



## **RESOLUTION NO. 2026-16**

### **ADOPTING AN AFFORDABLE HOUSING PROGRAM**

**WHEREAS**, the Valencia County Board of Commissioners met upon notice of regular meeting, duly published, at the Valencia County Administration Building, 444 Luna Avenue, Los Lunas, New Mexico 87031, on February 18, 2026, at 5:00 P.M. as required by law; and,

**WHEREAS**, Article IX, Section 14 of the New Mexico Constitution authorizes counties to provide housing assistance grants pursuant to the New Mexico Affordable Housing Act, NMSA 1978, Sections 6-27-1 et seq.; and

**WHEREAS**, the Board of County Commissioners of Valencia County (“Board”) has adopted an Affordable Housing Ordinance in accordance with the Affordable Housing Act, authorizing the County to approve affordable housing program guidelines; and

**WHEREAS**, Valencia County has been presented with an Intergovernmental Grant Agreement with the State of New Mexico providing State grant funds for affordable housing purposes; and

**WHEREAS**, the Board desires to deploy State grant funds in accordance with the program here adopted in accordance with the Affordable Housing Act and the County ordinance; and

**WHEREAS**, the Board directs that the County solicit and present to the Board a contract to Administer the Affordable Housing grant in full compliance with the Intergovernmental Grant Agreement, including all reporting, audit, monitoring, and fiscal control requirements imposed by the State of New Mexico; and

**WHEREAS**, the Board has developed these Affordable Housing Program Guidelines to ensure compliance with the Affordable Housing Act, the County ordinance, and applicable grant requirements; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF VALENCIA COUNTY, NEW MEXICO**, that the Board hereby adopts the Valencia County Affordable Housing Program Guidelines, attached hereto as Exhibit A, finding that the program guidelines comply with the New Mexico Affordable Housing Act, the Valencia County Affordable Housing Ordinance, and applicable State grant requirements.

**BE IT FURTHER RESOLVED** that nothing in this Resolution, the approved program guidelines, or any implementing agreement shall be construed to obligate, pledge, or commit any County general funds, local funds, or other County financial resources.

**BE IT FURTHER RESOLVED** that the County Manager, Chair of the Board, or their designee is hereby authorized to take all necessary actions to effectuate this Resolution.

**PASSED, APPROVED AND ADOPTED THIS 4th DAY OF FEBRUARY 2026.**

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Gerard Saiz, Chair, District I

\_\_\_\_\_  
Morris Sparkman, Vice-Chair, District III

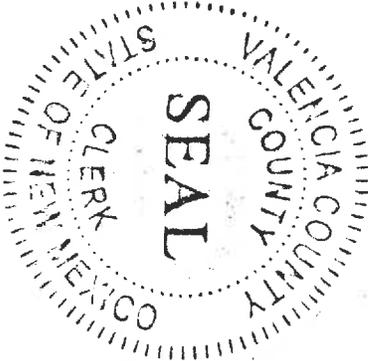
*Troy Richardson*  
\_\_\_\_\_  
Troy Richardson, District II

*Joseph Bizzell*  
\_\_\_\_\_  
Joseph Bizzell, District IV

*Dante Berry*  
\_\_\_\_\_  
Dante Berry, District V

Attest:

*Mike Milam*  
\_\_\_\_\_  
Mike Milam, County Clerk



## EXHIBIT A

### Affordable Housing Program Guidelines

#### 1. Summary

1.1 Valencia County proposes to deploy \$1.8 million in State of New Mexico grant funds received pursuant to an Intergovernmental Grant Agreement with the State of New Mexico as set forth herein.

#### 2. Grant Deployment

Valencia County will solicit and contract with a Fair Housing Administrator to develop and administer a limited downpayment assistance program with the following terms:

- Income-qualified homebuyers whose household income is at or below the maximum percentage of Area Median Income (AMI) established by the Valencia County Affordable Housing Ordinance, as amended from time to time.
- Downpayment assistance will be \$30,000 per borrower with no interest and no payment required from the borrower. The \$30,000 will be repaid to the County and placed in an affordable housing trust fund for future affordable housing program initiatives to be established by the Board.
- New homebuilders must provide a match of at least \$10,000 in additional downpayment assistance or interest rate buydown or other credits to the borrower.
- Borrowers must not be restricted to any particular first mortgage lender or product.
- The Contractor must meet the requirements of a “qualified grantee” under the Affordable Housing Act and Rules.
- The Contractor must be able to fund the downpayment assistance at the loan’s closing and then seek reimbursement from the County.
- The Contractor must be able to service the loans and provide a plan to return any loan repayment to the County’s Affordable Housing Trust fund.
- The proposal must provide a price for program implementation and per down payment loan cost.
- The Contractor must have the capacity to administer and close on \$1.8 million in downpayment assistance by June 10, 2026.

#### 3. Program Purpose and Objectives

The purpose of the County Affordable Housing Program is to dispatch State Grant funds in accordance with Affordable Housing Act, NMSA 1978, Sections 6-27-1 et seq., and the County’s Affordable Housing Ordinance, by establishing a legally compliant local housing assistance program that enables the County to receive, administer, and distribute Affordable Housing Funds for the benefit of persons of low and moderate income.

The ordinance is intended to provide a transparent, accountable, and fiscally responsible framework under which the County may:

1. Evaluate and approve housing assistance grants or loans;
2. Ensure that all projects comply with the Affordable Housing Act, MFA rules, and County policies;
3. Protect public funds through enforceable contractual obligations, affordability restrictions, and monitoring requirements; and
4. Expand the supply, preservation, and rehabilitation of housing that remains affordable for the duration required by law.

The County's program is not designed to compete with the private market, but to correct documented market failures that prevent working families, seniors, and vulnerable residents from accessing safe, stable housing at prices consistent with their incomes.

#### **4. Program Structure**

4.1 The County shall implement its Affordable Housing Program through a competitively procured independent contractor serving as Program Administrator. The Program Administrator shall act as an agent of the County for administrative purposes only and shall not possess independent authority to obligate County funds without Board approval.

4.2 The Program Administrator shall operate strictly in accordance with:

The Affordable Housing Act;  
Applicable MFA Rules;  
The County Affordable Housing Ordinance;  
The County Affordable Housing Plan;  
The terms of the professional services agreement executed with the County.

4.3 The County retains all final decision-making authority regarding certification, funding awards, execution of grant agreements, and enforcement actions.

4.4 The independent contractor shall provide comprehensive administrative services, which may include the following functions.

4.4.1 Program Design and Implementation Support. The contractor shall assist the County in refining program guidelines, application materials, evaluation criteria, and compliance procedures consistent with statutory and ordinance requirements. The contractor shall ensure that all procedures align with definitions and requirements governing Qualifying Grantees, Affordability Periods, security provisions, and certification standards established in the ordinance.

4.4.2 Application Intake and Processing. The contractor shall develop and publish application materials, conduct applicant outreach, receive and log applications, perform completeness reviews, and request supplemental information where necessary. The contractor shall not independently approve or deny applications.

4.4.3 Underwriting and Technical Review. The contractor shall perform technical and financial review of proposed projects, including evaluation of development budgets and sources and uses, review of pro forma projections, analysis of financial feasibility and leverage, assessment of applicant capacity and compliance history, and verification of income targeting and affordability structure. The contractor shall prepare written staff reports and funding recommendations for review by County staff and presentation to the Board of County Commissioners. Where required, the contractor shall prepare draft certification materials for submission to the Mortgage Finance Authority. All certifications shall be executed by authorized County officials in accordance with the ordinance. The contractor shall serve as liaison with MFA but shall not independently bind the County.

4.4.4 Grant Agreement Preparation. Upon Board approval of an award, the contractor shall assist in preparing funding agreements, affordability covenants, land use restrictions, and related documents, subject to review and approval by the County Attorney.

4.4.5 Monitoring and Compliance. The contractor shall administer ongoing compliance monitoring during the Affordability Period as required by the ordinance, including income eligibility verification procedures, rent or sales price compliance, annual reporting requirements, file reviews, on-site inspections where appropriate, and tracking of Affordability Period expiration dates. The contractor shall prepare periodic compliance reports to the County.

4.4.6. Financial Administration. The contractor may assist in processing reimbursement requests and verifying eligible expenditures. However, all disbursements shall be approved and issued by the County. The contractor shall not hold or commingle County housing funds unless expressly authorized and subject to strict fiscal controls and segregation requirements.

4.4.7 Oversight and Accountability. The independent contractor shall maintain adequate accounting systems, carry required insurance coverage, submit periodic performance reports, permit County audit access, and comply with all federal, state, and local laws. The County shall retain the right to terminate the administrative contract for cause, non-performance, or convenience pursuant to the terms of the professional services agreement.

4.4.8 Compensation Structure. Compensation for the Program Administrator may be structured as a fixed annual fee, a per-application processing fee, a per-unit monitoring fee, or a hybrid structure tied to measurable deliverables. The County may include performance benchmarks tied to timeliness of reviews, quality of underwriting, compliance accuracy, and reporting reliability.

4.4.9 Procurement Structure. The County shall procure the Program Administrator through a competitive Request for Proposals issued pursuant to the New Mexico Procurement Code. The solicitation shall evaluate respondents based on demonstrated experience administering Affordable Housing Act programs, knowledge of MFA processes and compliance requirements, experience underwriting single-family and multi-family housing projects, capacity to monitor affordability compliance, financial management capability and proposed fee structure.

## **5. Market Need and Income Eligibility**

### **5.1 The County finds that:**

5.1.1 Housing costs have increased at a rate exceeding median household income growth, resulting in a growing affordability gap for working families, public employees, service workers, seniors on fixed incomes, and young households seeking to enter the housing market.

5.1.2 The private market alone has not produced sufficient housing units affordable to households earning below 80 percent of area median income. Rising construction costs, land prices, infrastructure constraints, financing barriers, and regulatory compliance costs limit private development of lower-income housing without public participation.

5.1.3 A shortage of affordable housing contributes to workforce instability, increased commuting burdens, overcrowding, deferred maintenance, and displacement of long-time residents.

5.1.4 Affordable housing is directly linked to economic development. Employers face recruitment and retention challenges when employees cannot secure reasonably priced housing within the County.

5.1.6 Infrastructure constraints in certain areas prevent otherwise viable housing developments from proceeding without public participation in infrastructure costs.

5.1.7 Public investment in affordable housing yields long-term benefits including reduced reliance on emergency services, improved health outcomes, educational stability for children, and stronger local tax bases through stabilized residential development.

5.1.8 The County therefore determines that adoption and implementation of a local Affordable Housing Program serves a valid public purpose and promotes the health, safety, and welfare of County residents.

5.2 Household Income Eligibility. Income-qualified homebuyers whose household income is at or below the maximum percentage of Area Median Income (AMI) established by the Valencia County Affordable Housing Ordinance, as amended from time to time.

## **6. Target Population**

6.1 Income-qualified homebuyers whose household income is at or below the maximum percentage of Area Median Income (AMI) established by the Valencia County Affordable Housing Ordinance, as amended from time to time.

6.2 First-time and workforce households priced out of conventional homeownership.

## **7. Grant Budget**

7.1 State of New Mexico Grant to Valencia County. \$1,800,000.

## **8. Readiness and Timeline**

8.1 The program is implementation-ready and aligned with State timelines through June 2026. All requests for reimbursement must be made before June 10, 2026. Requests for reimbursement made after June 10, 2026, will not be paid.

## **9. Fair Housing Compliance**

The program shall be administered in compliance with the federal Fair Housing Act, the Valencia County Fair Housing Ordinance, and all applicable nondiscrimination laws. Eligibility determinations, marketing, underwriting, and loan servicing shall be conducted in a nondiscriminatory manner.