



Colfax County Affordable Housing Plan

June 2020



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This plan developed by



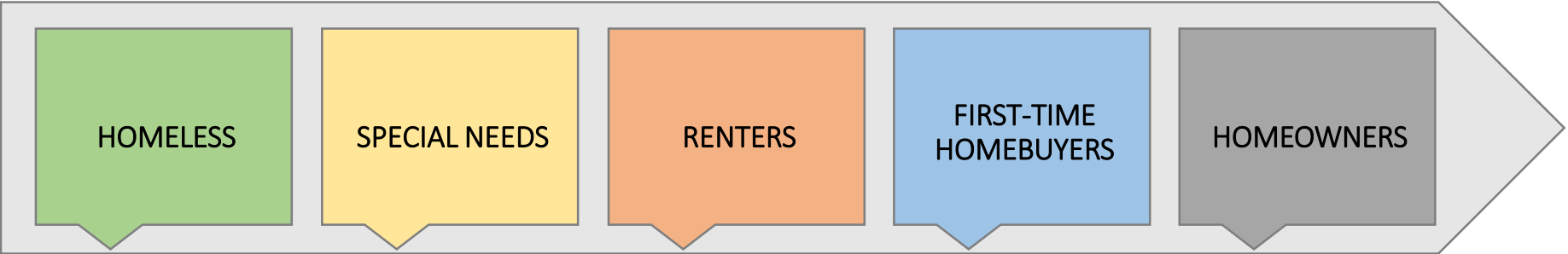
NORTH CENTRAL NEW MEXICO
ECONOMIC DEVELOPMENT DISTRICT
3900 Paseo del Sol, Santa Fe, NM 87507
505-395-2668 ncnmedd.com

Introduction

In the State of New Mexico, affordable housing plans are required for local governments that wish to make contributions for affordable housing. This affordable housing plan meets the standards of the state Affordable Housing Act and has been approved by the New Mexico Mortgage Finance Authority (MFA), as required by the Act. This is a county-wide plan that covers Colfax County, the city of Raton, the towns of Springer and Cimarron and the villages of Angel Fire, Eagle Nest and Maxwell. These local governments intend to adopt this plan by resolution. Subsequently each local government will adopt an Affordable Housing Ordinance approved by MFA to enable specific contributions for affordable housing.

As shown below in the Continuum of Housing, the Colfax County Affordable Housing Plan comprehensively examines housing needs for all residents of the county, including persons experiencing homelessness, special needs individuals who need supportive services, first-time homebuyers and renters and homeowners of all income levels. The plan will also examine the needs of seniors and the workforce who access housing at multiple points along the continuum.

Figure 1: Continuum of Housing

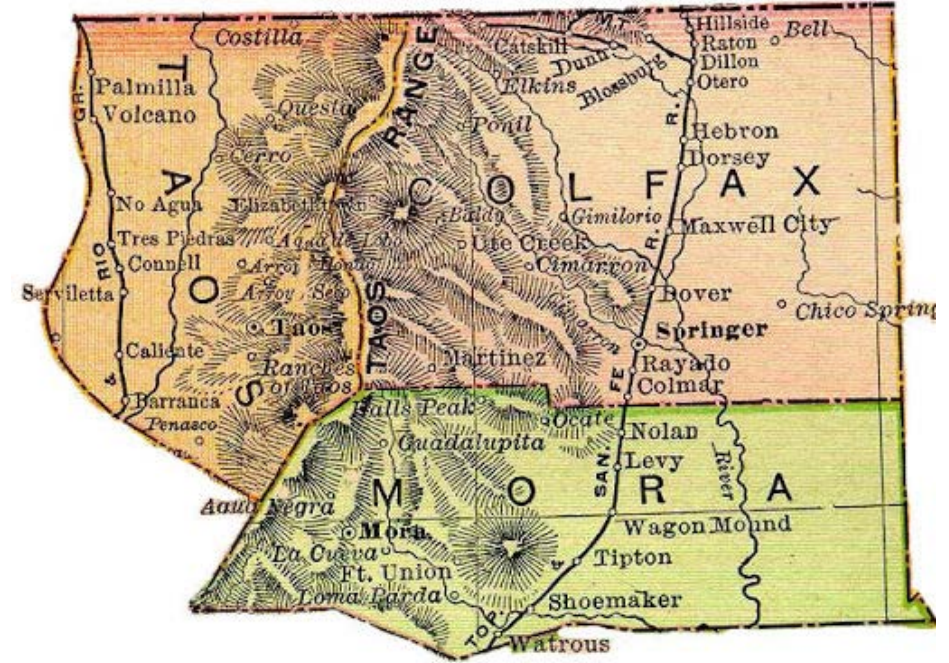


Executive Summary

Historically, Colfax County's settlement and growth revolved around mining, the railroad and trade. People began moving to the area in 1869 during the height of the New Mexico gold rush. The towns of Cimarron and Springer thrived on the many goods and services that merchants traded and sold on the Santa Fe Trail. The county seat of Raton was founded after the railroad was built in the 1880s. It is located at the base of Raton Pass, the highest point on the Santa Fe Trail.

The mountains in Colfax County are home to the Raton Basin, a coal-rich formation that served as the region's economic backbone for over 100 years. From 1888 to 2002, roughly 105 million short tons of coal were produced from mines in the Raton coal field. In the decade between 1995 through 2005, the area experienced severe economic dislocation when coal companies ceased operations in the area. Coal mining and coal-related employment rapidly shrank by 1,000 jobs, from 24% of the county's workforce at the turn of the century to almost none today.

Encompassing 3,771 square miles with a population of slightly more than 12,000, Colfax County is home to several small cities and towns. These include Raton, the county seat, with a population of 6,145, Springer (pop. 811) and Maxwell (pop. 259), all of which are adjacent to Interstate 25 south of the Colorado border. The town of Cimarron (pop. 983) and the villages of Angel Fire (pop. 732) and Eagle Nest (pop. 263) lie further west. Angel Fire and Eagle Nest are located along the Enchanted Circle Scenic Byway in the Sangre de Cristo Mountains, adjacent to Taos County. Other unincorporated communities include Miami, near Cimarron and Black Lake, near Angel Fire.



1895 Map of Colfax County
Source: ACS 5-Year Estimates

Executive Summary

In terms of housing, communities in Colfax County can be divided into two distinctive groups. The communities located along I-25—Raton, Springer, Maxwell—as well as Cimarron, have many vacant homes and relatively low housing costs. Renters and homeowners at various income levels can afford housing in the private market, but in many cases, struggle to find quality housing that is “move-in ready” due to the age and condition of the housing stock. Also, because the population in these communities has been steadily declining, it appears as if there is no growth to drive demand for new housing construction or even substantial rehabilitation. Interestingly, however, each of these communities has an “invisible” demand in that local employers are recruiting workforce from other places. These additional households are not reflected in Colfax County’s population and often have difficulty finding quality housing.

On the other hand, Angel Fire and Eagle Nest are tourist towns where service and even professional workers struggle to afford housing. Angel Fire in particular, has a high rate of second and vacation homes and short-term rentals which suppresses the supply of housing available to locals and drives housing costs out of reach. In these respects, housing issues in these communities are more similar to those in the Town of Taos and Taos County. Because members of the local workforce cannot afford to live in Angel Fire and Eagle Nest, they commute from other parts of the Enchanted Circle or Colfax County and are also “invisible” in terms of local demand.

Another complicating factor is that, except for Raton, most communities in Colfax County have populations less than 1,000. This makes it difficult to use supply and demand analysis by household income to estimate housing needs because the small number of households results in a very high margin of error. Because of this and the unique conditions regarding the workforce explained above, this Plan largely uses data collected from local sources to estimate the need for housing in each community.

Executive Summary

Just as the housing needs in Colfax County fall into two camps, so do recommended actions. Raton, Springer, Maxwell and Cimarron have a hidden housing asset of vacant homes in addition to “invisible” demand created by the workforce. In Raton and Springer, many vacant homes and buildings are well-built and attractive, which facilitates renovation and resale. There are considerably more challenges with rehabilitation in Cimarron and Maxwell, including poorer housing quality and fewer homes overall. All communities have the added barrier of homes that are difficult to acquire due to absentee owners or family inheritance situations.

Unfortunately, acquisition/rehabilitation strategies are not possible in Angel Fire and Eagle Nest. The high cost of housing would make it impossible to simply purchase a vacant home, much less renovate it for lease or resale. Instead, strategies that employ affordable housing subsidies are required to adjust for the mis-match between local incomes and housing prices in these communities.

While goals and objectives vary by community, a summary common goals for the Colfax County Affordable Housing Plan are provided below.

For Raton, Springer, Cimarron and Maxwell:

1. Add rental units for various income levels of the workforce as well as market rate units and units for seniors through a combination of new development and acquisition/rehabilitation.
2. Create an assistance fund that provides grants or low-cost loans to make older homes move-in-ready so they can be rented or can qualify for first-time homebuyer products.
3. Offer robust homebuyer counseling.
4. Expand the use of existing home rehab programs and pilot a new program through Colfax County Seniors Citizens and the Non-Metro Area Agency on Aging to solicit private contributions for senior home rehab.

For Angel Fire and Eagle Nest:

1. Develop a mixed-income rental community with units priced at various workforce income levels, including market-rate, likely using federal Low-Income Housing Tax Credits (LITHCs).
2. Partner with Taos on the establishment of a land trust to develop new starter homes with long-term affordability.

Community and Housing Profile

Like other areas of the Eastern Plains, Colfax County has steadily lost population for years due to the decline of mining and the railroad, the mainstays of its early economy. Even today, the area continues to adjust from this rapid shift from private sector industry to service sector and government employment and a corresponding drop in wages.

Colfax County's population and housing stock are both aging. It has one of the highest rates of senior households and older housing in the state. Due to the population decline, it has been difficult to attract new investment and development in communities like Raton, Springer, Cimarron and Maxwell. These communities have a high rate of vacant homes which provide a "hidden" resources for various local housing needs, including the workforce.

Like most rural areas, Colfax County has a high homeownership rate and housing stock dominated by single-family homes. Public housing is available in many of the communities, but apartment complexes are few and far between and only found in Raton and Angel Fire.

While housing costs are modest throughout the region, the communities of Angel Fire and Eagle Nest are high-cost areas due to their tourist-based economies. Located along the Enchanted Circle Scenic Byway, these communities have very different housing challenges. Angel Fire, in particular, has a high number of vacation homes, second homes and short-term rentals. These conditions make Angel Fire and Eagle Nest similar to the Town of Taos, where members of the local workforce have difficulty affording housing in the community where they work.

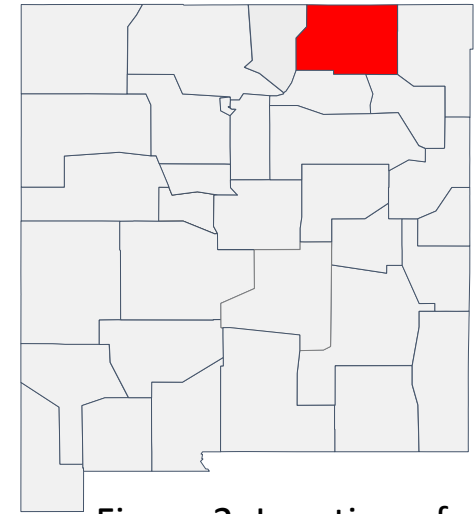


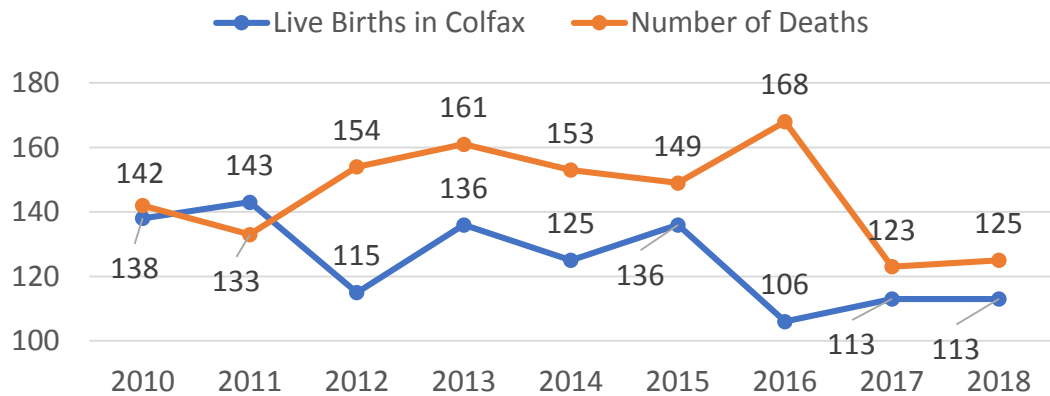
Figure 2: Location of Colfax County in NM

Population Trends

Due to the decline of mining and the railroad, Colfax County and the Eastern Plains region of New Mexico have steadily lost population. Colfax County's population peaked in 1920 at 21,550. Since 2010, the County is estimated to have lost nearly 1,500 residents or 11% of its 2010 population. The greatest declines have occurred in Raton and Springer, with smaller declines or flat growth in the other communities.

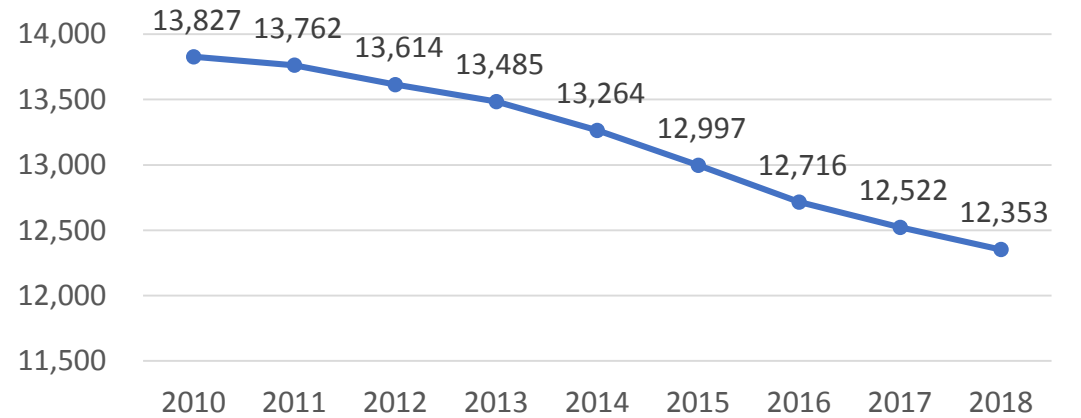
As shown below, deaths in Colfax County are higher than births; however, the difference between deaths and births is relatively small. This suggests that outmigration is the primary source of population decline, reflecting a national trend in which rural populations migrate to urban centers for better economic opportunities.

Figure 3: Colfax County Population Trends



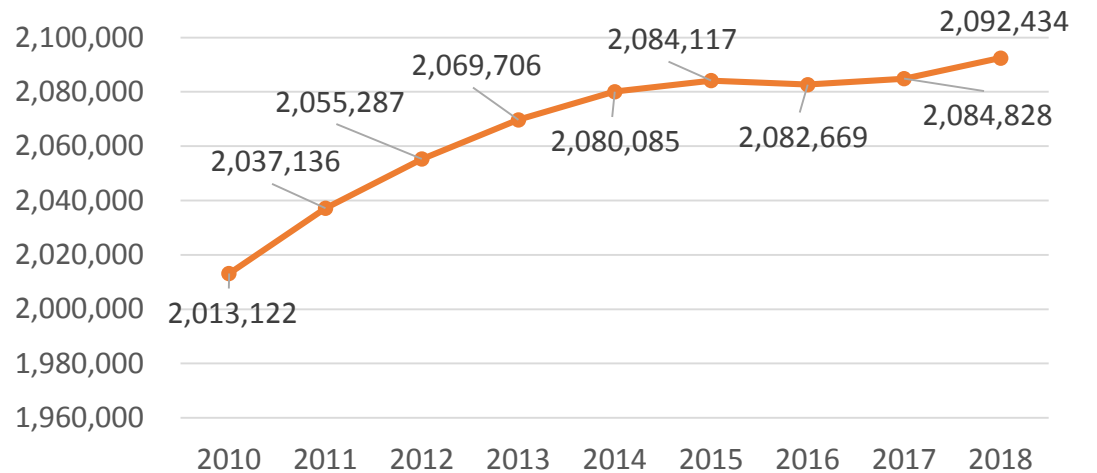
Source: NM Department of Health, IBIS

Figure 4: Colfax County Population



Source: ACS 5-Year Estimates

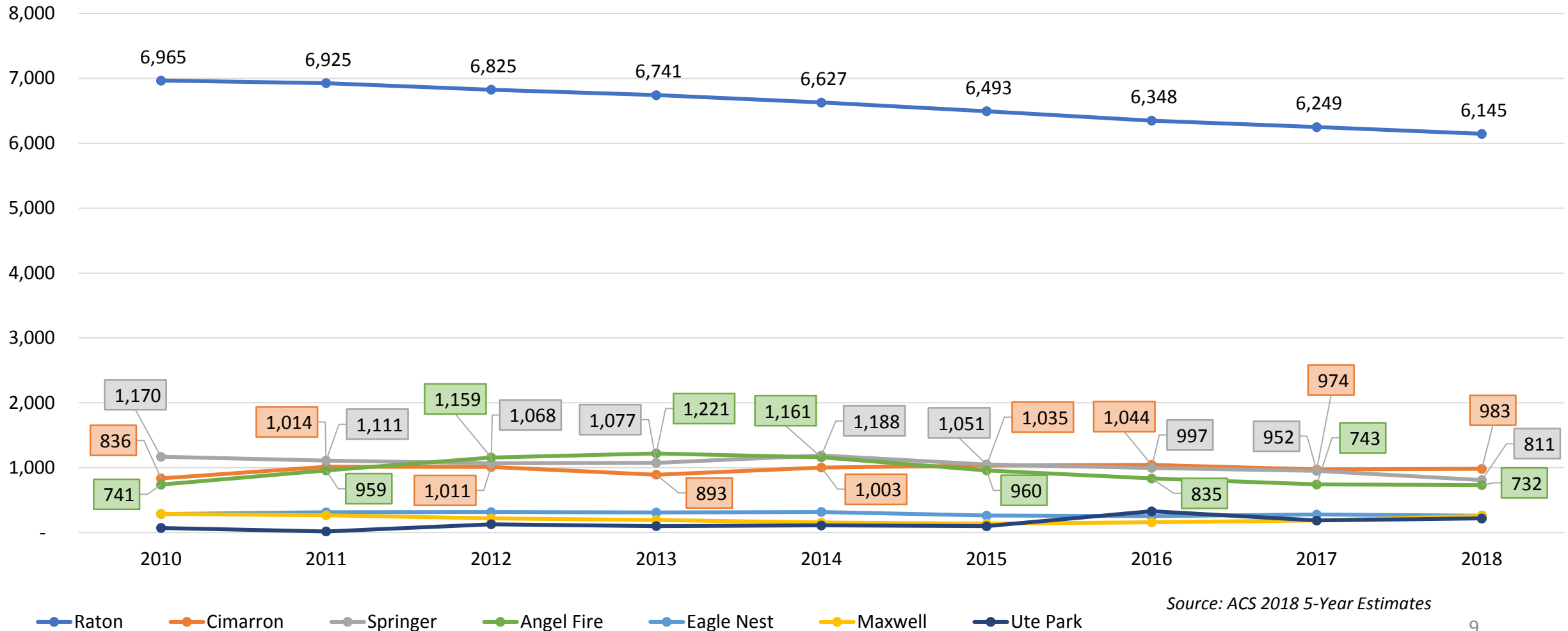
Figure 5: New Mexico Population



Source: ACS 5-Year Estimates

Population Trends

Figure 6: Colfax County City, Town, Village and Place Population Trends



Source: ACS 2018 5-Year Estimates

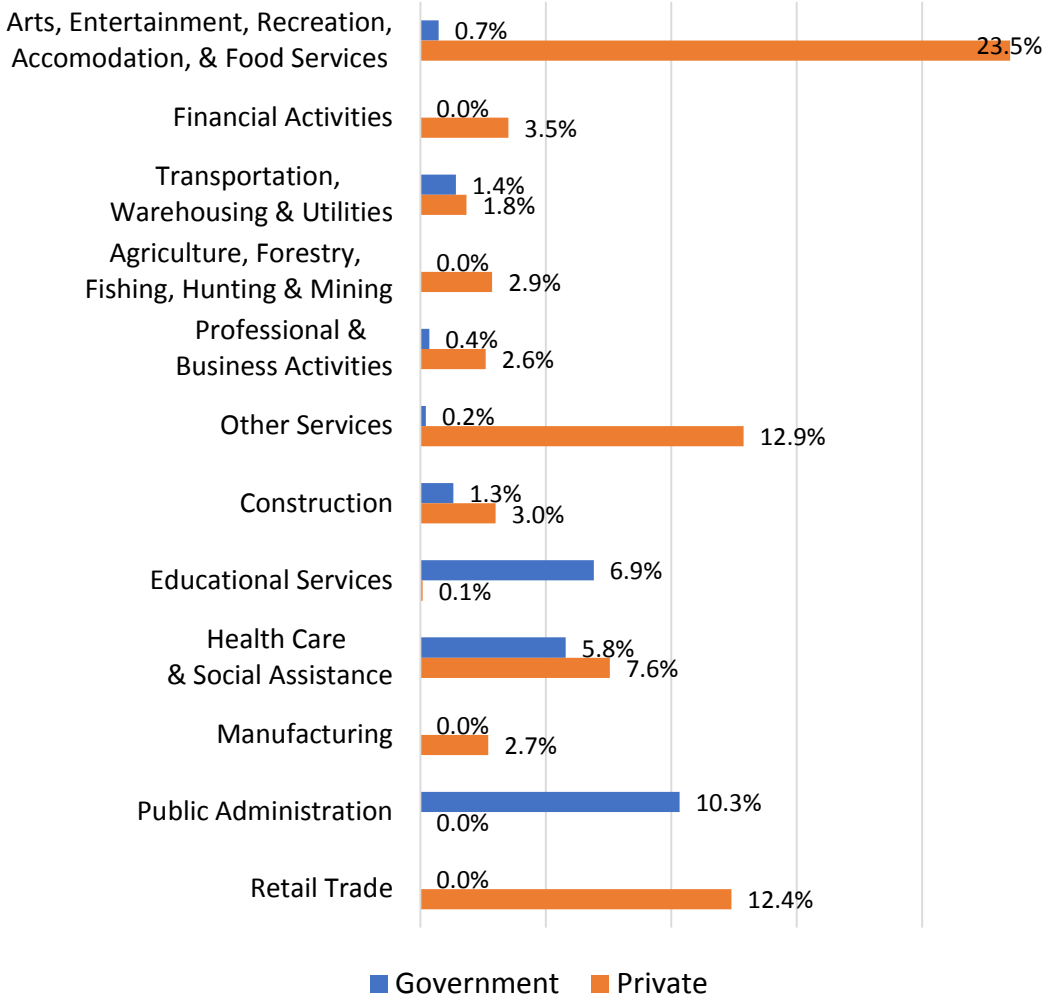
Employment

As shown in Figures 7 and 8, employment in Colfax County is concentrated in the Arts, Entertainment, Recreation and Food Services sector, with 24% of employment. Other large sectors include Health Care and Social Assistance at 13% of employment, Other Services at 13%, Retail Trade at 12% and Public Administration at 10%. All other sectors make up 10% or less of employment, respectively. This profile differs from New Mexico, where the largest employment sectors are Health Care and Social Assistance at 17% of employment, Arts and Entertainment at 14%, Professional and Business Activities at 13% and Retail Trade at 11%. Because wages in the Arts and Entertainment sector tend to be lower and wages in Professional Services tend to be higher, Colfax County has a higher percentage of lower-paid jobs than the state. According to the Department of Workforce Solutions' Quarterly Census of Employment and Wages, the average wage in Colfax County is \$15.25 per hour compared to the statewide average of \$21.73 per hour.

Government employment is also higher in Colfax at 27% compared to 22% in New Mexico and 14% in the U.S. This high rate of government employment is striking but also typical of many rural areas which have lost private sector jobs such as those once provided by mining companies and the railroad.

Like many rural counties, the County's largest employers include schools and the regional hospital, Miners Colfax Regional Medical Center. Colfax also has a robust tourism economic anchored by outdoor recreation including National Rifle Association's Whittington Center near Raton, the Philmont Scout Ranch near Cimarron, skiing in Angel Fire, natural wonders like Capulin Volcano National Monument and numerous hiking, fishing and camping opportunities.

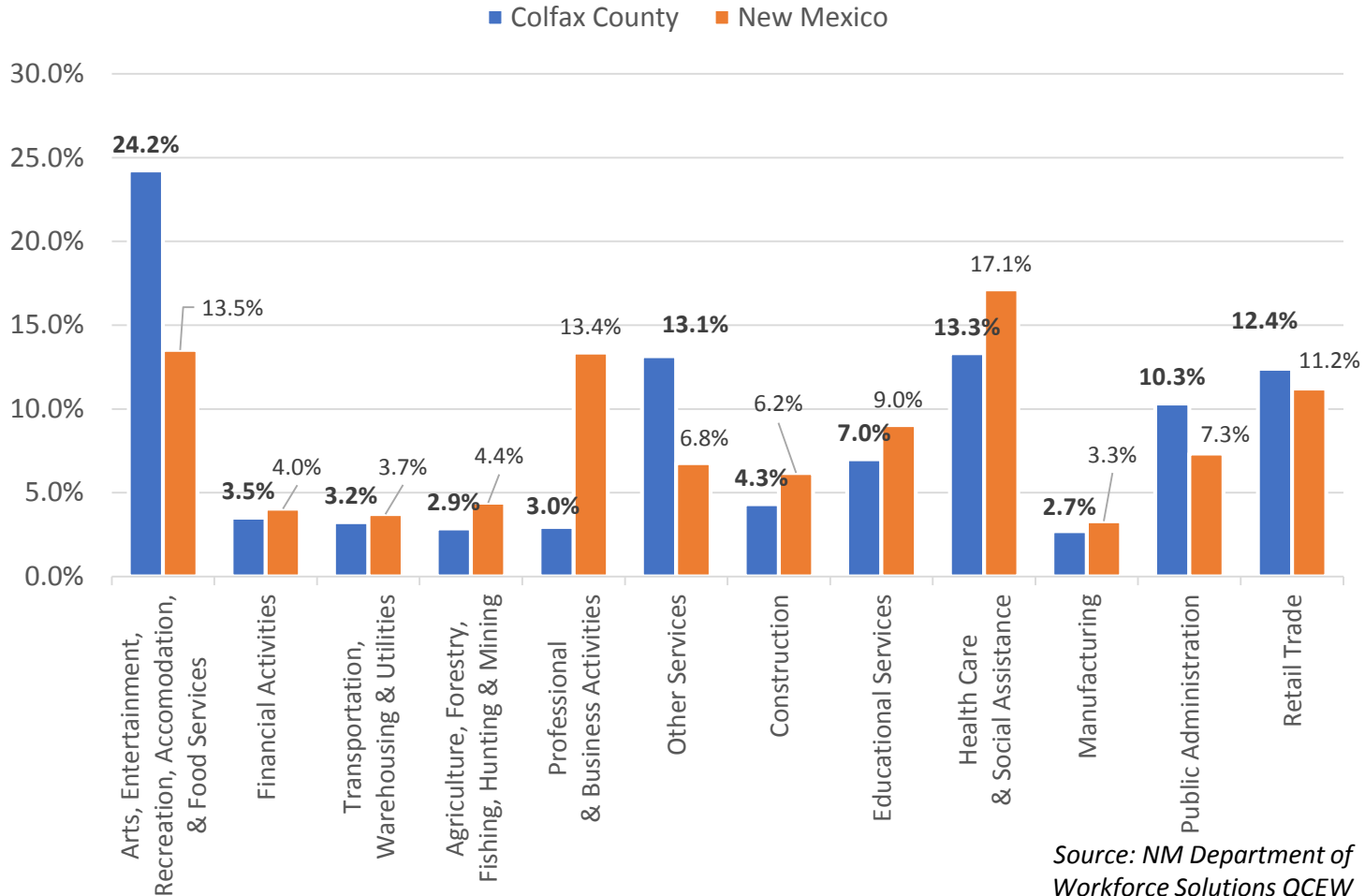
Figure 7: Government and Private Employment in Colfax County



Source: NM Department of Workforce Solutions QCEW

Employment

Figure 8: Employment by Industry



Source: NM Department of Workforce Solutions QCEW

Figure 9: Largest Employers in Colfax Co.	Employees
Philmont Scout Range (Seasonal)	500-999
Miners Colfax Medical Center	300
Angel Fire Resort	250-499
State of New Mexico	207
Raton Schools	121
Colfax County	115
City of Raton	86
Cimarron Schools	64
Town of Angel Fire	52
US Government	45

Source: NM Partnership

Figure 10: Largest Employers in NM	Employees
Federal Government	21,766
State Government	18,359
Walmart	14,022
Sandia National Laboratories	12,206
Presbyterian	11,178
Albuquerque Public Schools	10,297
Los Alamos National Laboratories	10,086
UNM Hospital	6,772
City of Albuquerque	5,800
University of New Mexico	4,210

Source: NM Partnership

Race and Ethnicity

Colfax County's population is evenly divided between White and Hispanic residents, 49% to 47%. It differs from New Mexico due to its very small population Native Americans, one percent compared to nine percent in New Mexico. Like New Mexico, Colfax County has much smaller percentages of African Americans and Asians than the U.S.

Figure 11: Race and Ethnicity in the United States

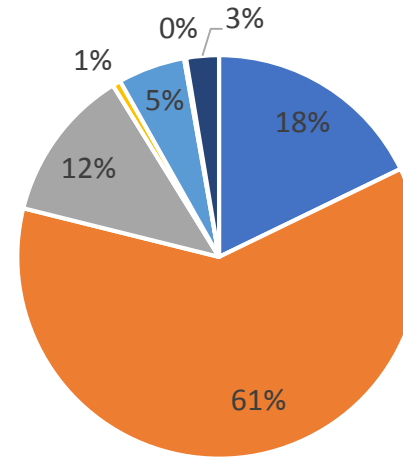


Figure 12: Race and Ethnicity in New Mexico

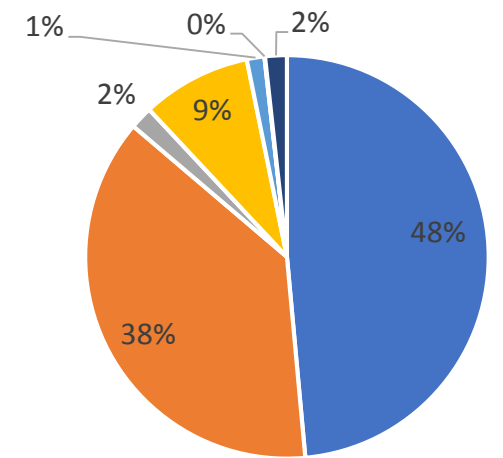
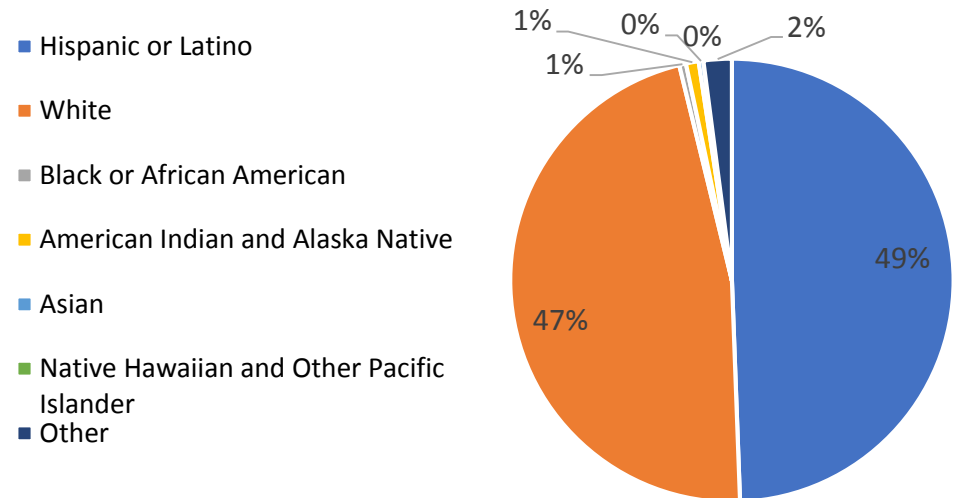


Figure 13: Race and Ethnicity in Colfax County



Source: ACS 5-Year Estimates

Age

Colfax County's population is one of the oldest in the state, with a median age of 49, more than 10 years older than the state median age. Out of 5,678 occupied households, 2,224 or 39% are occupied by seniors. Compared to New Mexico, Colfax County has a smaller percentage of population younger than 50 years and a larger percentage of its population older than 50 years. Eighteen percent of Colfax County's population is over 70 years of age compared to 11% in New Mexico. Colfax County's senior households are similar to those in New Mexico and the U.S. in that the largest percentage live with family, many live alone and a small minority live with others in roommate, caretaker or group settings.

Figure 14: Senior Households as a Percent of All Households

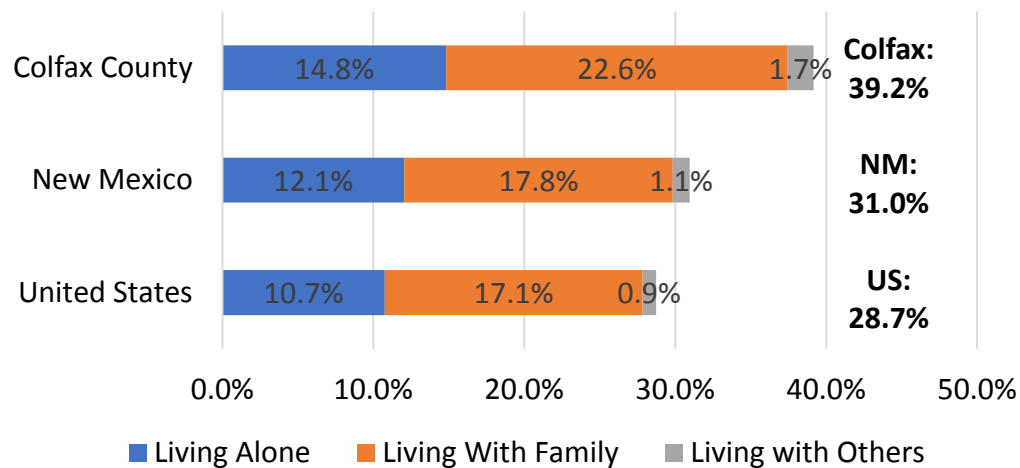


Figure 15: Median Age

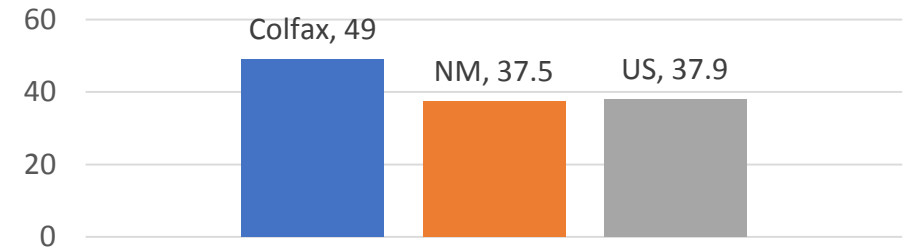


Figure 16: Colfax County Age Distribution

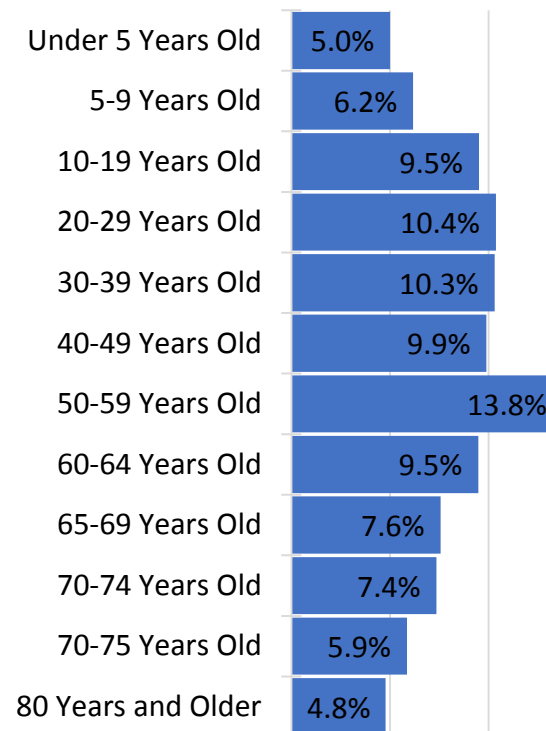
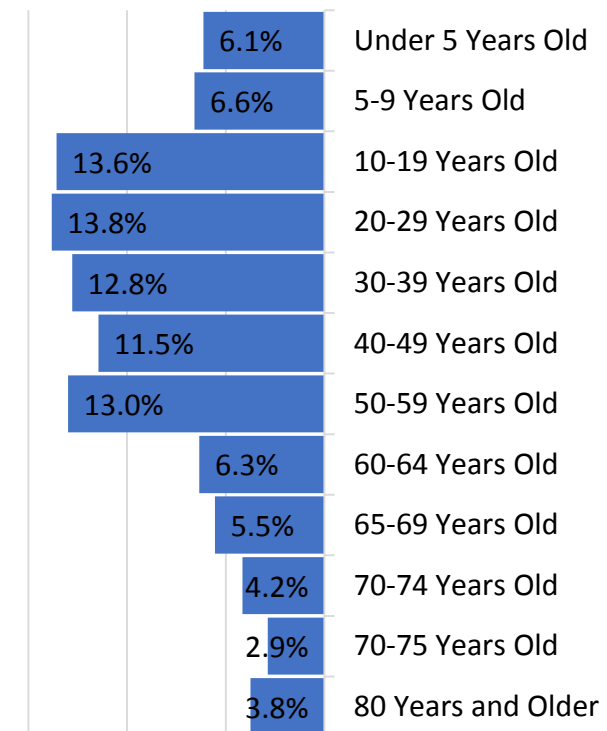


Figure 17: New Mexico Age Distribution



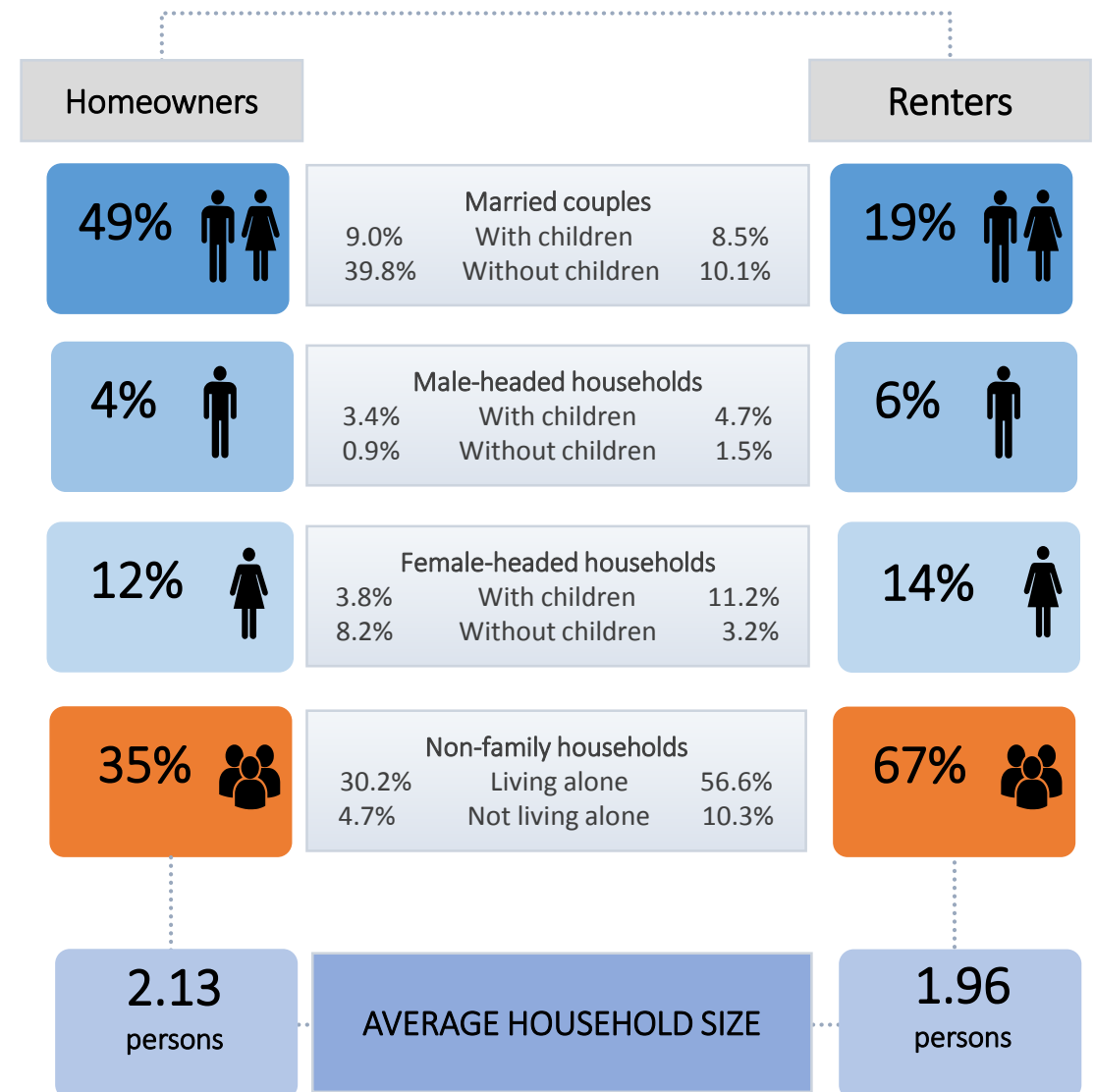
Household Types

As shown in Figure 18, for both homeowner and renter households, Colfax County has a higher percentage of non-family households (43%) than New Mexico (36%). Within that category, persons living alone is also slightly higher (34%) than in the state (30%).

Conversely, the County has a lower percentage of married couple households (39%) and families with children (9%) than New Mexico. It stands to reason that the average household size in Colfax County is low at 2.08 when compared to the 2.6 average household size in the state and for the U.S.

Colfax County has a lower rate of female headed households at 13% compared to New Mexico's rate of 15%.

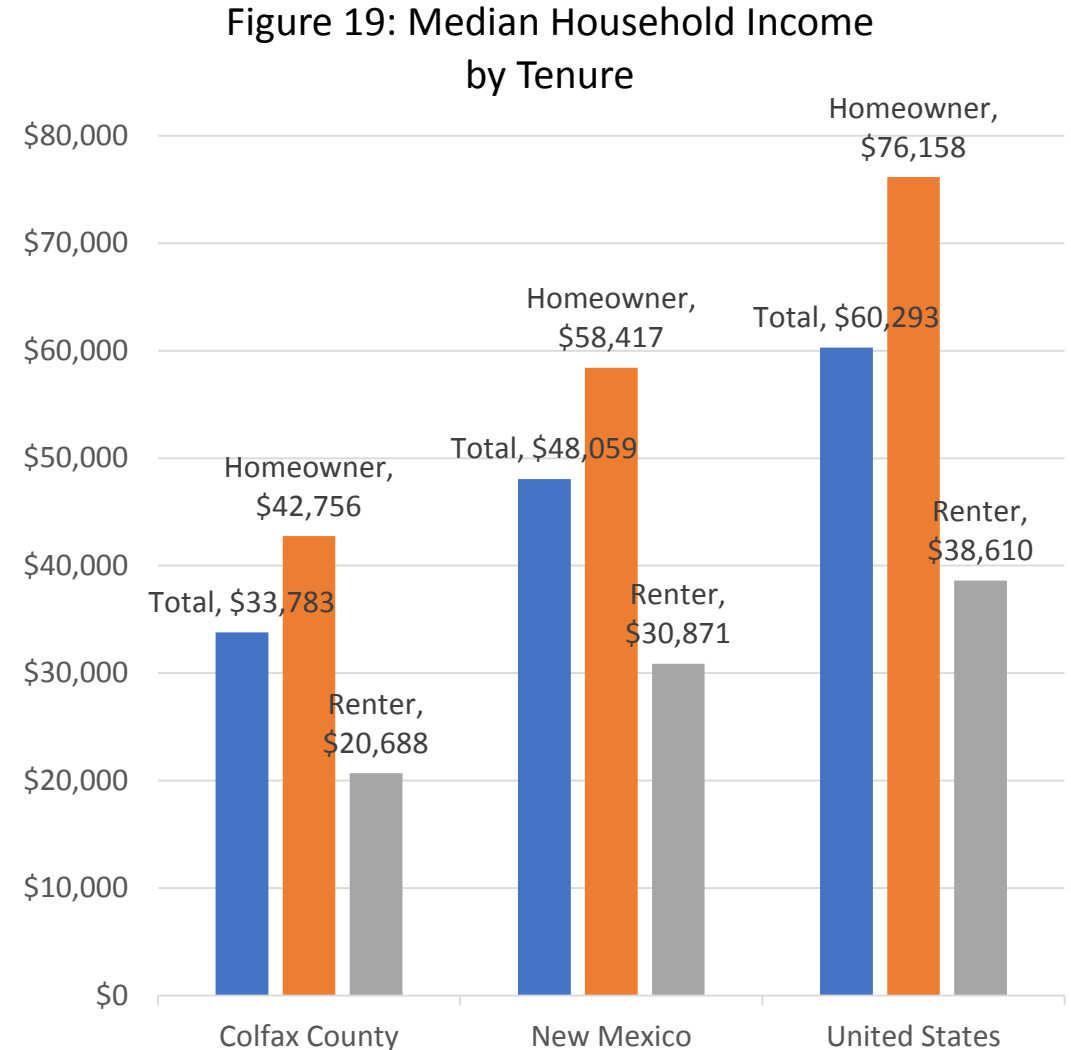
Figure 18: Household Types in Colfax County



Income Distribution

Colfax County also has one of the lowest median household incomes in the state at \$33,783. This is \$14,000 less than the state median income and \$26,500 less than the U.S. median income.

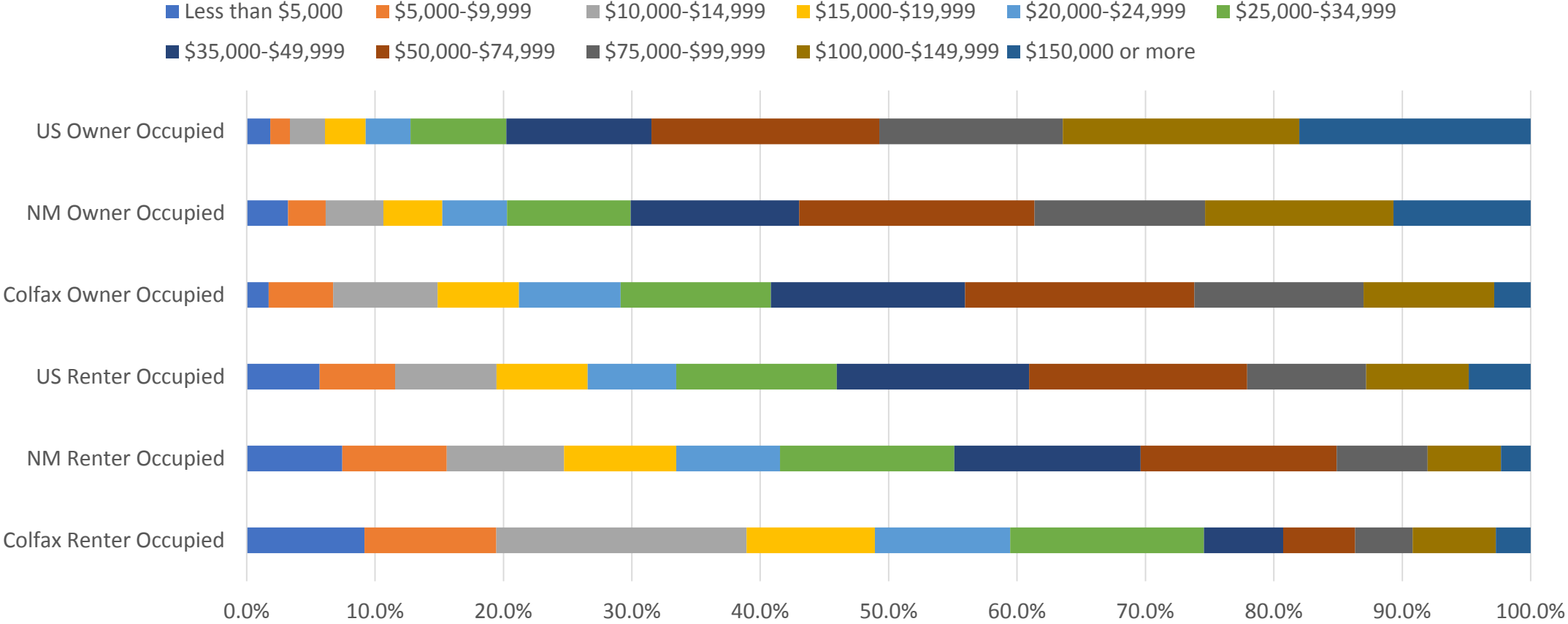
Homeowner incomes are typically higher than renter incomes and Colfax County is no exception. In Colfax County, the median income of owner-occupied households is \$42,756 compared to \$20,688 for renters. As shown in Figure 19, these incomes are much lower than owner-occupied and renter household incomes in both New Mexico and the U.S.



Source: ACS 5-Year Estimates

Income Distribution

Figure 20: Income Distribution by Tenure



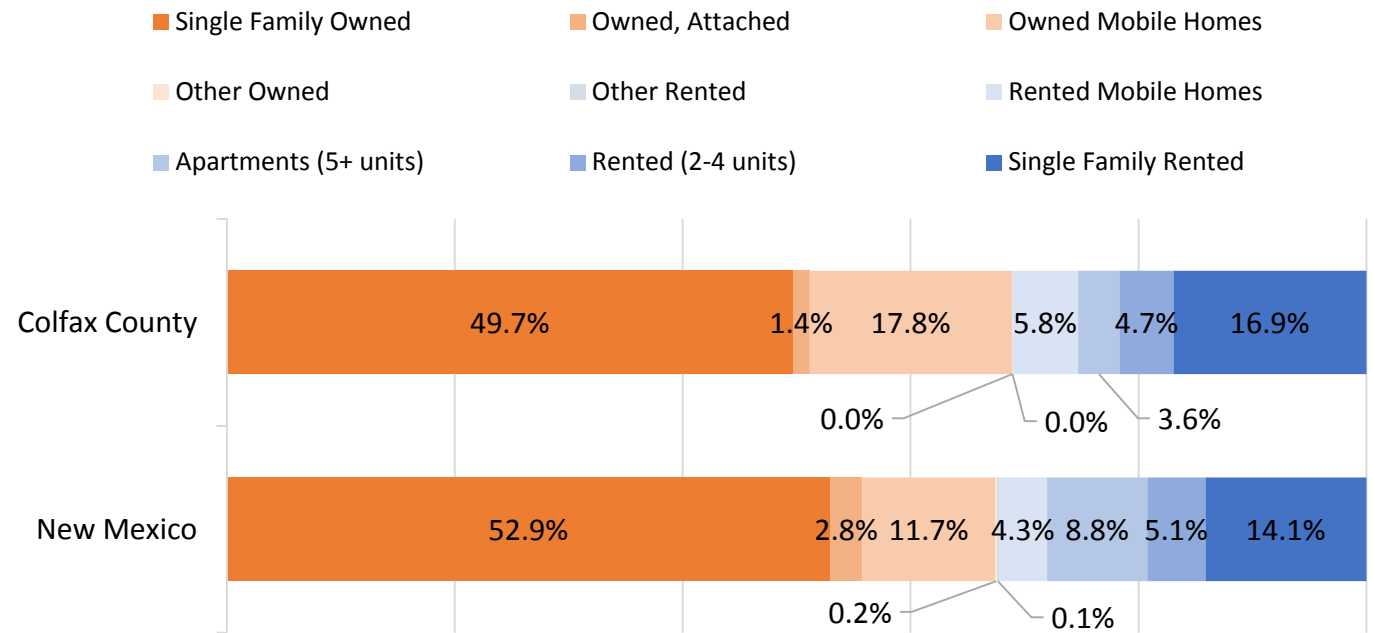
Source: ACS 5-Year Estimates

Housing Units by Tenure

Colfax County's homeownership rate is similar to New Mexico's. Of all occupied households, 69% are owned and 31% are rented. In New Mexico, 68% are owned and 32% are rented. For Colfax County homeowners, almost 60% do not have a mortgage, which is much higher than the rate in New Mexico of 45%.

When housing type is considered, Colfax County is similar to New Mexico except for minor differences which would be expected in a rural area. These include a higher percentage of owner-occupied mobile homes, 18% compared to 12%, and a lower percentage of apartments, 25% compared to 28%.

Figure 21: Occupied Housing Units by Tenure



Source: ACS 5-Year Estimates

Existing Households

Colfax County has a high rate of vacant homes. According to the U.S. Census, 4,566 or 45% of Colfax County housing units are vacant. Vacant homes categorized as “other” make up 20% of vacant housing units. Some of these homes are not occupied because they need repair, rehabilitation or are uninhabitable.

The largest category of vacant homes is for seasonal or recreational use and includes vacation rentals, second homes and short-term rentals. However, of the 2,817 units so identified, 1,831 or 65% are located in Angel Fire. According to Vacation Rental by Owner (VRBO.com), Angel Fire had 693 rental listings in May 2020. These included 226 houses, 282 condos/apartments and 95 hotel rooms. Angel Fire officials state that these listings represent second homeowners who are list their homes as short-term rentals while they are not in Angel Fire.

Eagle Nest officials report that they are noting an increase in short-term rentals in their community, as well. While many listings on VRBO came up under Eagle Nest, only nine single family homes appear to be located there; the rest were in nearby Taos Ski Valley and Angel Fire.

Figure 22: Colfax County Housing Units by Tenure

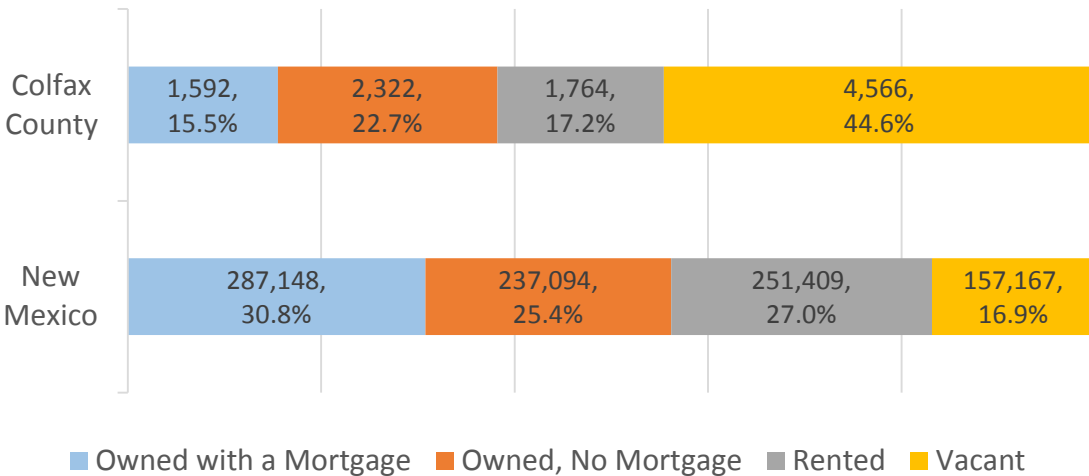
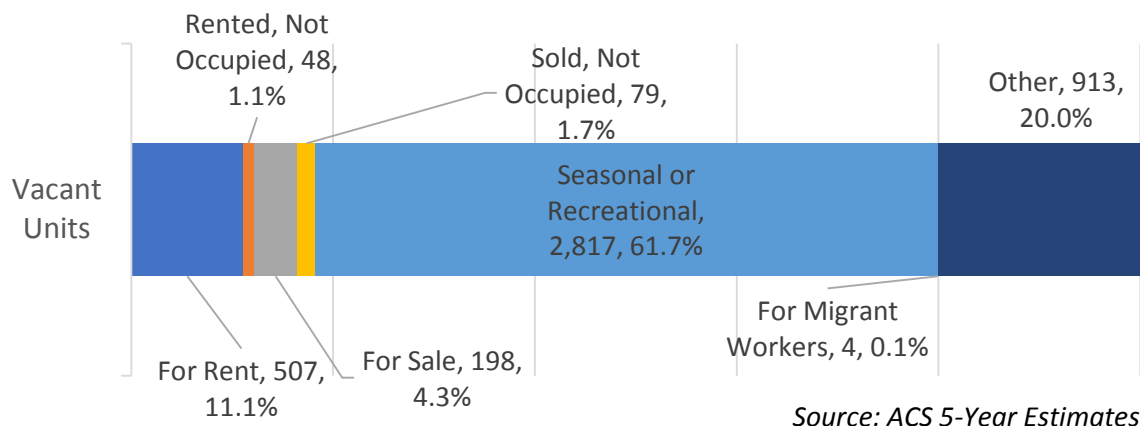


Figure 23: Colfax County Use of Vacant Units

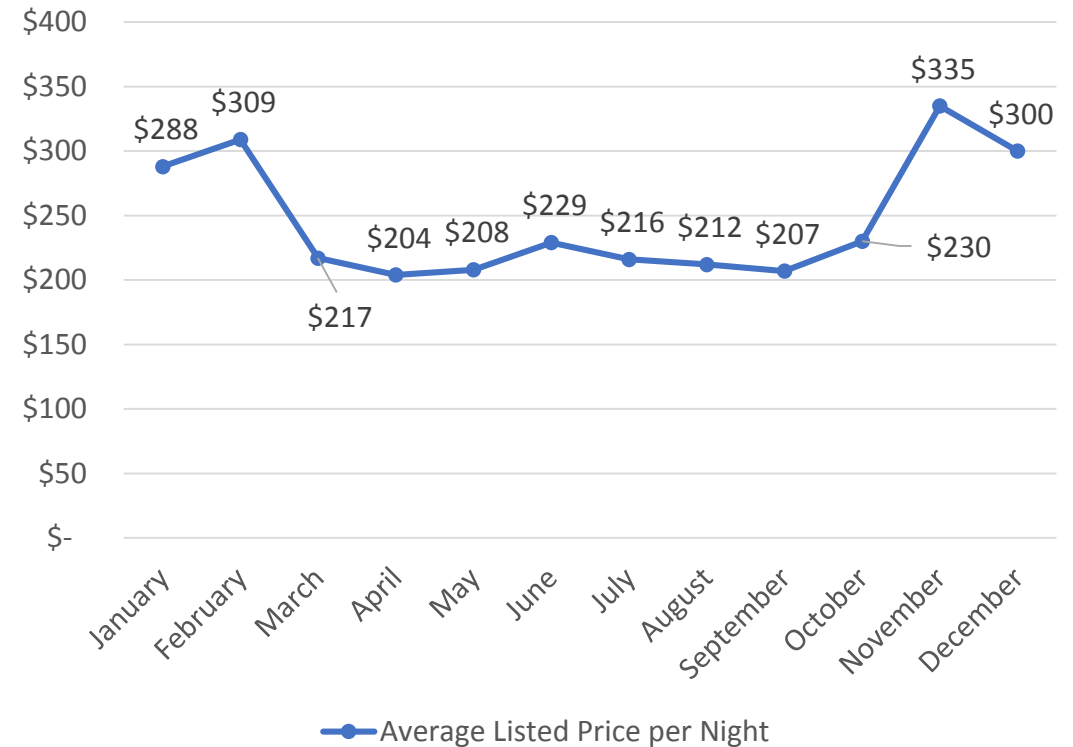


Source: ACS 5-Year Estimates

Short-Term Rentals

There is clearly an impact on housing supply when many units of housing stock are taken off the local market for use as vacation and second homes and short-term rentals. The impact is largely felt in the form of increasing rents, because with less supply, landlords can charge more. As depicted in Figure 24, short-term rentals are very lucrative and the high prices charged on a per-night basis create upward pressure on local housing prices. This impact is particularly strong in the tourist town of Angel Fire, where a high number of short-term rentals exist. Increasing numbers of short-term rentals could have a similar effect on Eagle Nest, as well.

Figure 24: Average Listed Price per Night for Colfax County on VRBO



Source: ACS 2018 5-Year Estimates

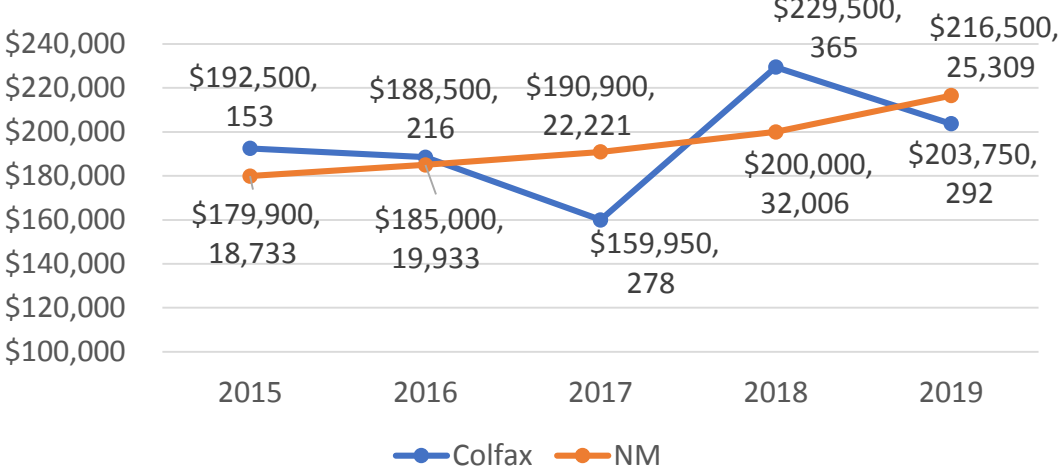
Home Sales

During the past five years, the number of home sales in Colfax County has increased from 153 in 2015 to 292 in 2019. Countywide, home prices have fluctuated within a narrow range of \$190,000 of \$200,000. 2018 was an outlier for a high number of home sales (365) and a higher median sales price (\$229,500). However, as shown in Figure 29, home prices in Colfax County communities vary widely with Angel Fire and Eagle Nest having far higher home prices than other communities.

Affordability of for-sale housing can be estimated by considering the number or percentage of households that qualify for the median price of a home, based on standard terms for loan qualification*. Using American Community Survey income data, it appears that for-sale housing is affordable for 40% of existing homeowner and 18% of renter households. Affordability is therefore lower in Colfax County than in New Mexico overall, where the median priced home is affordable for 53% of homeowner and 27% of renter households. In order to afford a median priced home, a Colfax County household needs to earn \$51,714 per year.

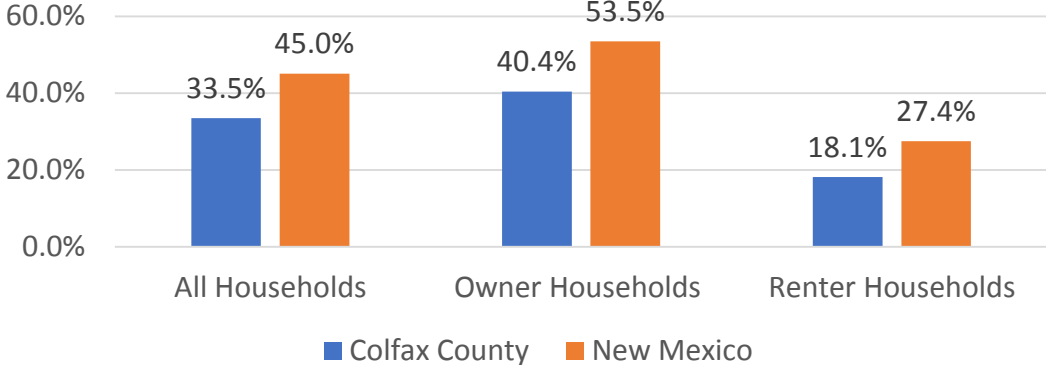
**Standard terms for loan qualifications: 32 percent debt to income ratio, 30-year fixed rate mortgage at 4.75 percent with a five percent down payment, property taxes of one percent of purchase price, homeowner's insurance of \$700 per year and property mortgage insurance at 0.9 percent of the loan amount. Because no assumptions were made about the credit-worthiness of the household, this analysis overestimates the percentage of households that qualify to purchase a home.*

Figure 25: Median Home Sales Prices and Number of Home Sales



Source: Realtors Association of New Mexico

Figure 26: Percent of Population that can Afford a Median Priced Home



Home Sales

While it appears that affordability issues in Colfax County are associated more with low incomes rather than high prices, Colfax County communities differ greatly in terms of sales prices. For-sale homes are largely affordable in Raton, Cimarron and Springer, but are out of reach of the average resident in Angel Fire and Eagle Nest. Angel Fire is a resort community with a ski area. Angel Fire and nearby Eagle Nest have tourist-based economies that are more similar to Taos than communities in Colfax County. For-sale price disparities are illustrated in Figure 27, below, which shows listings researched in May 2020. While research occurred during the Coronavirus pandemic, no downward effect on listing prices was noted. Data was compiled from Realtor.com, which listed 184 single family homes with an average price of \$191,000 or \$142 per square foot.

Figure 27: Realtor.com Home Sale Listings, May 2020

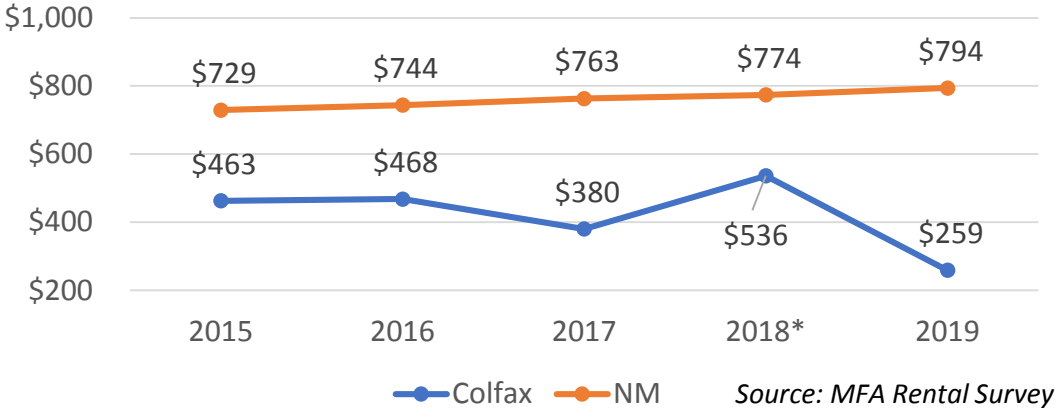
Area	Number of Listings	Median Listing Price	Median Price per SF	Lowest Listing Price	Highest Listing Price	Average Days On Market
Colfax County	307	\$191,000	\$142	\$2,000	\$23,000,000	217
Raton	63	\$90,200	\$69	\$25,000	\$530,000	164
Angel Fire	493	\$274,000	\$157	\$2,000	\$9,000,000	214
Eagle Nest	70	\$245,000	\$146	\$7,000	\$23,000,000	325
Ute Park	13	\$194,000	\$139	\$54,900	\$429,000	N/A
Cimarron	11	\$129,000	\$90	\$59,000	\$789,000	N/A
Maxwell	4	\$174,000	\$164	\$4,500	\$400,000	N/A
Springer	7	\$150,000	\$82	\$24,700	\$355,000	N/A
Miami	1	\$310,000	\$114	\$310,000	\$310,000	N/A

Median Rents

According to MFA’s annual rental survey, rents in Colfax County were in the \$400-\$500 range in 2015, 2016 and 2018, with lower rates in 2017 and 2019. This is lower than rents reported by the American Community Survey of roughly \$600 per month from 2015-2018. This \$600 average rent rate is fairly consistent with 2020 HUD Fair Market Rents for Colfax County, which are \$560 for a studio or efficiency, \$563 for a one-bedroom unit, \$742 for a two-bedroom unit, and \$925 and \$1,147 for three and four-bedroom units.

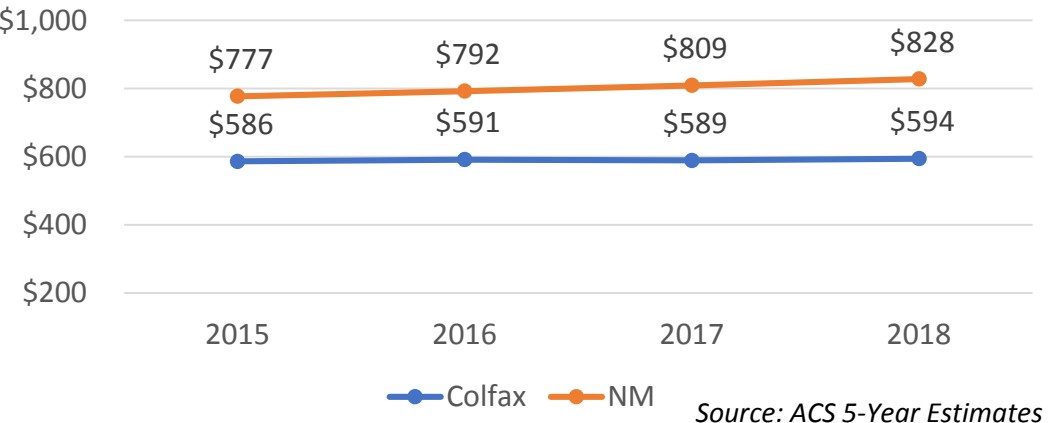
Colfax County's rental rates are much lower than in New Mexico overall, where rents hovered around \$800 from 2015-2018. Lower rents in Colfax County are likely due to lower demand and the dominance of older properties for which it is more difficult to charge higher rents.

Figure 28: Average Rents



* In 2018, Colfax County rents were combined with rents in Torrance, Hidalgo and Union counties due to a small number of survey responses in each county.

Figure 29: Median Gross Rents



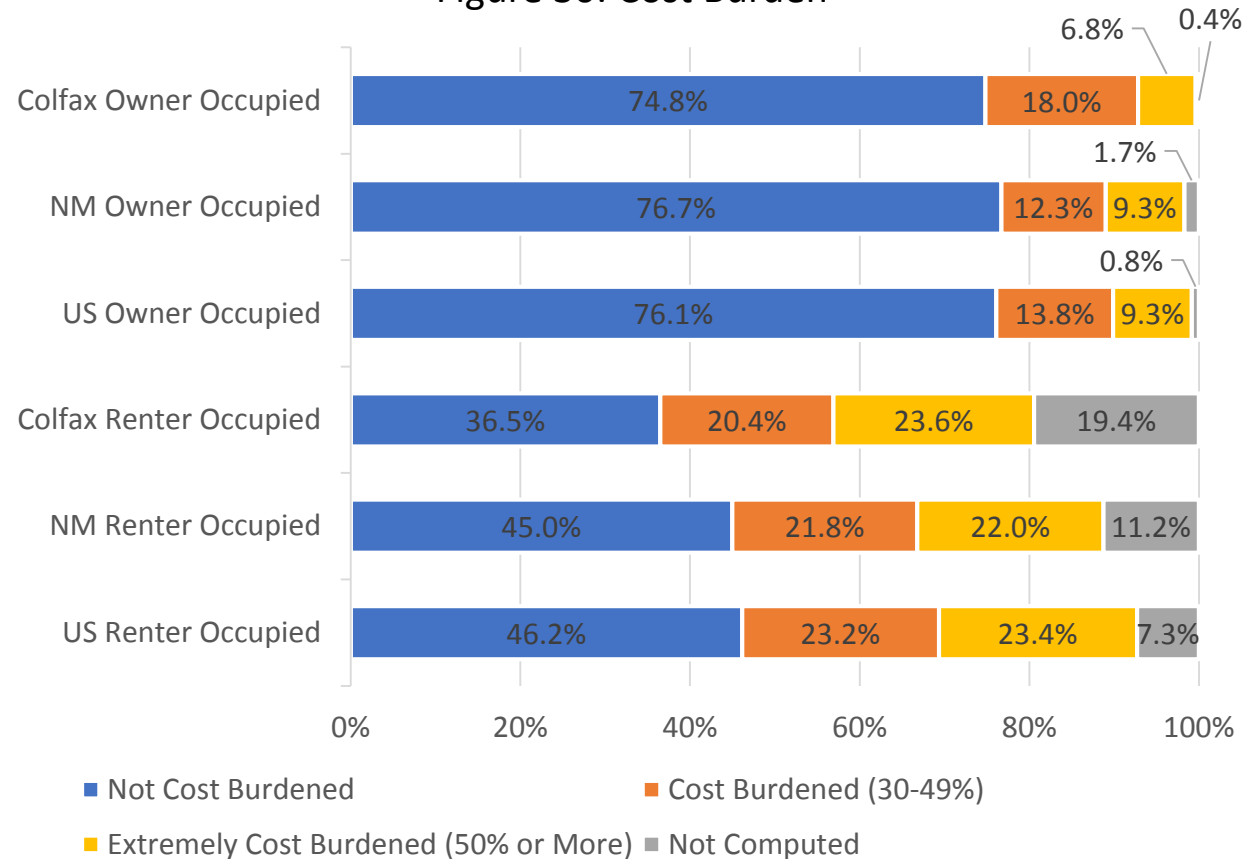
Cost Burden

Cost burden describes households that are paying more than 30% of their income in housing costs. Households paying more than 50% of their income in housing costs are considered extremely cost burdened.

At 18%, Colfax County has a higher rate of cost burdened homeowners who pay between 30% and 49% of their income in housing costs compared to New Mexico and the U.S. However, Colfax has a lower rate of extremely cost burdened homeowners: seven percent compared to nine percent in New Mexico and the U.S.

For renters, Colfax County has a slightly lower rate of cost burdened households and a slightly higher rate of extremely cost burdened households compared to New Mexico and the U.S. Colfax County has a much higher rate of renter households whose incomes were not computed and were therefore not analyzed for cost burden.

Figure 30: Cost Burden



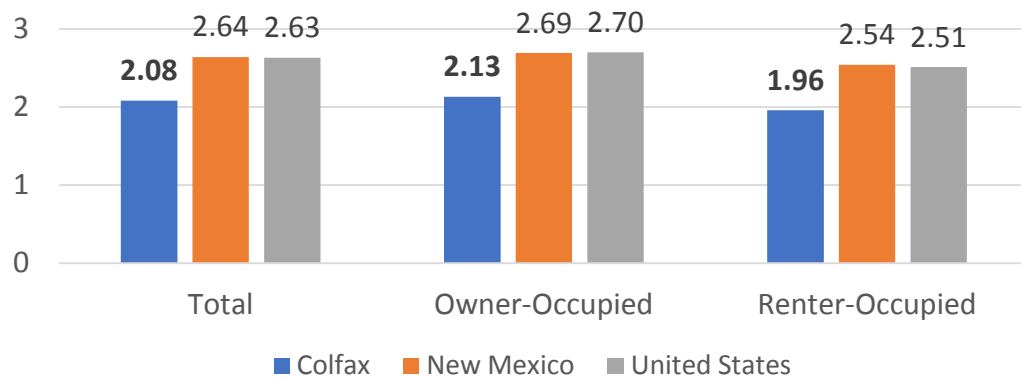
Source: ACS 5-Year Estimates

Overcrowded Households

Overcrowded households are those occupied by more than one person per room, and severely crowded households are those that have more than 1.5 people per room. At three percent, Colfax County has generally low rates of overcrowding, consistent with rates in New Mexico and the U.S. For homeowners, Colfax County has a slightly higher rate of overcrowding than New Mexico and the U.S. However, for renter households, the overcrowding rate is much lower in Colfax County (2.7 percent) vs. New Mexico (5.4 percent) and the U.S. (6.2 percent). This statistic is interesting because renter households are typically more overcrowded than homeowner households.

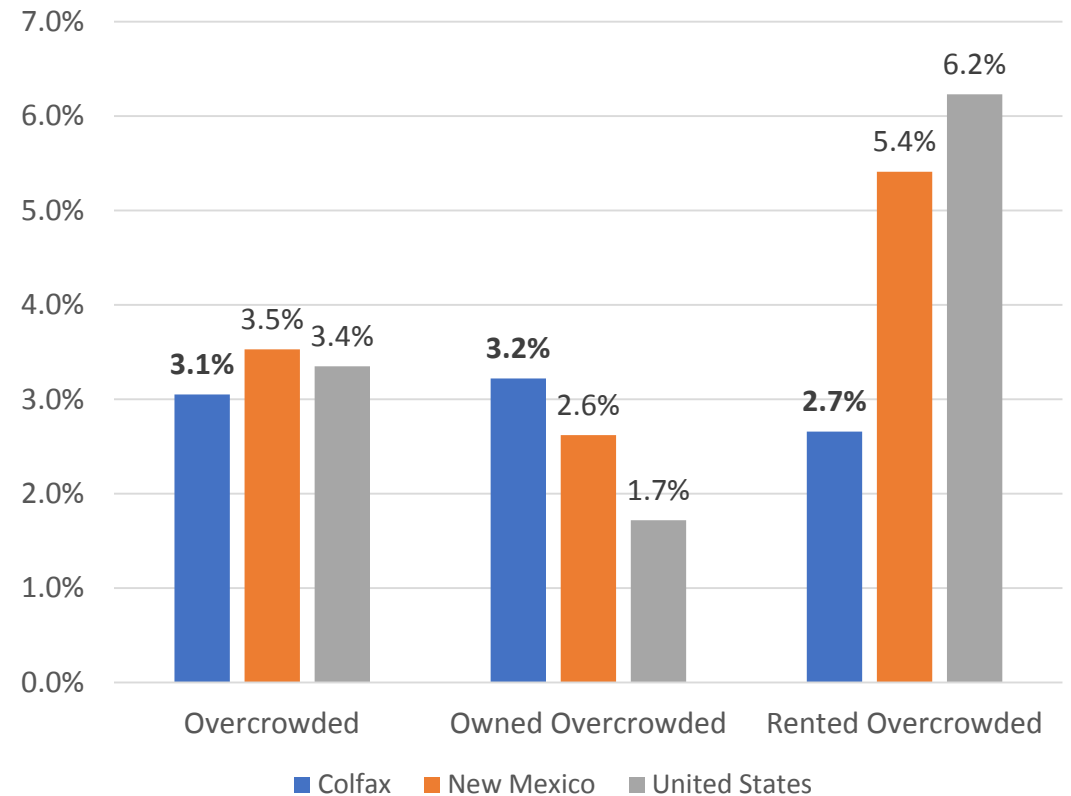
The average household size in Colfax County is approximately two people, regardless of tenure. This is lower than average household sizes in New Mexico and the U.S.

Figure 31: Average Household Size by Tenure



Source: ACS 5-Year Estimates

Figure 32: Overcrowded Households by Tenure

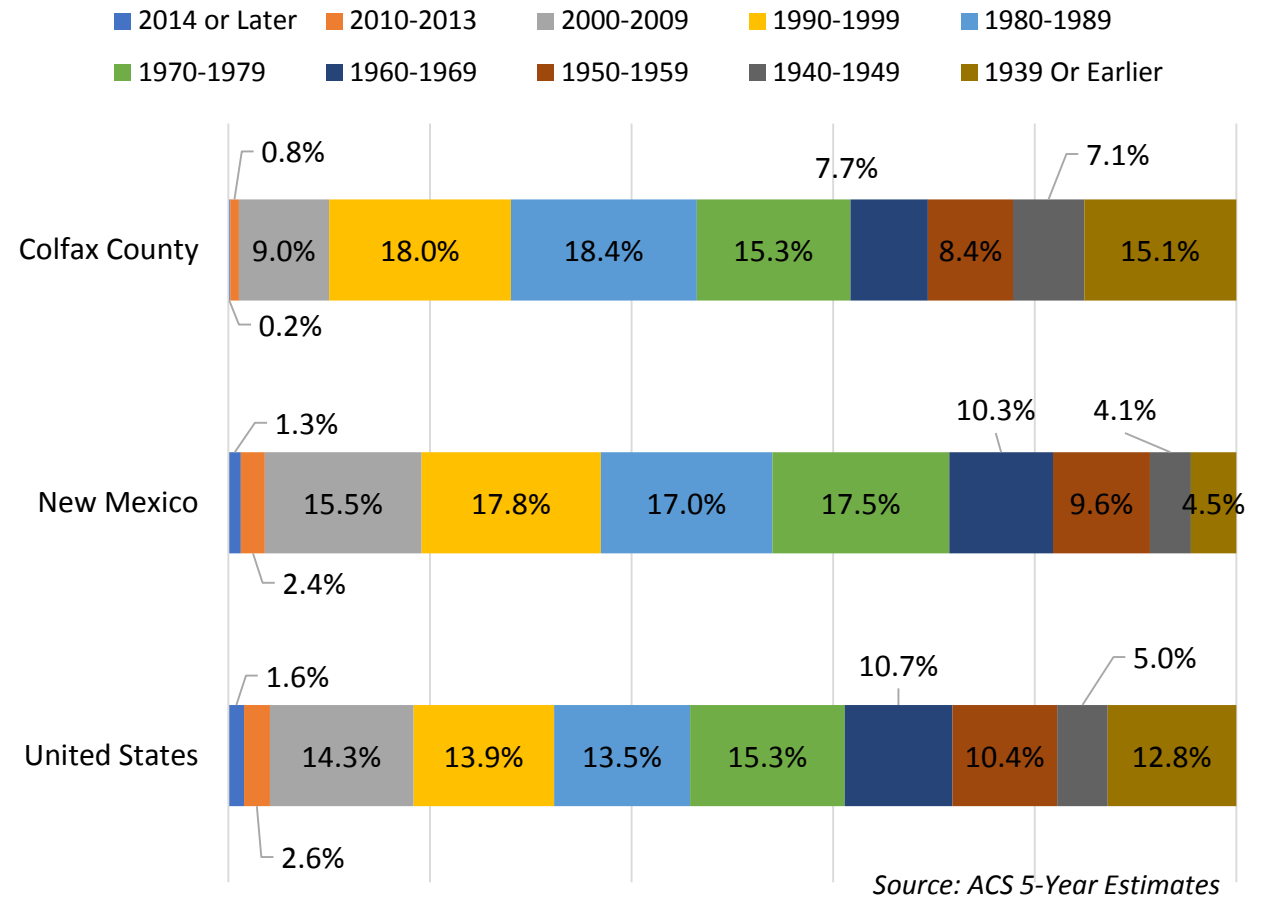


Source: ACS 5-Year Estimates

Age of Housing

Consistent with a high rate of vacant homes, Colfax County has some of the oldest housing stock in the state. Twenty-two percent of Colfax County's homes were built before 1950, and 15% of those were built before 1940. By comparison, nine percent of New Mexico homes were built before 1950 and four percent were built before 1940. Ten percent of homes were built in 2000 or later, compared to 18-19% in the U.S. and New Mexico. The percentage of homes built from 1970-1999 is similar in Colfax County and New Mexico.

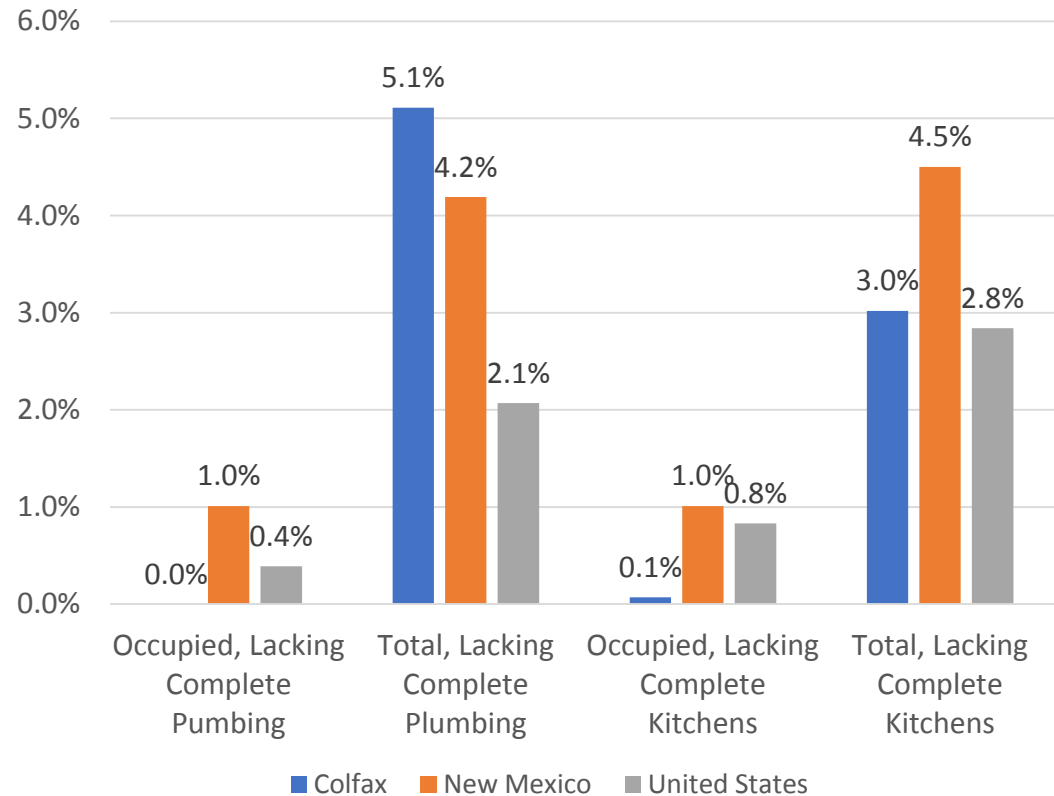
Figure 33: Age of Occupied Housing



Housing Condition Issues

Less than one percent of occupied homes in Colfax County lack complete plumbing or kitchen facilities. However, when all homes including vacant homes are considered, five percent of homes lack complete plumbing and three percent lack complete kitchens. The percentage of homes lacking complete plumbing is higher in Colfax County than state and national averages, while the percentage lacking complete kitchens is lower than the state average but consistent with the national average.

Figure 34: Special Housing Conditions



Source: ACS 5-Year Estimates

Land Use and Policy Review

Introduction

This section analyzes land use regulations and makes recommendations to enable Colfax County and its communities to increase publicly-driven affordable housing efforts and encourage the private sector to produce more housing that is affordable to households of various income levels.

In many cities and towns across America, zoning and land-use regulations are the greatest barrier to affordable housing creation. Single-use zoning, setback and residential density requirements, parking restrictions and height restrictions can make developing multi-family affordable housing a difficult task. Furthermore, non-conforming uses must often go through a lengthy and expensive special permitting process if the proposed development falls outside permitted uses and development restrictions. By easing existing land use regulations across the board or for targeted areas and sites, “up zoning” (lowering restrictions) or implementing measures to allow for gentle densification such as Accessory Dwelling Units (ADUs), barriers to private sector development can be reduced and more housing can be created.

Figure 35: Land Use Codes and Planning Documents

- *Colfax County, NM Comprehensive Plan (2015), Chapter IV. Land Use Element)*
- *City of Raton Zoning Ordinance*
- *Village of Angel Fire Comprehensive Plan (2008)*
- *Angel Fire Title 9 Zoning Regulations*
- *Village of Cimarron Comprehensive Plan (2009),*
- *Village of Cimarron Title 18- Zoning*
- *Springer Zoning Ordinance*

Colfax County

Introduction

Colfax County does not have a zoning or land use code. Most communities in the County are incorporated and follow the zoning and land use regulations of their individual jurisdictions. The City of Raton and the Village of Angel Fire both have Extraterritorial Zoning (ETZ) ordinances that regulates zoning within a one-mile radius outside of city boundary and planning and subdivision within a three-mile radius. Both jurisdictions have ETZ commissions made up of city and county representatives which hear appeals to administrative land use decisions and rule on certain developments within the ETZ. The Colfax County Comprehensive Plan encourages Maxwell, Springer, and Cimarron to also establish ETZs to coordinate development in the unincorporated areas. By creating ETZs, local governments can prevent conflicting uses and haphazard growth. The Plan also encourages the City of Raton to consider annexing more areas to ensure better land use regulation.

The Colfax County Comprehensive Plan serves as the primary land use guidance within the county. It contains an in-depth profile of county land tenure and land use. It maps and categorizes private and protected lands, lands dedicated to ranches, large landowners, natural resources and ecology, oil and gas, agriculture and land suited to wind and solar energy development. The Plan recommends specific policies such overlay zones to remove barriers and create incentives in areas of the county suited to renewable energy. The Plan also suggests adopting single-purpose overlay districts for oil and gas to prevent conflicting uses that can pose environmental or health-related risks. The detailed nature of the Comprehensive Plan positions Colfax County to adopt specific zoning, ordinances and policies in the future.

City of Raton

Introduction

The City of Raton has many opportunities for affordable housing. It has a diverse range of building types that allow for mixed-use rental units on Mainstreet and along Raton's main commercial strip, vacant public buildings that can accommodate affordable housing creation and an existing Tax Increment Financing (TIF) district in the downtown that can serve revitalization and redevelopment efforts. While there is ample land available for larger new developments, infill and acquisition/rehab should be a priorities in Raton due to the large amount of vacant land and buildings. Infill would allow Raton to repurpose existing facilities, eliminate blight and increase vitality in the downtown area.

Land Use and Zoning

Compared to many other towns and cities, Raton has a developer-friendly zoning code that provides opportunities for the city's historic Mainstreet and neighborhoods to evolve and prosper. There is a specific Multi-Family Residential zone (RM-1). Additionally, multi-family is allowed as a permitted use in the mixed-use R-O-I (Residential, Office & Institutional) zone and the C-2 (General Commercial) zone, where it is also allowed above a first-story commercial use. Furthermore, two-family attached and semi-attached residences are allowed in these same zones and additionally in the R-5 residential district.

Accessory uses and structures are allowed in all residential zones except RM-1 but only as home occupation and storage. This Plan recommends allowing accessory dwelling units (ADUs) in all or at least in the higher density residential zones of R-4 and R-5, as well as in RM-1, on properties with one single-family dwelling. This will increase housing options and create the potential of new revenue for property owners. Allowing for accessory dwelling units (ADUs) can add density without impacting the form and context of the surrounding neighborhood.



City of Raton

Figure 36: Raton Land Uses by Zone

Description	Zone	Single-Family	Multi-Family	Mfg. Home	Two-Family / Semi-Attached Residence	A Second SF Home	Home Occupation	Mixed Use Rental Above Commercial
Rural Holding Zone	R-HZ	PU					PU	
Residential District	R-1	PU					PU	
Residential District	R-4	PU					PU	
Residential District	R-5	PU			PU		PU	
Multi-family Residential District	RM-1	PU	PU		PU		PU	
Mobile Home Subdivision	MHS	PU		PU				
Mobile Home Park	MHP	PU		PU				
Residential, Office & Institutional District	R-O-I		PU		PU	PU		
Central Business District	C-1							PU
General Commercial District	C-2	PU	PU		PU			PU
General & Highway Servicing District	C-3							PU

PU= Permitted Use

City of Raton

Another recommendation is to redraw zone boundaries on the east side of downtown to accommodate higher density development. The current R-1 zones take up large portions of undeveloped land in this area, which has direct access to the Amtrak train station and commercial amenities. This area is well-suited for higher density residential uses which are currently not permitted.

The City may also want to consider allowing a larger range of uses to accommodate home occupations and light manufacturing in additional commercial zones and/or in the mixed-use zone (R-O-I).

Development Standards

Despite Raton's zoning code being developer friendly, some of the development standards could be improved to encourage more housing of various types. The R-1, R-4 and R-5 each require a maximum lot coverage of 30% which means that 70% of the lot is dedicated to setbacks, parking and open space. Increasing lot coverage in R-4 and R-5 to 50% and reducing front setback requirements to from 25 feet to 10-15 feet can help remove barriers for housing creation.

Figure 37: Raton Zoning Map

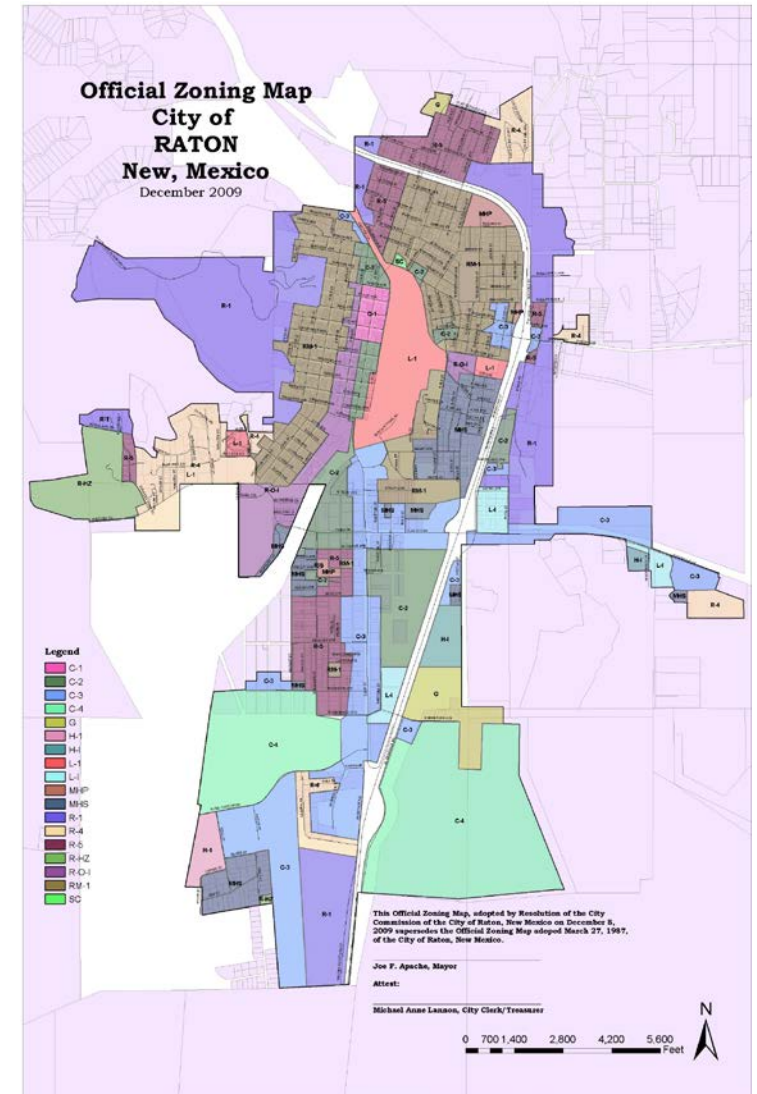


Figure 38: Raton Development Standards

Description	Zone	Min. Lot Size	Min. Lot Width	Max. Lot Coverage	Setbacks (Front, Side, Back)	Max. Height
Rural Holding Zone	R-HZ	2.5 acres	150 ft.	15%	50, 50, 50 ft.	35 ft.
Residential District	R-1	1 acre	150 ft.	30%	25, 10, 25 ft.	35 ft.
Residential District	R-4	10,000 sf	70 ft.	30%	25, 10, 25 ft.	35 ft.
Residential District	R-5	6,000 sf	60 ft.	30%	25, 8, 15 ft.	35 ft.
Multi-family Residential District	RM-1	8,000 sf	60 ft.	50%	10, n/a, 10 ft.	35 ft.
Mobile Home Subdivision	MHS	5,500 sf	60 ft.	30%	25, 10, 15 ft.	25 ft.
Mobile Home Park	MHP	5,500 sf	60 ft.	30%	25, 10, 15 ft.	25 ft.
Residential, Office & Institutional District	R-O-I	6,000 sf for single family, office and institutional, 4,000 sf for multi-family	60 feet	30% for single family, office and institutional, 50% for multi-family	25, 8, 15 ft.	35 ft.
Central Business District	C-1	n/a	n/a	unrestricted	n/a	60 ft.
General Commercial District	C-2	n/a	60 ft.	60%	15 ft. with frontage > 100 ft. or average of adjacent lots	45 ft.
General & Highway Servicing District	C-3	n/a	60 ft.	Determined by offstreet parking and setback requirements	25 ft.	55 ft.

Town of Springer

Land Use and Zoning

The Town of Springer’s Zoning Ordinance was adopted in 1968 and provides a wide range of permitted uses for a town of its size. While the R-3 and the C-1 zones allow incorporate uses in the preceding zone (R-2 and R-3, respectively) as permitted, the rest of the zones are well-differentiated so as to create unique areas of town and protect against incompatible uses.

The R-3 and C-1 zones permit multi-family dwellings and apartments, as well as two-family dwellings, garage apartments, accessory units, home occupations and rooming/boarding houses. The R-2 zone is more limited. It allows two-family dwellings as a special exceptions. Accessory buildings and home occupations are permitted in R-2.

Figure 39: Town of Springer Land Uses by Zone

Description	Zone	Single-Family	Two-Family Dwelling	Multi-Family, Apartments	Garage Apartment	Accessory Building	Home Occupation	Rooming or Boarding House
Rural Residential	R-1	PU				PU	PU	
Single-Family Residential	R-2	PU	SE			PU	PU	
Multi-Family Residential	R-3	PU	PU	PU	PU	PU	PU	PU
Central Business District	C-1	PU	PU	PU	PU	PU	PU	PU
General Commercial	C-2							
General Industrial District	I-1							

PU= Permitted Use
SE = Special Exception

Town of Springer

Development Standards

Springer’s development standards are similar to its zoning in that the C-1 and C-2 zones use the same general standards for dwellings as R-3, except for some differences with setbacks and maximum building height. The development standards for the other zones are distinct and provide differentiation within the town. Height limits are generous; 45 feet or 3.5 stories are allowed in the R-3 and C-1 zones.

Recommendations for easing development standards to encourage more housing include reducing front and rear yard setbacks and reducing maximum lot coverage.

Springer’s zoning ordinance also has a provision for group housing projects which gives the Planning Commission and the Board of Trustees flexibility for development standards for housing projects. The uses and height limits of the underlying zone remain in effect, however.



Figure 40: Town of Springer Land Uses by Zone

Description	Zone	Min. Lot Size	Min. Lot Width	Max. Lot Coverage	Setbacks	Max. Height
Rural Residential	R-1	1 acre	150 ft.	20%	30, 15, 30	35 ft.
Single-Family Residential	R-2	6,000 or 7,000 sf	50 ft.	25%	25, 7, 30*	35 ft.
Multi-Family Residential	R-3	2,000, 3,000 or 6,000 sf	50 ft.	35%	20, 5, 20*	45 ft.
Central Business District	C-1	2,000, 3,000 or 6,000 sf	50 ft.	35%	0-25, 0-25, 30	45 ft.
General Commercial	C-2	2,000, 3,000 or 6,000 sf	50 ft.	35%	20, 10-25, 30	35 ft.
General Industrial District	I-1	-	-	60%	20, 10-25, 20	35 ft.

Village of Cimarron

Land Use and Zoning

The Village of Cimarron Zoning Ordinance has four basic land use categories: Business and Trade Areas (Zone One), Industrial Areas (Zone Two), Recreational Areas (Zone Three) and Residential Areas (Zones 4-6). The three residential zones are defined by the minimum floor space of homes in those areas, ranging from 250 square feet in Zone Four, 1,000 square feet in Zone Five and 750 square feet in Zone Six. No specific land uses are named, although there is a statement that “duplexes, triplexes or other multiple-type residences” are allowed in residential zones.

Development Standards

Development standards are minimal. All residential development requires a 20-foot front yard setback. In Zones Five and Six, a four-foot side yard setback is required. In Zone Four, the minimum side yard setback is three feet. Residences may be one or two stories in height.

The Town of Cimarron was originally platted as narrow, 25-foot wide lots common to mining towns. The zoning regulations state that new residential development in Zones Five and Six must occupy at least two 25-foot lots, while new development in Zone Four can occur on a single 25-foot lot. Additional residences cannot be constructed behind another residence, likely because the narrow lot will not permit required emergency access. The zoning code states that only one dwelling unit can be occupied on a lot (Zone 4) or combination of lots (Zones 5 and 6), which means that a multi-family housing project would require multiple lots to be consolidated depending on how many units are proposed. Clearly, Cimarron’s 25-foot narrow lot configuration is challenging for new development, especially at higher densities.

Village of Angel Fire

Land Use and Zoning

Many aspects of Angel Fire's zoning code are progressive. Core (O-1), Mixed-Use (O-2) and High-Density Residential (R-3) zones enable a diverse range of housing development with generous height limits for a small town. While this Plan would have recommended density increases to these zones, the Village is limited in its ability to increase densities because only 20% of its homes are connected to wastewater. It is recommended that the Village assess areas with wastewater connections to determine if higher densities can be supported. While the Village has ample capacity at its wastewater treatment plant, it has not had sufficient resources to built out lines to all development

Development Standards

Currently, there are few developmental standard differences between the residential R-1, R-2, and R-3 zones. Distinguishing between these zones by decreasing the minimum lot size in medium and high-density zones to 7,000 square feet would enable more compact and higher density development without proliferating sprawl. Additionally, reducing setback requirements in key areas could enable the creation of more units by increasing the building's footprint on the lot. A concurrent update to lot coverage in areas where setback requirements are reduced is also recommended. Reducing front setbacks is particularly crucial in areas that are intended to be mixed-use, dynamic and pedestrian friendly. Reduced front setback requirements will enable a street-wall, which gives continuity to the street and is more characteristic of downtown and main street environments. These recommendations will need to be reviewed within the context of areas that have infrastructure to support smaller lot sizes.

Village of Angel Fire

Figure 41: Angel Fire Land Uses by Zone

Description	Zone	Single-Family	Multi-Family	Mfg. Home	Accessory Dwelling Unit	Townhome/ Attached Residences	Home Occupation	Planned Unit Development	Group Home
Single-Family Residential	R-1	PU			CU		PU	PU	
Medium Density Residential	R-2	PU	PU		CU	PU	PU	PU	PU
High Density Residential	R-3	PU	PU			PU	PU	PU	PU
Single-Family Equestrian	R-4	PU			CU			PU	
Single-Family Cluster	R-5	PU					PU	PU	
Mobile Home Residential	R-6			PU			PU		
Office, Retail Commercial	C-1			CU				CU	
General Commercial	C-2			CU					
Core	O-1	PU	PU			PU	PU	PU	PU
Mixed Use	O-2	PU	PU			PU	PU	PU	PU

PU= Permitted Use
CU=Conditional Use

Figure 42: Angel Fire Development Standards

Description	Zone	Density (Units/Acre)	Minimum Lot Area	Open Space Lot Coverage	Minimum Frontage	Setbacks (Front, Side, Back)	Max. Height	Parking (Spaces/DU)
Single-Family Residential	R-1		21,000 sf.	55%	100 feet	25, 10, 20 ft.	35 ft.	2
Medium Density Residential	R-2	8	21,000 sf.	40%	100 feet	25, 10, 20 ft.	35 ft.	2
High Density Residential	R-3	20	21,000 sf.	35%	100 feet	25, 10, 20 ft.	35 ft.	2
Single-Family Equestrian	R-4	1 / 2.5	2.5 acres	65%	200 feet	25, 10, 20 ft.	35 ft.	2
Single-Family Cluster	R-5	1 / 5	5 acres	90%	60 feet	25, 10, 20 ft.	35 ft.	2
Mobile Home Residential	R-6	8	5,000 sf.	25%	60 feet	15, 8, 10 ft.	25 ft.	2
Office, Retail Commercial	C-1		5,000 sf.	15%	50 feet	10, 10, 20 ft.	35 ft.	Depends on use
General Commercial	C-2		5,000 sf.	15%	50 feet	10, 10, 20 ft.	35 ft.	Depends on use
Core	O-1		5,000 sf.	15%		5-20, 8, 10 ft.	45 ft.	
Mixed Use	O-2	n/a	5,000 sf.	15%		5-20, 8, 10 ft.	40 ft.	

Density Requirements

Zoning codes in Colfax County communities vary widely. Zoning regulations in Raton and Angel Fire are relatively sophisticated and support the higher-density development recommended in this Plan. For example, Raton does not have a maximum density but allows development standards to determine allowable density. Angel Fire has two multi-family zones that allow 20 and eight units per acre. Both communities allow generous building heights in their downtown areas. While this Plan makes several recommendations which would further enable affordable housing development, current regulations are not seen as limiting to multi-family affordable housing development.

The other communities in Colfax County have older zoning codes and unique development constraints that make high-density multi-family development impractical or unlikely. For example, Cimarron's 25-foot wide lots would require substantial land consolidation to support a multi-family project. While the Town of Springer has a much more conventional zoning code than Cimarron, most of its originally platted lots are also 25-feet wide, which poses the same development constraints. Furthermore, in both towns, officials report financial difficulty extending infrastructure to undeveloped lots as well as numerous absentee landowners or properties held by families who are unlikely to sell. While these conditions are clearly constraints, they do not make affordable housing development in Springer and Cimarron impossible. These small communities with populations of less than 1,000 can employ a variety of other strategies such as acquisition/rehab, infill, development of employer owned properties, or second- story residences above commercial to create new housing.

The Village of Maxwell does not have a zoning code or land use ordinance. The Town Clerk reports that new development is approved on a case-by-case basis by the Town Council.

Housing Needs Assessment

The Housing Needs Assessment analyzes Community and Housing Profile and additional data to recommend housing targets for new affordable housing construction and rehabilitation. Targets are estimated in number of housing units for each component of the housing continuum depicted in Figure 1.

Typically, the Housing Needs Assessment identifies the number of households at various income levels and compares those households to the supply of units affordable for that income. This methodology does not work well for Colfax County for several reasons:

1. Using local households underestimates demand. In Colfax County, significant demand for housing comes from workforce that is recruited from outside of the community or commutes from other places and may not be reflected in the number of local households.
2. Rental housing need is difficult to estimate because housing costs are low in Raton, Springer, Cimarron and Maxwell. Most renters of all incomes can find housing affordable in the private market in these communities. According to the American Community Survey, Colfax County's rental housing stock consists of 1,764 units, the majority of which are single family homes (961, 54%) and mobile homes (327, 19%). Because the private market is dominated by single family homes and mobile homes rather than apartments, it is impossible to know what rents are charged and whether there are a sufficient number of units priced to match the number of households at different income levels.
3. Except for Raton, communities in Colfax County have populations less than 1,000. This makes it difficult to use supply and demand analysis by household income level because the small number of households results in a very high margin of error.

For these reasons, this Plan presents the number of households at various income levels in this section but relies largely on data from local sources to estimate housing targets for each community. Housing targets are presented alongside the goals and objectives for each community in Section IV.

Figure 43: Colfax County Housing Needs (in units)	Colfax County Local Households				Housing Targets by Community			
	Current HH	Plus Overcrowded HH*	Total Local Need	Supply	Raton	Springer	Cimarron	Angel Fire/Eagle Nest
Transitional Housing					5-10	-	-	-
Renters—30% AMI & below	687	64	751	250+	25	-	-	-
Renters—30%-60% AMI	495	34	529	140+	100	25	15	50
Renters—60%-80% AMI	170	-	170	Unknown				
Renters—80%-120% AMI	84	-	84	Unknown				
First Time Homebuyers	135	32	167	Unknown	30	10	10	50
Owner-Occupied Home Rehab			100		50	25	25	-

*Overcrowded Households

This Plan uses the number of overcrowded households as a proxy measure for potential additional households. Because some households are overcrowded by choice or because they are caring for dependents, this plan assumes that demand for new housing should address only 75% of the overcrowded households. The number of overcrowded households in Colfax County is 173 (47 are renters and 126 are homeowners), and 75% of these households is 130.

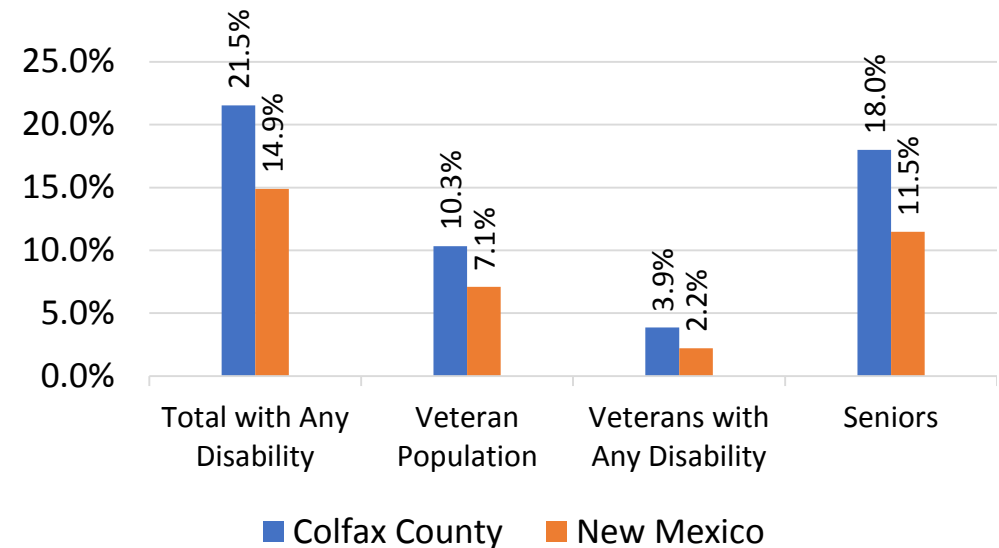
Given that the inability to afford one's own home is a major reason for living with others, it is more likely that these households will rent rather than buy, although some may qualify for homeownership. Therefore, the number of 130 overcrowded households is distributed 75% to new rental households (98) and 25% to new homeowner households (32). The 98 renter households are divided proportionally between 30% AMI and 60% AMI renters and between Raton and the rest of the County. The 32 homeowner households are also divided between proportionally between Raton and the rest of Colfax County.

Special Needs in Colfax County

Special needs populations include those with physical disabilities, mental illness, substance abuse and addictions, as well the elderly, all of whom need supportive services to succeed. The definition of special needs also includes persons experiencing homelessness, which are discussed further beginning on page 44.

Colfax County has numerous special needs service providers. These providers play an important role in serving communities throughout the County, where the percentage of senior households, veterans and individuals with disabilities is higher than the state average. Recently, a group called RAIN formed to enhance collaboration among the various providers and work toward local solutions. For most of the special needs populations—homeless individuals, including individuals and children fleeing domestic violence; people with behavioral health disabilities and/or addictions and individuals exiting the criminal justice system—transitional housing is the number one need throughout the County. A small pool of transitional housing units would provide these individuals with a safety net as well as an on-ramp for reentering society.

Figure 44: Special Needs Populations as a Percent of the Total Population

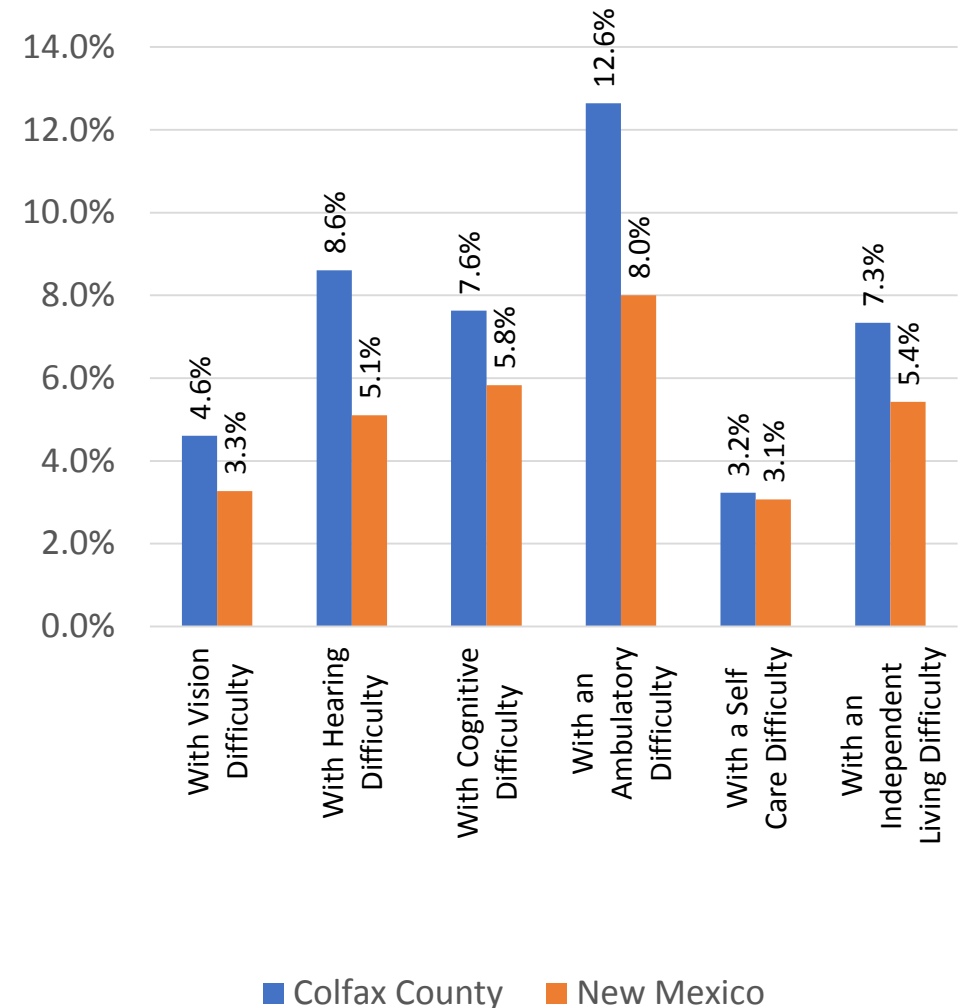


Special Needs Services

The following is a list of special needs providers and services in Colfax County:

- **Noesis Integrative Health** provides mental health services at its primary care clinics in Raton, Taos and Santa Fe. Noesis is a state-approved behavioral health agency that is certified to provide Comprehensive Community Support Services, Intensive Outpatient Treatment as well as Medication Assisted Treatment with therapeutic services. Noesis Community Support Workers connect clients with supportive services within the community and maintain engagement with clients through their long-term recovery goals.
- **Valle del Sol of New Mexico** offers integrated behavioral health solutions for adults, families and children struggling with anger, depression, substance abuse, involvement with the legal system and/or challenges associated with poverty. In addition to other clinics in New Mexico, Valle del Sol has clinics in Raton, Clayton, Santa Rosa, Taos and Espanola.
- **New Vistas/A New Mexico Center for Independent Living** partners with and supports those with disabilities and families of children with special needs. New Vistas provides disability support and advocacy programs, an early intervention program, and microbusiness opportunities. New Vistas is based in Santa Fe but serves several counties in north central and north east New Mexico.
- **Alternatives to Violence Project of Northern New Mexico** conducts prison workshops at the Springer Correctional Centers to advocate for conflict resolution through nonviolence. Part of the larger Alternatives to Violence Project National Network, this organization has no paid positions and relies solely on donations, grants and volunteers to provide services.

Figure 45: Percent of the Noninstitutionalized Population with Specific Disabilities



Special Needs Services

- **Raton Community Services Corporation** was recently established to address the unmet needs of low to moderate income individuals and families and under-served populations in the community. It provides referrals to available resources and works to address unmet needs. The organization's initial goal is to establish a Peer Wellness Center staffed with Certified Peer Support Workers where individuals and families can meet with others who have experienced similar problems. RCS Corp. is working to purchase a building which will provide three transitional living spaces through the DreamTree Project. In addition, three offices in the building will be used to provide services for people experiencing homelessness as well as low and moderate-income individuals and families.
- **Veterans Services.** In Raton, veterans can seek assistance through the Veteran Affairs Department of Colfax County or the Veterans of Foreign Wars organization. Health care for veterans is provided at the Veterans Administration Community Clinic. There are also Veterans Service Commission offices in Taos, Las Vegas and Trinidad, CO.
- **BeeHive Homes of Raton** is a 13-home assisted living facility which is part of a national network. In Raton, the center is designed as a family-style living facility. They provide personal care and supportive services including meals, housekeeping, personal hygiene, 24-hour staffing and private furnished rooms with three-quarter bathrooms.
- **Raton Nursing and Rehabilitation Center** is an 80-bed nursing home facility that offers post-hospital care, short-term rehabilitation, long-term care and respite care.



Colfax General Long-Term Care in Springer

- **Miners Colfax Medical Center** has a 37-bed intermediate care nursing facility for long-term care of seniors or those with ambulatory needs.
- **Colfax General Long-Term Care** is a 33-bed, low-level, intermediate care nursing home in Springer. The facility services as a regional nursing home and provides needed medical care and assistance with daily living for residents.
- **Colfax County Senior Citizens** – Operate five senior centers in Raton, Cimarron, Springer, Mora and Wagon Mound, providing meals, transportation and in-home homemaker and chore services for seniors.

Homelessness

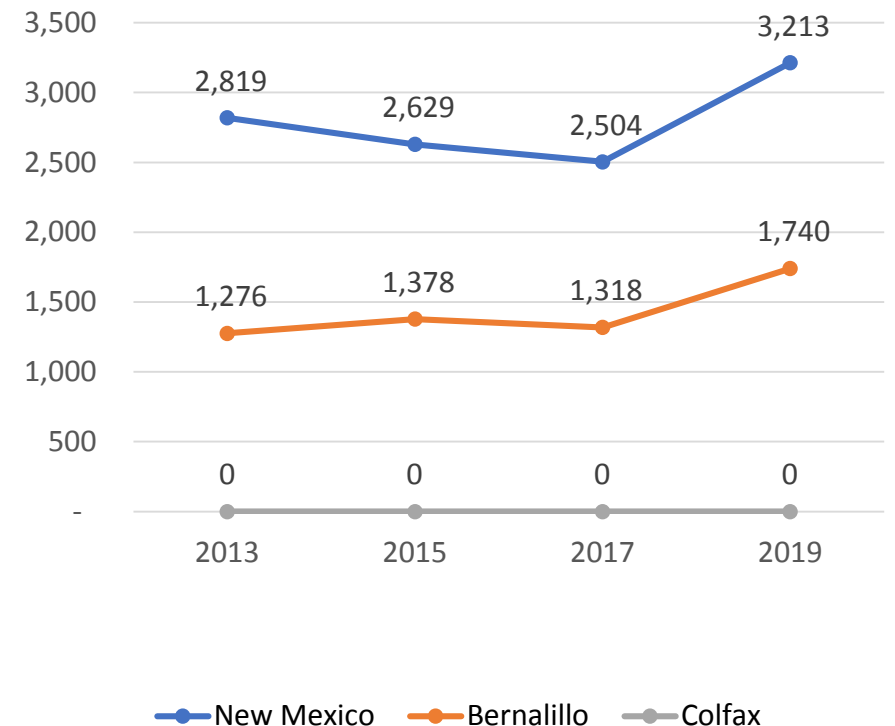
The New Mexico Coalition to End Homelessness conducts an annual Point in Time (PIT) Count in January and on odd numbered years they physically count the number of sheltered and unsheltered homeless people in each county of New Mexico. Local PIT counts feed into a national baseline. Recent and past PIT counts have not identified anyone experiencing homelessness in Colfax County.

It is commonly understood that PIT counts are underestimates, as they only count the number of people in shelters and on the streets. PIT counts do not include individuals who are house surfing or those that would otherwise be included in HUD's broader definition of homelessness, which includes those that are housed unstably, doubling-up or staying in motels/hotels.

While it is true that the majority of New Mexico's homeless population is clustered in metropolitan areas like Bernalillo County, many smaller communities are experiencing increases in their homeless populations. Colfax County's homeless population is concentrated in Raton, which serves as a stop along I-25 for people passing through the area and has the most services. Raton officials have reported a small homeless encampment as well as a few homeless individuals stopping by the visitor's center. The Town of Springer, also located along I-25, has reported homeless individuals sleeping in cars.

It should be emphasized that the need for homeless services is sometimes invisible in smaller communities like those in Colfax County. While one may not see homeless individuals literally living on the streets, many are living in unsafe situations because they have nowhere else to go. Domestic violence, child abuse and alcohol and drug addiction contribute to the problem and services in those areas are also needed to ensure a comprehensive approach.

Figure 46: Homelessness in New Mexico



Source: NM Coalition to End Homelessness Point in Time Counts, 2013-2019

Homeless Services

There are no formal homeless shelters or services in Colfax County, although local churches and faith-based groups provide limited but important assistance. In Raton, churches and faith-based groups that assist the homeless include Saint Vincent de Paul and the Methodist Church, which has a food pantry. Springer has small transient fund that assists with overnight accommodations and gas money for homeless individuals passing through the area. The Catholic Church of Springer and the Ministerial Alliance in Cimarron also provide assistance on a case-by-case basis. Inevitably, some homeless individuals end up at the Springer Correctional Center or the Raton Regional Medical Center. Referrals to homeless service providers in Taos, nearby Trinidad, CO and other communities are common.

The following organizations primarily assist with referrals to other organizations or to local housing options:

- **The DreamTree Project** offers emergency teen shelter and transitional housing and resources for youth ages 12-17 in Taos, Rio Arriba, Mora, Colfax and Union counties. The DreamTree main office and shelter is located in Taos; however, the organization leases two apartments in Raton for local needs there. Danielle Vanderpool in Raton operates a youth hotline that helps to connect youth with services and housing.
- **Alternatives to Violence – Raton.** Part of the larger Alternatives to Violence Project National Network, this organization offers a hotline, counseling and shelter via hotel rooms for individuals and children fleeing domestic violence.
- **Raton Community Services (RCS) Corporation** provides referrals to shelters and other resources for people experiencing homelessness. RCS Corp. is working to purchase a house where it plans to provide one room for emergency housing.

Low-Income Eligibility

The U.S. Department of Housing and Urban Development (HUD) uses a standard of “Area Median Income” to determine which households qualify for HUD funding and programs. These limits are estimated by county and are updated each year. The limits sometimes differ among HUD programs, such as HOME and Section 8, and with other federal affordable housing programs, such as the Low-Income Housing Tax Credit (LIHTC) program which is administered by the U.S. Treasury Department. When HUD uses AMI to set income, rent and purchase price limits, the basic principle of households paying 30% of income for housing costs is applied.

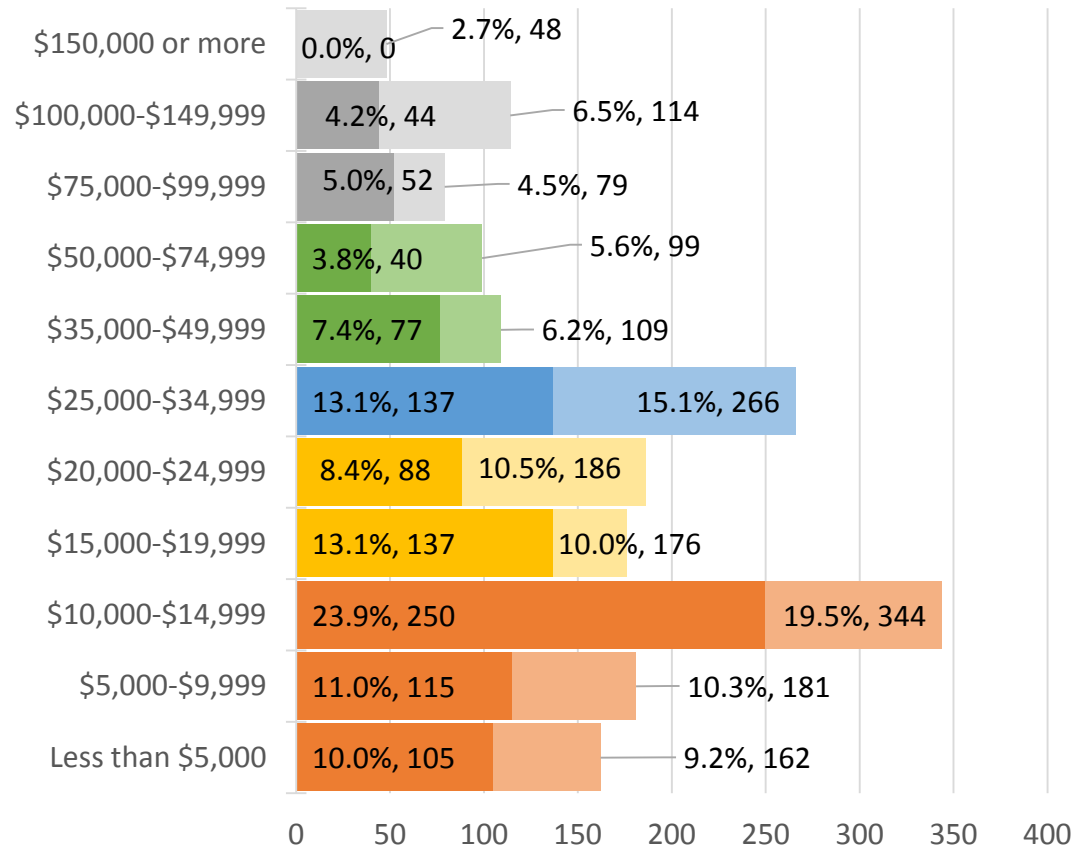
In Figure 47, we have estimated the income ranges for 30%, 60%, 80% and 120% AMI for Colfax County by cross-referencing 2020 limits for HUD programs and the LIHTC program. Because AMI corresponds to household size, we used AMI for three-person households. The average household size in Colfax County is 2.08 persons; however, many of the workforce households this Plan is attempting to accommodate are families of three or more.

Figure 47: Colfax County Income Ranges by AMI

AMI	Description	Income Range
120% AMI	Moderate Income	\$40,000 to \$53,000
80% AMI	Low Income	\$30,000 to \$39,999
60% AMI	LIHTC Income Average	\$15,000 to \$29,999
30% AMI	Extremely Low Income	\$0 to \$14,999

Renters

Figure 48: Raton and Colfax County Renter Income Distributions



Source: ACS 2018 5-Year Estimates, 2018 HUD Median Family Income and Income Limits

Figure 49: No. of Renter Households by AMI

AMI	Income Range	Estimated No. of Renter HHs Colfax County	Estimated No. of Renter HHs City of Raton
120%	\$40,000 to \$53,000	84	56
80%	\$30,000 to \$39,999	170	94
60%	\$15,000 to \$29,999	495	294
30%	\$0 to \$14,999	687	470

Because the American Community Survey household income ranges do not match precisely to the AMI ranges established by HUD, we have estimated the number of households in each AMI range in Figure 49.

Figure 50: Public Housing

Renters—30% AMI

Extremely Low-Income Renters

According to the American Community Survey, there are 687 renter households in Colfax County who earn less than \$15,000 per year. More than half or 470 of these households are in the City of Raton. Incomes of \$15,000 or less align with HUD’s definition of 30% Area Median Income (AMI), which is considered extremely low income.

Renters at this income level typically cannot find market-rate housing and must rely on subsidies which are almost exclusively provided by public housing authorities. However, this Plan recognizes that in Raton, Cimarron, Springer and Maxwell, many renters at this income level can find rentals on the private market that are affordable for their incomes.

In Colfax County, Raton Housing Authority operates multiple public housing sites in Raton (156 units) and one site in Maxwell (22 units). The Northern Regional Housing Authority operates one site in Cimarron (16 units) and the Springer Housing Authority operates multiple sites in Springer (56 units). There are a total of 250 public housing units in Colfax County. Waiting lists are relatively short, with the most demand for one-bedroom units. None of the public housing authorities provide Section 8 vouchers in these Colfax County communities.

Address	Yr. Built	0 BR	1 BR	2 BR	3 BR	4 BR	Total
Raton Housing Authority							
Site A1 Elderly/Disabled	1964	6	3	1	-	-	10
Site A2 Elderly/Disabled	1969	-	8	-	-	-	8
Site B Family	1964	-	1	15	14	1	31
Site C Family	1965	-	-	-	6	3	9
Site G Elderly/Disabled	1969	-	24	4	-	-	28
Site R Elderly/Disabled	1974	-	14	4	-	-	18
Site U Elderly/Disabled	1974	-	4	-	-	-	4
Site W Family	1974	-	-	20	16	12	48
Total Units		6	54	44	36	16	156
Wait List			11	1	2	3	17
Springer Public Housing (Various Sites)							
		-	18	18	15	5	56
Cimarron Public Housing							
745 Maxwell Blvd.	1976	-	9	1	5	1	16
Wait List			3	-	-	1	4
Maxwell Housing Authority							
522 Parque Ave. 87728	1964 1969	-	8	6	7	1	22
Wait List		-	1	-	-	-	1

Renters—30% AMI

Extremely Low-Income Renters

In Angel Fire and Eagle Nest, there are no public housing authorities or units and few if any rental units available for households in this income range. Many of the service sector households in this income range work multiple jobs and travel from rural areas where housing is cheaper. It is well known that service workers commute throughout the Enchanted Circle and Colfax County because they cannot obtain affordable housing in communities like Angel Fire or Eagle Nest. The same holds true for Red River and Taos Ski Valley in Taos County.



Renters-60% AMI

Very Low-Income Renters

According to the American Community Survey, approximately 495 renter households in Colfax County earn between \$15,000 and \$29,999 per year. Roughly 294 of these households are in the City of Raton. This income range aligns with HUD’s definition of 60% AMI, which is the typical income limit for Low-Income Housing Tax Credit (LIHTC) properties. Fifty percent AMI is considered very low income by HUD.

As shown in Figure 51, there are 140 fixed-income apartment units priced for this income range. Ninety-two of the units are in the City of Raton and 48 units are in the Village of Angel Fire. The Dona Ana Apartments in Raton were financed as USDA Section 515 Rural Rental Housing and are managed by Bosely Management, Inc. Sommerset and Angel Skye Apartments are managed by Monarch Properties.

Due to low rents and high vacancy rates in Raton, Springer, Cimarron and Maxwell, many renters at this income level can find rentals on the private market that are affordable for their incomes. However, in Angel Fire and Eagle Nest, Angel Nest and Angel Skye Apartments are the likely the only rentals affordable for this income range. Additional apartments are needed to provide housing for 60% AMI and below in these communities.



Figure 51: Low-Income Apartments

Low-Income Property	Year Built	Address	Units
Dona Ana Apartments		1450 State Street Raton, NM 87740	48
Sommerset Apartments	1977	1229 State Street Raton, NM 87740	36
The Ponderosa Apartments	1927	504 South 5 th Street Raton, NM 87740	8
Angel Nest Apartments	1985	27736 US Hwy 64 Angel Fire, NM 87710	24
Angel Skye Apartments	1983	3381 Mountain View Blvd Angel Fire, NM 87710	24

Renters-80% and 120% AMI

As depicted in Figures 48 and 49, roughly forty percent of all renter households fall in the middle-income ranges between 60% and 120% AMI. Many are members of the critical workforce, including hotel and restaurant workers, teachers, doctors, nurses and public safety workers, whose average annual salaries are shown in Figure 52.

Federal affordable housing rental programs have not historically assisted renters earning more than 60% AMI, although the federal Low-Income Housing Tax Credit program recently began to allow mixed incomes up to 80% AMI provided that the average AMI for the property remain at 60%. Nevertheless, most renters earning 60% AMI or above typically rely on the private market for their housing.

Households earning below 80% AMI are considered low income by HUD. In Colfax County, approximately 170 renter households are between 60% and 80% AMI and fall into the income range of \$30,000 to \$39,999. Ninety-four of these households are in Raton. Assuming no more than 30% of income is used for housing costs, renters in this income range can afford rent between \$750 to \$1,000 per month without utilities factored into the equation. In most parts of the County, many private rental units appear to be priced in this range.

Households earning between 80% and 120% AMI are considered moderate income by HUD. In Colfax County, approximately 84 renter households fall into this range and earn between \$40,000 and \$53,000 per year. Fifty-six of these households are in Raton. Assuming no more than 30% of income is used for housing costs, renters in this income range can afford rent between \$1,000 to \$1,325 per month without utilities factored into the equation. Many private rental units appear to be priced in this range throughout the County.

Figure 52: Average Wage by Industry

Industry	Average Annual Wage Colfax County
Accommodations	\$27,560
Food Service	\$13,884
Education	\$37,284
Health Care	\$43,212
Public Administration	\$42,796

Source: NM Department of Workforce Solutions Quarterly Census of Wages 2018 Preliminary Totals

Homeowners

Figure 53: Raton and Colfax County Homeowner Income Distribution

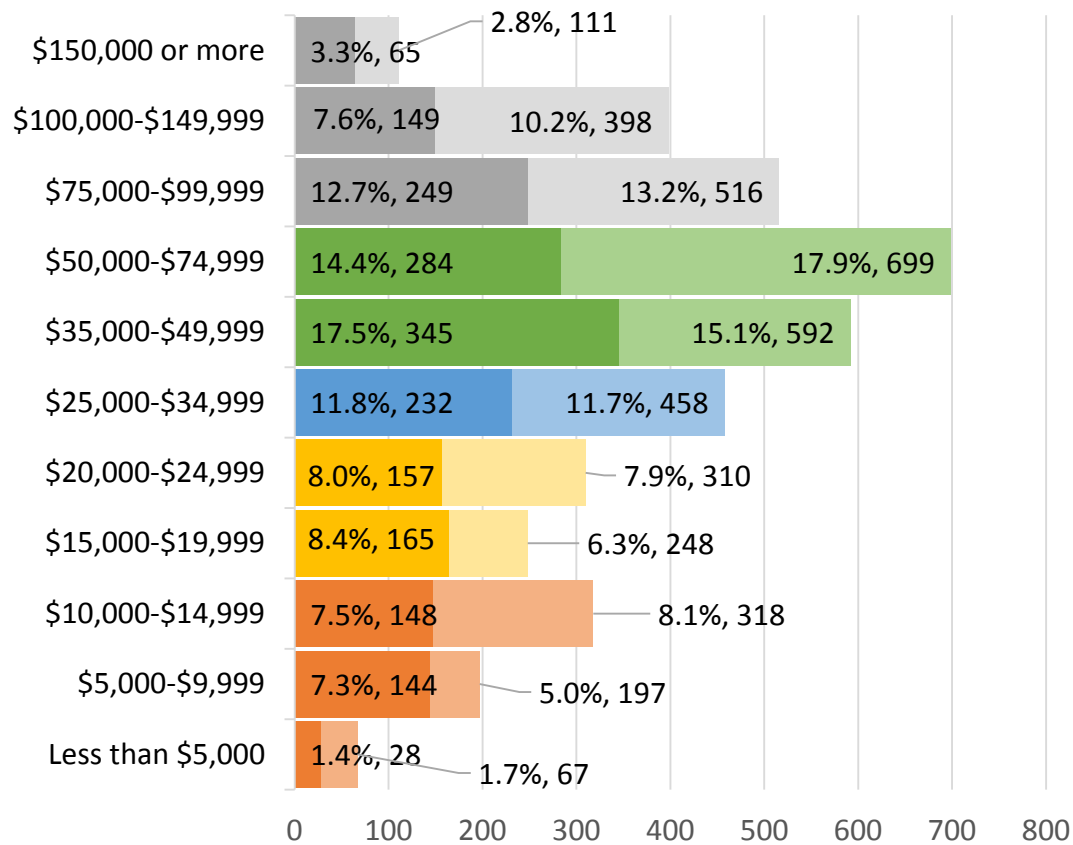


Figure 54: No. of Homeowners Households by AMI

AMI	Income Range	Estimated No. of Homeowner HHs Colfax County	Estimated No. of Homeowner HHs City of Raton
120%	\$40,000 to \$53,000	478	264
80%	\$30,000 to \$39,999	427	231
60%	\$15,000 to \$29,999	787	438
30%	\$0 to \$14,999	582	320

Because the American Community Survey household income ranges do not match precisely to the AMI ranges established by HUD, we have estimated the number of households in Figure 54.

Source: ACS 2018 5-Year Estimates, 2018 HUD Median Family Income and Income Limits

Low and Moderate-Income Homeowners

Approximately 1,796 households in Colfax County and 989 in Raton are low-income and earn less than \$40,000 per year. Thirty-two percent of these homeowners are considered extremely low income and earn less than \$15,000 per year.

The needs of low-income homeowners include rehabilitation and energy efficiency improvements. Colfax County has some of the oldest housing stock in the state, with 1,545 housing units or 15% of its housing stock built before 1940. Colfax County is also home to a large senior population for which home rehab is an especially important service. Thirty nine percent of all households (5,678 households) are occupied by seniors in Colfax County, compared to 31% in New Mexico.

Colfax County also has one of the most rapidly aging populations in the state. Home rehab is an especially important service with senior households because they are overwhelmingly homeowners. For example, 81% of 60+ households in Colfax County are homeowners compared to 69% for the overall population. Seniors also tend to have fixed or lower incomes. This makes it difficult for most senior households to finance small home improvements, much less major upgrades.

Based on the numbers for pre-1940 homes and high rates of senior households in Colfax County, this Plan conservatively estimates the unmet need for home rehabilitation at 100 units county-wide. If this number is distributed proportionally by the number of single-family occupied homes that are owned, roughly 50% would be in the City of Raton with the rest distributed throughout the County. This target is applied to total units, including occupied and unoccupied. As discussed earlier, Colfax County has a high rate of unoccupied, vacant units, with over 900 classified as “other.” “Other” units are most likely to have condition issues and be in need of rehabilitation. Some of these units can serve as a hidden housing stock that, once rehabilitated, can help meet housing needs and contribute to neighborhood fabric throughout the County.

Entry-Level Homeownership

Based on American Community Survey data, there are approximately 135 renter households in Colfax County that earn between \$45,000 and \$75,000 per year and would be good candidates for entry-level homeownership. Roughly 65 or 48% of these households are in Raton, where they would easily qualify for a median priced home.

In Raton, Springer, Cimarron and Maxwell, first-time homebuyer programs offered by the VA, USDA and MFA are powerful tools to move renters into homeownership. However, local realtors report that the condition of homes prevents the use of these products because homes are not move-in ready and require substantial rehabilitation. As a result, Colfax County and municipal governments may want to invest in a homebuyer assistance program that would provide grants or low-interest loans to make homes move-in ready.

In Angel Fire and Eagle Nest, homeownership is out of reach of most of the local population. Both communities could benefit from a small inventory of starter homes for households earning \$50,000 to \$75,000, as recommended in the Taos County and Town of Taos Affordable Housing Plans. These homes could be built in either Angel Fire, Eagle Nest or between the two communities. If built as part of a Community Land Trust as recommended in the Town of Taos plan, these homes would maintain affordability for generations of local residents and create a permanent supply of affordable for-sale housing for the community.

Goals & Objectives

This section provides a realistic list of obtainable goals and objectives for each community in Colfax County along with housing targets for various segments of the population. Descriptions of tools associated with the goals and objectives are included.

A primary consideration for Colfax County and municipal governments in the County is how this Affordable Housing Plan will be implemented. Currently, none of the local governments in the County have staff dedicated to affordable housing and there are few organizations outside of the public housing authorities that work in this area. As a result, this Plan recommends that the County host an implementation meeting after adoption of this Plan to determine roles, responsibilities and potential partnerships for implementing goals and objectives.

City of Raton

The City of Raton has great potential for investment, economic development and revitalization. Despite its many vacant homes, most of the housing stock is attractive, good-quality and affordable. The city also has a vibrant Mainstreet with many historic buildings. Raton is pursuing an economic development strategy of marketing small-town quality of life for the workers of large companies in Denver and the Colorado Front Range, where housing has become too expensive even for upper level professionals. With strong leadership and an active economic development department, Raton is poised for success.

Ironically, the lack of quality, move-in ready housing is hampering this potential. This Plan recommends creating approximately 100 rental units to address a variety of community needs. This would be accomplished through a combination of 1) acquisition/rehabilitation or new development of apartments and 2) rehabilitation of single-family homes. In addition, this Plan recommends that the City create a fund to make for-sale homes move-in ready. This will assist with the sale of an initial 30 homes but will create a steady stream of move-in ready, for-sale housing as the funds are repaid and reused.

Figure 55: Prioritized Goals and Objectives

1. Develop a rental community with units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and units for seniors.
2. Partner with or create an entity to purchase, rehabilitate and rent vacant homes to meet workforce rental housing needs.
3. Create a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so they can qualify for VA, USDA, MFA and other first-time homebuyer products.
4. Provide robust homebuyer counseling.
5. Expand home rehabilitation opportunities.
6. Create new transitional housing units for special needs and homeless individuals.
7. Develop a limited number of new 30% AMI units to meet community demand.

	Figure 56: CITY OF RATON Goals & Objectives with Housing Targets (in units)	Units
Transitional Housing for Homeless & Special Needs	<ul style="list-style-type: none"> ➤ Create new transitional housing units for homeless and special needs individuals. <ul style="list-style-type: none"> • Pursue donations of homes or buildings eligible for the state affordable housing tax credit. • Set aside transitional housing units in rental community project (see Renters 30-60% AMI below). 	5-10
Renters—30% AMI & below	<ul style="list-style-type: none"> ➤ Develop a limited number of new 30% AMI units to meet community demand. <ul style="list-style-type: none"> • Purchase and rehab vacant, foreclosed and/or auctioned homes to add to the public housing stock. • Apply for additional rental assistance vouchers. • Include 30% AMI units in rental community project (see Renters 30-60% below). • Consider new development via a stand-alone project or scattered site LIHTC project. 	25
Renters—30%-60% AMI	<ul style="list-style-type: none"> ➤ Develop a rental community with units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and units for seniors. <ul style="list-style-type: none"> • Conduct a survey of local employers to determine demand, income levels and unit sizes. • Acquire and rehab existing a downtown commercial building and/or vacant school for the project. Raw land owned by the school district or hospital may also be considered or donated if new construction is pursued. • Seek rent guarantees from employers to assist with financing. • Pursue New Markets and Historic Preservation Tax Credits for project financing as appropriate. • Develop a referral program with local employers for project lease-up and turnover. 	100
Renters—60%-80% AMI		
Renters—80%-120% AMI		
First Time Homebuyers	<ul style="list-style-type: none"> ➤ Create a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so that they can qualify for VA, USDA , MFA or other first-time homebuyer products. ➤ Provide robust homebuyer counseling. 	30
Home Rehabilitation	<ul style="list-style-type: none"> ➤ Expand home rehabilitation opportunities. <ul style="list-style-type: none"> • Provide education and marketing on current home rehab programs • Consider developing a pilot program through Colfax County Seniors Citizens and the Non-Metro Area Agency on Aging/ NM Cares to solicit private contributions for senior home rehabilitation. 	50

City of Raton

Homeless and Special Needs

For the special needs populations in Colfax County—homeless individuals, including individuals and children fleeing domestic violence; people with behavioral health disabilities and/or addictions and individuals exiting the criminal justice system—transitional housing is needed to provide a safety net as well as an on-ramp for reentering society. Except for informal services provided by local churches, Raton is the only community in the County that has services for these groups. As a result, communities such as Maxwell and Cimarron report that they refer and sometimes escort people experiencing homelessness or needing services to Raton. As a result, this Plan recommends that the RAIN collaborative group or individual service providers pursue donations of private homes or apartments to create a small pool of transitional housing (5-10 units). By donating some or all of the value of their property, property owners can help to meet a critical need in the community while realizing a substantial tax break through the New Mexico Affordable Housing Tax Credit. Alternatively, the rental project recommended in this section could set aside a few units for transitional housing to meet this important need.

30% AMI Renters

Section IV: Housing Needs Assessment indicates that there are 470 rental households at this income level in the City of Raton. The Raton Public Housing Authority provides 156 low-rent units for this population. The wait list for public housing is low at 17 households, 11 of which are seeking one-bedroom units which are in high demand. The Raton Public Housing Authority director reports that it can sometimes take up to a year to move someone from the wait list into a one-bedroom unit, but otherwise, households are usually placed more rapidly. As a result, this Plan only recommends 25 new units for 30% AMI renters at this time. The Housing Authority also has a substantial number of units set aside for seniors and disabled individuals and reportedly works with the Colfax County Senior Program, which inspects accessibility improvements to the units and refers senior tenants.

City of Raton

The Raton Public Housing Authority is currently consolidating with the Northern Regional Housing Authority (NRHA), based in Taos. Raton's director is now the director at NRHA and is working to consolidate numerous smaller public housing authorities under the larger regional organization. This is a positive change for many housing authorities that need strong and stable management. The regionalization also creates greater opportunities to operate at scale. For example, NHRA is considering new development projects, such as mixed-income LIHTC developments that would produce additional 30% AMI units. However, as described on the next page, a LIHTC development in Raton may not be competitive due to the city's declining population and low vacancy rates. NRHA may want to consider some alternatives to new development in the City of Raton:

- Purchase of vacant, foreclosed or auctioned properties that could be rehabilitated and added to the public housing stock
- Applying for additional rental assistance vouchers under programs other than Section 8. MFA has reported that it may receive additional rental assistance from both state and federal funds as a result of the Coronavirus pandemic.
- Work to have 30% AMI units included in new rental projects developed in Raton



Public housing in Raton

- Consider new development using a variety of funding sources:
 - ✓ 30% AMI units using National Housing Trust Fund
 - ✓ Mixed income units using a combination of National Housing Trust Fund, New Mexico Housing Trust Fund and other non-LIHTC funding sources
 - ✓ Low-Income Housing Tax Credits (LIHTCs). This Plan recommends a discussion with MFA about a scattered-site LIHTC project in Raton and other communities. When added to the application, communities like Angel Fire and Taos could result in higher scoring for Areas of Statistically Demonstrated Need in the MFA Qualified Allocation Plan.

City of Raton

60% AMI – 120% AMI Renters

Excluding 30% AMI renters, there are nearly 450 low and moderate-income renter households in Raton. The majority of rental units in Raton are privately-owned single-family homes and mobile homes for which rents vary. Only 98 units in income-restricted apartments can be conclusively identified as affordable for these groups. However, even if all renters in these income groups had housing options that were affordable in the private market, there is demand for workforce rentals from employers who are recruiting their personnel from outside the community. As a result, this Plan recommends a rental development to house a variety of income levels, from extremely low-income households to market-rate rentals for the professional workforce. This development should contemplate the demand from the growing senior population and should include smaller (efficiency- two bedroom) accessible units with universal design.

Low-Income Housing Tax Credits (LIHTCs) are the most commonly used and effective financing tool for this type of development. However, Because Raton has a declining population and high vacancy rate, it will likely not score high enough as an Area of Statistically Demonstrated Need to be awarded LIHTCs. Another issue with LIHTC financing it that it places long-term income and rent limits on the property. The 2020 LIHTC income limits are shown in Figure 57. It is easy to see that many members of the workforce would earn too much to qualify, even if the project included 80% AMI units (80% AMI is the highest income allowed). LITHC income restrictions may be too rigid for Raton to provide housing for a diverse range of occupations and to fulfill its economic development strategy of providing work-from home options for the employees of companies in high-cost areas.

Figure 57: 2020 LIHTC Income Limits for Colfax County

AMI	1 Person HH	2 Person HH	3 Person HH	4 Person HH
30%	\$11,550	\$13,200	\$14,850	\$16,470
60%	\$23,100	\$26,400	\$29,700	\$32,940
80%	\$30,800	\$35,200	\$39,600	\$43,920

City of Raton

However, Raton is well positioned to create rental units through acquisition and rehabilitation of vacant downtown commercial property and/or school building/s. Financing from the New Markets and Historic Preservation tax credit programs is available for such projects, and Raton may become more competitive in terms of LIHTCs for a rehab project with lower construction costs which would score well in other categories, such as mixed-use, adaptive reuse and proximity to services. If located downtown, Raton could also use its Tax Increment Financing (TIF) district to help finance the project. Donations of privately-owned property or buildings would be eligible for the New Mexico Affordable Housing Tax Credit.

Local employers can play a large role in the development and long-term success of such a project. Employers can potentially donate buildings, funds or supplies, all of which would be eligible for the state tax credit. They can also provide the pipeline for renters, both at the lease-up phase and as units turnover. Significantly, employers can also provide rent guarantees which would assist with securing financing for the project. This Plan suggests that the City survey local employers to determine their interest in participating as well as the need for workforce housing, at what income levels and for what household sizes.

Additional rental units can be created in Raton through acquisition and rehabilitation of vacant single-family homes which can be rented as-is or divided into duplexes or upstairs/downstairs apartments to meet the needs of renters and the workforce. This can be an entrepreneurial opportunity for a local contractor or small business, or the City of Raton can partner with an existing community organization to play this role. The City may want to consider issuing a Request for Proposals or Qualifications to see what entities may be willing to work in this needed area.



Vacant buildings in Raton



City of Raton

First-Time Homebuyers

There are a reasonable number of homes for sale in Raton at prices affordable for many renters. Figure 27 shows 63 current listings with a median price of \$90,200. Local realtors are well equipped to assist homebuyers with low-interest mortgage products through the VA, USDA or MFA. These products are powerful tools to move renters into homeownership because they require minimal down payments. However, realtors report that the condition of many homes prevents the use of these products because homes are not move-in ready and require substantial rehabilitation. The City of Raton also reports that potential homeowners that may have trouble qualifying for a home due to frequent job changes or poor credit scores.

Because of the number and affordability of homes on the market, there does not appear to be a need to develop new for-sale homes. Instead, this Plan recommends a homebuyer assistance program that would provide grants or low-interest loans to make homes move-in ready. The City may consider a variety of sources to fund this work. These include private foundations, private donors or employers who could claim the New Mexico Affordable Tax Credit, regional hospital funding or low-interest loans from MFA's Primero Fund. The City or a local organization can apply for and manage the funding, while realtors could coordinate with a local contractor or organization to rehabilitate homes on a unit by unit basis. As homes are sold, the funds would be repaid and could be relent to rehabilitate more homes. Based on the number of renter households that are well-positioned to enter homeownership, this Plan sets a target of 50 homes to be rehabilitated to become move-in-ready.



Another recommendation is to offer homebuyer education classes in Raton that can be replicated in or attended by potential homebuyers in from the other Colfax County communities. INBank is a mortgage lender with local presence in all communities addressed in this Plan. The City of Raton should approach the bank about offering homebuyer education. Other organizations, such as MFA and Homewise (based on Santa Fe) can also be approached depending on the response from INBank. Homebuyer education classes will provide a pipeline of qualified homebuyers who will be more successful as homeowners as a result of receiving robust counseling services.

City of Raton

Home Rehabilitation

As described on page 88, there are only a few programs in New Mexico that provide home rehabilitation, energy efficiency upgrades and/or accessibility improvements. These programs have extremely limited funding and long waiting lists.

Nevertheless, it is important that communities in Colfax County become aware of these programs so that they can make referrals for low-income homeowners who need these services, especially seniors on fixed incomes. This Plan recommends creating materials on these programs that can be distributed through the Colfax County Senior Center.

In addition, the Non-Metro Area Agency on Aging proposed in its recent Area Plan to assist with donations that would enable more housing rehabilitation for seniors. Private donations would be eligible for the New Mexico Affordable Housing Tax Credit. This Plan recommends that communities in Colfax County and the Colfax County Senior program coordinate with Non-Metro to design a pilot program that could fund some senior home rehabs throughout the County each year.



A house in Raton

Town of Springer

With a population of just over 800, the Town of Springer is much smaller than Raton and has good potential for revitalization. Springer has a nice downtown and is home to numerous employers, including the Springer Correctional Center, the school district, the Springer Electric Cooperative, INBank and El Centro Family Health, which plans to add a dental clinic to its operations.

Like Raton, Springer also has many vacant homes that provide a unique opportunity for the community. Some homes are simply vacant, others need maintenance and some need major rehabilitation. However, there are very few homes that are in bad condition and need to be torn down. Overall, the town is tidy, well-maintained and prices are very affordable. Most homes sell between \$45,000 and \$85,000, with some sales near or above \$100,000.

Similar to Raton, this Plan recommends that Springer address its demand for rental housing through a combination of new development and rehabilitation of single-family homes. For for-sale housing, this Plan recommends that Springer participate in a fund to make for-sale homes move-in-ready. This can be targeted to 10 homes initially but will create a steady stream of move-in-ready homes as funds are repaid and reused. These efforts could go a long way to revitalizing the Town of Springer, encouraging employers to expand in the area and catalyzing future economic development.

Figure 58: Prioritized Goals and Objectives

1. Partner with or create an entity to purchase, rehabilitate and rent vacant homes to meet a range of local housing needs, including workforce housing, housing for veterans and accessible homes for seniors.
2. Develop new rental units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and units for seniors.
3. Partner with the County on a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so they can qualify for VA, USDA, MFA and other first-time homebuyer products.
4. Provide robust homebuyer counseling.
5. Expand home rehabilitation opportunities.

	Figure 59: TOWN OF SPRINGER Goals & Objectives with Housing Targets (in units)	Units
Renters—30%-60% AMI	<ul style="list-style-type: none"> ➤ Develop new rental units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and accessible units for veterans and seniors. <ul style="list-style-type: none"> • Conduct a survey of local employers to determine demand, income levels and unit sizes. • Seek conventional or impact lender financing to enable flexibility with rents and income levels. • Seek rent guarantees from employers to assist with financing. • Develop a referral program with local employers for project lease-up and turnover. ➤ Partner with or create an entity to purchase, rehabilitate and rent vacant homes to meet a range of local housing needs, including workforce housing, housing for veterans and accessible homes for seniors. <ul style="list-style-type: none"> • Develop a referral program with local employers, veteran’s organizations and the Colfax County senior program. 	25
Renters—60%-80% AMI		
Renters—80%-120% AMI		
First Time Homebuyers	<ul style="list-style-type: none"> ➤ Partner with the Colfax County to create a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so that they can qualify for VA, USDA , MFA or other first-time homebuyer products. ➤ Provide robust homebuyer counseling. 	10
Home Rehabilitation	<ul style="list-style-type: none"> ➤ Expand home rehabilitation opportunities. <ul style="list-style-type: none"> • Provide education and marketing on current home rehab programs • Consider developing a pilot program through Colfax County Seniors Citizens and the Non-Metro Area Agency on Aging/ NM Cares to solicit private contributions for senior home rehabilitation. 	25

Town of Springer

30% AMI Renters

The Springer Housing Authority currently has 56 low-rent units available in several sites for this income group. There is currently not a waiting list; however all units are full and the director reports that wait lists are addressed relatively quickly. While there does not appear to be a need for additional 30% AMI units, the Springer Housing Authority reportedly often rents to members of the workforce because they cannot find housing in the private market. This Plan suggests that if Springer had additional workforce housing for rent, demand for housing authority units would be lower. This would free up some units for lower-income households.

30%-120% AMI Renters

Springer has demand for rental units, especially for its workforce but also for its growing senior population and for a number of veterans who are unstably housed. The American Community Survey reports that 101 or 24% of Springer's 424 occupied housing units are rented. In addition to its public housing units, a handful of fourplexes, most of these are single family or mobile homes. An older motel also provides long-term leases as needed. One local contractor fixes up older homes and rents them out. Given the number of local employers and the fact that the public housing authority often rents to members of the professional workforce who cannot find housing, Springer could benefit from up to 25 new rental units. This Plan recommends that 25 rental units be added through either new development or single-family rehabilitation, or a combination of both.

New Development. It is recommended that new development be modern apartments clustered duplexes, triplexes and fourplexes to maintain the character of the community. Infill is a possibility; however, there are very few vacant lots in Springer's original town site. Also, original town site lots are 25 feet wide and would require substantial consolidation. Negotiations with individual or absentee landowners could be complicated. On the other hand, there is substantial vacant land in the Moxie Addition and other parcels of land near the edges of town where water and wastewater infrastructure is either available or can be extended. Lots are larger in this area, 50 x 140 or 7,000 square feet, with 26 lots in each city block. Reportedly, half a block or 13 lots without infrastructure carries a low land cost of around \$7,000.



Public housing site in Springer



Privately-owned rental fourplex in Springer



Manufactured homes rented to corrections workers

Town of Springer

Land costs in this area are extremely reasonable for new development even if the price is higher for lots closer to infrastructure.

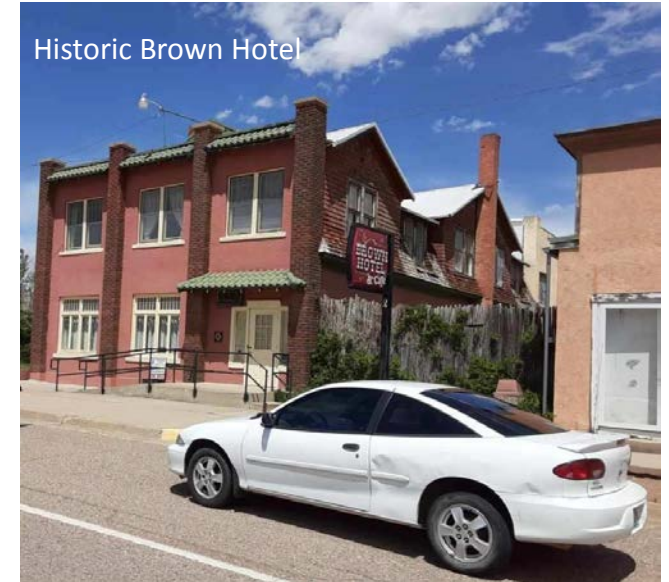
Acquisition/rehabilitation of single-family homes is also recommended to meet rental demand. If all or part of the value of the home were donated, owners would be eligible for the New Mexico Affordable Housing Tax Credit. Reportedly, workforce renters in Springer tend to be families with children who need larger units and more bedrooms. Therefore, a variety of unit sizes should be planned to accommodate workers and smaller veteran and senior households alike. Senior and veteran units should be accessible with walk-in showers and universal design features.

Currently, Springer's historic Brown Hotel is for sale and other properties throughout downtown Springer that are vacant. These properties can be considered for acquisition/rehab; however, the costs of rehabilitation may outpace the cost of new development depending on the extent of the work needed and the suitability of the property for residential use.

Financing. Privately-financed development is recommended in Springer, based on the low number of units needed and the higher income of many members of the workforce. Private financing may be sought from local banks or impact investors, such as Community Financial Development Institutions (CDFIs) which offer lower interest rates for projects with community impact.

As mentioned for Raton, local employers can play a large role in the development and long-term success of new rental housing. Employers may donate buildings, funds or supplies, all of which would be eligible for the state tax credit. They can also provide the pipeline for renters, both at the lease-up phase and as units turn over. Significantly, employers can also provide rent guarantees which would assist with securing financing for the project.

Historic Brown Hotel



Historic Mills Mansion



Town of Springer

First-Time Homebuyers

There are homes for sale in Springer at prices affordable for many renters and reportedly there is demand from workers at the Corrections Center to purchase family homes. Figure 29 shows seven current listings with a median price of \$150,000; however, local sources indicate that most homes sell for between \$45,000 and \$85,000, which is affordable for the vast majority of households. Local realtors can assist homebuyers with low-interest mortgage products through the VA, USDA or MFA. These products are powerful tools to move renters into homeownership because they require minimal down payments. However, realtors report that the condition of many homes prevents the use of these products because homes are not move-in ready and require substantial rehabilitation. Similar to Raton, it is likely that there are many potential homeowners that could benefit from homebuyer education and associated credit counseling.

Because of the number and affordability of homes on the market, there does not appear to be a need to develop new for-sale homes. Instead, this Plan recommends a homebuyer assistance program that would provide grants or low-interest loans to make homes move-in ready. The Town should partner with Colfax County to consider a variety of sources to fund this work. These include private foundations, private donors or employers who could claim the New Mexico Affordable Tax Credit, regional hospital funding or low-interest loans from MFA's Primero Fund. A local government or organization can apply for and manage the funding, while realtors coordinate with a local contractor or organization to rehabilitate homes on a unit by unit basis.

Town of Springer

Home Rehabilitation

As described on page 88, there are only a few programs in New Mexico that provide home rehabilitation, energy efficiency upgrades and/or accessibility improvements. These programs have extremely limited funding and long waiting lists. Nevertheless, it is important that communities in Colfax County become aware of these programs so that they can make referrals for low-income homeowners who need these services, especially seniors on fixed incomes. This Plan recommends creating materials on these programs that can be distributed through the Colfax County Senior Center.

In addition, the Non-Metro Area Agency on Aging proposed in its recent Area Plan to assist with donations that would enable more housing rehabilitation for seniors. Private donations would be eligible for the New Mexico Affordable Housing Tax Credit. This Plan recommends that communities in Colfax County and the Colfax County Senior program coordinate with Non-Metro to design a pilot program that could fund some senior home rehabs throughout the County each year.



Vacant home in Springer

Town of Cimarron

Cimarron's population is just under 1,000. It has a tourism-based economy due to the town's wild west history, the St. James Hotel and the nearby Philmont Scout Ranch. Cimarron has its own school district, a clinic, bank and other local businesses, including small motels and tourist shops.

While there is a need for affordable housing, particularly for service sector workers, Cimarron's potential for development is limited by the original platting for the Town. All lots are 25-feet wide. On the south side of NM 64, there are almost no vacant lots and homes are very close together. On the north side of NM 64, there is more potential for lot consolidation as there are contiguous vacant lots in this area. However, lot consolidation is often hampered by individual ownership of single lots and/or absentee owners who are difficult to contact. The Town of Cimarron reports that it has very little usable public property that can be used for housing development although partnerships with other public entities, like the school district, can be explored.

Another constraint in Cimarron is the quality of housing. Much of the housing stock, both occupied and vacant, needs substantial rehabilitation. Cimarron has a higher percentage of mobile homes than is seen in Raton, Springer or Maxwell, and many of its mobile homes are also in poor condition. Due to these conditions, home rehabilitation is a high priority for Cimarron.

This Plan recommends development of a small number of new rental units in Cimarron to support local workforce using new development and/or acquisition/rehabilitation of single-family homes. Because new development may be more challenging than in other Colfax communities, goals and objectives prioritize home rehabilitation and acquisition/rehab over new development even though all are recommended strategies.

Figure 60: Prioritized Goals and Objectives

1. Expand home rehabilitation opportunities.
2. Partner with or create an entity to purchase, rehabilitate and rent vacant homes to meet a range of local housing needs, including workforce housing and accessible homes for seniors.
3. Partner with the County on a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so they can qualify for VA, USDA, MFA and other first-time homebuyer products.
4. Provide robust homebuyer counseling.
5. Develop new rental units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and units for seniors.

	Figure 61: TOWN OF CIMARRON Goals & Objectives with Housing Targets (in units)	Units
Renters—30%-60% AMI	<ul style="list-style-type: none"> ➤ Partner with or create an entity to purchase, rehabilitate and rent vacant homes to meet a range of local housing needs, including workforce housing, housing for veterans and accessible homes for seniors. <ul style="list-style-type: none"> • Develop a referral program with local employers. ➤ Develop new rental units priced for various income levels, from 30% AMI to 120% AMI and including market rate units and accessible units for seniors. <ul style="list-style-type: none"> • Conduct a survey of local employers to determine demand, income levels and unit sizes. • Seek conventional or impact lender financing to enable flexibility with rents and income levels. • Seek rent guarantees from employers to assist with financing. • Develop a referral program with local employers for project lease-up and turnover. 	15
Renters—60%-80% AMI		
Renters—80%-120% AMI		
First Time Homebuyers	<ul style="list-style-type: none"> ➤ Partner with Colfax County to create a homebuyer assistance fund that provides grants or low-interest loans to rehab older for-sale homes so that they can qualify for VA, USDA , MFA or other first-time homebuyer products. ➤ Provide robust homebuyer counseling. 	10
Home Rehabilitation	<ul style="list-style-type: none"> ➤ Expand home rehabilitation opportunities. <ul style="list-style-type: none"> • Provide education and marketing on current home rehab programs • Consider developing a pilot program through Colfax County Seniors Citizens and the Non-Metro Area Agency on Aging/ NM Cares to solicit private contributions for senior home rehabilitation. 	25

Town of Cimarron

30% AMI Renters

The Northern Regional Housing Authority, headquartered in Taos, manages 16 low-rent units of public housing in Cimarron. There is currently a small wait list of four, three of which need one-bedroom units. Reportedly, NRHA is not using all of its Section 8 vouchers due to difficulty finding appropriate rentals in the Taos market. Cimarron should inquire with NRHA about redirecting a few of those vouchers so that they can be used locally.

60%-120% AMI Renters

The Town of Cimarron has no formal apartments. The American Community Survey reports that 146 or 32% of Cimarron's 450 occupied housing units are rented. These include 16 public housing units and individual single-family and mobile homes. The Town could support a modest addition of 12-15 new rental units added through either new development or single-family rehabilitation, or a combination of both. If land for new development can be identified, this Plan recommends construction of modern apartments in the form of clustered duplexes, triplexes and fourplexes. For acquisition/rehab, the Town or a local organization could encourage donations of homes from absentee landowners. Some of these homes can be rented as-is and some can be divided into duplexes or upstairs/downstairs units. If all or part of the value of the land or home were donated, owners would be eligible for the New Mexico Affordable Housing Tax Credit. A variety of unit sizes should be planned to accommodate the workforce and senior households alike. Senior units should be accessible with walk-in showers and universal design features. . Some units can be tied to the tourism-based economy and can be rented out seasonally for employees who work at Angel Fire, 30 minutes away, or even for families whose children are enrolled at Philmont for the summer.

Privately-financed development is recommended based on the low number of units needed and higher income of many members of the workforce. Private financing may be sought from local banks or impact investors, such as Community Financial Development Institutions (CDFIs) which offer lower interest rates for projects with community impact.

Town of Cimarron

As mentioned for Raton and Springer, local employers can play a large role in the development and long-term success of new rental housing. Employers may donate buildings, funds or supplies, all of which would be eligible for the state tax credit. They can also provide the pipeline for renters, both at the lease-up phase and as units turn over. Significantly, employers can also provide rent guarantees which would assist with securing financing for the project.

First-Time Homebuyers

There are homes for sale in Cimarron at prices affordable for many renters. Figure 27 shows 11 current listings with a median price of \$129,000. Local realtors can assist homebuyers with low-interest mortgage products through the VA, USDA or MFA. These products are powerful tools to move renters into homeownership because they require minimal down payments. However, realtors report that the condition of many homes prevents the use of these products because homes are not move-in ready and require substantial rehabilitation. Homebuyer education would also be helpful to create a pipeline for for-sale units.

Because of the number and affordability of homes on the market, there does not appear to be a need to develop new for-sale homes. Instead, this Plan recommends a homebuyer assistance program that would provide grants or low-interest loans to make homes move-in ready. The Town should partner with Colfax County to consider a variety of sources to fund this work. These include private foundations, private donors or employers who could claim the New Mexico Affordable Tax Credit, or low-interest loans from MFA's Primero Fund. A local government or organization can apply for and manage the funding, while realtors can coordinate with a local contractor or organization to rehabilitate homes on a unit by unit basis. This Plan sets a target of 10 homes to be rehabilitated to become move-in-ready.

Town of Cimarron

Home Rehabilitation

As described on page 88, there are only a few programs in New Mexico that provide home rehabilitation, energy efficiency upgrades and/or accessibility improvements. These programs have extremely limited funding and long waiting lists. Nevertheless, it is important that communities in Colfax County become aware of these programs so that they can make referrals for low-income homeowners who need these services, especially seniors on fixed incomes. This Plan recommends creating materials on these programs that can be distributed through the Colfax County Senior Center.

In addition, the Non-Metro Area Agency on Aging proposed in its recent Area Plan to assist with donations that would enable more housing rehabilitation for seniors. Private donations would be eligible for the New Mexico Affordable Housing Tax Credit. This Plan recommends that communities in Colfax County and the Colfax County Senior program coordinate with Non-Metro to design a pilot program that could fund some senior home rehabs throughout the County each year.

Town of Maxwell

Maxwell is a very small town with a population of 259 located half-way between Springer and Raton along I-25. Maxwell has a K-12 school which is the largest employer in the community. It has 22 units of public housing which are typically full; there is currently one vacancy for a one-bedroom unit. Like in Springer, the Maxwell public housing authority rents to members of the workforce such as public safety officers. Maxwell has older but generally well-built housing stock. Similar to Springer, vacant housing exists but there are very few units that are beyond repair. There are a significant number of vacant lots throughout the community.

Because of the small population of Maxwell and the small demand from employers, this Plan does not recommend new development at this time. However, existing homeowners in the community could benefit from home rehabilitation as recommended for other communities. Also, for for-sale and rental housing alike, a fund to make homes move-in-ready would be helpful to maintain the existing housing stock and revitalize the community.

Figure 62: Prioritized Goals and Objectives

1. Expand home rehabilitation opportunities.
2. Partner with the County on a fund that provides grants or low-interest loans to rehab older for-sale homes or rental homes.
3. Participate in homebuyer counseling program along with other communities in the County.



	Figure 63: TOWN OF MAXWELL Goals & Objectives with Housing Targets (in units)	Units
Renters—30%-120% AMI First Time Homebuyers	➤ Partner with Colfax County to create a fund that provides grants or low-interest loans to rehab older for-sale or rental homes.	5
First Time Homebuyers	➤ Participate in homebuyer counseling program along with other communities in Colfax County.	5
Home Rehabilitation	➤ Expand home rehabilitation opportunities. <ul style="list-style-type: none"> • Provide education and marketing on current home rehab programs • Consider developing a pilot program through Colfax County Seniors Citizens and the Non-Metro Area Agency on Aging/ NM Cares to solicit private contributions for senior home rehabilitation. 	5

Angel Fire and Eagle Nest

The populations of Angel Fire and nearby Eagle Nest are small, 732 and 263, respectively, for a combined population of nearly 1,000. These numbers are deceiving, however, because many workers employed at Angel Fire Ski Resort, local businesses and government offices live elsewhere. These service and professional workers cannot afford to live where they work because of limited housing availability and high housing costs. In Angel Fire, an estimated 1,831 units are used as second homes, vacation homes and short-term rentals and are not available to the local workforce. High housing costs spill over into nearby Eagle Nest, which is also tourism-dependent and has its own challenges with limited and older housing stock.

This Plan recommends one new rental development to address a wide range of workforce housing needs in Angel Fire and Eagle Nest, from 30% AMI to 120% AMI and including some market rate units. In addition, it is also recommended that the two communities pursue development of starter homes for first-time homeowners through a Community Land Trust or other model that ensures long-term affordability. Finally, while existing rehab programs can be used in Angel Fire and Eagle Nest, there are no specific recommendations to increase outreach or marketing because the housing stock is considerably newer than in the rest of the County.

Figure 64: Prioritized Goals and Objectives

1. Develop a rental community with units priced for various income levels, from 30% AMI to 120% AMI and including market rate units.
2. Partner with Taos on establishment of a land trust to develop new starter homes with long-term affordability.
3. Consider policy options like limits on short-term rentals, inclusionary zoning and real estate transfer taxes to create provide more affordable housing in Angel Fire and Eagle Nest.

	Figure 65: VILLAGES OF ANGEL FIRE AND EAGLE NEST Goals & Objectives with Housing Targets (in units)	Units
Renters—30% AMI & below	<ul style="list-style-type: none"> ➤ Develop a rental community with units priced for various income levels, from 30% AMI to 120% AMI and including market rate units. <ul style="list-style-type: none"> • Evaluate the potential for obtaining Low Income Housing Tax Credits (LITHCs) with MFA. • Conduct a survey of local employers to determine demand, income levels and unit sizes. • Solicit a developer through a competitive process. • Seek rent guarantees from employers to assist with financing. • Develop a referral program with local employers to coordinate lease-up and turnover of units. ➤ Consider policy options like limits on short-term rentals, inclusionary zoning and real estate transfer taxes to create provide more affordable housing in Angel Fire and Eagle Nest. 	50
Renters—30%-60% AMI		
Renters—60%-80% AMI		
Renters—80%-120% AMI		
First Time Homebuyers	<ul style="list-style-type: none"> ➤ Partner with Taos on a land trust to develop new starter homes with long-term affordability. <ul style="list-style-type: none"> • Seek out donation of public land or privately-owned land that can receive the state tax credit. 	50

Angel Fire and Eagle Nest

Rental Housing

Due to the high costs of land, buildings and homes, it is difficult to use acquisition/rehabilitation as a strategy for affordable housing development as has been recommended in other communities throughout Colfax County. Instead, this Plan recommends one major new housing development to address a broad range of renter needs. This development is best suited in or near Angel Fire, where most of the workforce demand is concentrated.

While the resident population of Angel Fire is much lower than Raton's, Angel Fire has a seasonal workforce of 250 and currently more than 40 year-round jobs are currently unfilled due to the lack of housing. Therefore, Angel Fire can easily absorb 50 new units of rental housing priced from 60% AMI and below to address its service workforce, all the way to 120% through market rate to accommodate essential and professional workforce. Because of the high cost of construction in the area (\$250 square feet and up), it is very unlikely that private developers would build housing affordable for these workers. Low-Income Housing Tax Credits (LIHTCs) would provide the most advantageous financing for low and moderate -income households. However, as shown in Figure 57, market rate units should be included to ensure that some of local government positions that earn in the mid to high \$30,000 range qualify for this housing. These households would have difficulty finding market-rate housing they can afford in Angel Fire or Eagle Nest; however, they earn the very upper limit of what is allowed in the LIHTC program.

Angel Fire and Eagle Nest

First-Time Homebuyers

Current median listing prices of \$275,000 in Angel Fire and Eagle Nest require an annual income of \$69,033 to qualify for a home. Clearly, this is out of reach of service workers and most professional workforce in the area. In order to create a pathway to homeownership for residents in Angel Fire and Eagle Nest, this Plan recommends that a Community Land Trust (CLT) be established to develop 50 starter homes for the two communities. The CLT model would ensure long-term affordability and create a stable supply of entry-level homeownership units. This same recommendation is made in the Taos County and Town of Taos Affordable Housing Plans, and it is conceivable that the same CLT could also develop these starter homes in Angel Fire and/or Eagle Nest. Homes could be located in one site in Angel Fire or Eagle Nest or scattered on numerous sites in the two communities. Eagle Nest has identified a publicly owned parcel that can be donated for this purpose. Angel Fire does not have public land available but could provide infrastructure and waive fees.

Properly executed and with affordability ensured, a land trust development could be a catalyst for change in the Enchanted Circle region. Currently, there is a bottleneck in the housing market because otherwise eligible homebuyers cannot purchase a home. This keeps prices high due to lack of competition and places additional pressure on rental units, both affordable and market rate. A land trust development could act as a “pressure release valve” for the housing market. A private entity could take advantage of the New Mexico Affordable Housing Tax Credit if he or she donated or wrote down the cost of the land for the project.



Potential building site in Eagle Nest

Tool: Developer Partnerships

New Mexico does not have a public private partnership (P3) law or enabling legislation; however P3s for affordable housing are commonly accomplished through the New Mexico Affordable Housing Act, which allows local governments to contribute to affordable housing.

After adoption of an affordable housing plan and ordinance, local governments are enabled to release a Request for Proposals or a similar procurement instrument to select a development partner for a Low-Income Housing Tax Credit (LIHTC) or other affordable housing project. The development partner can be a non-profit or for-profit entity. By entering into an agreement with the local government, the developer may receive donations of public land or infrastructure, public dollars, or fee waivers to realize an affordable housing project.

This plan makes several recommendations which may require a local government to enter into partnerships with a developer. These recommendations include LIHTC projects, land trust developments and homebuyer assistance programs for which an entity outside of the local government would receive public donations or support to fulfill their mission.

Tool: Employer Assisted Housing

Local employers can be important partners in providing housing that is affordable their employees. At the most basic level, employers can refer employees to property owners or realtors so that they may find housing in the community. At the other end of the spectrum, an employer can develop housing for its own workforce, typically on the company campus or other land owned by the employer.

This Plan makes several recommendations in terms of local governments working with local employers. In addition to referral programs, employers may have land or buildings that can be donated for affordable housing purposes. In New Mexico, private employers that make such a donation are eligible for tax breaks through the New Mexico Affordable Tax Credit Act so long as the employees who benefit from the housing are low to moderate-income. Also, employers can guarantee rents in new development projects. Such rent guarantees will reduce the risk of the project and provide for better financing terms.

Tool: NM Affordable Housing Tax Credits

The New Mexico Affordable Housing Tax Credit Act enables qualifying entities including individuals, businesses and tribes to receive a state tax credit valued at 50% of their contribution to affordable housing. Land is the most common contribution, but cash, buildings and even services are eligible.

The New Mexico Mortgage Finance Authority (MFA) issues the tax credit vouchers. Cash contributions can be made directly to MFA, or a donor can apply to have the project for which the contribution is made certified by MFA as affordable housing. Tax credits may be used to offset New Mexico income tax, gross receipts tax, compensating tax and withholding taxes. Tax credits may be taken over a period of five years and may be transferred or sold. If the contribution is made to a non-profit entity, the donor may also claim the federal and state tax deduction for charitable contributions. For high-worth donors, the Affordable Housing Tax Credit plus the deductions are estimated to be worth 90% of the initial contribution.

The New Mexico Affordable Housing Tax Credit is currently underutilized. The credit is not widely understood and many find the value of the credit hard to believe. The tax credit can be a very useful tool especially in communities with large land or property owners who would like to liquidate their assets, communities with vacant or foreclosed homes or buildings that can be repurposed as affordable housing and places where employers would like to contribute to affordable housing.

Tool: Community Land Trusts

Land trusts are usually non-profit organizations that jointly own land for environmental conservation or affordable housing purposes. Conservation land trusts are already a strong force in Northern New Mexico. Community Land Trusts (CLTs) are less apparent but are an increasingly used model in developing affordable housing in areas battling gentrification, rising cost of living, and displacement. The typical model is that the CLT maintains ownership of the land while the buildings are owned or leased by the residents. This approach prevents the market from driving up the price of housing. When the homeowner sells, the majority of the increased property value goes back to the land trust which assists in maintaining the affordability of the property for future residents.

Communitywealth.org provides four reasons why CLTs are pivotal in building community wealth:

- They provide low and moderate-income people with the opportunity to build equity through homeownership and ensure these residents are not displaced due to land speculation and gentrification.
- Land trust housing also protects owners from downturns because people are not over extended; as a result, foreclosure rates for land trusts have been as much as 90% less than conventional home mortgages.
- Most commonly, at least one third of a land trust's board is composed of community residents, allowing for the possibility of direct, grassroots participation in decision-making and community control of local assets.
- In addition to the development of affordable housing, many land trusts are involved in a range of community-focused initiatives including home ownership education programs, commercial development projects, and community greening efforts.

Currently there are many land trusts operating in New Mexico, most in the conservation arena. Community Land Trusts in New Mexico include Sawmill Community Land Trust, Mil Abrazos and La Mesa CLT which all operate in the Albuquerque area.

Tool: Federal Tax Credit Programs

New Markets Tax Credit

Through the New Markets Tax Credit Program, Community Development Entities provide Tax Credits to private investors from the CDFI Fund in exchange for equity investments in the CDE's for a total of 39% of their investment over seven years. These equity investments are used to make loans and investments to businesses in Qualified Low-Income Census Tracts. Most of Colfax County is qualified for New Market Tax Credit programs.

New Markets Tax Credits were created with the intention of economic development and are tailored more towards financing flexible and unconventional business loans and investments. NMTC investments cannot be used for Residential Rental Property – defined as buildings and structures that derive 80% or more of their gross rental income from rental dwelling units. Mixed-use real estate is not out of the question however, and the funding can be used to create projects that follow a condominium design path or that mix business developments with residential low-income property.

Historic Preservation Tax Credit

Administered through the National Park Service, the Federal Historic Preservation Tax Incentives Program provides a 20% income tax credit for the rehabilitation of historic, income producing buildings that are determined by the NPS to be “Certified Historic Structures.” The State Historic Preservation Offices and the NPS review the rehabilitation work to ensure that it complies with the Secretary’s Standards for Rehabilitation, most notably that the property shall be used for its historic purpose or be placed in a new use that requires minimum change to the defining characteristics of the building and its site environment.

The credit cannot be used for owner occupied residential housing, but there have been instances where it has been combined with the Low-Income Housing Tax Credit. The credit is only available to properties that will be used for a business or an income producing purpose, and single-family rental housing that needs rehabilitation can qualify if it is listed as part of a historic district or individually, or it can be qualified as a “certified historic structure” by the National Park Service or the State Historic Preservation Office.

Tool: Federal Tax Credit Programs

Low-Income Housing Tax Credits

The Low-Income Housing Tax Credit (LIHTC) is a federal tax credit created in the Tax Reform Act of 1986 and designed to encourage private sector investment in the new construction, acquisition, and rehabilitation of rental housing affordable to low-income households. Over the last three decades, LIHTCs are responsible for more than two million affordable housing units and represent the most successful affordable rental housing production program in history.

LIHTCs provide a dollar-for-dollar reduction in a taxpayer's income tax liability in return for making a long-term investment in affordable rental housing. State agencies competitively award housing credits to housing developers, who then sell the credits to private investors in exchange for funding for the construction and rehabilitation of affordable housing. These funds allow developers to borrow less money and pass through the savings in lower rents for low-income tenants. Investors, in turn, receive a 10-year tax credit based on the cost of constructing or rehabilitating apartments that cannot be rented to anyone whose income exceeds 60 percent of area median income (AMI).

The federal Consolidated Appropriations Act of 2018 created a new election for new LIHTC projects that allows owners to serve households with incomes up to 80% AMI, so long as the average income/rent limit in the project remains at 60% AMI or less. This change opens the possibility of addressing the need for 80% AMI renter households in future LIHTC developments, as well as 30% AMI renter households which would ensure the required average of 60% AMI. This is an especially important development in small communities that need to address a variety of incomes and do not have enough demand to build a LIHTC project to scale with 60% AMI units alone.

Source: National Council of State Housing Finance Agencies

Tool: First-Time Homebuyer Mortgage Products

- **Veterans Administration** – VA Backed Purchase Loans are one of the mortgage products that are offered for veterans to buy homes. VA Backed Purchase Loans are private loans between a lender and a veteran, but the VA guarantees some or all of the loan, and allows for no down payments, better terms and interest rates, and no need for Private Mortgage Insurance or Mortgage Insurance Premiums. Exact terms are determined by the lender, but the VA allows for better terms because it backs the home and protects the lender from losses.
- **USDA** – Section 502 Loans are offered by the USDA Rural Development for low to moderate income households in qualified rural areas for purchasing, building, rehabilitating, improving or relocating a dwelling. They are offered as either a loan guarantee from the USDA to a private lender or as a direct loan from the USDA. USDA approved lenders can offer loans for 100% financing for households that do not exceed 115% of the area median household income and the agency guarantees 90% of the loan value to lenders. USDA RD Direct loans are offered by the agency to individuals who are low income, without decent, safe and sanitary housing and that are unable to obtain a loan from other reasonable resources.
- **MFA** - MFA offers first-time homebuyer mortgage loans through approved lenders for low to moderate income borrowers. As of 2020, MFA's FirstHome mortgage product can be used for a maximum purchase price of \$294,601 and household incomes must be below \$65,880 for households of one to two persons and \$76,860 for households of three or more persons in Colfax County. Borrowers must contribute at least \$500 from their own funds for the house and have a minimum credit score of 620 and all buyers must complete pre-purchase counseling. The FirstHome program can be leveraged with their FirstDown program, a second mortgage with a maximum of \$8,000 that can be used for down payment assistance and closing cost assistance. Additionally, MFA offers a NEXTHome product that combines a first mortgage loan and a forgivable second mortgage loan for down payment assistance for all income qualified homebuyers. NEXTHome loans can be used for a maximum purchase price of \$340,000 and household incomes must be below \$91,000 per year. The second mortgage is for three percent of the value of the first mortgage. NEXTHome also requires \$500 from the borrower's own funds and a credit score of 620 or higher.

Tool: Home Rehabilitation Programs

- **HOME Rehab (MFA)** – The MFA HOME Rehabilitation Program provides assistance to low income homeowners who lack the resources to make necessary repairs to their homes. While the program is available statewide, there are currently no service providers serving Colfax County. MFA partners with nonprofits and other entities to complete the rehabilitation of a home using a non-amortizing, no interest, forgivable loan. The program offers funding of up to \$65,000 to homeowners whose annual household income does not exceed 60% of the area median income, adjusted for family size. Each HOME Rehab project must bring the home up to code. Funding can be used for any improvements that are deemed essential, energy-related or accessibility related, as well as for lead based paint removal, the repair or replacement of housing systems and any other non-luxury repairs or improvements.
- **NM Energy\$mart (MFA)** – The MFA Energy\$mart Program is used to make homes more energy efficient and comfortable at no cost to the homeowner or renter. Homes receive an average of \$6,000 in energy efficiency upgrades. Colfax County and northern New Mexico are served by the Central New Mexico Housing Corporation. The program focuses on energy efficiency upgrades and potentially includes insulation, caulking, new windows and/or new heating systems. The program gives preference to seniors, persons with disabilities and family with children. Household incomes must be at or below 200% of the federal poverty guidelines. Additionally, any households that receive SSI or TANF may be automatically income eligible.
- **RAMP** – The Governors Commission on Disability’s Residential Accessibility Modification Program is a state funded program that aims to improve the quality of lives for individuals with physical disabilities by making improvements to their current housing situation including installing ramps, access routes, roll in showers, and grab bars as well as other improvements based on the individual’s need. The program is intended as a “payor of last resort” and individuals must apply first to other residential modification programs. The household must be within 250% of the most current Federal Poverty Guidelines. An application is available on the Governor’s Commission on Disability’s Website and must be delivered by mail or in person.

Tool: Inclusionary Zoning

Cities use inclusionary zoning to require developers to provide affordable housing units within a proposed development. These affordable housing mandates are usually incentivized with density bonuses, tax abatements, and/or parking reductions. Density bonuses are the most common of these incentives and allow a developer to build at a higher density, floor area, or building height in exchange for affordable units. It is assumed that market rate housing in the development will many times finance the affordable units. More affordability (lower AMI) per unit usually results in a requirement for fewer affordable units whereas less affordability (higher AMI) per unit will usually result in a requirement for more affordable units.

Santa Fe the only city in New Mexico and one of the few in the nation to implement Inclusionary Zoning. Developed in the late 1990s, Santa Fe's Mandatory Inclusionary Housing (MIH) ordinance requires that all new development provide 11% to 16% affordable units at 65% to 80% AMI. In the 2000s, Santa Fe updated this requirement to require 30% affordability for any application including annexation, rezoning, subdivision and increase in density. The three income tiers served by the ordinance are 50%-65% AMI, 65%-80% AMI and 80%-100% AMI. Santa Fe's ordinance would be a good example to consider if Angel Fire is interested in adopting Inclusionary Zoning.

Tool: Opportunity Zones

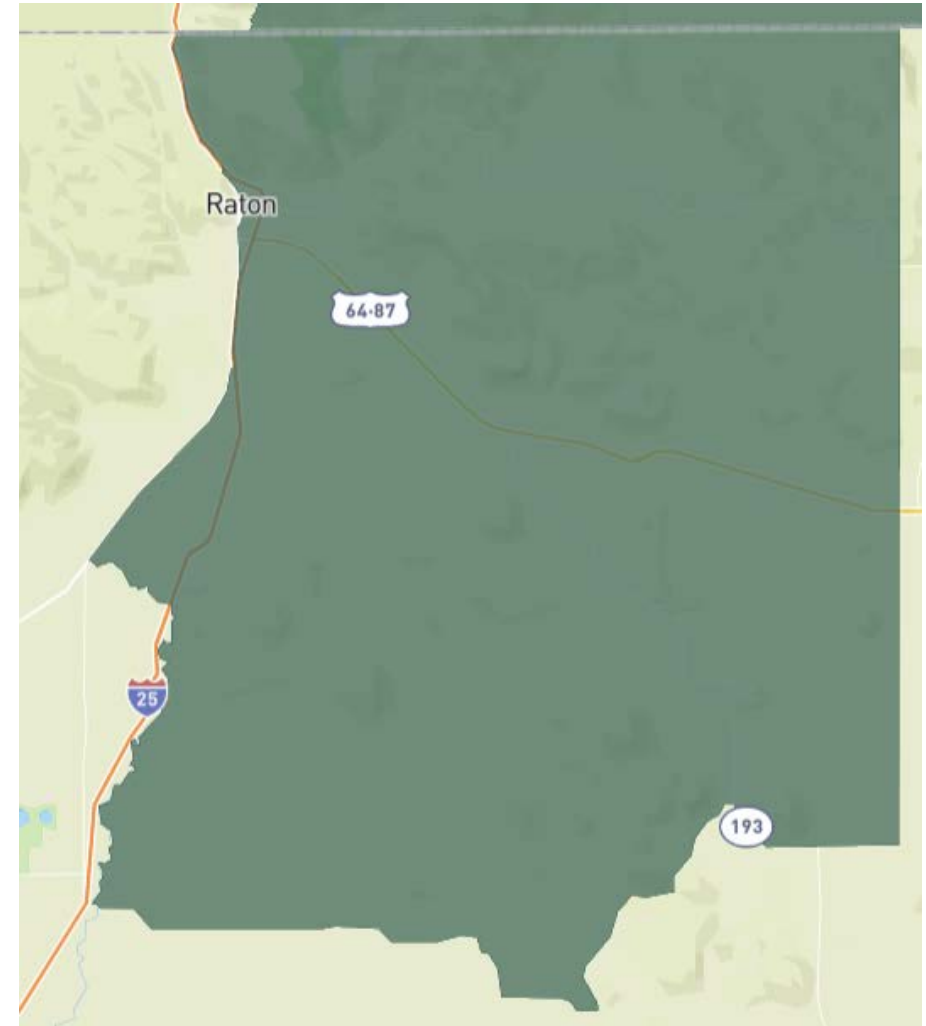
The 2017 Tax Cuts and Jobs Act created Opportunity Zones to spur economic development and job creation in distressed communities by providing tax benefits to investors who invest eligible capital into these communities. Taxpayers may defer tax on eligible capital gains by making an investment in a Qualified Opportunity Fund.

Colfax County has a single Opportunity Zone (Census Tract 9505) which comprises the northeastern portion of the county, mainly following Interstate 25 from the Colorado border to Maxwell. This Opportunity Zone includes the eastern portion of the City of Raton.

There are two Opportunity Zone Funds with a geographic focus in New Mexico, Clearinghouse CDFI and Invest New Mexico. According to the National Council of State Housing Agencies (NCSHA), both funds list workforce and mixed-used housing as areas in which they are willing to invest.

The Opportunity Zone can be combined with other tools in this section to make an affordable housing project in this area even more attractive for private developers.

Figure 66: Colfax County's Opportunity Zone



Tool: Short-Term Rental Regulation

Some communities in northern New Mexico including the Town of Taos have short-term rental regulations. In Taos, the owner must obtain a short-term rental permit and business license from the Town, both of which must be renewed annually. The owner must also pay lodgers tax in accordance with the Town of Taos Lodgers' Tax ordinance. The Town is considering placing a cap on the number of short-term rentals and/or disallowing them in zones such as the Central Business District (CBD) where they are concentrated. The village of Angel Fire and Eagle Nest can review regulations from the Town of Taos and Santa Fe (both City and County) to determine if they are interested in regulating and/or restricting short-term rentals.

In the 2019 Legislative Session, Senator Peter Wirth sponsored Senate Bill 7 which would allow local governments to utilize 50% of the revenue captured by the lodger's tax on short-term rentals to defray the cost of affordable housing. Currently, the use of lodgers' tax is restricted to advertising, promotion and furtherance of tourism activities. The bill died in committee but could be revived in future legislative sessions if the other communities with short-term rentals, such as Angel Fire, Taos Santa Fe and Ruidoso, chose to support such legislation.

Tool: Real Estate Transfer Tax

New Mexico is one of the few states in the country to not impose a real estate transfer tax. A transfer tax may be imposed on the buyer, seller, or both when a property changes in ownership. New Mexico has been ranked first in the country by taxfoundation.org in tax advantages and the absence of a transfer tax means lower barriers for home ownership.

While there are certainly tax advantages associated with this lack of a transfer tax, a transfer tax limited to high-priced home sales could have significant benefits for tourist communities like Taos because proceeds could be used to develop affordable housing. The City of Santa Fe attempted to pass a transfer tax in 2009 but the measure narrowly failed in the public vote after considerable lobbying by the real estate industry. The Town of Taos and other tourism communities should remain vigilant that the state does not pass legislation that limits local options for real estate transfer tax.

This Plan recommends that Angel Fire and Eagle Nest consider implementing a transfer tax on high-priced home sales. The tax could be imposed on sellers rather than buyers and limits could be set very high, even as high as \$500,000. This would ensure that there is no impact on first-time or moderate-income homeowners and would limit the impact to wealthy individuals. If this is considered, Angel Fire and Eagle Nest should reach out to the real estate community to garner its support. If support is not forthcoming, the local governments would need to be prepared to invest in a public relations campaign so the public is educated about the benefits of such a tax.