# CITY of ALBUQUERQUE TWENTY SIXTH COUNCIL

0.2025.029 ENACTMENT NO. COUNCIL BILL NO. F/S 0-25-91 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 Bracketed/Underscored Material] - New 12 Program Ordinance." 13 § 14-27-2 PURPOSE. The purpose of this Ordinance is for the City or its Bracketed/Strikethrough Material 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 \$15,000 - \$40,000 26 10 years

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

1

2

3

4

5

6

7

8

9

10

32

More than \$40,000

Development (HUD).

of the property owner.

§ 14-27-4 ELIGIBILITY.

necessary to ensure safe occupancy of a home.

15 years

HEALTH AND SAFETY REPAIRS. Structural, utility, and environmental repairs

(AMI), as defined and measured by the U.S. Department of Housing and Urban

OWNER OCCUPIED. A housing unit that serves as the legal primary residence

LOW-INCOME. Household income at or below 80% of Area Median Income

been anticipated and would exceed the maximum, the Director of the Health,

- Housing, and Homelessness Department may approve additional funding on a
   case-by-case basis.
  - (B) Plumbing, such as replacement of failing pipes, fixtures, and/or water supply systems to ensure water conservation, safe and sanitary water access, or drainage.
  - (C) Electrical systems, such as repairing or upgrading wiring, electrical panels, and/or circuits that improve safety or support energy efficiency upgrades.
  - (D) Space conditioning improvements such as installation or repair of heat pumps or efficient HVAC systems needed for year-round comfort and safety, protection from extreme weather, or lower utility bills.
  - (E) Roofing, such as replacement or structural repair of roofs that are leaking, collapsing, or otherwise compromised, including related water damage.
  - (F) Foundation, such as structural repairs to address cracked, sinking, or unstable foundations that may threaten the overall safety of the home.
    - (G) Sewer and water connections, such as replacement or repair of deteriorating or failing service lines to ensure reliable water access and prevent backups or environmental hazards.
    - (H) Energy efficiency and electrification improvements, such as insulation, weatherization, and/or installation of efficient windows and/or doors, provided such improvements contribute to the long-term habitability or affordability of the home.

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

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

- § 14-27-6 FINANCIAL ASSISTANCE STRUCTURE.
  - (A) Municipal Lien Forgiveness.
  - (1) The City may forgive existing municipal liens if the property owner reinvests an equivalent amount into PATCH-eligible repairs.

(B) Repair Funding Structure.

- (1) All PATCH-funded repairs shall be issued as a 0% interest, deferred payment loan.
- (2) The loan shall be secured by a recorded lien and subject to an affordability requirement.
- (3) The loan shall be fully forgiven if the homeowner complies with the affordability requirement for the full Affordability Period as defined in this Ordinance. For the purposes of this Ordinance and the PATCH Program, the affordability requirement shall be considered fulfilled if the homeowner maintains the property as their primary residence for the entirety of the Affordability Period.
- (4) If the property is sold or transferred before the end of the loan term (excluding exempt family transfers), the property owner shall be required to repay to the City a prorated portion of the assistance received, based on the amount of time remaining in the affordability term. The funds shall be directed into a dedicated revolving fund to support future PATCH program activities.
- (5) Transfer of ownership to an immediate family member (defined as spouse, child, stepchild, sibling, grandchild or parent) shall not trigger loan repayment, provided the new owner agrees in writing to assume all loan obligations, including continued occupancy requirements.
- (6) If the property owner passes away during the loan period, repayment shall not be required so long as the property is transferred to an immediate family member who agrees in writing to maintain the property as their primary residence for the remainder of the original term. If no immediate family member assumes ownership and occupancy, repayment by the seller shall be due upon sale or transfer of the property.

#### § 14-27-7 ANNUAL REPORTING.

- (A) Program Activity Summary:
  - (1) Total number of households assisted during the reporting period;
  - (2) Breakdown of repairs by type (e.g., roofing, electrical, plumbing);
  - (3) Average amount of assistance provided per household.
- (B) Financial Overview:
  - (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
40	

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

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

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

1	PASSED AND ADOPTED THIS				DAY OF	September	, 2025						
2	BY A VOTE OF:	5	_ FOR	3	AGAINST.								
3													
4	For: Baca, Fiebelkorn, Grout, Peña, Rogers												
5	Against: Bassan, Champine, Lewis												
6	Excused: Sanchez												
7													
8	Farm												
9													
10	Brook Bassan, President City Council												
11													
12													
13													
14		_			111								
15 16	APPROVED THIS _	) (	DAYO	F /	estuler	, 2025							
17	APPROVED TITIO				The state of the s								
듄													
- New Deletion 81	Bill No. F/S 0-25-91												
					ns.								
[+Bracketed/Underscored Material+] - New [-Bracketed/Strikethrough Material-] - Deletio 6 8 2 9 5 7 7 8 8 6 8 8 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9	65- 1 NM												
Mate 22	Timothy M. Keller, Mayor												
pel ⊈ 23													
005 24	City of Albuquerque												
19 25 25													
26													
% 27 27 27 27 27 27 27 27 27 27 27 27 27	ATTEST:												
28 <del>gg</del> 28	()												
위 을 <b>29</b>					_								
30	Ethan Watson, City	Cler	k										
31													
32													
33				6									



## 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

了

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.

Chief Administrative Officer

#### Preserving Albuquerque Through Critical Housing (PATCH) Ordinance

Approved:

Approved as to Legal Form:

-- DocuSigned by:

lauren keefe

6/9/2025 | 9:27 PM MDT

-1A21D96D32C74FF

Date

City Attorney

Recommended:

—Initial 子A -DocuSigned by:

6/9/2025 | 11:32 AM MDT

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: FUND:	O:
	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		Fi	scal 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	3									
Revenue from program Amount of Grant City Cash Match					-			-	•0	0
City Inkind Match City IDOH			-		-	(30)		-		-
Total Revenue	\$		-	\$	-	\$		-	\$	-

These estimates do not include any adjustment for inflation.

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:			APPROVED:  DocuSigned by:			
anna M Lyan 703FC7E1C7D844D	6/9/2025   10:	06 AM MDT	Gilbert Ramines/	9/2025   11:32 AM MDT	P	
FISCAL ANALYST		( <del>)</del>	Director			
REVIEWED BY:		DocuSigned by:		Signed by:		
Simon Miller 501490BC914B4C1	6/9/2025   12:4	9 Phantena Davis	6/9/2025   1:01	PICLUMISTINE BOURNEY E02C282348CC47D	6/9/2025	2:34 PM MDT
EXECUTIVE BUDGET AN	IALYST	BUDGET OF	FICER	CITY ECONOMIS	ST	

<sup>\*</sup> Range if not easily quantifiable.