

**Governing Board Special Meeting
Budget Work Session
February 12, 2021**

Executive Summary

Challenges FY21 and FY22

As the SFCC budget is monitored and adjusted for FY21 and developed for FY22, the college is in the midst of an economic environment whereby President Biden has referred to the situation as a national emergency. Governor Michelle Lujan Grisham has renewed the Public Health Emergency in New Mexico through Executive Order 2021-004. The national and state conditions and uncertainty merits that SFCC remains in a Bona Fide Financial Emergency. Due to the impending circumstances brought on by the pandemic and economic crisis, SFCC has experienced a rapid decline in enrollment and recurring tuition and fees revenue. The decline from FY20 to FY21 is expected to be (\$2,000,000) in recurring revenue. Furthermore, a (\$2,000,000) reduction to SFCC’s recurring revenue is a massive decrease over a one year period. Further challenges exist with the uncertainty of state appropriation recurring revenue.

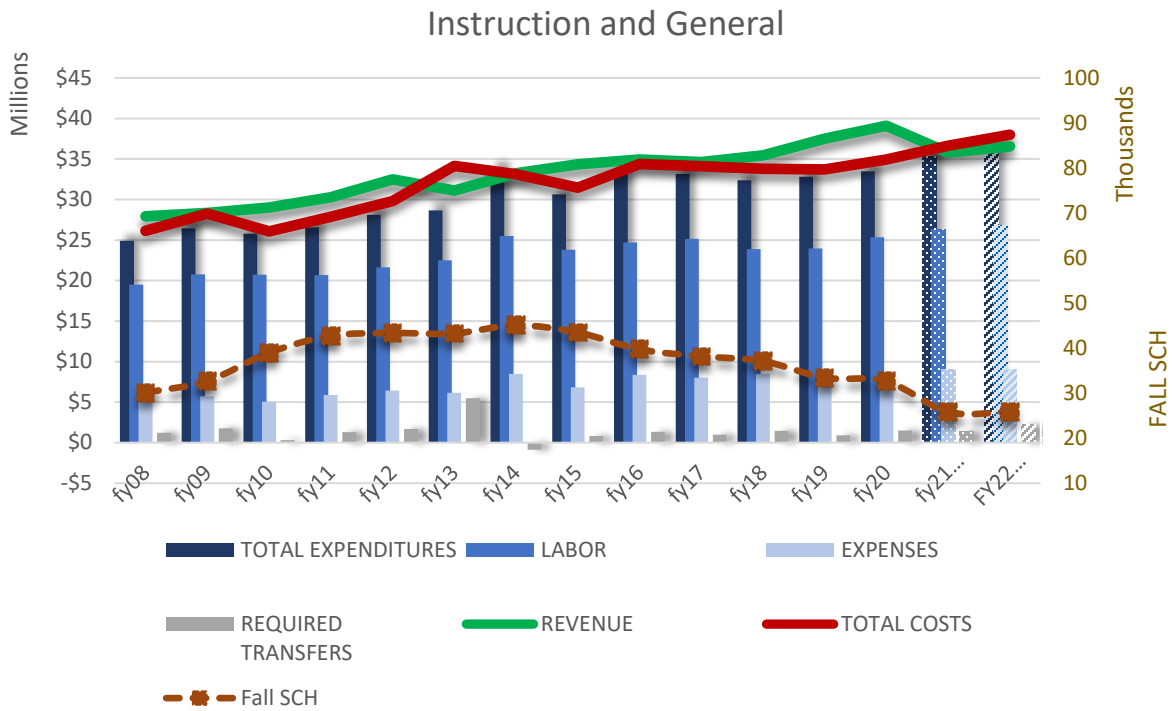


Figure 1

Because of state budget challenges related to the pandemic, state appropriations for SFCC have declined (\$1,359,400) from the original budget in FY21 as a result of the June 2020 Special Legislative Session. The result of the year-to-year decrease in SFCC I&G recurring revenues is a total decline of approximately (\$3,287,756). Figure 1 above illustrates the result of this change in recurring revenue and it is apparent that after FY21 SFCC will have a “structural” problem (deficit) where the red expense line exceeds the green recurring revenue line. It is anticipated that this “structural” deficit will be solved in FY21 with one-time cost savings, as well as, one-time federal Higher Education Emergency Relief Funding (HEERF). However, in FY22, when the one-time savings are not available, the college could experience a recurring revenue and recurring expense deficit that exceeds (\$1,000,000).

Additional Risks

One of the factors that is driving the (\$1,000,000+) deficit is related to prospective legislation that is likely to pass and will have a substantial budget impact. Senate Bill 42, sponsored by Senator Mimi Stewart, if enacted into law, will

increase the ERB retirement employer portion by 1% for the next four years. The cost of this in FY22 is anticipated to be approximately \$201,000. Additionally, HB2 sponsored by Representative Patty Lundstrom, if enacted into law will require a 1.5% pay increase to SFCC that will cost approximately \$313,000. The total of these potential legislative requirements together will cost approximately \$515,000.

While current proposed legislation does not suggest an additional reduction to the SFCC state appropriations, there is the small possibility of further reductions related to state budget challenges in this uncertain climate.

Management will have to watch the mill levy revenues very closely as Santa Fe County has an unemployment rate of 7.2% in December 2020. News reports have also identified that there is a high degree of potential evictions in the Santa Fe area which could affect the ability for property tax bills to be paid. Additionally there is concern over commercial real estate as well.

There is a substantial risk with using one time funding to solve the structural budget problems between recurring revenues and recurring expenses.

Mitigating Factors

SFCC was awarded \$3,100,000 in Higher Education Emergency Relief Funding. Management is proposing that this one time funding be used primarily for student scholarships. Management is recommending that of this one-time funding, \$1,000,000 is potentially used for shoring up I&G revenues related to the decline in tuition and fee revenues; \$1,900,000 be used for student scholarships; and \$200,000 for information technology needs.

SFCC has restored its cash reserve balances to an adequate level in recent years. The board may want to consider the use of cash reserves, however if cash reserves are utilized to address the “structural” deficit it is highly recommended that this practice not be implemented for more than two years as utilizing cash reserves for recurring operating budget activities is unsustainable for the long term and may lead to cash flow problems for the college.

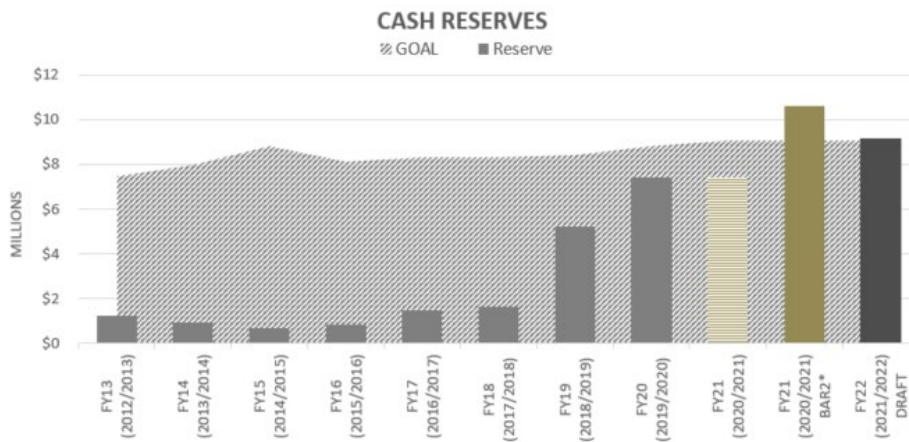


Figure 2.

Management is exploring sourcing a vendor to operate the college’s auxiliaries in order to avoid the high level of uncertainty related to COVID-19 and the ability for the college to mitigate what could be large subsidies to the auxiliary funds.

FY21 Budget to Actual

as of 02/09/21

58%

Exh	B	C	D	E (C+D) Comp	F (B-E)	H	I	J (H-I)	L	M	N	O (M+N)	P (L-O)	R	S	T	U (B+H+L+R)	V (C+I+M+S)	W (D+N)	X (V+W) Total	Y (U-X)				
	Comp Budget	Comp YTD	Comp Committed	Spent/Committed	Comp Avail Bal	Benefits Budget	Benefits YTD	Benefits Avail Bal	Oper Exp Budget	Oper Exp YTD	Oper Exp Committed	Oper Exp Spent/Committed	Oper Exp Avail Bal	Intrl Svcs Budget	Intrl Svcs YTD	Intrl Svcs Avail Bal	Total Budget	Total YTD	Total Committed	Spent/Committed	Total Avail Balance				
10	10,247,571.67	4,961,705.74	1,061,829.91	6,023,535.65	4,224,036.02	2,922,982.47	1,497,423.71	1,425,558.76	927,596.04	344,974.02	336,463.08	681,437.10	246,158.94	2,089,050.93	1,047,357.66	1,041,693.27	16,187,201.11	7,851,461.13	1,430,153.99	9,281,615.12	6,905,585.99				
11	2,198,487.86	1,169,164.08	721,010.78	1,890,174.86	308,313.00	748,697.22	355,739.66	392,957.56	511,670.99	194,497.36	151,822.77	346,320.13	165,350.86	383,703.23	192,371.79	191,331.44	3,842,559.30	1,911,772.89	915,615.98	2,827,388.87	1,015,170.43				
12	2,262,551.83	1,063,364.39	743,789.27	1,807,153.66	455,398.17	761,951.45	353,821.38	408,130.07	408,400.00	503,489.92	537,218.96	1,040,708.88	(632,308.88)	468,970.61	235,121.11	233,849.50	3,901,873.89	2,155,796.80	1,264,082.11	3,419,878.91	481,994.98				
13	3,661,459.66	1,829,276.04	1,365,320.98	3,194,597.02	466,862.64	1,260,022.76	759,501.02	500,521.74	1,221,934.59	340,610.15	332,107.82	672,717.97	549,216.62	788,723.31	395,430.94	393,292.37	6,932,140.32	3,324,818.15	1,989,664.38	5,314,482.53	1,617,657.79				
14	1,648,868.28	762,427.32	581,645.72	1,344,073.04	304,795.24	572,267.04	123,541.37	448,725.67	1,653,255.00	841,112.62	392,499.33	1,233,611.95	419,643.05	532,921.16	267,183.08	265,738.08	4,407,311.48	1,994,264.39	626,293.68	2,620,558.07	1,786,753.41				
	20,018,939.30	9,785,937.57	4,473,596.66	14,259,534.23	5,759,405.07	49%	6,265,920.94	3,090,027.14	3,175,893.80	49%	4,722,856.62	2,224,684.07	1,750,111.96	3,974,796.03	748,060.59	47%	4,263,369.24	2,137,464.58	2,125,904.66	35,271,086.09	17,238,113.36	6,225,810.14	23,463,923.50	11,807,162.59	49%
15	-	4,833.94	-	4,833.94	(4,833.94)	-	78,421.19	(78,421.19)	86,716.00	19,950.77	4,800.00	24,750.77	61,965.23	-	-	-	86,716.00	103,205.90	189,698.50	292,904.40	(206,188.40)				
17	934,198.50	419,638.95	279,455.10	699,094.05	235,104.45	323,969.48	18,722.81	305,246.67	193,369.31	561,576.36	1,062,263.56	1,623,839.92	(1,430,470.61)	-	-	-	1,451,537.29	999,938.12	1,108,153.96	2,108,092.08	(656,554.80)				
17S	617,784.20	221,447.06	44,537.16	265,984.22	351,799.98	216,224.47	133,250.51	82,973.96	3,077,591.34	424,586.10	538,217.44	962,803.54	2,114,787.80	-	-	-	3,911,600.01	779,283.67	707,130.23	1,486,413.90	2,425,186.11				
18	1,588,552.23	746,190.76	542,835.23	1,289,025.99	299,526.24	547,049.03	202,133.87	344,915.16	2,134,245.00	1,491,058.82	335,111.51	1,826,170.33	308,074.67	(4,263,369.24)	(2,141,563.69)	(2,121,805.55)	6,477.02	297,819.76	753,571.11	1,051,390.87	(1,044,913.85)				
19	-	-	-	-	-	-	27,610.19	(27,610.19)	770,000.00	359,551.91	114,019.14	473,571.05	296,428.95	-	-	-	770,000.00	387,162.10	162,627.56	549,789.66	220,210.34				
20	603,881.97	55,334.75	39,059.82	94,394.57	509,487.40	203,345.03	138.83	203,206.20	1,085,500.00	1,034.18	-	1,034.18	1,084,465.82	-	-	-	1,892,727.00	56,507.76	-	56,507.76	1,836,219.24				
	23,763,356.20	11,233,383.03	5,379,483.97	16,612,867.00	7,150,489.20	47%	7,556,508.94	3,550,304.54	4,006,204.40	47%	12,070,278.27	5,082,442.21	3,804,523.61	8,886,965.82	3,183,312.45	42%	-	(4,099.11)	4,099.11	43,390,143.40	19,862,030.67	9,146,991.50	29,009,022.17	14,381,121.23	46%

10 INSTRUCTION- all instruction, EastWing, Tutoring, Continuing Education "CE" courses, Teamwork in Action, Contract training

11 ACADEMIC SUPPORT- VP Academic and Student Affairs, Deans, Academic Admins, Adjunct office, Grant development, Dual Credit, Achieving the Dream, IBest, Art on Campus

12 STUDENT SERVICES- AVP Student Success, Welcome Center, Registrar, Counseling Services. First Year Experience, Veteran Resource Center, TRiO, Financial Aid, Accessibility Services, Testing Center, Student Ambassadors, Student Publications, Student Recruitment

13 INSTITUTIONAL SUPPORT-President's office, Accreditation, Executive Mgmt, OPIE, VP Finance, Cashiers, Financial Services, Payroll, Purchasing, Security, HR, Title IX, MPR, Foundation, Switchboard

14 OPERATION AND MAINTENANCE OF PLANT- POM, Maintenance, Custodial, Grounds, Utilities, Waste Water Treatment Plant, Recycling, Property Insurance,

15 STUDENT SOCIAL AND CULTURAL ACTIVITIES- SGA

17 PUBLIC SERVICE (INSTUTIONAL)- Higher Education Center, Conference Center, Kid's Campus

17S PUBLIC SERVICE (SBDC)- NM Small Business Center, Santa Fe SBDC sub-center

18 INTERNAL SERVICE- OIT, General Services, Fleet, Postage, Copy Center

19 FINANCIAL AID- Federal, State, Local, Instructional (Dual Credit)

20 AUXILIARY ENTERPRISES- Bookstore, Food Services

FY20 & FY21 Revenue Summary

as of January 31, 2021

58% months thru the year

83% % of Academic Year

Account Type 51-Tuition & 52-Fees	FY20 Budget FINAL	EOY	% of FINAL Budget	FY21 Budget	FY21 FYTD	% of Change bdgt-bdgt
Credit -Tuition						
5101 Summer	375,934	367,817	98%	187,699	328,709	-50%
5103 Fall	1,600,347	1,600,348	100%	1,139,671	1,371,315	-29%
5104 Spring	1,435,575	1,436,031	100%	1,084,987	1,246,252	-24%
51301 Prior Year-Adj	(875)	(1,583)	181%		(2,638)	
	3,410,982	3,402,613	100%	2,412,357	2,943,638	-29%
	(214,825)	(8,369)				
Continuing Ed						
51101 Summer	192,090	197,218	103%	124,463	15,140	-35%
51103 Fall	279,172	282,052	101%	195,693	64,167	-30%
51104 Spring	100,000	164,064	164%	135,689	916	36%
51108 Workforce Devl non credit	24,540	24,540	100%	30,000	31,478	22%
51302 Prior Year-Adj	(244)	(244)	100%		(545)	
	595,558	667,630	112%	485,845	111,157	-18%
	(39,370)	72,072				
Challenge Course						
5250 Teamwork In Action	6,600	6,600	100%	15,000	-	127%
	(13,400)	-				
Contract Training						
51048 Contract Training	611,600	824,904	135%	450,000	266,447	-26%
	161,600	213,304				
Fees						
5205 Distance Fee	381,875	380,600	100%	-	-	-100%
5210 Service Fee	495,177	491,257	99%	520,177	583,309	5%
5220 Technology Fee**	141,479	140,359	99%	455,270	501,590	222%
5230 Lab Fee	344,952	332,018	96%	240,774	114,733	-30%
5240 Fitness Fee	431,290	429,690	100%	-	929	-100%
5270 Other Fees	59,845	62,553	105%	75,000	15,671	25%
51303 Prior Year - Fees	(691)	(1,162)			(4,990)	
	1,853,927	1,835,314	98%	1,291,221	1,211,241	-30%
Total Tuition and Fees	6,478,666	6,737,060	104%	4,654,423	4,532,482	45%
	(200,000)	258,394				
Student Government Assoc Fee (Exh.15)						
52711 Summer	13,633	12,108	89%	13,580	9,863	0%
52718 Fall	45,972	48,908	106%	37,280	38,609	-19%
52719 Spring	44,037	44,254	100%	35,856	34,657	-19%
51303 Prior Year-Adj		(41)			(81)	
	103,642	105,229	102%	86,716	83,048	-16%
SGA (\$1.00/4600)	69,094.67	70,152.50		57,811		
SGA Activities (\$.50/4601)	34,547.33	35,076.25		28,905		

Account Type 57-Sales and Services & 58-Other	FY20 Budget FINAL	EOY	% of FINAL Budget	FY21 Budget	FY21 FYTD	% of Change	
Sales and Services							
57133 East Wing	30,000	20,000	19,841	99%	20,000	829	0%
57111 Other			1,909			(26)	
	30,000	20,000	21,750	109%	20,000	803	0%
Other Sources							
58200 IDC	50,000	50,000	82,455	165%	50,000	79,012	0%
5810 Misc	10,000	10,000	55,141	551%	10,000	44	0%
58375 SIM lab			-				
58380 Innovation Center			144,967			7,116	
	60,000	60,000	282,562	471%	60,000	86,172	0%
Public Services (Exh.17 (1170))							
11701 Planetarium	-	-	534		-		
11702 Conf Center	159,000	147,000	157,071	107%	159,000	68,462	8%
11707 Kids Campus	1,040,304	822,549	1,010,479	123%	1,040,304	303,591	26%
11714 HEC	136,000	121,000	123,430	102%	136,000	99,806	12%
11720 1st Born			8,067			8,833	
	1,335,304	1,090,549	1,299,581	119%	1,335,304	480,692	22%
Auxiliaries (Exh.20 (1200))							
12005 Bookstore	1,025,000	790,000	827,763	105%	1,025,000	380,915	30%
12010 Food Services	900,000	650,000	644,865	99%	900,000	-	38%
	1,925,000	1,440,000	1,472,627	102%	1,925,000	380,915	34%

Account Type 53-Appropriations	FY20 Budget FINAL	EOY	% of FINAL Budget	FY21 Budget	FY21 FYTD as of 07/31	% of Change	
Appropriations							
53201 State	10,825,700	10,825,700	10,825,800.04	100%	10,615,200	6,223,499	-2%
53300 Local	20,440,762	20,440,762	21,237,669.86	104%	20,440,762	12,710,318	0%
	31,266,462	31,266,462	32,063,469.90	103%	31,055,962	18,933,817	-1%

CREDIT TUITION

SCH

	FY20			Budgeted			Change	FYTD		Variance from FY20
	ACTUALS	FY21	FY20	as of 02/01/21	Variance from BUDGET					
Summer-closed	8,075	4,038	-50%	6,641	64%	-18%				
Fall-closed	32,628	22,835	-30%	25,710	13%	-21%				
Spring	31,264	21,885	-30%	23,014	5%	-26%				
	71,967	48,758	-32%	55,365	14%	-23%				

	Spring 2020		Spring 2021		Change	Percent gain/loss
	5-Feb	3-Feb	5-Feb	3-Feb		
Headcount	5,219	3,459	-1,760	-33.72%		
FTE	2,028.33	1,534.23	-494.10	-24.36%		
Credit Hours	30,425.0	23,013.5	-7,411.5	-24.36%		
Courses	933	723	-210	-22.51%		

	Spring 2020		Spring 2021		Change	Percent gain/loss
	FINAL	3-Feb	5-Feb	3-Feb		
Headcount	5,241	3,459	-1,782	-34.00%		
FTE	1,969.5	1,534.2	-435	-22.10%		
Credit Hours	29,542.5	23,013.5	-6,529	-22.10%		
Courses	884	723	-161	-18.21%		

	BUDGET	FY21	FY20 - FINAL	
Summer Tuition				
Summer - In-District	119,184	211,344	229,914	1.77
Summer - Out-of-District	42,390	75,960	84,810	1.79
Summer - Out-of-State	23,335	39,435	47,558	1.69
Summer - Senior Tuition	2,790	1,970	5,535	0.71
	187,699	328,709	367,817	1.75

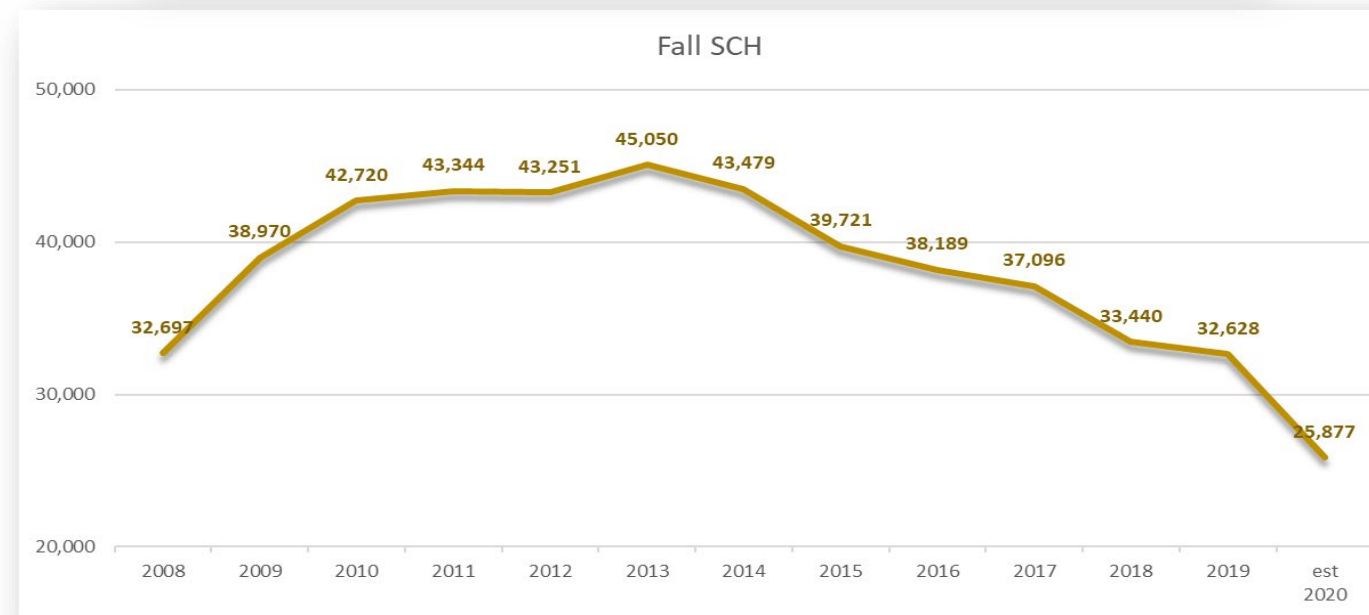
REVENUE-TUITION

	FY20			Budgeted			Change	FYTD		Variance from FY20
	ACTUALS	FY21	FY20	as of 01/31/21	Variance from BUDGET					
Summer-closed	367,817	187,699	-49%	328,709	75%	-11%				
Fall-closed	1,600,348	1,139,671	-29%	1,371,315	20%	-14%				
Spring	1,436,031	1,084,987	-24%	1,246,252	15%	-13%				
	3,404,195	2,412,357	-29%	2,946,276	22%	-13%				

	BUDGET	FY21	FY20 - FINAL	
Fall Tuition				
Fall - In-District	783,275	869,138	1,095,648	1.11
Fall - Out-of-District	235,149	292,099	330,600	1.24
Fall - Non-Resident	111,426	203,134	160,330	1.82
Fall - Senior Tuition	9,821	6,945	13,770	0.71
	1,139,671	1,371,315	1,600,348	1.20

REVENUE-FEES

	FY20			Budgeted			Change	FYTD		% of FY20
	ACTUALS	FY21	FY20	as of 01/31/21	% of BUDGET met					
Distance Fee	380,600	-	-100%	-						
Service Fee	491,257	520,177	6%	583,309	112%	119%				
Tech Fee	140,359	455,270	224%	501,590	110%	357%				
Lab Fee	332,018	240,774	-27%	114,733	48%	35%				
Fitness Fee	429,690	-	-100%	929						
Other Fees	62,553	75,000	20%	15,671	21%	25%				
	1,836,476	1,291,221	-30%	1,216,231	94%	66%				



	BUDGET	FY21	FY20 - FINAL	
Spring Tuition				
Spring - In-District	730,796	750,974	965,257	1.03
Spring Out-Of-District	224,645	290,726	300,570	1.29
Spring - Non-Resident	118,812	198,422	156,839	1.67
Spring - Senior Tuition	10,734	6,130	13,365	0.57
	1,084,987	1,246,252	1,436,031	1.15

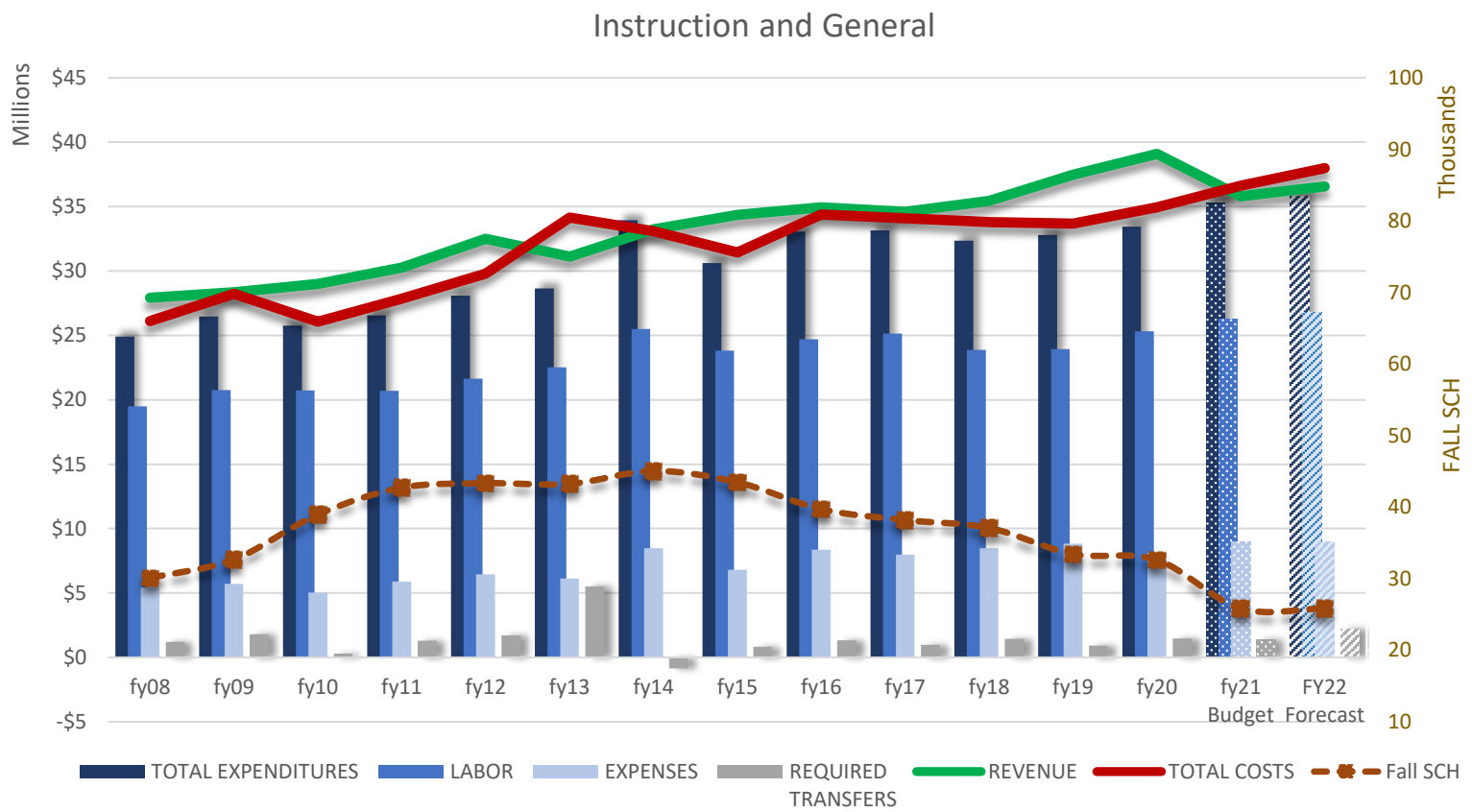
INSTRUCTION AND GENERAL SUMMARY

Financials and Estimates - DRAFT

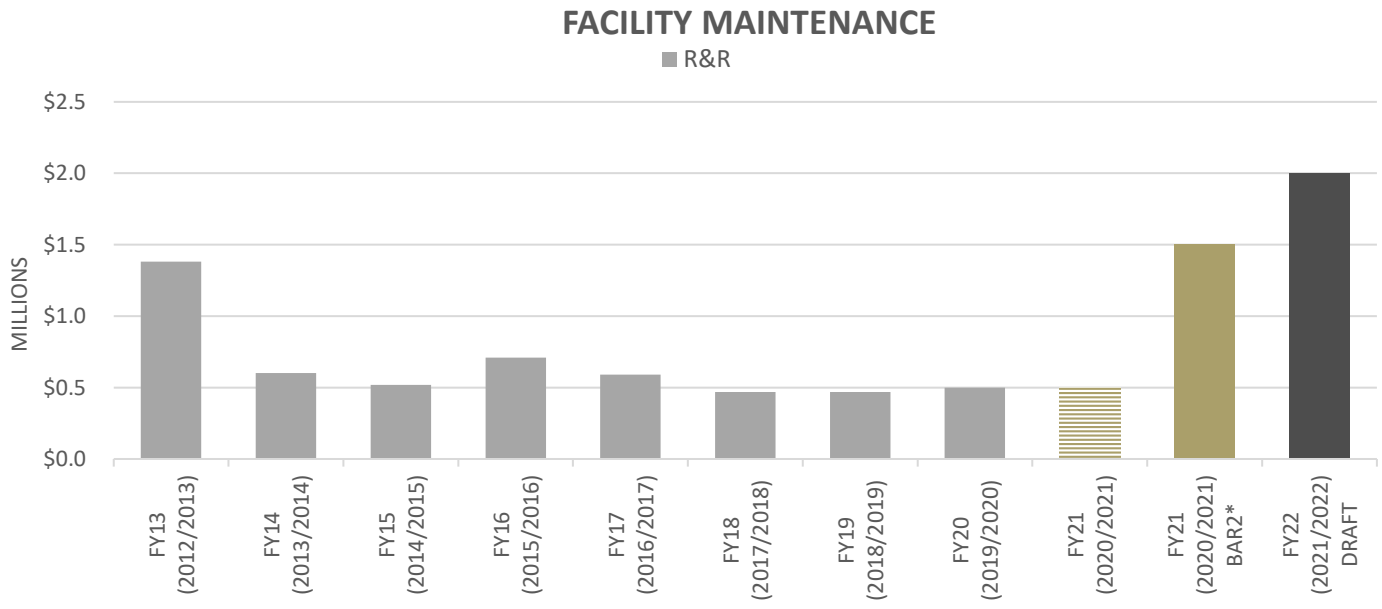
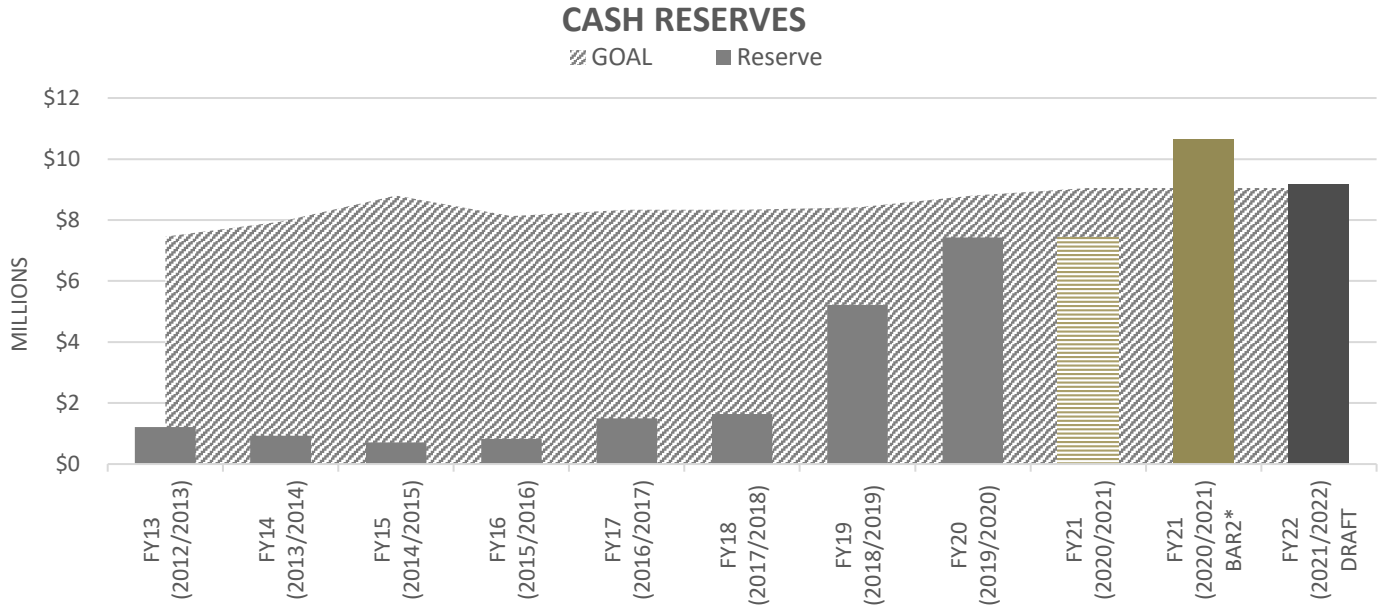
	FY19	FY20			FY21				FY22
	ACTUALS	Budget Final	ACTUALS	variance	Budget Original	Budget BAR1	Budget WORKING 1	Budget WORKING 2	Budget FLAT
REVENUES									
Tuition and Fees	6,882,802	6,298,238	6,730,460	432,222	4,654,423	4,654,423	4,654,423	4,654,423	4,650,000
State Government Appropriations	9,915,099	10,825,700	10,825,700	-	11,974,600	10,615,200	10,615,200	10,615,200	10,615,200
Local Government Appropriations	20,402,425	20,440,762	21,237,670	796,908	20,440,762	20,440,762	20,440,762	21,200,000	21,200,000
Sales and Serv of Educ Act. (East Wing)	41,560	20,000	21,750	1,750	20,000	20,000	-	-	-
Other Sources (IDC, misc)	237,770	60,000	282,562	222,562	60,000	60,000	100,000	1,100,000	100,000
	37,479,656	37,644,700	39,098,141	1,453,441	37,149,785	35,790,385	35,810,385	37,569,623	36,565,200
EXPENDITURES	32,791,185	36,045,452	33,455,446	(2,590,006)	36,546,287	35,271,086	34,292,383	34,292,383	35,802,953
NET [revenues-expenses]	4,688,472	1,599,248	5,642,695	4,043,448	603,498	519,299	1,518,002	3,277,240	762,247
TRANSFERS-required (IN) OUT									
Public Service	(69,170)	392,500	182,934	(209,566)			339,000	339,000	339,000
Public Service- First Born RPSP		150,000	150,000	-	150,000	141,000	141,000	141,000	141,000
Student Financial Aid	783,869	770,000	814,748	44,748	770,000	770,000	800,000	800,000	800,000
Auxiliary Enterprises	47,129	317,303	150,792	(166,511)					(50,000)
Tech Fee (Capital Outlay)	142,632	138,189	140,359	2,170	455,270	455,270	455,270	455,270	455,270
R&R- Facility Maint	-	39,000	39,000	-			1,000,000	1,000,000	500,000
	904,460	1,806,992	1,477,832	(329,160)	1,375,270	1,366,270	2,735,270	2,735,270	2,185,270
INCOME (LOSS)	3,784,012	(207,744)	4,164,864	4,372,608	(771,772)	(846,971)	(1,217,268)	541,970	(1,423,023)
+BEGINNING BALANCE	3,300,535	3,617,068	3,617,068		1,081,364	1,081,364	5,453,973	5,453,973	1,028,771
RESERVE TRANSFER IN (OUT)	(3,467,478)	(2,327,959)	(2,327,959)		834,321	834,321	(3,207,933)	(4,967,171)	1,468,341
ENDING BALANCE	3,617,068	1,081,364	5,453,973	44,748	1,143,913	1,068,714	1,028,771	1,028,771	1,074,089
Ending Balance as a percentage of I&G*	11.03%		16.30%		3.13%	3.03%	3.00%	3.00%	3.00%
Calculated 3%	983,736		1,003,663		1,096,389	1,058,133	1,028,771	1,028,771	1,074,089
Over/(short) 3%	2,633,333		4,450,309		47,524	10,581	(0)	(0)	0
TRASFER TOTAL (IN) OUT	4,371,938		3,805,791		540,949	531,949	5,943,203	7,702,441	716,929

INSTRUCTION AND GENERAL SUMMARY

Revenue and Expenses



AVAILABLE CASH
Cash Reserves - DRAFT



INSTRUCTION AND GENERAL SUMMARY

1x savings and new budget needs - DRAFT

EX	Description	FY21-BAR 1	FY21-working	FY22-flat
10	Adjunct savings	(321,000.00)	(204,000.00)	(525,000.00)
10	Temporary RIFs		(100,032.88)	
10	RPSPs reduction	(36,200.00)		
14	Temporary RIFs		(91,669.80)	
various	Vacancy Savings		(583,000.00)	
various	New*			699,667.21
		<u>(357,200.00)</u>	<u>(978,702.68)</u>	<u>174,667.21</u>

*New: Legislative actions (comp and ERB increase), budget requests, increasing institutional share on grant funded positions, living wage increase, health insurance increase

https://www.santafenewmexican.com/news/local_news/tsunami-of-evictions-possible-in-santa-fe-report-warns/article_21a23692-663e-11eb-94fd-ffcda97bo8.html

Tsunami of evictions possible in Santa Fe, report warns

By Sean P. Thomas stthomas@sfnewmexican.com

Feb 4, 2021



Patricio Blanco digs Thursday at the new Siler Yard development on Siler Road. Alexandra Ladd, director of the city of Santa Fe Office of Affordable Housing, says the current surge in construction will come to an end at some point, and the city should evaluate creative ways to support its affordable housing trust fund once development begins to dry up.

Gabriela Campos/The New Mexican

When the coronavirus pandemic began in March, city officials quickly instituted a moratorium on evictions, a vital lifeline for people who saw their incomes disappear as the virus shut down much of Santa Fe.

While the moratorium has been integral to keeping residents housed, it will not prevent landlords from evicting residents over back rent after the freeze ends.

So what will happen when all that unpaid rent comes due?

The short answer, according to Alexandra Ladd, director of the city of Santa Fe's Office of Affordable Housing: "Nobody knows."

"We can only expect it to be terrible," she said. "I think the number one solution is making money available so people can pay their rent back."

A new report presented Wednesday night to the City Council's Quality of Life Committee by the nonprofit Chainbreaker Collective provided a sobering look at the potential tsunami of evictions that might hit the city if the situation stays the same. The report found about 5,700 Santa Fe renter households — about 31 percent — are at risk of losing their housing when evictions resume.

Chainbreaker Collective Executive Director Tomás Rivera said in an interview Thursday those numbers are possibly on the conservative side.

“Those are the numbers that we can pin down,” Rivera said. “There are a lot of people who do not have leases. We are being as conservative as we can with those numbers, but it’s not hard to imagine that it is much worse.”

The city recently extended its eviction moratorium through an emergency order, now set to expire at the end of March. The U.S. Centers for Disease Control and Prevention also extended a federal moratorium on evictions until March 31. The Federal Housing Association extended its ban on evictions from properties secured through FHA single-family mortgages through March 31 as well.

Still, Ladd said it’s a “shared concern” that money for unpaid rent gets into the hands of those in need.

“Super simple,” she said. “We just have to get rents paid.”

Rivera noted the extended moratorium only provides more time to for rental debt to mount in a state where about three-quarters of residents have lost income due to the pandemic.

“The truth is, we’re counting on the moratoria staying in place to buy us at least enough time to figure out the details of those things,” Rivera said. “I think it’s likely that on the state and local level that that will happen and stay in place at least to the end of the health emergency.”

“The city has an interest in the moratorium working,” Mayor Alan Webber said. “From the time we put it in place, we have been advising people to work to resolve problems if it comes down to ‘Pay a certain amount of money each month.’ Continue to show good faith, and hopefully the federal government steps up and does what needs to be done.”

City Councilor Renee Villarreal said she’d like to see the moratorium extended past the emergency order, to cover the economic impacts of the pandemic.

Chainbreaker Collective plans to return with recommendations for how to stave off evictions in subsequent reports and discussions with the City Council, Rivera said. Mediation between landlords and tenants was one item discussed at Wednesday’s meeting, as was creating a licensing framework for landlords.

“We license businesses, we license restaurants. It’s not unheard of,” Rivera said. “We license people to drive. If we want to approach housing through the market, it seems totally reasonable. We have heard a lot more support for the idea than opposition.

“What is the political will for that?” Rivera added. “That remains to be seen.”

Rivera said a combination of financial aid and policy changes will have to be moved forward to tackle the mounting issue.

The report points out the pandemic has only exacerbated an ongoing housing crisis in Santa Fe.

Of the 35,593 occupied housing units in Santa Fe, 40 percent are inhabited by renters who make an average of \$41,375 annually. Half of the city’s renters are “rent burdened,” meaning they spend more than 30 percent of their income on rent.

According to the report, the average single parent with a teenager would have to work 58 hours a week to afford a two-bedroom home.

Throw in the data showing the tourism industry — leisure and hospitality workers make up about 16 percent of the city's workforce — has been one of the hardest-hit segments of the population during the pandemic, and you have perfect storm, Rivera said.

But, he said, there is a silver lining.

“Due to the pandemic, it's really forcing us as a society to really look at how these systems are working — are they not working — and to really ask how we can do better,” he said. “I think that is really what we have in front of us here.”

Attention to some of the long-term dynamics that have shaped Santa Fe's housing market could potentially lead to lower eviction numbers during a future crisis, Rivera said.

The city of Santa Fe does have an affordable housing trust fund, but similar to the 5,700 residents who risk eviction, it's also facing its own future troubles.

The fund is supported primarily through development revenue, most notably fees paid by developers in lieu of offering units below the market rate. In 2016, the Santa Fe Homes Program was amended to allow for developers to pay the fee instead of allocating 15 percent of newly constructed single-family rental units at rates considered affordable.

Most developers have opted to pay the fee, generating \$1.5 million in revenue for the fund since June 2018.

Since 2017, 750 units have been constructed, while currently, according to data from the city, 1,763 units are under construction, with an additional 1,628 units approved by the Land Use Department. Another 982 units are pending approval.

About 35 percent of the fund has gone toward down payment assistance for income-qualified homebuyers, while another 25 percent has gone to rental assistance for renters, Ladd said.

Ladd pointed out, however, that surge in construction will come to an end at some point, and the city should evaluate creative ways to support the fund once development begins to dry up.

“It's not sustainable,” Ladd said during a recent city Finance Committee meeting. “It relies on our market absorbing all of these units.”

Prior to Wednesday's presentation, Villarreal said her concern over mounting evictions has lessened due to conversations at the state level.

“I think what is giving me less anxiety about this being a bigger issue is that there is legislation at the state level that is trying to find a way to alleviate the situation so it doesn't get to the point of eviction,” she said.

Both Ladd and Villarreal noted another federal pandemic stimulus package for local governments would be an important step in making sure renters are able to pay down back rent.

Villarreal said she has been disappointed with some federal lawmakers who have seemingly pushed against providing local aid.

“They are really not understanding how support happens,” Villarreal said. “It really happens at the local and state level. Their inability to make policy is directly affecting us in Santa Fe.”

Sean Thomas

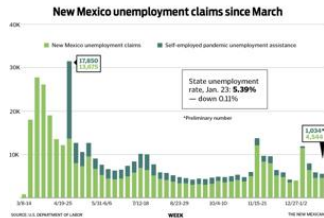
Reporter

https://www.santafenewmexican.com/news/local_news/unemployment-rate-mostly-unchanged-in-santa-fe-county-and-new-mexico/article_8ea084b8-64b5-11eb-b287-d747df109c4f.html

Unemployment rate mostly unchanged in Santa Fe County and New Mexico

By Teya Vitu tvitu@sfnewmexican.com

Feb 4, 2021



Week-to-week unemployment numbers in Santa Fe and New Mexico remained largely unchanged for the last week of January, according to the New Mexico Department of Workforce Solutions.

Santa Fe County had 321 people file initial regular unemployment claims for the week ending Jan. 30, four fewer than the prior week. Santa Fe County had 7,289 residents on the unemployment rolls Feb. 1, an increase of 46 over the prior week, Workforce Solutions statistics show.

Statewide, 99,717 residents are receiving continuing unemployment insurance benefits, the second straight week the number has been below 100,000, a number unseen since early in the pandemic.

Although, unemployment numbers were lower in the weeks immediately following Christmas because federal CARES Act benefits expired Dec. 26, ceasing jobless benefits for many until the program was restored Jan. 6 in New Mexico.

New Mexico weekly unemployment claims since March:

Jan. 23-28: 4,544 (1,034 self-employed federal Pandemic Unemployment Assistance)

Jan. 16-21: 4,608 (1,344)

Jan. 9-14: 6,402 (1,630)

Jan. 2-9: 11,514 (432)

Dec. 27-Jan. 2: 4,081 (temporarily discontinued)

Dec. 20-26: 3,587 (655)

Dec. 13-19: 4,802 (1,128)

Dec. 6- 12: 5,100 (1,321)

Nov. 29-Dec. 5: 7,959 (1,631)

Nov. 22-28: 8,337 (1,398)

Nov. 15-21: 12,159 (1,622)

Nov. 8-14: 5,034 (1,010)

Nov. 1-7: 3,848 (985)

Oct. 25-31: 4,209 (1,122)

Oct. 18-24: 3,818 (1,191)

Oct. 11-17: 3,641 (1,138)

Oct. 4-10: 3,918 (965)

Sept. 27-Oct 3: 3,314 (1,224)

Sept. 20-26: 3,067 (1,279)

Sept. 13-19: 3,314 (1,374)

Sept. 6-12: 3,048 (1,270)

Aug. 30-Sept. 5: 3,357 (1,264)

Aug. 23-29: 3,410 (1,434)

Aug 16-22: 3,725 (1,547)

Aug. 9-15: 4,175 (1,626)

Aug. 2-8: 4,359 (1,576)

July 26-Aug. 1: 5,117 (2,631)

July 19-25: 6,402 (3,649)

July 12-18: 6,881 (3,270)

July 5-11: 5,758 (2,661)

June 28-July 4: 4,935 (2,527)

June 21-27: 4,435 (2,131)

June 14-20: 4,236 (2,059)

June 7-13: 4,536 (2,091)

May 31-June 6: 5,290 (2,327)

May 24-30: 6,672 (2,437)

May 17-23: 9,524 (3,141)

May 10-16: 7,356 (3,253)

May 3-9: 8,024 (4,714)

April 26-May 2: 13,675 (17,850)

April 19-25: 12,093 (66)

April 12-18: 13,621

April 5-11: 19,043

March 29-April 4: 26,132

March 22-28: 27,849

March 15-21: 18,105

March 8-14: 869

Source: New Mexico Department of Workforce Solutions

New Mexico unemployment rate on Jan. 23: 5.39 percent, down 0.11 percentage point. National insured unemployment rate was 3.2 percent, down 0.2 percentage point from prior week.

Source: U.S. Department of Labor

Teya Vitu
Business Editor