

CITY of ALBUQUERQUE

TWENTY SIXTH COUNCIL

COUNCIL BILL NO. F/S O-25-91

ENACTMENT NO. 0.2025.029

SPONSORED BY: Joaquín Baca and Klarissa J. Peña

1 **ORDINANCE**

2 **ESTABLISHING THE "PRESERVING ALBUQUERQUE THROUGH CRITICAL**
3 **HOUSING" (PATCH) PROGRAM TO PROVIDE STRUCTURAL HOUSING**
4 **REPAIRS TO INCOME-QUALIFIED HOMEOWNERS AND PRESERVE LONG-**
5 **TERM HOUSING STABILITY.**

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

8 **SECTION 1. A new Article 27 in Chapter 14 of the Revised Ordinances of**
9 **Albuquerque, 1994 is adopted as follows:**

10 **§ 14-27-1 SHORT TITLE.** This "Preserving Albuquerque Through Critical
11 **Housing" Program Ordinance shall be known and may be cited as the "PATCH**
12 **Program Ordinance."**

13 **§ 14-27-2 PURPOSE.** The purpose of this Ordinance is for the City or its
14 **designee to administer a housing rehabilitation program to provide income-**
15 **qualified homeowners with financial support to make critical health, safety,**
16 **and structural repairs. The program is designed to preserve long-term**
17 **homeownership, stabilize neighborhoods, and maximize the public benefit of**
18 **housing investment.**

19 **§ 14-27-3 DEFINITIONS.**

20 **AFFORDABILITY PERIOD.** A recorded agreement that runs with the land and
21 **includes restrictions on use of the property. The length of the affordability**
22 **period depends on the amount of the investment in the property, as outlined**
23 **below:**

24	INVESTMENT AMOUNT	AFFORDABILITY PERIOD
25	Less than \$15,000	5 years
26	\$15,000 - \$40,000	10 years

1 More than \$40,000 15 years

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

4 LOW-INCOME. Household income at or below 80% of Area Median Income
5 (AMI), as defined and measured by the U.S. Department of Housing and Urban
6 Development (HUD).

7 OWNER OCCUPIED. A housing unit that serves as the legal primary residence
8 of the property owner.

9 § 14-27-4 ELIGIBILITY.

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

11 (1) Reside in a low-income household at or below 80% AMI;

12 (2) Own and occupy the property as a primary residence;

13 (3) Not have liens or judgments exceeding \$5,000, excluding
14 municipal liens eligible for forgiveness.

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

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

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

22 (E) In the event of a conflict between this Ordinance and the terms of a
23 funding source, the requirements imposed by the funding source shall prevail.

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

26 § 14-27-5 SCOPE OF REPAIRS. Eligible repairs shall be limited to those
27 affecting health, safety, and structural integrity, including but not limited to:

28 (A) The maximum amount of assistance available to any household shall
29 not exceed \$75,000. This maximum may be increased annually or as needed
30 based on the U.S. Bureau of Labor Statistics' Producer Price Index (PPI). If
31 repairs are identified after the initial inspection that could not have reasonably
32 been anticipated and would exceed the maximum, the Director of the Health,

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1 Housing, and Homelessness Department may approve additional funding on a
2 case-by-case basis.

3 (B) Plumbing, such as replacement of failing pipes, fixtures, and/or water
4 supply systems to ensure water conservation, safe and sanitary water access,
5 or drainage.

6 (C) Electrical systems, such as repairing or upgrading wiring, electrical
7 panels, and/or circuits that improve safety or support energy efficiency
8 upgrades.

9 (D) Space conditioning improvements such as installation or repair of heat
10 pumps or efficient HVAC systems needed for year-round comfort and safety,
11 protection from extreme weather, or lower utility bills.

12 (E) Roofing, such as replacement or structural repair of roofs that are
13 leaking, collapsing, or otherwise compromised, including related water
14 damage.

15 (F) Foundation, such as structural repairs to address cracked, sinking, or
16 unstable foundations that may threaten the overall safety of the home.

17 (G) Sewer and water connections, such as replacement or repair of
18 deteriorating or failing service lines to ensure reliable water access and
19 prevent backups or environmental hazards.

20 (H) Energy efficiency and electrification improvements, such as insulation,
21 weatherization, and/or installation of efficient windows and/or doors, provided
22 such improvements contribute to the long-term habitability or affordability of
23 the home.

24 Work that is primarily cosmetic, including but not limited to landscaping,
25 flooring, or paint, is generally not eligible. However, exceptions may be made
26 when such improvements are necessary to restore safe, functional, and
27 dignified living conditions, even if not explicitly required by housing code.

28 Repairs should utilize energy efficient materials, equipment, and
29 components, whenever possible.

30 § 14-27-6 FINANCIAL ASSISTANCE STRUCTURE.

31 (A) Municipal Lien Forgiveness.

32 (1) The City may forgive existing municipal liens if the property owner
33 reinvests an equivalent amount into PATCH-eligible repairs.

1 (B) Repair Funding Structure.

2 (1) All PATCH-funded repairs shall be issued as a 0% interest, deferred
3 payment loan.

4 (2) The loan shall be secured by a recorded lien and subject to an
5 affordability requirement.

6 (3) The loan shall be fully forgiven if the homeowner complies with the
7 affordability requirement for the full Affordability Period as defined in this
8 Ordinance. For the purposes of this Ordinance and the PATCH Program, the
9 affordability requirement shall be considered fulfilled if the homeowner
10 maintains the property as their primary residence for the entirety of the
11 Affordability Period.

12 (4) If the property is sold or transferred before the end of the loan term
13 (excluding exempt family transfers), the property owner shall be required to
14 repay to the City a prorated portion of the assistance received, based on the
15 amount of time remaining in the affordability term. The funds shall be directed
16 into a dedicated revolving fund to support future PATCH program activities.

17 (5) Transfer of ownership to an immediate family member (defined as
18 spouse, child, stepchild, sibling, grandchild or parent) shall not trigger loan
19 repayment, provided the new owner agrees in writing to assume all loan
20 obligations, including continued occupancy requirements.

21 (6) If the property owner passes away during the loan period, repayment
22 shall not be required so long as the property is transferred to an immediate
23 family member who agrees in writing to maintain the property as their primary
24 residence for the remainder of the original term. If no immediate family
25 member assumes ownership and occupancy, repayment by the seller shall be
26 due upon sale or transfer of the property.

27 § 14-27-7 ANNUAL REPORTING.

28 (A) Program Activity Summary:

29 (1) Total number of households assisted during the reporting period;

30 (2) Breakdown of repairs by type (e.g., roofing, electrical, plumbing);

31 (3) Average amount of assistance provided per household.

32 (B) Financial Overview:

33 (1) Total program funds disbursed;

1 (2) Total funds recovered through early repayments;

2 (3) Balance of the revolving fund.

3 (C) Geographic and Equity Analysis:

4 (1) Map and data showing the geographic distribution of funded
5 projects;

6 (2) Analysis of how the program is reaching populations historically
7 underserved or at risk of displacement.

8 § 14-27-8 FUNDING. The PATCH Program is contingent upon the availability of
9 local, state, and federal funding. The City may prioritize and actively pursue a
10 variety of funding sources to support the implementation and sustainability of
11 the program at the local, state, and federal level. The City shall follow all
12 required procurement processes applicable to the type of funding used for the
13 program. Provided, however, that if the initial procurement process results in
14 only one response, the City shall review the specifications and repost the
15 program request along with additional community outreach.

16 SECTION 2. SEVERABILITY. If any section, paragraph, sentence, clause,
17 word or phrase of this Ordinance is for any reason held to be invalid or
18 unenforceable by any court of competent jurisdiction, such decision shall not
19 affect the validity of the remaining provisions of this Ordinance. The Council
20 hereby declares that it would have passed this Ordinance and each section,
21 paragraph, sentence, clause, word or phrase thereof irrespective of any
22 provision being declared unconstitutional or otherwise invalid.

23 SECTION 3. COMPILATION. SECTION 1 of this Ordinance is to be compiled
24 as a new Article 27 in Chapter 14 of the Revised Ordinances of Albuquerque,
25 New Mexico, 1994, titled "PATCH Program Ordinance."

26 SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect January 1,
27 2026 after publication by title and general summary.

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1 PASSED AND ADOPTED THIS 15th DAY OF September, 2025
2 BY A VOTE OF: 5 FOR 3 AGAINST.

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4 For: Baca, Fiebelkorn, Grout, Peña, Rogers

5 Against: Bassan, Champine, Lewis

6 Excused: Sanchez

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Brook Bassan, President

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City Council

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16 APPROVED THIS 26 DAY OF September, 2025

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19 Bill No. F/S O-25-91

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Timothy M. Keller, Mayor

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City of Albuquerque

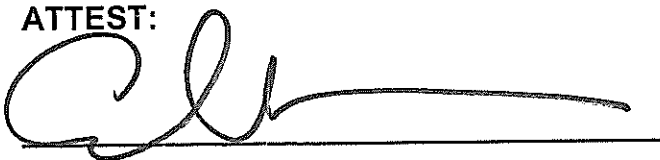
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27 ATTEST:

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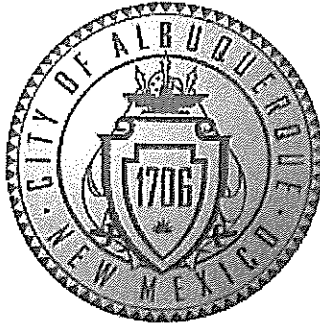
Ethan Watson, City Clerk

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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, Esq. Date
Chief Administrative Officer

DocuSigned by:
 6/9/2025 | 9:27 PM MDT
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Date
City Attorney

Recommended:

Initial

DocuSigned by:
 6/9/2025 | 11:32 AM MDT
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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:

PREPARED BY:

DocuSigned by:

Anna M Lujan

6/9/2025 | 10:06 AM MDT

FISCAL ANALYST

APPROVED:

DocuSigned by:

Gilbert Ramirez

Director

REVIEWED BY:

Signed by:

Simon Miller

6/9/2025 | 12:49

EXECUTIVE BUDGET ANALYST

DocuSigned by:

Phaenence Davis

6/9/2025 | 1:01

BUDGET OFFICER

Signed by:

Christine Boerner

6/9/2025 | 2:34 PM MDT

CITY ECONOMIST