

**MINUTES OF THE**  
**SANTA FE COUNTY COMMISSION**  
**AFFORDABLE HOUSING MEETING**

**January 31, 2012**

This meeting of the Santa Fe County Commission regarding Affordable Housing was called to order at approximately 11:00 a.m. by Commission Chair Liz Stefanics in the County Legal Conference Room, Santa Fe, New Mexico.

A quorum was present as follows:

**Members Present:**

Commissioner Liz Stefanics, Chair  
Commissioner Kathy Holian  
Commissioner Virginia Vigil  
Commissioner Danny Mayfield  
Commissioner Robert Anaya

**Members Excused:**

[None]

**Staff Present:**

Katherine Miller, County Manager  
Darlene Vigil, Affordable Housing Administrator  
Rachel Brown, Deputy County Attorney  
Rosemary Bailey, Affordable Housing Staff  
Penny Ellis-Green, Deputy County Manager  
Chris Barela, Constituent Liaison  
Robert Griego, Planning Director

**Others Present:**

Francis Ong, Housing Authority Member  
Bill Enloe, Los Alamos National Bank CEO

**III. APPROVAL OF THE AGENDA**

Commissioner Holian moved to approve the agenda. Commissioner Mayfield seconded and the motion passed by unanimous [5-0] voice vote.

**IV. APPROVAL OF MINUTES: November 29, 2011**

Upon motion by Commissioner Vigil and second by Commissioner Holian, the minutes were unanimously [5-0] approved as submitted.

**V. GUEST SPEAKER: Bill Enloe**

Chair Stefanics indicated the Commission has been inviting various community members to come and share their perspectives regarding affordable housing and she welcomed Mr. Enloe.

Bill Enloe pointed out that Los Alamos National Bank is consistently the biggest mortgage lender in Santa Fe and works with all levels of the market. "Currently, the best market in Santa Fe is the affordable housing." This is due to the fact that the other markets are very slow. He noted the underwriting standards for the secondary markets are much stricter, so demand is down. It's much harder to qualify for loans. Private secondary market players are returning but over the past several years Fannie Mae and Freddie Mac were by far the largest. The new underwriting standards have affected everything including mortgage lenders and appraisers, and this has put pressure on developers and banks.

Mr. Enloe said reducing the requirements from 30 percent to 15 percent will not solve the problem but it will help developers. "It will bring projects a lot closer a lot sooner to break-even." However, only increased demand will make a big difference. There has been a shift to rentals. Developers are looking at building rental units and keeping them.

Chair Stefanics asked if LANB participates in the Federal Home Loan Bank programs, and Mr. Enloe said they do. They fund below market rates and give grants. LANB does not initiate projects but it is done on a per-project basis.

Commissioner Anaya said he appreciate Mr. Enloe's comments regarding rental property.

Commissioner Vigil asked if the difficulties banks were experiencing were due to the underwriting standards. Mr. Enloe explained that regulators hate development loans because it is speculative lending. So developers need to have deep pockets, and there are not many with the needed liquidity. "Historically, banks were able to take those risks because of strong markets" which is no longer the case.

Commissioner Vigil asked what government can do to incentivize the situation. Mr. Enloe said he would prefer to see requirements imposed on a per-project basis due to the many variables involved in developing. He noted that affordable housing goes beyond the house payment, taking in taxes, assessments, utilities, etc. It is especially difficult with very small developments. He stated affordable housing is a critical problem in Santa Fe County and efforts thus far have not been notably successful.

Commissioner Anaya recommending infusing affordable units into the system and

moving resources around. Mr. Enloe said the bank does many HUD loans which is difficult in a mixed subdivision.

[Commissioner Vigil excused herself from the remainder of the meeting.]

Commissioner Holian asked about the market for second mortgages and home improvement loans, which are ways to put people back to work. Mr. Enloe said the banks have money available for loans but there is no demand.

Commissioner Mayfield asked how many of LANB's loans are retained and how many go to secondary markets. Mr. Enloe said around 80 percent of the mortgages go to secondary markets. Because of the low rates the bank can't afford to retain them over long periods of time.

In response to Chair Stefanics's question, Mr. Enloe said their liaison with the Federal Home Loan Bank in Dallas was Ian McGillvray. Chair Stefanics mentioned earlier programs where savings accounts were established. Mr. Enloe said he was not sure which programs they have participated in. He said it is possible to suggest ideas for loans.

## **VI. Affordable Housing Report**

### **a. Happy Roofs**

Ms. Vigil said there have been 41 applications. Los Amigos is doing weatherization and selecting roofing contractors.

### **b. New Program: Low-Income Solar Thermal Panels Demonstration Project**

Ms. Vigil stated they may get involved in doing certification for households to take advantage of a grant to help 25 to 30 homes get solar panels.

### **c. Foreclosure Intervention**

Ms. Vigil indicated outreach was extended to over 200 households that have participated in affordable housing programs and have done over 20 counseling sessions. The goal is to refinance with lower interest rates and terms and there has been some success and the process has been well received. She added that a second home is being purchased by the County.

Noting he won't be present for the public hearing, Commissioner Anaya asked for a snapshot of the ordinance. Ms. Vigil reviewed how the requirements will be changed. Commissioner Anaya asked that some provision be included related to rentals, providing incentives and making it an alternative. Chair Stefanics asked if this would necessitate modifying other aspects of the ordinance. Ms. Miller said there might be requirements of the Mortgage Finance Authority and she could check on that.

Commissioner Anaya asked what MFA's role was and Ms. Miller answered nothing in inclusionary zoning but they are involved if there is a public contribution component, which kicks in the Affordable Housing Act.

Commissioner Holian pointed out that the affordable housing agreement with Joe Miller had a rental aspect.

Commissioner Anaya indicated he doubted MFA would have a problem with including rentals.

## **VII. MATTERS FROM THE PUBLIC**

None were offered.

## **VIII. MATTERS FROM THE BOARD**

Noting few people have applied for down payment assistance, Commissioner Holian urged flexibility in more financing of energy efficiency components. She acknowledged many questions remained on whether loans or grants would be involved. She recommended that Craig O'Hare and Erik Aaboe get together with Anthony Roybal and local lenders to come up with a pilot program. She has spoken to Amanda Evans at the Community College's Sustainability Center. A hundred people have been trained by Los Amigos. Stimulus funding will wind up in April which could mean laying off Los Amigos workers. Commissioner Holian said she would be happy to be a part of that work group.

Commissioner Anaya asked if energy efficiency was the top priority. He suggested Commissioners need to get involved in outside meetings and capitalize on their passions.

Chair Stefanics noted that they all come to the table with different priorities which has kept projects from coalescing. She recommended the Commission examine their priorities in an in-depth discussion and brainstorming. Commissioner Holian noted that the conditions keep changing.

Commissioner Anaya said the City did a great job in tearing down the Alameda housing and rebuilding, but different populations are being served. Attention needs to be paid to the various ranges when taking units out of the market. Establishing priorities will help staff direct their energies.

Ms. Vigil asked who the next guest speaker should be suggesting someone from a non-profit.

Francis Ong suggested the committee hear from consumers and their needs. Chair Stefanics said they could perhaps ask someone from one of counseling sessions to participate and Commissioner Mayfield agreed.

## **IX. EXECUTIVE SESSION**

There were no issues.

X. ADJOURNMENT

Chair Vigil declared this meeting adjourned at 11:45 a.m.

Approved by:



*Liz Stefanics*  
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Board of County Commissioners  
Liz Stefanics, Chair

*Valerie Espinoza*  
VALERIE ESPINOZA  
SANTA FE COUNTY CLERK

Respectfully submitted:  
*Debbie Doyle* for DD  
Debbie Doyle, Wordswork

SFO CLERK RECORDED 03/05/2012

COUNTY OF SANTA FE ) AFFORDABLE HOUSING MIN  
STATE OF NEW MEXICO ) ss PAGES: 5

I Hereby Certify That This Instrument Was Filed for  
Record On The 5TH Day Of March, 2012 at 09:02:03 AM  
And Was Duly Recorded as Instrument # 1662216  
Of The Records Of Santa Fe County



Deputy *Maella* )  
Witness My Hand And Seal Of Office  
Valerie Espinoza  
County Clerk, Santa Fe, NM