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**SPONSORED BY: Joaquín Baca**

ORDINANCE

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.

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

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

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

§14-21-9-2 PURPOSE. The purpose of this ordinance is for the City or their designee to administer a 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.

§14-21-9-3 DEFINITIONS.

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

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

RESTRICITVE COVENANT. A recorded agreement requiring continued owner occupancy for a defined number of years.

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

**§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**

**(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 prevail.**

**(F) In the event of a conflict between this ordinance and an existing local, state, or federal law, those requirements in existing law 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. This maximum may be increased annually or as needed based on the U.S. Bureau of Labor Statistics' Producer Price Index (PPI). If repairs are identified after the initial inspection that could not have reasonably 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 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.**

**(D) HVAC, such as Installation or repair of heating, ventilation, or cooling systems needed for year-round livability and protection from extreme weather.**

**(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.**

**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.**

**§14-21-9-6 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 the Affordable Housing Opportunity Ordinance §14-9-11. 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.**

- 1       4.       If the property is sold or transferred before the end of the loan term
- 2       (excluding exempt family transfers), the property owner shall be required to
- 3       repay to the City a prorated portion of the assistance received, based on
- 4       the amount of time remaining in the affordability term. The funds shall be
- 5       directed into a dedicated revolving fund to support future PATCH program
- 6       activities.
- 7       5.       Transfer of ownership to an immediate family member (defined as
- 8       spouse, child, stepchild, sibling, or parent) shall not trigger loan
- 9       repayment, provided the new owner agrees in writing to assume all loan
- 10      obligations, including continued occupancy requirements.
- 11      6.       If the property owner passes away during the loan period, repayment
- 12      shall not be required so long as the property is transferred to an immediate
- 13      family member who agrees in writing to maintain the property as their
- 14      primary residence for the remainder of the original term. If no immediate
- 15      family member assumes ownership and occupancy, repayment by the
- 16      seller shall be due upon sale or transfer of the property.

#### 17      §14-21-9-7 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.

#### 33      §14-21-9-8 FUNDING.

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

5 **SECTION 2. SEVERABILITY.** If any section, paragraph, sentence, clause, word  
6 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 as  
13 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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