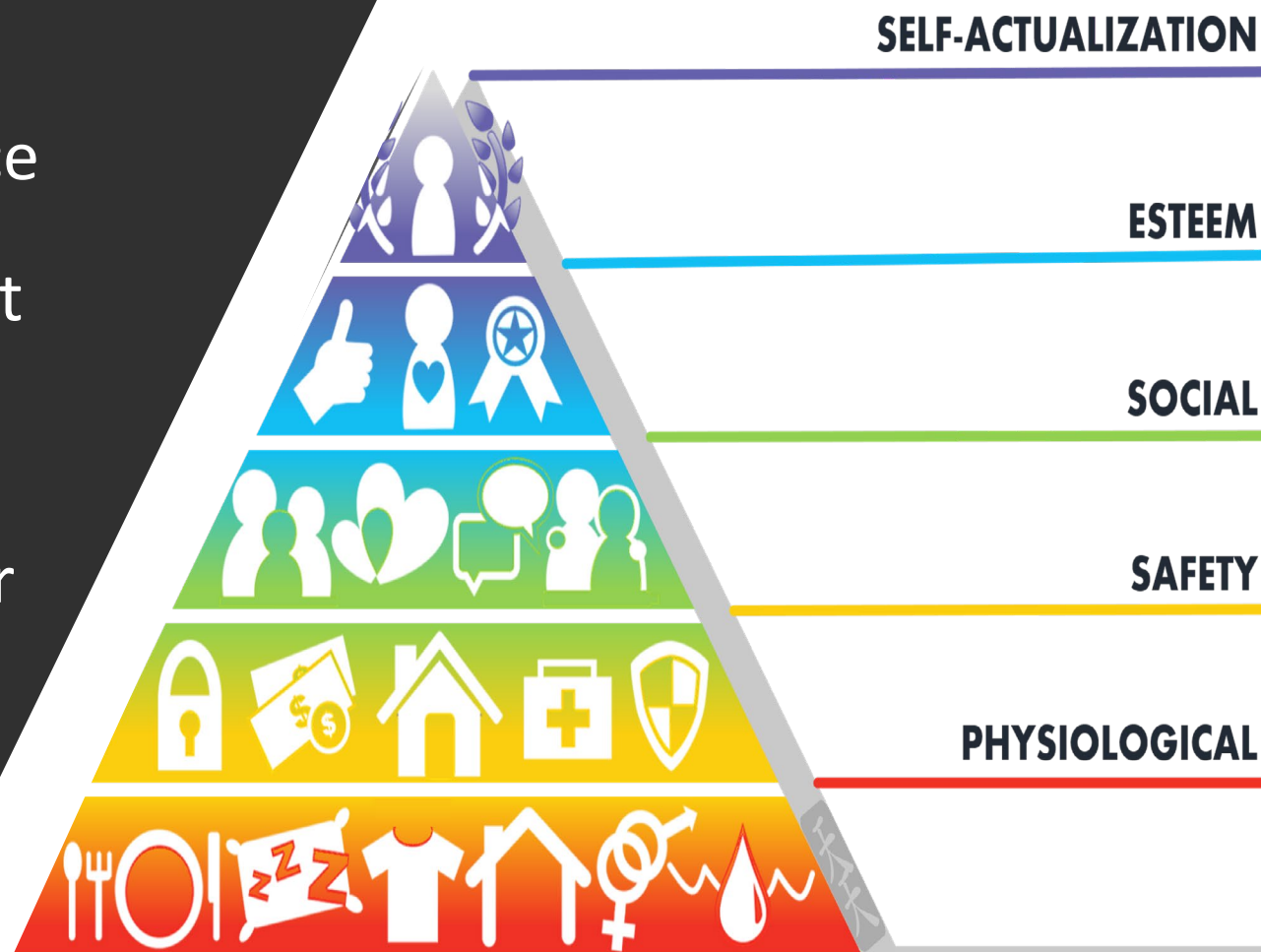


CITY OF LAS CRUCES

Housing & Neighborhood Services

HOUSING & NS PURPOSE

The purpose of Housing and Neighborhood Services is to advance a comprehensive community and human services delivery system that addresses the full continuum of needs especially in the areas of housing, food insecurity, poverty, health, and economic well-being for all residents with an emphasis on underserved special needs populations.



CLC THE HOUSING CONTINUUM



Our Programs:

- Single Family Affordable Housing Development
- Multifamily Affordable Housing Development
- Tenant Based Rental Assistance
- Public Services Grants for Non-profits providing supportive services
- Home Rehabilitation
- Mobile Home ADA Ramp Program
- Utility Connection Program Gas & Sewer
- Fair Housing Awareness & L/T Hotline
- AH Land Bank and Trust Fund
- AH Impact Fee Waivers
- Revolving Loan Fund for SF Construction Financing
- Emergency Handyman Program
- Housing & Zoning Policy

URGENCY IN THE MOMENT

Despite record housing investments, affordability challenges and homelessness continue to grow rapidly, outpacing the nation

\$440,000

Median new home price
in New Mexico

82%

New Mexicans can't
afford a median priced
new home



Average home price up 70%



Median rent up 60% vs. 27% nationally



Homelessness up 87% vs. 40% nationally

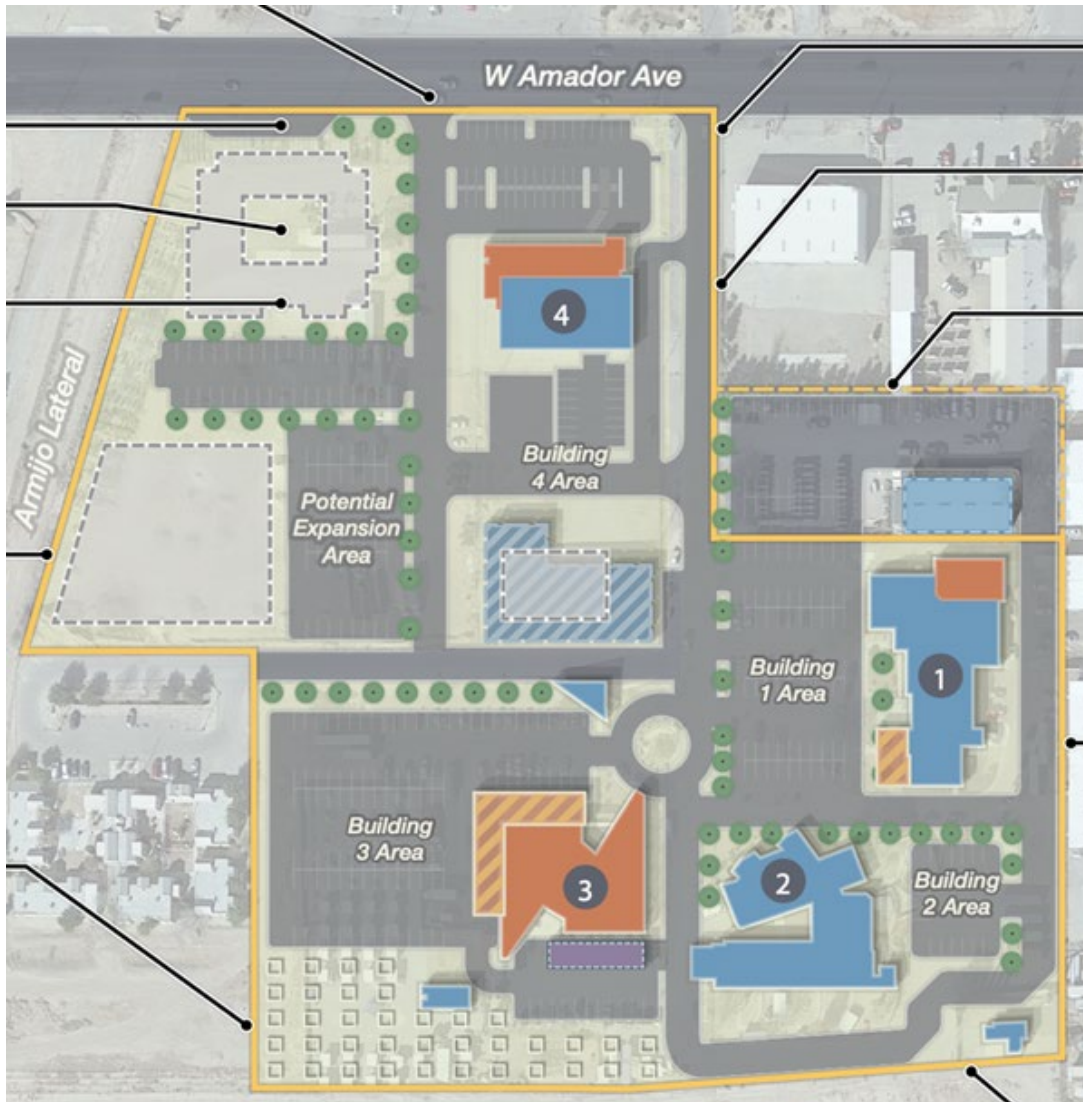


Construction costs up 50%+



CITY OF LAS CRUCES

Mesilla Valley Community of Hope Campus



Peachtree Canyon Apartments 244 Units



Pedrena Senior Apartments 80 Units



Three Sister Apartments 70 Units





AMADOR CROSSING

- Contract negotiations with Contractor
- Permit approved by CID
- Est. Construction start date is January 13, 2025
- Completion in 15 months
- Hard Construction 12.8M; Total Development Cost \$15.6M
- \$11.4M secured; 3 funding requests pending

PASEOS VERDES

- Mesilla Valley Public Housing Authority Owner/Developer
- Approx 216 unit; 7 Acres redevelopment, Range in Density
- Workforce, Senior & Family Housing
- 3 Phase project
- Low Income Housing Tax Credit, RAD Conversion
- Leverage/Connectivity to Surrounding Neighborhood Assets
- Existing Utilities and Roadway





Affordable Housing for Veterans
Experiencing Homelessness

OAK STREET RENOVATIONS



SINGLE FAMILY DEVELOPMENT

Agency Spotlight

Habitat for Humanity



HABITAT FOR HUMANITY

- Habitat has been partnering with the City in affordable housing development since 1999.
- CDBG and HOME funds
- Have constructed 128 homes for low-income households scattered throughout Las Cruces.
- Sweat equity single 250 hours, couple 500 hours
- Homebuyer education
- In-house mortgages 0% interest, term varies

What is Habitat for Humanity?

- Habitat for Humanity is a nonprofit organization that helps families build and improve places to call home. HFH seeks to eliminate poverty housing through affordable homeownership opportunities in our community. Together we build strength, stability and self-reliance through shelter.



Mission Statement



Mesilla Valley Habitat for Humanity works in partnership with local organizations, businesses, and people everywhere, from all walks of life, to develop communities with people in need by building simple, decent homes in Las Cruces where people can live and grow into all that God intended.

- We are the local affiliate for Habitat International founded in 1987.
- **Our Impact**- We have successfully partnered with 128 partner families here in the Mesilla Valley and completed the construction of their homes.
- Through selflessness, unity and collaboration MVHFH has welcomed and valued the contribution of **18,000+** volunteers and over **160,000+** total volunteer hours.



How it Works

- Habitat homes are built with volunteer labor, financial contributions and donated materials.
- Homeowners invest hundreds of sweat equity hours (*250-single applicant & 500-dual applicant*) in the completion of their homes.
- Families pay a monthly payment of approximately **30%** of their gross income at the time of selection.
- Average cost of a home to the family is \$159,000.00
- Mortgage length ranges from 20 to 30 years



Habitat Mortgage Structuring

Sales Price

- The sale price of the housing unit is set at 95% of its fair market value, except when applicable laws or funding program requirements require a different methodology.

Adjustments

- The affiliate must reduce the sales price by the required down payment (\$500), and any city monies or grants received.

Affordability

- The affiliate will structure payment of the Sale Price and any financed closing costs through a financing package that is reasonably expected to be affordable for the homebuyer over the life of the loan.

PITI

- The monthly payment is determined by 25%-30% of the gross annual income.

Mortgage Spans

- A 20–30-year mortgage would be applied, and the monthly interest-free payment includes insurance, taxes, mortgage, and escrow fee.

Recently Sold Home:

Household Income: \$37,017.59

Household Size: 7

59% AMI

Sales Price \$172,000

HOME funds: \$34,160.82

CDBG funds: \$27,000

Impact Fees \$3,000

Total reduction \$64,160.82

Mortgage amount \$107,339.19

Zero% interest 20 years

Down payment \$500.00

Monthly payments PITI

\$649.39 (P \$447.25) IT

(\$202.14) = 21% of monthly inc.



Cost to Build 2020-2023

	4157	4161	Cost for 2 Homes
CIP			
01 Build Site			
01.01 Land Cost	28,000.00	28,000.00	56,000.00
01.02 Site Preparation	125.00	125.00	250.00
01.03 Landscaping	958.14	954.40	1,912.54
01.04 Rock Walls	5,885.25	7,978.28	13,863.53
01.06 Site Supervisor	21,552.00	21,552.00	43,104.00
Total 01 Build Site	56,520.39	58,609.68	115,130.07
02 Concrete Work			
02.01 Slab	7,016.80	7,016.80	14,033.60
02.02 Driveway	3,008.00	3,008.00	6,016.00
Total 02 Concrete Work	10,024.80	10,024.80	20,049.60
03 Utilities			
03.01 Utility Hookup	5,168.10	5,492.35	10,660.45
03.02 Temp Utilities	1,038.99	1,248.12	2,287.11
Total 03 Utilities	6,207.09	6,740.47	12,947.56
04 Shell			
04.01 Exterior Doors	1,740.46	2,214.22	3,954.68
04.02 Exterior Paint	320.84	336.72	657.56
04.03 Lumber / Hardware	11,465.09	11,465.08	22,930.17
04.04 Roof	6,186.23	8,055.29	14,241.52
04.07 Windows	2,255.29	1,383.84	3,639.13
04 Shell - Other	270.28	109.95	380.23
Total 04 Shell	22,238.19	23,565.10	45,803.29
05 Interior			
05.01 Appliances	2,165.79	2,259.53	4,425.32
05.02 Cabinets	4,531.43	3,126.60	7,658.03
05.03 Flooring	7,123.52	6,816.85	13,940.37
05.04 Hardware	688.04	582.57	1,250.61
05.05 Interior Doors	1,969.82	1,998.21	3,968.03
05.06 Lighting	1,096.39	844.41	1,940.80
05.07 Paint	4,251.80	4,021.00	8,272.80
05.08 Plumbing Fixtures	2,581.50	2,666.28	5,247.78
05.09 Sheetrock	5,065.78	4,865.87	9,931.65
05.10 Trim Material	157.46	350.05	507.51
05 Interior -			4,184.27
Total 05 Interior			61,327.17

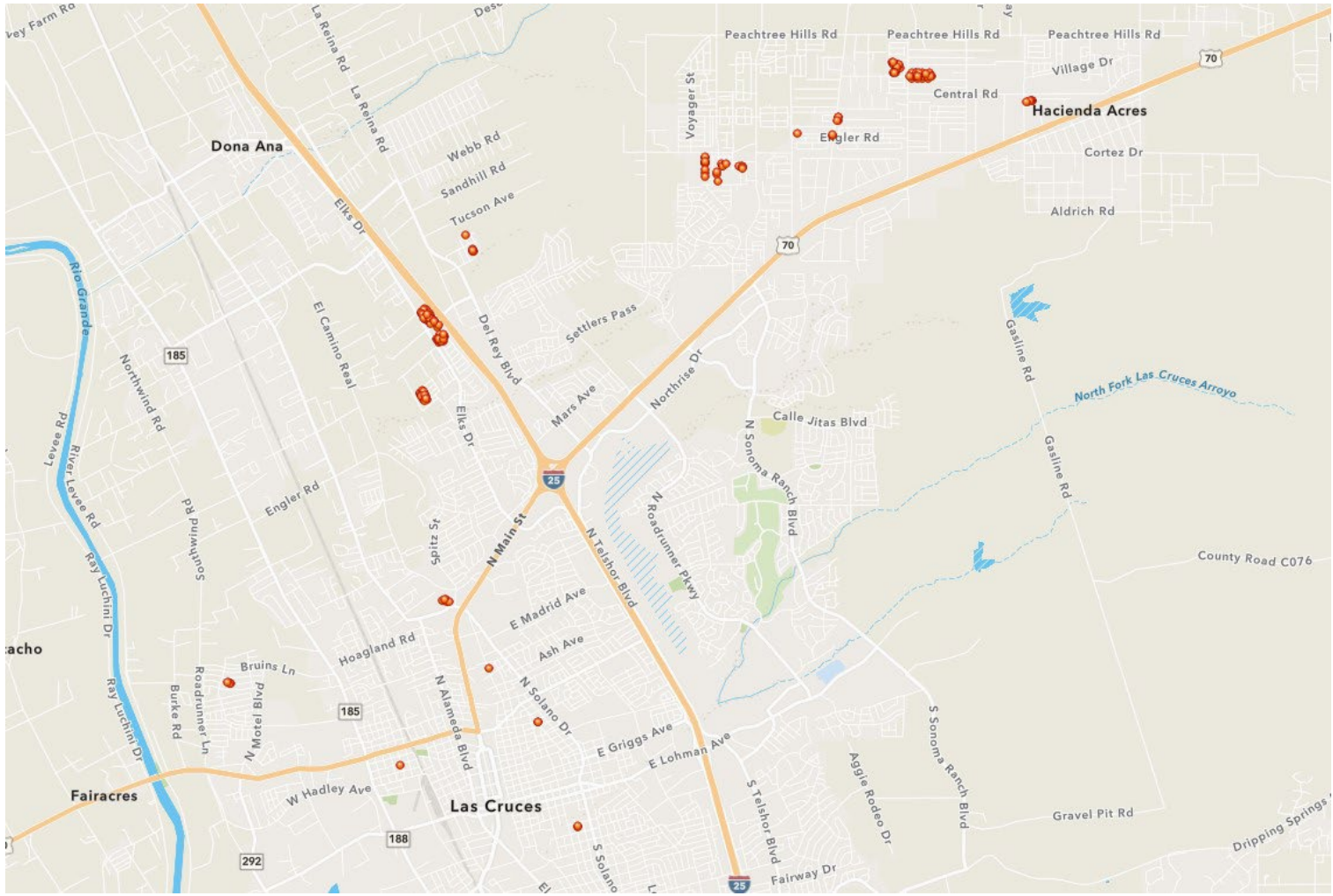
	4157	4161	Cost for 2 Homes
06 Licensed Trades			
06.01 Countertops	740.00	740.00	1,480.00
06.02 Electrical Contract	6,247.29	6,247.29	12,494.58
06.04 HVAC Contract	6,651.25	6,651.25	13,302.50
06.05 Insulation	2,850.00	2,850.00	5,700.00
06.06 Plumbing Contract	9,150.00	8,800.00	17,950.00
06.08 Stucco	9,241.23	9,241.23	18,482.46
Total 06 Licensed Trades	34,879.77	34,529.77	69,409.54
07 Closing Costs			
07.01 Closing Cost	1,479.03	1,479.02	2,958.05
07.02 Homeowner Insurance	601.47	484.00	1,085.47
07.03 Property Taxes	720.04	720.04	1,440.08
Total 07 Closing Costs	2,800.54	2,683.06	5,483.60
08 Other Building Cost			
08.01 Permits	1,229.20	1,230.20	2,459.40
08.02 Impact Fees	4,670.00	4,670.00	9,340.00
08.03 Plans	57.48	24.36	81.84
08.04 Consumables	0.00	44.69	44.69
08.09 Finish Work	627.78	627.78	1,255.56
08 Other Building Cost - Other	59.06	59.06	118.12
Total 08 Other Building Cost	6,643.52	6,656.09	13,299.61
Total CIP	172,418.12	171,032.32	343,450.44
Total 2021 - 2023 Shared Costs	650.22	650.22	1,300.44
2022 Total	173,068.34	171,682.54	344,750.88
Cost Deductions			
08.02 Impact Fees	-4,670.00	-4,670.00	-9,340.00
In-Kind Donations	8,142.00	8,142.00	16,284.00
CDBG Grants	-28,000.00	-28,000.00	-56,000.00
Home Funds	-40,000.00	-40,000.00	-80,000.00
Total Deductions	-64,528.00	-64,528.00	-129,056.00
Actual Build Costs	108,540.34	107,154.54	215,694.88

HABITAT FOR HUMANITY

- Execute a development agreement
- Use federal/local funds for land acquisition and subsidize construction costs
- Meet income guidelines and loan underwriting
- At closing there is a direct reduction in sales price equal to subsidies provided for land and construction
- Lien on property for term of affordability







HOME ASSISTED SINGLE FAMILY NEW CONSTRUCTION

Housing Toolbox



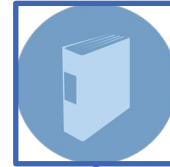
Incentives

- Density bonuses
- Fee waivers
- Reduced parking
- Fast track processing
- Reduce min lot/ house size
- Allow affordable housing all/most zones



Partnerships/ Public Initiatives

- Providing County or Town land
- Town or County builds housing
- Public provide financing
- Property tax exemption
- Habitat for Humanity/ Self help



Development Regulations

- Inclusionary Housing
- Residential linkage
- Commercial linkage
- Annexation policy

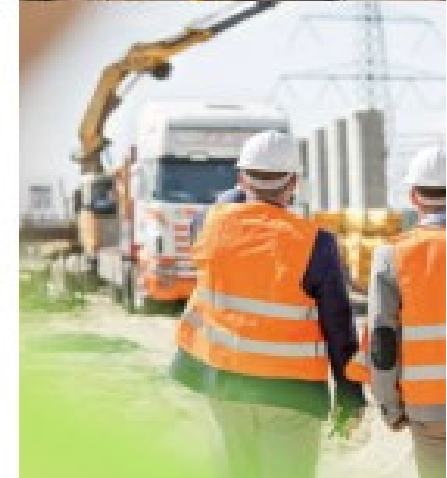
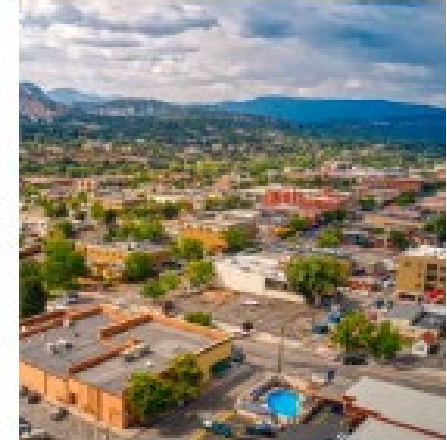
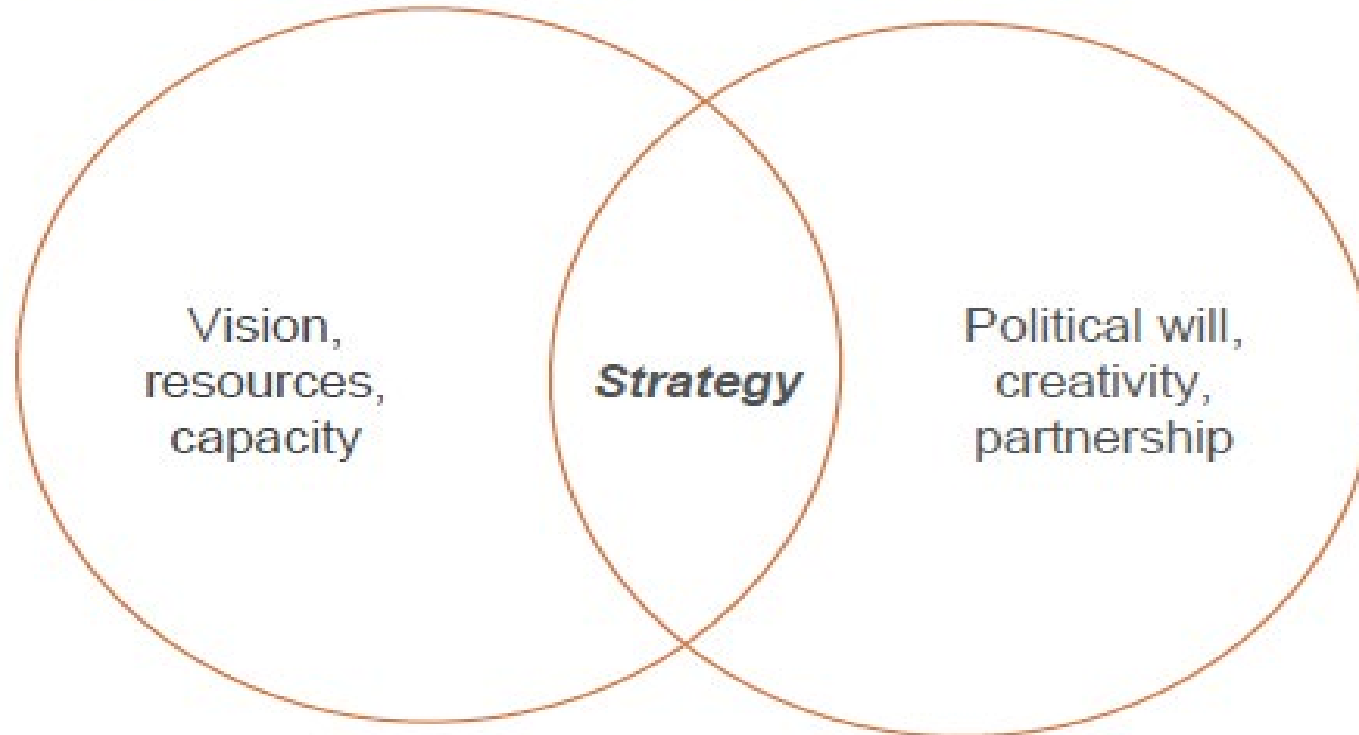


Funding

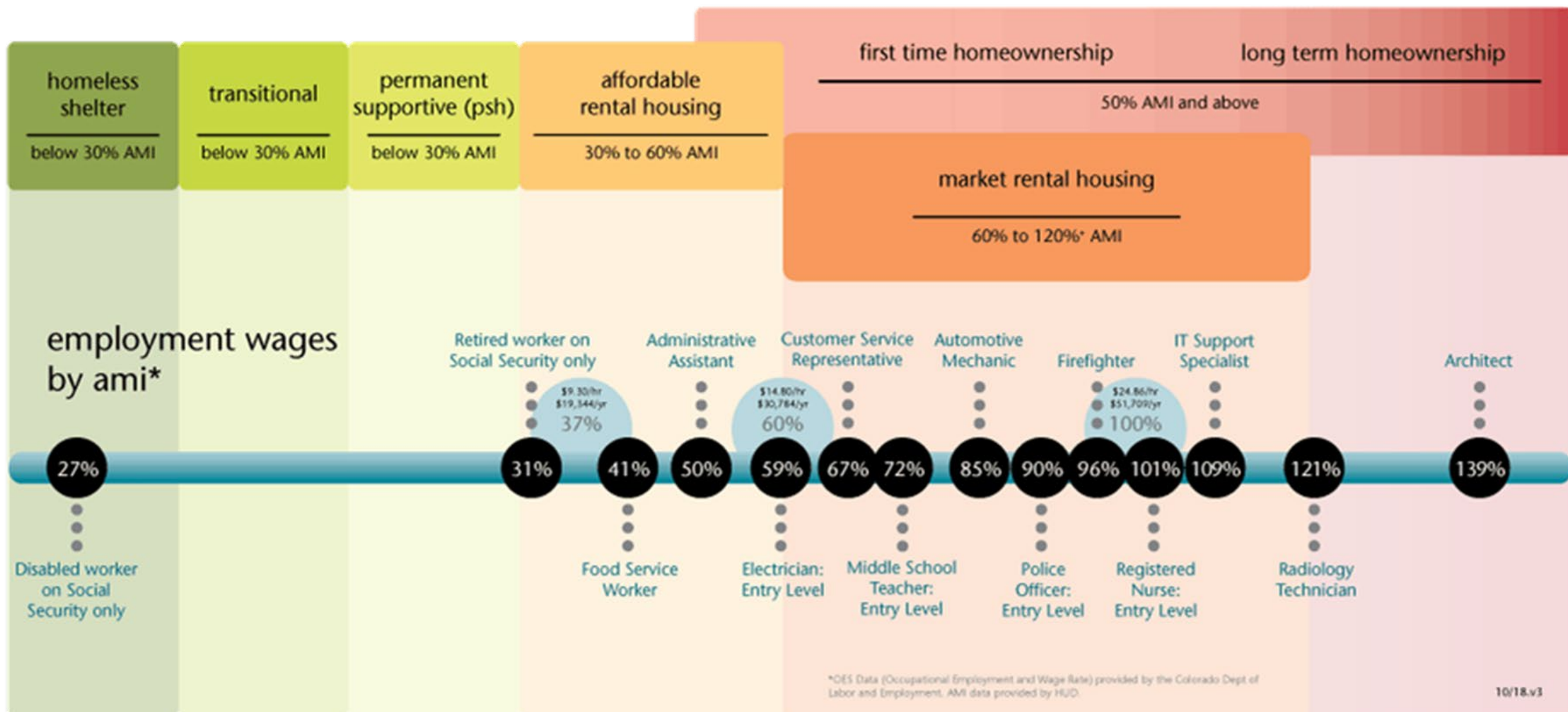
- Grants: Federal, State, Foundation
- Proceeds from regulations
- Low Income Housing Tax Credits
- General fund revenues
- Favorable loans
- Tax: Property, Sales/Use, Excise on STR, Cannabis, GO Bond

Strategy Development

Housing strategy emerges where a community's vision, resources, and capacity meet political will, creativity, and partnership.



The Housing Continuum





Benefits in Housing Investments

ENTRY LEVEL UNITS



Average entry level housing unit generates around \$300,000 in spending

INCREASED GROSS RECEIPTS TAX



This in turn generates \$20,000 in Gross Receipts Tax

CONTINUOUS TAX INCOME



Increased property tax bases in perpetuity

GENERATE DISPOSABLE INCOME



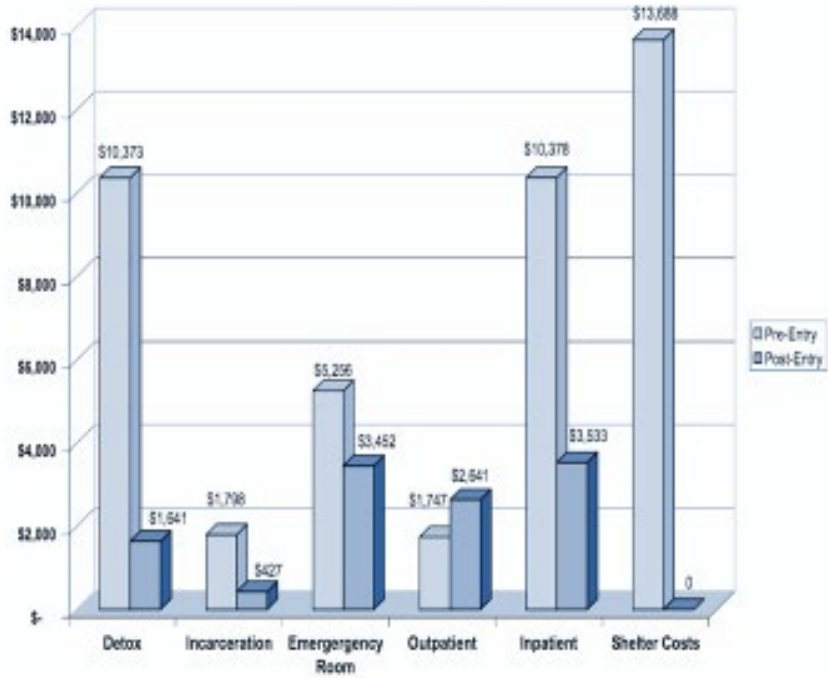
Increased family disposable income

DUAL IMPACT



Reducing homelessness reduces burden on public safety and public health

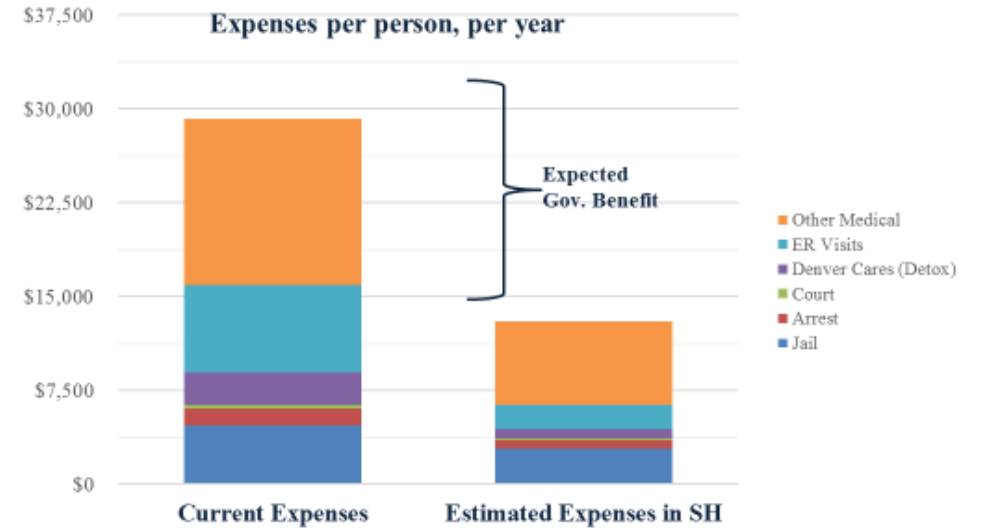
CHANGE IN AVERAGE SERVICE COSTS



Average costs savings of
\$31,545
 per resident
 per year

SOURCE: DENVER HOUSING FIRST
 COLLABORATIVE COST BENEFIT
 ANALYSIS AND PROGRAM OUTCOMES
 REPORT

Costs: Homeless vs. Supportive Housing



*Estimated expenses in supportive housing do not include the cost of supportive housing.

THE COST OF DOING NOTHING IS *NOT* NOTHING.