

MFA PRESENTATION TO LEGISLATIVE OVERSIGHT COMMITTEE, 9/14/17

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- Village worked with MFA to develop the AHP and AHO – I wasn't around for the AHP
- Main Points about AHP:
 - Joint Plan with Valencia County – Valencia County/Village of Los Lunas Joint Affordable Housing Plan – Produced by Consensus Planning
 - Specific needs and goals set for Los Lunas within context of Valencia County
 - Primary needs identified:
 - LL Predominantly single family owner occupied. 76% owner, 24% renter
 - 3 bedrooms dominate – few smaller homes
 - Income ranges studied – 0-30%, 31-50%, 51-80%, nothing for 81-100%
 - ACS 2007-2011
 - Owner occupied, 51-80% highest instance of housing distress
 - Renter occupied households above state averages for cost burden below 50% AMI, and for severe cost burden for below 30% AMI
 - Cost burden, renter, NM – 72.1%, 71.8%, 40.6%
 - Cost burden, renter, LL – 84%, 83%, 31%
 - Severe cost burden, renter, NM – 60.1%, 27.3%, 6%
 - Severe cost burden, renter, LL – 74%, 26%, 0%
 - Owner occupied households way above state averages for cost burden at all income levels studied, and for severe cost burden for below 50% AMI.
 - Cost burden, owner, NM – 67.6%, 50.1%, 39.2%
 - Cost burden, owner, LL - 90%, 74%, 55%
 - Severe cost burden, owner, NM – 48.8%, 28.1%, 13.3%
 - Severe cost burden, owner, LL – 72%, 38%, 13%
 - Approximately 13% of housing units in substandard condition
 - Primary goals identified:
 - 5 year goals – 2015-2020
 - Up to 10 new houses to serve owner occupied households constructed for households at or below 80% AMI
 - Rehabilitate up to 7 units of substandard housing
 - Up to 45 units of affordable rental units for at or below 60% AMI – land around transportation center identified as location for these units
 - Some of these units should be supportive housing
 - Support affordable housing development through regulatory incentives
 - Plan approved by resolution August 20, 2015

- Village began AHO right away, met with MFA representatives to help walk us through complicated process
- MFA provided template and sample ordinances
- Only needed to make minor adjustments to template to reflect income levels and goals set by AHP
- Held workshop for Council to ensure they understood the ordinance before presented for approval
- Ordinance passed smoothly
- Options for Housing Assistance Grants:
 - Waive application and impact fees
 - Offer land
 - Acquire certain foreclosed properties to rehabilitate for affordable homeownership
 - *No plans to offer housing trust fund*
- No Housing Assistance Grants offered yet
- Land around transportation center still planned for affordable housing development as well as mixed use. Changes since AHP – old mobile home park is now a charter school site, additional land adjacent to transportation center purchased.
- Currently working to update master plan for area, then hope to go through RFP process to find developer.
- Conditions in the Village have changed since AHP was approved. Two major development projects – Facebook and Rail Park:
 - Facebook: 2 phases committed, at least 4 years of construction, 500-1,000 construction workers per day during most of this. 80-100 permanent jobs.
 - Rail Park: 1500 acre annexation to west of Village, rail served industrial park, no confirmed users yet, but could generate hundreds if not thousands of permanent jobs.
- Currently, vacancy rate extremely low – out of approximately 5663 structures, 2% are for sale, less than 1% are in foreclosure.
- New construction in several subdivisions, and some new subdivisions being platted, but no affordable units planned for these so far.
- Interest in more apartment construction by private developers, but no applications yet.
- Major development will attract many new people to area to live, and will severely constrain housing market.
- Prineville OR – first Facebook data center, began construction in 2010. Data Center construction continues today as more buildings and other companies move in. In 2010, Prineville has about 15% vacancy rate, within 2 years all vacant units filled (about 400 units). No housing available by 2014.
- Construction jobs temporary, so rental units critical, especially short term options if possible. Length of construction process means that a number of workers purchase housing and move families. Construction jobs not high income. This is our biggest foreseen demand for affordable housing right now.