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Gregory S. Shaffer
County Manager

July 25, 2023

The Honorable Sandra Thompson
Director
Federal Housing Finance Agency
400 7th Street, SW
Washington, DC 20024

RE: Board of County Commissioners Support for the Implementation of Federal Housing Finance Agency Tenant Protections

Dear Director Thompson,

The Board of County Commissioners (Board) of Santa Fe County provides the following comments in response to the Federal Housing Finance Agency's (FHFA) Request for Input on Tenant Protections for Enterprise-Backed Multifamily Properties (May 2023) ("RFI"). The Board is in strong support of implementing tenant protections for FHFA-backed multi-family properties. We appreciate the opportunity to provide comments on this issue of vital importance to Santa Fe County residents.

Santa Fe County is currently experiencing an affordable housing crisis. As a result, a large number of the workforce are obligated to commute into work every day from surrounding communities. Per the U.S. Department of Housing and Urban Development, there are an estimated 24,388 in-commuters who would like to relocate to Santa Fe.

For a small community, Santa Fe County has a high rate of individuals who are unhoused or experience unstable or precarious housing. At this time there are approximately 234 unhoused people in Santa Fe (New Mexico Coalition to End Homelessness, 2023). The unhoused community, those that have unstable housing, and the workforce could benefit greatly if there were more affordable housing options available to them.

We recommend that FHFA prohibit source of income discrimination in FHFA funded properties. It has proven to be challenging for voucher holders in Santa Fe to find decent housing that will accept a voucher or to find a unit that meets HUD's rent reasonableness standards. As of July 1, 2023, the Santa Fe County Housing Authority is seeing a 20% success rate of voucher holders finding placement for their vouchers in the Santa Fe County market. This means that approximately 80% of

voucher holders lose their voucher prior to ever entering subsidized housing, primarily due to rental increases and market conditions. A prohibition on source of income discrimination would create more housing options for voucher holders.

With rental rate hikes also being a major issue in Santa Fe, we would also recommend that FHFA limit rent increases to reasonable amounts. Clients of our Santa Fe County Housing Authority have seen rental increases in 2023 that range from 5%-51% annually with an average annual increase of 21%, which is substantial in any market. The Housing Director has also fielded several emails and phone calls from constituents who are not our clients who have provided complaints about increases in their rents. We would recommend that the FHFA limit rental increases to reasonable amounts based on inflation. The FHFA could allow for larger increases when these increases can be justified by the need to finance necessary capital improvements to a property.

While these suggestions address two of our primary concerns, we look forward to future opportunities to engage with the FHSA on other aspects of affordable housing law and policy, including those issues and sub-issues identified in the RFI. Lastly, we want to express our support for the principles stated in the White House Domestic Policy Council and National Economic Council's "Blue Print for a Renters Bill of Rights" and urge the FHFA to consider those principles as it creates and enforces renter protections.

The Board approved this letter at a meeting held on July 25, 2023.

Respectfully,



Anna Hansen, Chair
Board of County Commissioners



Hank Hughes, Vice Chair
Board of County Commissioners