

MINUTES OF THE
SANTA FE COUNTY COMMISSION
AFFORDABLE HOUSING MEETING

September 28, 2010

This meeting on Affordable Housing of the Santa Fe County Commission was called to order at approximately 10:45 a.m. by Chair Harry Montoya in the Legal Conference Room, County Courthouse, Santa Fe, New Mexico.

A quorum was present as follows:

Members Present:

Commissioner, Harry Montoya, Chair
Commissioner Virginia Vigil
Commissioner Mike Anaya
Commissioner Kathleen Holian
Commissioner Liz Stefanics

Members Excused:

[None]

Staff Present:

Katherine Miller, County Manager
Steve Ross, County Attorney
Darlene Vigil, Affordable Housing Administrator
Rosemary Bailey, Affordable Housing Staff
Teresa Martinez, Finance Director
Robert Griego, Planning Manager

III. Approval of the Agenda

No changes were offered and Commissioner Holian moved to approve the agenda as published. Commissioner Stefanics seconded and the motion passed by unanimous [5-0] voice vote.

IV. Approval of Minutes

Upon motion by Commissioner Holian and second by Commissioner Vigil the minutes were unanimously approved as submitted.

V. Affordable Housing Update

A. Home Improvement

SFC CLERK RECORDED 10/28/2010

Affordable Housing Administrator Darlene Vigil noted this had been discussed at the previous meeting with direction given to meet with the new County Manager. She said this was done and a meeting was arranged with the New Mexico Mortgage Finance Authority to discuss opportunities for leveraging funding for the County. She distributed a chart outlining the two components of the fund with the fiscal year 2011 budget for each. [*Exhibit 1*]

Ms. Vigil explained that the County's component gets revenue from fees-in-lieu and payments on mortgages. \$422,000 has been received. The other component derives from Las Campanas. The two are kept separate due to spending restrictions. Currently, \$500,000 is budgeted for down payment assistance, and \$500,000 for developer subsidies for the next three years; admin also comes out of this budget. She was recommending \$250,000 be set aside for home improvements.

Commissioner Holian asked if the dedicated amounts had already been taken out of the budget. Ms. Vigil said it does not include \$350,000 remaining for developer subsidies or the \$250,000 for home improvements.

County Manager Miller pointed out the combined starting balance was \$1.873 million and the remaining balance is \$1.054 million. The earmarked \$350,000 would come out of that number, as would the home improvement program. With those removed there would be about \$450,000 remaining.

Noting that operating costs are recurring, Commissioner Holian asked if enough revenue was coming into the fund to cover costs. Ms. Vigil said the only current source of revenue is mortgage payments. She speculated that more money could come in through a loan fund.

Ms. Miller explained there are two different kinds of second mortgages, one with shared appreciation and one without and these are not being budgeted currently. Ms. Vigil said that amounts to \$14,589,000. Ms. Miller said this is hard to budget since it isn't known when the houses will be sold.

Commissioner Stefanics asked where that money would go once the seconds are paid off. Finance Director Teresa Martinez said it would stay with this fund rather than the general fund. Commissioner Stefanics asked that they be apprised of changes as they come in.

Commissioner Vigil asked about the HUD funding and Ms. Martinez confirmed that this money was kept separate and can be used only for construction of new homes and renovation. She added in the last home sales program no units were sold in Santa Cruz, so those were turned back into rentals.

Commissioner Montoya expressed his concern that salaries and wages are being paid out of these funds. Ms. Miller said one of the ordinances is silent on that question. She added it is a matter of policy and the Board could place a cap on the administrative amount budgeted. Ms. Vigil stated there were currently two FTEs.

Commissioner Holian mentioned Build America bonds as a possibility for leveraging funds. Commissioner Stefanics said the realtors have spoken to her about this but she warned against third liens, which sets people up for failure. She asked about the \$45,000 for professional services and Ms. Vigil explained that was for the BBER study and was a one-time expense. County Attorney Steve Ross indicated the results of that study will be available late November.

B. Affordable housing element of Sustainable Land Development Plan

Ms. Vigil said the BBER study and the SLDP will determine adjustments in where growth will be targeted.

C. Santa Fe Association of Realtors

Ms. Vigil indicated that the Association of Realtors will be having a forum and one issue they are pushing is to have the County spend affordable housing funds in the city.

A discussion ensued about the Commission's position on whether the funds should be spent exclusively in the county. Commissioner Stefanics noted that access to transportation is an issue and the NCRTD doesn't have sufficient funding even for the current routes.

Referring to the great need and limited funding, Commissioner Holian said the loan program is the way to go. She said it is a losing proposition to build more housing when the market is dead. She spoke in favor of home improvement.

There was Commission consensus that the money should be used in the county.

Ms. Miller said six years ago a donation-based affordable housing tax credit was put into place. This results in a 50 percent state tax credit plus deductions from federal taxes.

It was agreed that Commissioner Montoya and Commissioner Stefanics would attend the realtors' forum.

V. Adjournment

Chair Montoya declared this meeting adjourned at 11:10 a.m.

Approved by:


Board of County Commissioners
Harry Montoya, Chair

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK



Respectfully submitted:

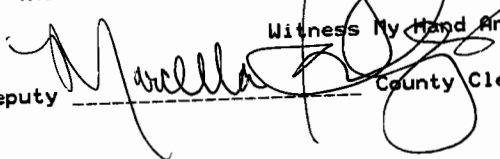
Debbie Doyle, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501

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COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss BCC MINUTES
PAGES: 4

I Hereby Certify That This Instrument Was Filed for
Record On The 28TH Day Of October, 2010 at 10:36:34 AM
And Was Duly Recorded as Instrument # 1615288
Of The Records Of Santa Fe County


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