

The current housing crisis is an issue created by inflation and lack of supply, and once in a generation job growth. While our community welcomes Netflix, Facebook, Amazon and the expansion of Intel, these new jobs, bring new people, who need new housing.

**INFLATION IN HISTORY**

**The last time we saw inflation numbers like those we are seeing currently was from 1972 to 1975 when inflation increased 32%.**

**Today, the COVID-19 pandemic created supply chain issues and stimulus funds that have made new construction 30% more expensive.**



**MULTI-FAMILY HOUSING FACTS**

* The average Albuquerque Metro apartment was built in 1972 and is 50 years old.
* 88% of apartment buildings in the metro are small   
  *(20 units or less)*, which is 5,206 buildings out of the total 5,910 apartment buildings.
* Many of the apartment complex owners are your neighbors, not large out of state entities.



**THE OUTCOMES OF RENT CONTROL:**

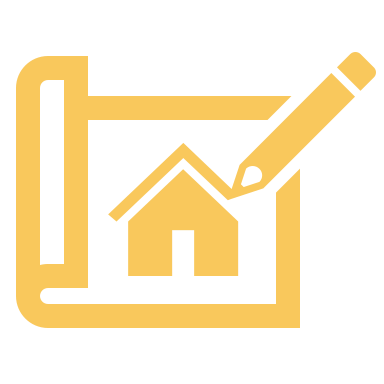
* Will damage local landlords most, as most units are small and have small owners   
  *(who own less than a dozen units)*
* Will stop new development the moment we need it the most
* Will freeze owners’ income when their expenses are undergoing the worst inflation since the 1970s
* Will stop owners’ ability to renovate units or bring them into this century
* We will see more units move to owner occupancy
* Ripple effect will kill local construction jobs *(our economy needs more)*
* Will kill economic development – if there is no place to live, there is no place to add jobs

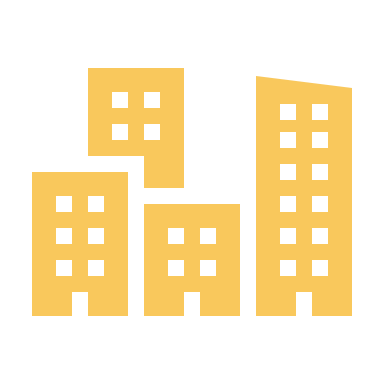
**Unlike the last housing shortages, Albuquerque now has a perfect foundation to address this need:**

* Fabulous IDO zoning that encourages redevelopment and new development
* An abundance of capital and financing *(that will disappear if rent control is passed)*
* A vibrant community of for-profit and non-profit developers

**SOLUTIONS WILL ONLY COME FROM INCREASING SUPPLY – *CONSIDER***

* Speed up plan checks, building inspections and approvals
* Short term moratorium on the portion of GRT that goes to the State of NM *(or all)*
* Creating incentives for more developers to enter the market
* Creating incentives to offset the cost of moving from wood to steel construction and encouraging taller buildings in appropriate areas like downtown and uptown
* Working with local building codes and fire regulations to streamline the conversion   
  of office and retail into residential
* Incentivize CNM to create more 2-year certificate programs for labor workers





**JOB/HOUSING NEEDS** AS OF 10/6/2022

**EBA for Albuquerque Area**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **F.A.A.(I).N.G. EFFECT** | **# of New Jobs** | **Basic** | **Basic Jobs** | **Non-Basic Jobs** | **Total Jobs** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Facebook Construction (est.) | 500 | N |  | 500 | 500 |
| Facebook Data Center Operations | 35 | Y | 35 |  | 35 |
| Fidelity Investments | 240 | S | 106 | 134 | 240 |
| Amazon Fulfillment Center – Project Chino | 1,500 | Y | 1,500 |  | 1,500 |
| Amazon Sortation Center – Project Nico | 200 | Y | 200 |  | 200 |
| Amazon Los Lunas – Project Charlie | 600 | Y | 600 |  | 600 |
| Amazon Airport |  |  |  |  |  |
| Intel Construction | 1,000 | N |  | 1,000 | 1,000 |
| Intel Expansion | 750 | Y | 750 |  | 750 |
| NBC Universal Studios | 330 | Y | 330 |  | 330 |
| Netflix Construction | 1,000 | N |  | 1,000 | 1,000 |
| Netflix Production | 1,500 | Y | 1,500 |  | 1,500 |
| Lance Industries | 70 | Y | 70 |  | 70 |
| LQ Digital | 100 | Y | 100 |  | 100 |
| Blue Halo (Additional Jobs Over 260) | 64 | Y | 64 |  | 64 |
| MTX Group Inc. (Downtown) | 250 | Y | 250 |  | 250 |
| Manna Capital LL | 950 | Y | 950 |  | 950 |
| Curia | 674 | Y | 674 |  | 674 |
| Vexus Fiber Optic | 200 | N |  | 200 | 200 |
| KAFB Space Force | 100 | Y | 250 |  | 250 |
| **TOTAL** | **10,063** |  | **7,379** | **2,834** | **10,213** |



|  |  |  |  |
| --- | --- | --- | --- |
| **EBM (Bernalillo County)** | 7.84 | 1.00 |  |
| Total New Jobs | 57,848 | 2,834 | 60,683 |
| **P/E Ratio =** |  |  | 2.17 |
| Total New People |  |  | 131,681 |
| **# Of persons per household** |  |  | 2.52 |
| Total New Households |  |  | **52,254** |
| **% That own** |  |  | 35% |
| # Of new single-family residences needed |  |  | **33,965** |

|  |  |
| --- | --- |
| **% That rent** | 35% |
| # Of new apartments needed at 100% occupancy | **18,289** |
| **Occupancy Rate at ideal market balance** | 95% |

|  |  |
| --- | --- |
| # Of new apartments needed at 95% occupancy | **19,252** |
| # Of new apartments built in 2020-2022 | 1,979 |
| **NEW Gap** | **17,273** |

|  |  |
| --- | --- |
| Total units ABQ/Rio Rancho | 91,148 |
| Occupancy in 2019 – # of units occupied at 96% | 87,502 |
| # Of vacant units = | 3,646 |

|  |  |
| --- | --- |
| **+New Gap+ occupied units – new occupied units** | 104,775 |
| % Occupancy | 115.0% |