% of Grantees Serve Tribal Areas**

North Central New Mexico Economic Development District (NCNMEDD), a regional Council of Governments was awarded \$1 million in June of 2024 for the Mobile Home Repair/Replacement Program for Older Adults. This program serves older adults (age 60+) whose incomes are at or below the federal poverty level and reside in deteriorating and unsafe homes in rural areas. In cases in which a senior is living with extremely poor housing conditions and the mobile homes are beyond repair, NCNMEDD will demolish and replace the home with an energy-efficient model that meets ADA requirements. Candie Chacon (far left on visual aid photos) received a mobile home in replacement in November of 2024. This new home not only gave Candie a safe place to call home but also preserved the land that held so many memories as it had been passed down from generation to generation within her family.

3) **Cultivate New Partnerships: 31% Grantees are New Partners**

The New Mexico Ramp Project is a nonprofit dedicated to providing free ramps to New Mexicans with mobility issues across the state. The nonprofit was awarded a \$500,000 grant in December of 2023 and has completed 177 individual ramps throughout New Mexico. “The ability of disabled individuals to get in and out of their homes without injury is a huge, hidden issue in the state of New Mexico,” said Greg Hallstrom, New Mexico Ramp Project Executive Director. “Based on census and Center for Disease Control data, there are more than 288,000 individuals in New Mexico that have ‘serious difficulty walking or climbing stairs.’ Many of them live in facilities that have ramps, but there are still thousands of ramps needed in the state. We will build ramps for low-income, disabled individuals at no cost to them using local community volunteers, who are working from Shiprock to Hobbs and many places in between.”

The Program Provides Benefits That Outweigh Costs

As part of the application process, prospective applicants are encouraged to meet with the Housing New Mexico staff to discuss housing project policies and procedures related to a potential project. These meetings have been critical in not only identifying gaps in funding opportunities for community needs but also understanding what is currently successful in the community. Understanding areas of need and success has been influential in the evolution of the program, allowing the rare opportunity for the program to adapt with the need.

Beyond the holistic benefits of engaging with the community, the **Housing Innovation Program** has seen benefits as most projects leverage the Housing Innovation award with outside funding. The overall leverage ratio of the program is **4:1**, meaning that Housing New Mexico has awarded a total of **\$8.3 million**, while grantees have secured an additional **\$32.7 million** in funding for the various projects.

VISUALS

The *Housing Innovation Program* allows Housing New Mexico to address every need across the *Housing Continuum*, from homelessness to homeownership:

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|  |  |  |  |  |  |  |  |
| Homeless | Transitional | Specialized | Rental Development | Single-Family Development | Homeownership | Homeowners | Other |
| Supportive programs prevent homelessness and facilitate shelter access. | Transitional housing keeps people housed, off the street, and safe. | Specialized housing helps support the housing needs of vulnerable residents. | Workforce housing developments expand the availability of housing for residents. | Single-family developments expand New Mexico's housing stock, helping more residents into homes. | Affordable mortgage programs allow more residents to fulfill the dream of homeownership. | Programs for homeowners to help support families and communities. | Innovating the future of affordable housing in New Mexico. |

1. Fund Scalable Projects - HagermanForward Inc.



2. Assist Underserved Populations - North Central New Mexico Economic Development District



3. Cultivate New Partnerships - New Mexico Ramp Project



Press Release:

<https://housingnm.org/about-us/news/new-mexico-mortgage-finance-authority-board-of-directors-approves-housing-innovation-program-funding-awards-to-new-mexico-ramp-project-and-town-of-silver-city>

Media:

- *New program allows landlords to turn run down properties into affordable rentals*
- <https://www.taxcreditadvisor.com/articles/case-study-nm-housing-innovation-program-can-be-the-last-bucket-of-money/>