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SPONSORED BY: Joaquín Baca, by request

1 ORDINANCE

2 CREATING A NEW SECTION 9, IN ARTICLE 21, CHAPTER 14 ROA 1994, TO
3 ESTABLISH THE "PRESERVING ALBUQUERQUE THROUGH CRITICAL
4 HOUSING" (PATCH) PROGRAM TO PROVIDE STRUCTURAL HOUSING
5 REPAIRS TO INCOME-QUALIFIED HOMEOWNERS AND PRESERVE LONG-
6 TERM HOUSING STABILITY.

7 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
8 ALBUQUERQUE:

9 **SECTION 1. A new Section 9, in Article 21, Chapter 14 ROA 1994 is added**
10 **as follows:**

11 §14-21-9-1 SHORT TITLE. This article shall be known and may be cited as the
12 "PATCH Program Ordinance."

§14-21-9-2 PURPOSE. The purpose of this ordinance is to create and administer a City-run housing rehabilitation program to provide income-qualified homeowners with financial support to make critical health, safety, and structural repairs. The program is designed to preserve long-term homeownership, stabilize neighborhoods, and maximize the public benefit of housing investment.

19 §14-21-9-3 DEFINITIONS.

20 **OWNER OCCUPIED.** A housing unit that serves as the legal primary residence
21 of the property owner.

22 **LOW-INCOME.** Household income at or below 80% of Area Median Income
23 **(AMI), as defined and measured by HUD.**

24 **RESTRICTIVE COVENANT.** A recorded agreement requiring continued owner
25 occupancy for a defined number of years.

HEALTH AND SAFETY REPAIRS. Structural, utility, and environmental repairs necessary to ensure safe occupancy of a home.

SVI (Social Vulnerability Index): A metric developed by the City of Albuquerque's Office of Equity and Inclusion used to identify communities with heightened socioeconomic vulnerability.

§14-21-9-4 ELIGIBILITY.

(A) To qualify for PATCH assistance, the applicant must:

1. Low-income households at or below 80% AMI; and
2. Own and occupy the property as a primary residence; and
3. Not have liens or judgments exceeding \$5,000, excluding municipal liens eligible for forgiveness; and
4. Reside in a neighborhood with an SVI score of 0.75 or higher for priority consideration.

(B) The City must inspect the unit to ensure the required repairs are within a reasonable scope for the City to rehabilitate the property.

(C) The City may require the property owner to vacate the premises for the duration of the repairs. All relocation costs may be the responsibility of the property owner.

(D) Nothing in this ordinance limits the City's ability to impose additional eligibility requirements as required by any funding source.

(E) In the event of a conflict between this ordinance and the terms of a funding source, the requirements imposed by the funding source shall govern.

(F) In the event of a conflict between this ordinance and an existing local, state, or federal law, those requirements shall prevail.

§14-21-9-5 SCOPE OF REPAIRS. Eligible repairs shall be limited to those affecting health, safety, and structural integrity, including but not limited to:

- (A)** The maximum amount of assistance available to any household shall not exceed \$75,000.
- (B)** Plumbing, such as repairs or replacement of failing pipes, fixtures, or water supply systems to ensure safe and sanitary water access and drainage.
- (C)** Electrical Systems, such as Fixing or upgrading unsafe wiring, outdated panels, or overloaded circuits that pose a fire or safety hazard.

- 1 (D) HVAC, such as Installation or repair of heating, ventilation, or cooling
2 systems needed for year-round livability and protection from extreme
3 weather.
- 4 (E) Roofing, such as replacement or structural repair of roofs that are
5 leaking, collapsing, or otherwise compromised, including related water
6 damage.
- 7 (F) Foundation, such as structural repairs to address cracked, sinking, or
8 unstable foundations that may threaten the overall safety of the home.
- 9 (G) Sewer and water connections, such as replacement or repair of
10 deteriorating or failing service lines to ensure reliable water access and
11 prevent backups or environmental hazards.
- 12 Excluded work includes cosmetic improvements including but not limited to
13 landscaping, flooring, or paint, unless required for code compliance.
- 14 §14-21-9-6 FINANCIAL ASSISTANCE STRUCTURE.
- 15 (A) Municipal Lien Forgiveness
- 16 1. The City may forgive existing municipal liens if the property owner
17 reinvests an equivalent amount into PATCH-eligible repairs.
- 18 (B) Repair Funding Structure
- 19 1. All PATCH-funded repairs shall be issued as a 0% interest, deferred
20 payment loan.
- 21 2. The loan shall be secured by a recorded lien and subject to a 15-year
22 owner-occupancy requirement.
- 23 3. The loan shall be fully forgiven if the homeowner maintains the
24 property as their primary residence for the full 15-year term.
- 25 4. Upon sale of the home prior to the 15-year term, the full amount of
26 assistance shall be paid to the City. The funds shall be directed into a
27 dedicated revolving fund to support future PATCH program activities.
- 28 §14-21-9-7 LIEN AND/OR COVENANT GUIDELINES.
- 29 (A) Owner-Occupancy Requirement.
- 30 The property must be maintained as the owner's primary residence for the full
31 duration of the loan term outlined in §14-21-9-6.
- 32 (B) Family Transfer Exemption.
- 33 Transfer of ownership to an immediate family member (defined as spouse,

1 child, stepchild, sibling, or parent) shall not trigger loan repayment, provided
2 the new owner agrees in writing to assume all loan obligations, including
3 continued occupancy requirements.

4 **(C) Early Sale or Transfer.**

5 If the property is sold or transferred before the end of the loan term
6 (excluding exempt family transfers), the owner shall be required to pay the
7 full amount of assistance back to the City.

8 **(D) Death Exemption**

9 If the property owner passes away during the loan period, repayment shall
10 not be required so long as the property is transferred to an immediate family
11 member who agrees in writing to maintain the property as their primary
12 residence for the remainder of the original term. If no immediate family
13 member assumes ownership and occupancy, repayment by the seller shall be
14 due upon sale or transfer of the property.

15 **§14-21-9-7 ROOF REPAIR SUBPROGRAM.** A roof repair grant of up to \$25,000
16 may be issued with a 5-year restrictive covenant.

17 **§14-21-9-8 ANNUAL REPORTING**

18 **(A) Program Activity Summary**

- 19 1. Total number of households assisted during the reporting period;
20 2. Breakdown of repairs by type (e.g., roofing, electrical, plumbing);
21 3. Average amount of assistance provided per household.

22 **(B) Financial Overview**

- 23 1. Total program funds disbursed;
24 2. Total funds recovered through early repayments;
25 3. Balance of the revolving fund.

26 **(C) Geographic and Equity Analysis**

- 27 1. Map and data showing the geographic distribution of funded projects;
28 2. Analysis of how the program is reaching populations historically
29 underserved or at risk of displacement.

30 **(D) Neighborhood Impact Indicators**

- 31 1. Changes in code violations and vacancy rates in areas served by the
32 program;

1 **§14-21-9-9 FUNDING.** The PATCH Program is contingent upon the availability
2 of local, state, and federal funding. The City may prioritize and actively pursue
3 a variety of funding sources to support the implementation and sustainability
4 of the program at the local, state, and federal level.

5 **SECTION 2. SEVERABILITY.** If any section, paragraph, sentence, clause,
6 word or phrase of this Ordinance is for any reason held to be invalid or
7 unenforceable by any court of competent jurisdiction, such decision shall not
8 affect the validity of the remaining provisions of this Ordinance. The Council
9 hereby declares that it would have passed this Ordinance and each section,
10 paragraph, sentence, clause, word or phrase thereof irrespective of any
11 provision being declared unconstitutional or otherwise invalid.

12 **SECTION 3. COMPILATION.** SECTION 1 of this Ordinance is to be compiled
13 as a new Section 9, Article 21 in Chapter 14 of the Revised Ordinances of
14 Albuquerque, New Mexico, 1994, titled “PATCH Program Ordinance”

15 **SECTION 4. EFFECTIVE DATE.** This Ordinance shall take effect January 1,
16 2026 after publication by title and general summary.

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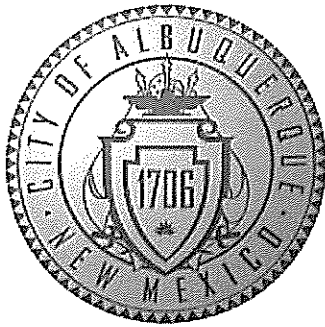
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CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

June 5th, 2025

TO: Brook Bassan, President, City Council

FROM: Timothy M. Keller, Mayor



SUBJECT: Preserving Albuquerque Through Critical Housing (PATCH) Ordinance

If approved, this ordinance will codify an initiative designed to stabilize homeownership and reduce neighborhood deterioration by providing up to \$75,000 in housing repair assistance to low-income homeowners. Focused on critical health, safety, and structural repairs, the program offers 0% interest deferred loans that are fully forgivable after 15 years of owner occupancy. The goal is to extend the life of existing housing stock and prevent displacement.


Assistance is limited to owner-occupied properties with household incomes at or below 80% of Area Median Income. Repairs may include electrical, plumbing, roofing, HVAC, and foundation work but explicitly exclude cosmetic upgrades. If the property is sold before the 15-year term ends, the loan must be repaid and recycled into a revolving fund for future homes to benefit from the program. Exceptions apply in cases of family transfer or death, provided the new occupant continues to use the property as their primary residence.

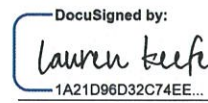
The ordinance includes accountability measures. Funding is dependent on available City, state, or federal sources. By targeting historically underserved areas and leveraging existing liens or reinvestment agreements, the program is both a housing stabilization tool and a strategic neighborhood investment framework.

Preserving Albuquerque Through Critical Housing (PATCH) Ordinance

Approved:


Approved as to Legal Form:


Samantha Sengel, EdD Date
Chief Administrative Officer

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Date
City Attorney

Recommended:



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Date
Director

Cover Analysis

1. What is it?

A City-led housing rehabilitation initiative that provides financial assistance to low-income homeowners for critical health, safety, and structural repairs. It is designed to preserve long-term homeownership.

2. What will this piece of legislation do?

This legislation creates a formal housing rehabilitation program under City ordinance, establishes eligibility criteria and defines the types of repairs allowed.

3. Why is this project needed?

Albuquerque has aging housing stock and many low-income homeowners cannot afford necessary repairs. This may lead to unsafe living conditions and potential displacement. PATCH addresses these issues directly by investing in home preservation in historically underserved areas.

4. How much will it cost and what is the funding source?

Funding will come from a combination of local, state, and federal sources, subject to availability.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

Yes, loan repayments from homes that sale before the loan period is over will be reinvested into a dedicated revolving fund for future program use.

6. What will happen if the project is not approved?

Without this program, low-income homeowners may continue to live in unsafe conditions or face displacement, contributing to neighborhood decline. The City would also miss an opportunity to strategically reinvest in vulnerable communities.

7. Is this service already provided by another entity?

Yes. The City currently partners with Homewise to operate a home rehabilitation program.

FISCAL IMPACT ANALYSIS

TITLE: CREATING A NEW SECTION 9, IN ARTICLE 21, CHAPTER 14 ROA 1994, TO ESTABLISH THE "PRESERVING ALBUQUERQUE THROUGH CRITICAL HOUSING" (PATCH) PROGRAM TO PROVIDE STRUCTURAL HOUSING REPAIRS TO INCOME-QUALIFIED HOMEOWNERS AND PRESERVE LONG-TERM HOUSING STABILITY.

R: O:

FUND:

DEPT:

- [X] No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- [] (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

| | 2025 | Fiscal Years 2026 | 2027 | Total |
|-------------------------------------|------|----------------------|------|-------|
| Base Salary/Wages | | | | - |
| Fringe Benefits at | | | | - |
| Subtotal Personnel | - | - | - | - |
| Operating Expenses | | - | | - |
| Property | | - | - | - |
| Indirect Costs | - | - | - | - |
| Total Expenses | \$ - | \$ - | \$ - | \$ - |
| [X] Estimated revenues not affected | | | | |
| [] Estimated revenue impact | | | | |
| Revenue from program | | | | 0 |
| Amount of Grant | | - | - | |
| City Cash Match | | | | |
| City Inkind Match | | | | |
| City IDOH | - | - | - | - |
| Total Revenue | \$ - | \$ - | \$ - | \$ - |

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

Number of Positions created

COMMENTS: Revenue may be collected from properties that sell before their loan term has expired.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

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Director

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EXECUTIVE BUDGET ANALYST

BUDGET OFFICER

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