

PRRAC
Poverty & Race Research Action Council
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September 4, 2026

Housing New Mexico | MFA
Attn: Jeanne Redondo
7425 Jefferson St NE
Albuquerque, NM 87109

Sent electronically to jredondo@housingnm.org

RE: Public Comment on the Draft 2027 Qualified Allocation Plan (QAP)

To Whom it May Concern:

The Poverty & Race Research Action Council (PRRAC) respectfully submits these comments regarding the Draft 2027 Qualified Allocation Plan (QAP). PRRAC has extensively researched how federal programs, particularly the Low-Income Housing Tax Credit (LIHTC) program, can be leveraged to support social and collective ownership models. New Mexico has a strong history of land stewardship and Community Land Trusts (CLTs) that could be better supported by the QAP.

PRRAC is a national civil rights organization bridging law, policy, social science, and grassroots organizing to advance racial and economic justice. PRRAC brings deep expertise on housing justice and educational equity to grassroots movement organizations and coalitions, through legal analysis, policy design, and research translation. Our work is grounded in empirical research, legal analysis, and demonstrated solutions to ensure that federal housing programs advance equity, inclusion, and opportunity.

1. Background on Community Land Trusts in New Mexico

The Community Land Trust model ensures permanent affordability by separating the ownership of land from its structures. Land trusts effectively remove the underlying land off of the speculative market and allow topside improvements such as homes to be sold or rented for much lower costs while the trust preserves perpetual affordability.

Land Trusts have existed in New Mexico since 1988 when local residents of Taos formed a conservation-based trust to steward open land at risk for development. Since then, numerous

other conservation land trusts have been established across New Mexico.¹ There has also been scholarship surrounding the connection between permanent preservation models and land stewardship principles found in many Indigenous/Native communities, which may be a factor in New Mexico's embrace of land trusts.² While conservation trusts are not established with housing in mind, they introduce the concept and real world application of collective ownership and perpetual preservation to the governments and residents in the community. Organizing for environmental preservation through non-traditional ownership models can and has led to the development of CLTs.

In Albuquerque, the Sawmill Community Land Trust (SCLT) was founded in 1996 to replace an existing traditional affordable housing development organization as it moved to a CLT model. The SCLT collaborated with the local government to reclaim a 27 acre polluted former industrial site which was remediated and developed into their first project, the Arbolera de Vida (the Orchard of Life). This project has been consistently used as a case study and proof of concept for CLT models.³ Since then, SCLT has expanded to cover 34 acres which include mixed-income, rental housing, housing for seniors, commercial spaces, public amenities, and homes for first-time homebuyers.

The Sawmill Community Land Trust has always included and continues to utilize LIHTC in their financing strategy. Tax exempt entities, like SCLT, sell their awarded tax credits to private "Limited Partners" for additional financing to fund the project. LIHTC is especially attractive to developers not only because of its robust funding opportunity, but also because of its ability to be layered with other programs, including some which can be sought and awarded simultaneously like HOME rental funds. Nonprofit housing developers and CLTs are incredibly likely to include LIHTC credits in their financing plan and thus should advocate for a QAP that prioritizes and incentivizes their goals.

¹ NM Land Conservancy, Rio Grande Agricultural Land Trust, Santa Fe Conservation Trust.

² Aaron Fernando, *How Indigenous Land-Use Practices Inform the Current Sharing Economy*, Schumacher Ctr. for a New Econ. (Nov. 3, 2017), <https://centerforneweconomics.org/newsletters/how-indigenous-land-use-practices-relate-to-community-land-trusts-the-commons/>.

³ *Case Study: Sawmill Community Land Trust - Albuquerque, New Mexico*, Adaptation Clearinghouse (July 25, 2020), <https://www.adaptationclearinghouse.org/resources/case-study-sawmill-community-land-trust-albuquerque-new-mexico.html>; Harold Simon, John Emmeus Davis & Miriam Axel-Lute, *Cheaper Together: How Neighbors Invest in Community*, Yes! Mag., Summer 2012.

2. Recommendations for the 2027 QAP

To bring the New Mexico QAP into closer alignment with the state's history of prioritizing permanent conservation and affordability, we recommend the following modifications:

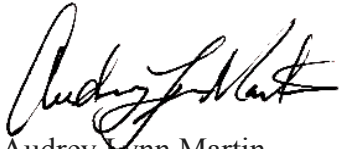
- **Incentivize Perpetual Affordability:** The current QAP caps affordability incentives at 50 years. We recommend amending the Extended Use scoring category to include additional tiers of point incentives for projects committing to 99-year or perpetual affordability, which would properly reward models like CLTs.
- **Implement a Rent Stabilization Clause:** Because LIHTC rent restrictions are based on Area Median Income (AMI), economic pressures can cause AMI to fluctuate drastically, leading to higher rents and economic displacement. The QAP should include a rent stabilization section that caps rent increases to a set percentage per year.
- **Formalize Right of First Refusal (ROFR) Language:** The QAP should explicitly reaffirm that the ROFR is possessed by tenants (in cooperative form or otherwise), a resident management corporation, a qualified nonprofit organization, or a government agency. Furthermore, language should be added stating that the right may be exercised without a bona fide third-party offer and that the transfer must be executed strictly at the statutory minimum purchase price under IRC § 42(i)(7).
- **Define "Good Cause" Eviction:** The current QAP does not offer a definition of good cause, which weakens tenant security. We recommend defining good cause as "serious or repeated violations of a material term of the lease, as that definition is applied with respect to federal public housing".
- **Expand Eventual Tenant Ownership:** The QAP limits points for "Projects with Units Intended for Eventual Tenant Ownership" to small homes, such as single-family or duplex styles. This category should be expanded to include larger developments to avoid disincentivizing tenant cooperatives and CLTs in larger buildings.
- **Prioritize Collective Ownership and Nonprofits:** We recommend explicitly naming and incentivizing collective ownership models by creating a new points section or set-aside prioritizing community and tenant ownership models. Additionally, the nonprofit set-aside should be increased beyond the 10% federal minimum.

3. Timeline and QAP transparency

PRRAC has regularly tracked the Housing New Mexico website for months for updates on the dissemination and timeline of the draft QAP and public hearing/comment period. The calendar document on the “Current and Prior Tax Credit Rounds” tab of the website appears to have been published on August 28, 2026, one day after the public hearing and only one week prior to the close of the written comment period. 21 days is an already brief comment period and the lack of clarity on the website makes it difficult for the public to meaningfully give feedback. This could be improved in future rounds.

Thank you for your time, consideration, and commitment to expanding sustainable, affordable housing across New Mexico.

Sincerely,

A handwritten signature in black ink, appearing to read "Audrey Lynn Martin". The signature is fluid and cursive, with the first name "Audrey" being more prominent.

Audrey Lynn Martin

Housing Policy Counsel, PRRAC