



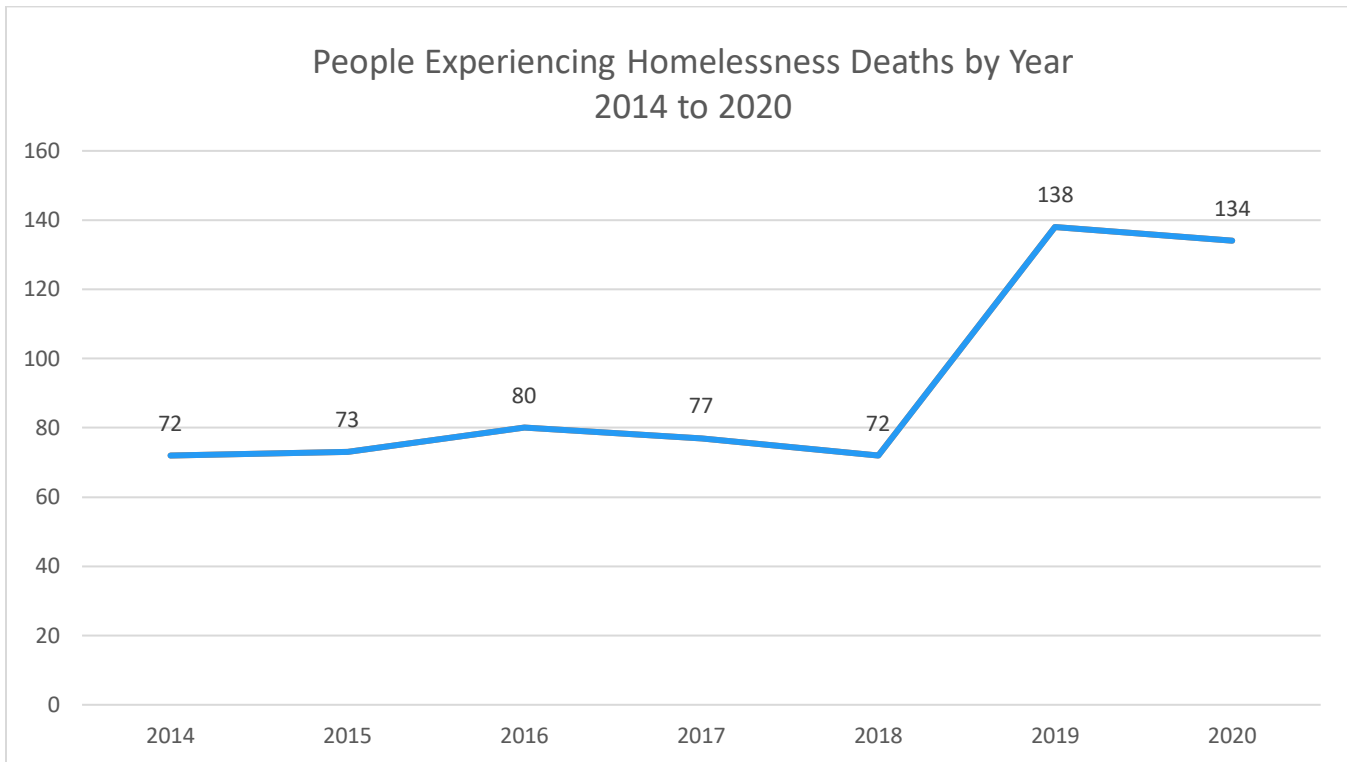
Recommendations for Investment in Housing with Federal Funds at the Local Level

BACKGROUND:

There is an urgent need to invest in affordable housing to address a continual rise in homeless. In Albuquerque, prior to the pandemic, homelessness has been increasing at an average annual rate of 7.7% since 2013.ⁱ A Columbia University report projects an increase in homelessness by 40-45% due to the COVID-19 pandemic.ⁱⁱ Housing is healthcare. Housing is racial equity. Both serve as the foundation for any strategy to end homelessness, improve health, and advance racial equity.ⁱⁱⁱ

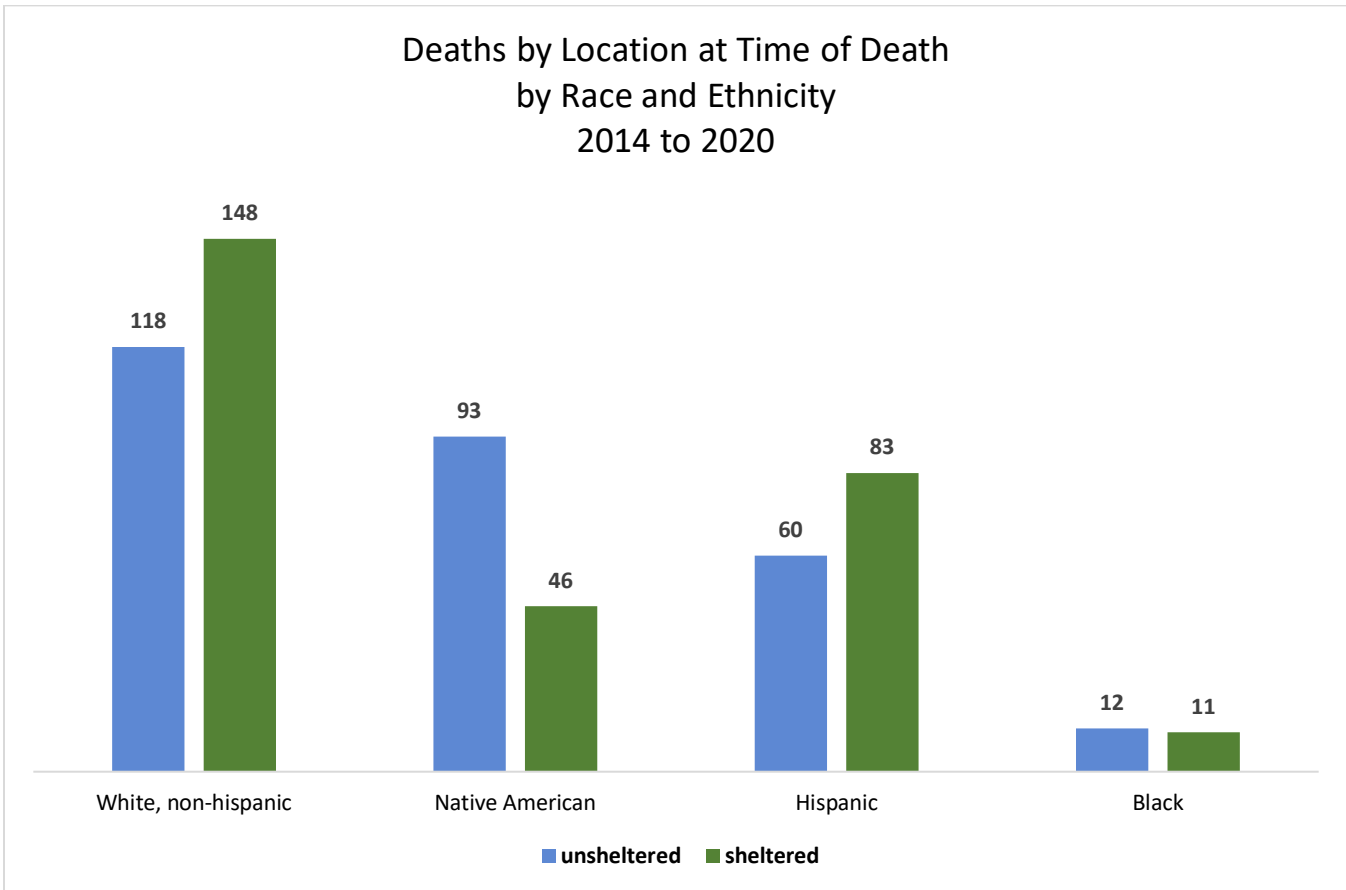
DATA POINTS:

1. Increasing homelessness and increasing number of homeless deaths:



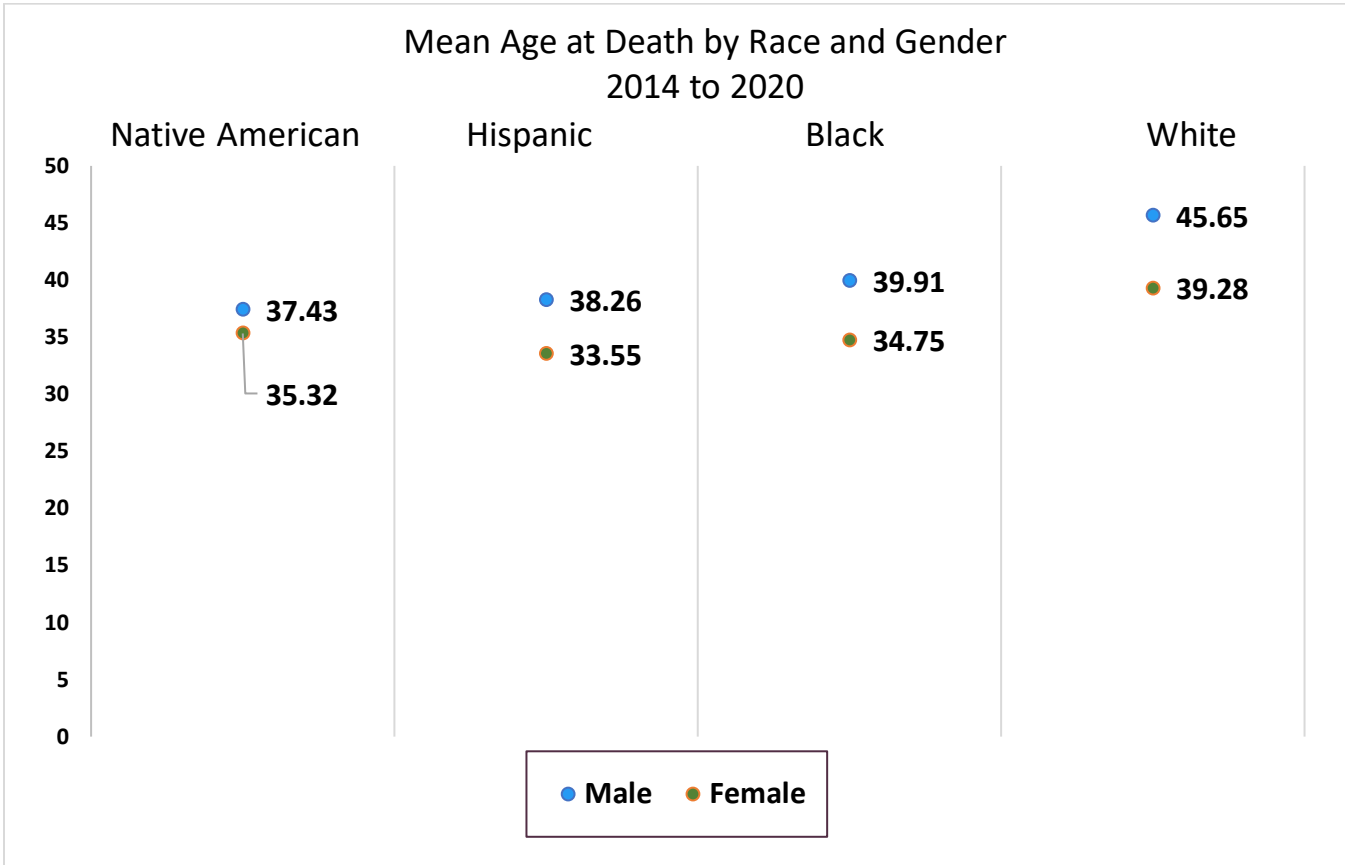


2. Disproportionate impact of unsheltered homelessness on Native Americans and Black people experiencing homelessness:





3. Females mean age at death is lower than males in inverse than seen in housed population:





4. 35% of landlords surveyed (n=176 landlords) accept housing vouchers:

Do you accept housing vouchers?

TYPE: "SELECT_ONE". 176 out of 176 respondents answered this question. (0 were without data.)



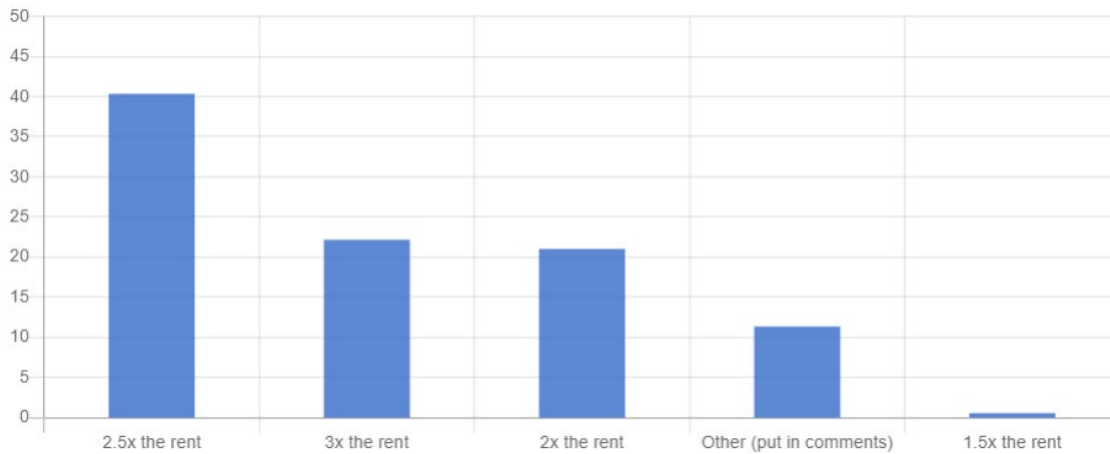
Value	Frequency	Percentage
No	96	54.55
Yes	63	35.8
Accepts vouchers with ...	16	9.09
Unsure of voucher poli...	1	0.57



5. 83.5% of landlords (n=168) require that the renters' income is 2 times to 3.5 times the rent:

Income requirements

TYPE: "SELECT_ONE". 168 out of 176 respondents answered this question. (8 were without data.)



Value	Frequency	Percentage
2.5x the rent	71	40.34
3x the rent	39	22.16
2x the rent	37	21.02
Other (put in comments)	20	11.36
1.5x the rent	1	0.57



FEDERAL FUNDING RECOMENDATIONS:

The [Coronavirus State and Local Fiscal Recovery Funds](#) (“Fiscal Recovery Funds”) provide flexibility for New Mexico state and local governments to meet local needs, including to help meet communities’ affordable housing needs through addressing the housing and health needs of people experiencing homelessness, and by building and preserving affordable housing in disproportionately impacted communities, among other housing-related investments. Housing investments are foundational to racial equity and to improving the health care and care economy infrastructure at the local level.

The New Mexico Legislature will allocate a portion of the federal funds to local governments in the 2021 special session’s [HB2](#) and in the 2022 regular budget session. Additionally, the City of Albuquerque and Bernalillo County can prioritize their local Fiscal Recovery funds to address the housing crisis. The below items provide viable and high-impact examples of communities that are currently leveraging these funds to address the housing and homelessness crisis.

Utilize American Rescue Plan Act (ARPA) funds to supplement rental subsidies and pay over Fair Market Rent (FMR) to allow voucher holders to compete in increasingly competitive housing market.^{iv} HUD FMR for 2BDRs increased by 6% from 2020 to 2021 (\$940/month to \$996/month), overall Albuquerque rents increased by 15%.^v Examples include:

1. [City of Las Cruces](#) RFP utilizing ARPA funds for landlord mitigation funds and paying over FMR^{vi}
2. [Ohio Coalition for the Homeless](#) - ARPA funds for paying over Fair Market Rent^{vii}

Utilize ARPA’s highly flexible state and local funds (ARPA Fiscal Recovery Funds) to:

3. Purchase land
 - i. See example: [Minneapolis Land Banking](#)^{viii} and the Community Asset Transition Fund^{ix}
 - ii. Opportunity to engage sector experts that specialize in land acquisition and can act quickly to address housing shortage and homelessness.
4. Build new affordable housing with American Rescue Plan Act Fiscal Recovery Funds in HUD Qualified Census Tracts (QCT) to increase the supply of affordable and high-quality living units. See Treasury’s FAQ, #4.2 for list of allowable uses of funds.^x Examples include:
 - i. [Austin, TX](#): The Travis County Commissioners Court voted on September 14 to allocate **\$110 million** in ARPA State and Local Fiscal Recovery Funds to address housing and homelessness. The **\$110 million in ARPA dollars will fund over 2,000 new affordable housing units.**^{xi}
 - ii. [Clark County, WA](#): approved **\$15.5 million in ARPA funding**, including **\$4.4 million for homeless outreach teams**, **\$2.5 million for additional rent assistance and support for rapid rehousing programs**, and **\$2.5 million for existing permanent supportive housing programs.**^{xii}
 - iii. [Cincinnati, OH](#): The Cincinnati City Council approved roughly **\$12.4 million in ARPA funds for housing initiatives**, including **\$6.4 million for the affordable housing trust fund**; \$3 million for Bethany House, which provides services to families experiencing



homelessness; **\$2.5 million for affordable housing development**; and **\$500,000 to fund repairs for housing code violations.**^{xiii}

- iv. [San Diego, CA](#): The San Diego Board of Supervisors approved **\$85 million for homeless services** (including \$70 million for housing, shelter and new facilities and \$10 million for housing vouchers and rent subsidies). The board also approved **\$15 million in ARPA funding for legal services and counseling for tenants facing eviction.**^{xiv}
 - v. [Fairfax County, WA](#): The Fairfax County Board of Supervisors approved **\$25 million in ARPA Fiscal Recovery Funds to preserve and create affordable housing.**^{xv}
5. Fund Guaranteed Basic Income Pilot program, examples include:
- i. [Minneapolis, MN](#) is planning to spend **\$3 million for a Guaranteed Basic Income Pilot** as part of the city's Economic Rebuilding portion of their ARPA spending plan. This pilot would provide \$500 per month for 24 months to approximately 200 households.^{xvi}
 - ii. [Seattle, WA](#) is proposing to spend **\$25 million in direct cash assistance** as part of the "Community Well-Being" portion of their overall ARPA spending plan.^{xvii}



References

- ⁱ Barbara Poppe & Associates, LLC, Assessing Shelter Capacity and Dynamics for Accommodating the Homeless Population in Albuquerque NM Report Prepared for the City of Albuquerque, Department of Family and Community Services, November 2019, <https://www.cabq.gov/family/documents/assessing-shelter-capacity-final-report.pdf>.
- ⁱⁱ <https://community.solutions/analysis-on-unemployment-projects-40-45-increase-in-homelessness-this-year/>
- ⁱⁱⁱ <https://nlihc.org/sites/default/files/HoUSed-Build-Back-Better-Factsheet.pdf> and <https://www.urban.org/events/stable-housing-critical-first-step-toward-racial-equity>
- ^{iv} <https://council.nyc.gov/press/2021/05/27/2093/>
- ^v <https://www.zumper.com/blog/rental-price-data/>
- ^{vi} https://lascruces.smapply.org/prog/ARPA/#_ftn1
- ^{vii} <https://cohhio.org/wp-content/uploads/2019/05/Risk-Mitigation-RFP.docx>
- ^{viii} <https://www.brookings.edu/blog/the-avenue/2021/05/25/helping-residents-buy-back-the-block-with-american-rescue-plan-funds/>
- ^{ix} <https://www.hennepin.us/economic-development/impacts/success-stories/CAT-Fund>
- ^x <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>
- ^{xi} <https://www.kvue.com/article/news/local/homeless/travis-county-commissioners-court-110-million-homelessness-affordable-housing/269-48fd4187-8f27-449d-91fe-ed6000608497#:~:text=14.&text=AUSTIN%2C%20Texas%20%E2%80%94%20The%20Travis%20County.address%20homelessness%20and%20affordable%20housing.%E2%80%9D>
- ^{xii} https://clark.wa.gov/sites/default/files/media/document/2021-06/d061521_CS_ARPA_HomelessnessFunding.pdf
- ^{xiii} <https://www.cincinnati.com/story/news/politics/2021/05/19/american-rescue-plan-cincinnati-city-council-approves-spending/5167148001/>
- ^{xiv} <https://www.sandiegouniontribune.com/news/politics/story/2021-06-08/county-to-spend-covid-19-aid-on-homeless-businesses-hazard-pay>
- ^{xv} <https://www.washingtonpost.com/dc-md-va/2021/06/12/rescue-plan-funds-northern-virginia/>
- ^{xvi} <https://stories.opengov.com/minneapolismn/published/DB-GI-eso>
- ^{xvii} <https://www.seattle.gov/council/issues/seattle-rescue-plan>