

*New Mexico Finance Authority*  
**810 W. San Mateo Rd., Santa Fe, New Mexico 87505**  
**(505) 984-1454**  
**NMFA Board Meeting Minutes**  
**June 26, 2025**  
**Zoom**

**Members Present:**

Kathy Keith, Chair	Public Member, Los Alamos Natl. Laboratory
Joy Esparsen	Director, New Mexico Counties
Sam Collins	Designee, NM Economic Development Dept.
Kelsey Rader	Designee, NM Environment Department
Alison Nichols	Designee, NM Municipal League
Martin Suazo, Vice Chair	Public Member, Las Vegas, NM
Andrew Burke	Public Member, Las Cruces, NM
Marcos Trujillo	Designee, NM Dept. of Finance and Administration
Ben Shelton	Designee, Energy, Minerals & Natural Resources Dept.
Ronald Lovato	Public Member, Ohkay Owingeh

**Members Absent:**

Teresa Costantinidis	Public Member, University of New Mexico
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**New Mexico Finance Authority Staff:**

Aaron Kayser	Juliana Baumgartner
Adam Johnson	Leslie Medina
Angela Quintana	Luanna Salazar
Angelo Jaramillo	Lucas Elliot
Angie Hunt	Mark Chaiken
Arielle Lansdell	Marquita Russel
Bradley Fluetsch	Mary Finney
Brian Duboff	Mark Lovato
Carmela Manzari	Norman Vuylsteke
Chip Pierce	Maria Ruelas
Delanne Reichard	Oscar Rodriguez
Dora Cde Baca	Ratna Navabhaktula
Fernando Martinez	Rio Trujillo
George Elam	Ron Cruz
Jake Adams	Ryan Olguin
Jeff Baade	Susan Pittard
Joanne Johnson	Susan Rodriguez
John Brooks	Teresa Miller
John DuBois	Sharon Romero
Jolin Anaya	Theresa Garcia
Josh Young	Todd Johansen

**Guests:**

Aaron Beckworth	
Aaron Carlson	Pacific Cactus
Adam Lorbert	
Ashley DeHerrera	South Central Colfax
Bob Casillas	Stifel
Brad Angst	
Brenner Campbell	Sendero Alamo
Cally Carswell	
Carla Najjar	Virtue & Najjar, PC
Carolyn Ives	
Chris Senutovitch	Inskies
Chris Tafoya	Inskies
Craig Dussinger	BofA Securities
Dan Opperman	Taft/ Sherman & Howard
David Bailey	
Eric Martinez	
Eric Spencer	
Erik Harrigan	RBC
Fred Trujillo	
Isaac Leon	Sutin, Thayer & Browne
John Young	Wells Fargo
Jonathan Ortiz	Inskies
Leah March	
Leo Valdez	
Katy Liu	
Lyndsey Padilla	
Maithili Dupte	
Mark Giorgetti	Dharma Enterprises
Mark Valenzuela	
Mark Yaravitz	YSM
Matt Drinen	Little Toad Creek
Nathan Milles	
Nick Caine	Stifel
Pedro Ramos	
Rich Wood	Bank of Albuquerque
Stephen Martinez	YSM
Suzanne Bruckner	Sutin, Thayer & Browne
Teresa Dahl-Bredine	Little Toad Creek
Victor Garcia	Village of Ruidoso

- 1. Call to Order and Roll Call.** Chairman Keith called the meeting to order at 9:03 a.m. A quorum was established.
- 2. Approval of Agenda.** Member Suazo moved, seconded by Member Esparsen, to approve the agenda. The motion passed 10 – 0.

### **3. Approval of Board Minutes.**

**3.1 Member Suazo moved, seconded by Member Collins, to approve May 22, 2025, Board Minutes. The motion passed 10 – 0.**

### **4. Governance Items.**

**4.1 Report from the Nominating Committee.** CEO Russel reported that the committee conferred and recommends the nomination of A.J. Forte as Chair and Martin Suazo as Vice Chair.

#### **Informational Only.**

**4.2 Election of Officers.** A.J. Forte as Chair and Martin Suazo as Vice Chair.

**Member Esparsen moved, seconded by Member Suazo, for approval of agenda item 4.2. The motion passed 10-0.**

### **5. Report from the Chief Executive Officer (“CEO”), Marquita Russel.**

**5.1 Report from the CEO.** CEO Russel provided a staffing update. The Construction Project Coordinator and Asset Manager positions will begin in July, which will leave NMFA with just one vacancy created with the departure of Community & Economic Development Program Administrator Alysia Sanchez, who left NMFA earlier in June.

Staff began the month by making a presentation to the NMFA Oversight Committee at its organizational meeting on June 2nd. The committee is being Chaired this interim by Representative Joy Garratt with Senator Michael Padilla serving as Vice Chair. The committee is smaller this year, with only 24 members; however exactly half of them are new to NMFA. There will be three two-day meetings before the final half-day meeting on November 3rd to consider endorsement of legislation: July 9th & 10th in Las Vegas, August 11th & 12th in Española, and September 9th & 10th in Deming.

In addition to large handful of standard reports on the status of our programs, staff will be asking the committee to approve updated rules to the PPRF to accommodate the changes made by Senate Bill 170 passed during the 2025 Regular Session and signed by the Governor. Additionally, staff will be making the case to extend the temporary provision in place since 2011, which expires June 30, 2026, that allows NMFA to make loans to private businesses and non-profits from programs operated under the Economic Development Revolving Fund. Staff will also update the interim committee on water funding available through the federal DWSRF and state-funded WTB, as well as report on activities of the Water Trust Board; the expansion of the funding to wastewater; the evaluation of applications applying to the NM Unit Fund held at the Interstate Stream Commission; and the implementation of the Technical Assistance Program. Other topics covered by NMFA will include updates on the Opportunity Enterprise programs, the Charter School Revolving Fund, the Venture Capital Program, the implementation of the Solar Access Fund, and an overview of the Strategic Plan.

#### **Informational Only.**

- 6. Public Lending Committee Report.** *Committee Members are Mr. A.J. Forte, Chair, (Ms. Alison Nichols), Secretary Wayne Propst (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Kelsey Rader), Ms. Joy Esparsen (Mr. Richard Garcia) and Mr. Ron Lovato.*

**6.1 Update on Activities.** A quorum of the Public Lending Committee met on June 18, 2025, via Zoom. Member Nichols chaired the meeting, with members Richard Garcia, Marcos Trujillo and Kelsey Rader in attendance.

Staff presented one PG, three DW projects, eight PPRF projects, and thirty-two CIF projects; all were recommended to the Board for approval.

**Informational Only.**

- 7. Consent Agenda.**

**7.1 Town of Carrizozo (Lincoln County). PG-6780. \$60,000.** Carrizozo applied the LGPF to fund an Affordable Housing Act plan to include; demographic characteristics of the community, assessment of housing needs, review of land use and zoning policies while providing goals and quantifiable objectives.

**7.2 Vaughn Municipal School District (Guadalupe County). PPRF-6765. \$600,000.** In November 2023, the District received voter approval of \$2,400,000 borrowing to erect, remodel, equip, and furnish school buildings; purchase or improve school grounds; purchase computer software and hardware for student use; and provide matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act; or any combination of these purposes within the District. This approval is valid for a period of four years. The District will issue GOB in the amount of \$600,000 which NMFA will purchase with the PPRF. This is the second tranche of the 2023 voter approved GOB. The GOB proceeds will be used for district-wide facility projects and capital needs as identified in their current 2024- 2028 four-year FMP.

**7.3 Des Moines Municipal School District (Union County). PPRF-6768. \$275,000. 2025 Ed Tech Note.** The School District applied to the PPRF to purchase of Education Technology Equipment for District-wide projects. The District includes one elementary school and one high school. The New Mexico State Constitution does not require the District to receive voter approval for education technology equipment and related projects when such equipment is purchased through a lease-purchase agreement. The District will enter into a lease-purchase agreement with the NMFA secured by ad valorem property taxes. Under the terms of the lease-purchase agreement, the NMFA takes title to the equipment for the length of the agreement, but the title would be in the nature of a security interest. The District will have all the responsibilities of ownership. Staff has not received a final tax determination from bond counsel, therefore the loan at closing may be subject to tax exempt rates.

**7.4 Mesa Vista School District (Taos County). PPRF-6776. \$670,000.** In November 2023, the District received voter approval of \$4,500,000 borrowing to construct, remodel, make additions to and furnish school buildings, purchase or improve school grounds within the District. This approval is valid for a period of four years. The District will issue GOB the amount of \$670,000 which NMFA will purchase with the PPRF. The proceeds will be used for projects consistent with the District's 2023-2028 FMP.

**Member Suazo moved, seconded by Member Esparsen for approval of agenda items 7.1-7.4. The motion passed 10-0.**

## **8. Regular Agenda.**

**8.1 Alto Lakes Water and Sanitation District (Lincoln County). DWSRLF DWE- 6764. \$1,900,000.** The District has applied to the DWSRLF to design, construct, and equip a system for the removal of iron and manganese from the District's drinking water supply. A PER conducted in 2025 confirmed the continued presence of these contaminants. The IJA Emerging Contaminants Program provides financial assistance through the DWSRLF in the form of forgivable loans or grants. No state matching funds are required for this program. This project is currently ranked second on the Spring FY 2025 IJA Emerging Contaminants Fundable List.

**Member Suazo moved, seconded by Member Esparsen for approval of agenda item 8.1. The motion passed 10-0.**

**8.2 La Cieneguilla Water Company (Santa Fe County). DWSRLF DWE-6759. \$5,915,497.** The Company has applied to the DWSRLF to design, construct, and equip a system for the removal of per-and polyfluoroalkyl substances from the Company's drinking water supply. This project will deliver immediate relief to residents impacted by contaminated wells, while also developing a sustainable, long-term solution to ensure safe and reliable access to clean drinking water for both current and future generations. The IJA Emerging Contaminants Program provides financial assistance through the DWSRLF in the form of forgivable loans or grants. No state matching funds are required for this program. This project is currently ranked number one on the Spring FY 2025 IJA Emerging Contaminants Fundable List.

**Member Suazo moved, seconded by Member Esparsen for approval of agenda item 8.2. The motion passed 10-0.**

**8.3 City of Carlsbad (Eddy County). Request to Subordinate to Clean Water State Revolving Fund.** The City is requesting approval to change the lien status of its proposed loan from senior parity to subordinate. The City received approval from the NMFA Board in the amounts of \$17,092,884 and \$7,916,862 to fund various water projects. The pledged revenue utilized for this loan was the Net System Revenue of the City's Water and Wastewater fund with a twenty-year term and a coverage ratio of 2.94x (1.20x required).

The loans were originally approved and placed into the senior parity lien position with a Clean Water Revolving loan with the NMED. NMFA requested and received consent from the NMED. However, during the closing process it was discovered that the City of Carlsbad approved an ordinance that prevents any debt from being placed into a parity position with the NMED loan and determined that this loan should be moved to a subordinate position. Staff recommends approval to move DW-6669 and DW-6676 from a parity lien status to a subordinate lien status.

**Member Suazo moved, seconded by Member Esparsen for approval of agenda item 8.3. The motion passed 10-0.**

**8.4 The Village of Ruidoso (Lincoln County). PPRF-6761. \$1,502,424. 2025 Fire Equipment.** The Village has applied to the PPRF to finance the purchase of new fire equipment to be used to support fire suppression efforts throughout the Village, thereby promoting public health, safety, and welfare. The Village will pledge its State Fire Protection Funds as the revenue source for this loan. The Fire Department

has an ISO class two (2) rating, with three (3) main stations and two (2) sub-stations. The Fire Department receives an annual base distribution of \$288,818 from State Fire Protection Funds. The State Fire Marshal has provided a letter of approval for this loan.

**Member Shelton moved, seconded by Member Collins, for approval of agenda item 8.4. The motion passed 10-0.**

**8.5 South Central Colfax County Special Hospital District (Colfax County). PPRF-6772. \$7,500,000.** The District applied to the PPRF for financing of projects throughout the hospital district. In November 2024, voters approved and authorized \$10 million dollars of GOB to acquire, construct, improve, renovate, and equip hospital facilities owned or operated by the District, including the purchase or acquisition of real property necessary to the construction, operation, or maintenance of such hospital facilities. The GOB election authorization is valid for four years. The District will issue GOB in the amount of \$7.5 million dollars for this request, which NMFA will purchase with the PPRF. This is the first time the District has applied to the PPRF. The GOB proceeds will be used to construct a 16 bed extension of the existing 33 bed facility. \$7.4 million dollars will be designated for construction of the LTC building extension for infrastructure and furnishing the building.

**Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 8.5. The motion passed 10-0.**

**8.6 Espanola Public School District 55 (Rio Arriba County). PPRF-6773. \$10,000,000, 2025 Series GO Bonds.** The District applied to the PPRF to finance projects within the District. The District will issue GOB in the amount of \$10,000,000 which NMFA will purchase with the PPRF. The proceeds will be used for multiple district-wide facility projects and capital needs as identified in the 2022-2026 five-year FMP. The projects will be completed in phases and prioritized based on the 2022-2026 FMP and Public School Facilities Authority's state ranking order.

**Member Suazo moved, seconded by Member Esparsen, for approval of agenda item 8.6. The motion passed 10-0.**

**8.7 The Town of Taos (Taos County). PPRF-6779. \$8,255,000. 2025 Infrastructure Loan.** Taos applied to the PPRF for various renovation and improvement projects of the Filemon Sanchez Park Sports Complex and ECO Park. The proposed renovation will transform the existing facilities by adding three new synthetic turf fields designed to accommodate adult softball and youth baseball equipped with lighting for evening play. Additionally, the construction of a new parking lot, significant landscape and hardscape upgrades, and the development of a large central plaza featuring restrooms and concession buildings will improve comfort and usability. Taos will pledge the State Shared GRT as the source of revenue for this loan.

**Member Suazo moved, seconded by Member Shelton, for approval of agenda item 8.7. The motion passed 10-0.**

**8.8 Cimarron Municipal School District (Colfax County). PPRF-6775. \$1,250,000.** The District received voter approval in November 2023, of \$5,000,000 borrowing to construct, remodel, make additions and furnish school buildings, purchase or improve school grounds, or any combination of these purposes. The proceeds will be used for the continued building and infrastructure improvements at the Eagle Nest Elementary School which include but are not limited to landscaping improvements, parking



lot improvements, exterior facade improvements, ADA compliance of walkways, interior educational spaces and bathrooms.

**Member Collins moved, seconded by Member Suazo, for approval of agenda item 8.8. The motion passed 10-0.**

## **9. Colonias Infrastructure Board (“CIB”) Consent Agenda.**

**9.1 Presentation of the 2025 CIB Projects.** Staff presented for approval 32 applicants for the 2025 CIB application cycle. The applications were reviewed and scored using the established criteria by a team comprised of staff from NMED, OSE, NMDOT and NMFA in policy and regulatory compliance, project readiness/timing and evidence of complete funding was performed by staff. The projects were recommended for funding in the order prioritized by category type.

In addition, the CIB approved the funds from a 2022 cancelled project to be included for re-award in the current cycle, which is 4.5% of 2025 Severance Tax Bond capacity, or \$ 80,574,147.

The CIB postponed funding recommendations for four entities (with a collective eleven applications) due to noncompliance with the State Audit Rule/EO-Compliance. These eleven applications will be considered as part of a 2nd iteration for funding at the CIB’s September 2025 meeting.

The CIF Policies require that each funding package contain a loan component equal to 10% of the awarded amount with the remainder as a grant. The Policies also require a match component. Some projects are requesting an additional loan in lieu of the required match, which is also allowable by policy. All loans are structured as construction loans, which allows up to 24-months for the project to be completed prior to the first principal payment coming due. NMFA may require applicants to submit additional readiness to proceed (“RTP”) items in order to secure the funds. For the 2025 cycle, applicants are given until October 31, 2025, to submit RTP items.

Two projects on this year’s recommended list do not show historic capacity to undertake debt with the minimum 1x coverage. Verification of increased revenues (rate increase) and verification of the budgeted debt payment will be required prior to converting the construction loan to a permanent loan.

The CIB recommends approval of the 32 projects as presented for the identified scopes of work and funding amount. The grant/loan components consist of 90% grant and 10% loan, with the exception of six applicants (seven projects) who will take an additional loan in lieu of the required match component (80% grant / 20% loan).

**9.2 City of Bayard (Grant County). CIF-6698. \$1,210,000. Oak Street Lift Station Wastewater Improvements.**

**9.3 Town of Carrizozo (Lincoln County). CIF-6699. \$296,708. Drexel Blvd.**

**9.4 Catron County. CIF-6700. \$870,000. Menges Land Roadway/Drainage Improvements.**

**9.5 Dona Ana County. CIF-6710. \$3,600,000. Datil Pond & Channel.**

**9.6 Dona Ana MDWCA (Dona Ana County). CIF-6711. \$2,000,000. Water Well Project.**

**9.7 Dona Ana MDWCA (Dona Ana County). CIF-6712. \$5,000,000. West Mesa Water System Improvements Ph. 1.**

**9.8 Dona Ana MDWCA (Dona Ana County). CIF-6713. \$619,487. Dona Ana Lift Station & Force Main Ph. 3.**

- 9.9 Dona Ana MDWCA (Dona Ana County). CIF-6714. \$1,713,029. East Central Collection System.
- 9.10 Enchanted Forest MDWCA (Lincoln County). CIF-6715. \$500,000. Redundant Water Supply & Reliability of Current.
- 9.11 Grant County. CIF-6716. \$5,940,000. Arenas Valley Rd. Improvements Ph.3.
- 9.12 Village of Hatch (Dona Ana County). CIF-6717. \$350,000. Wastewater Collection System PER.
- 9.13 Village of Hatch (Dona Ana County). CIF-6718. \$270,500. Wastewater Treatment Plant Improvements.
- 9.14 Village of Hatch (Dona Ana County). CIF-6719. \$592,000. Water Disinfection System Replacement.
- 9.15 Lincoln County. CIF-6720. \$460,000. Rancho Ruidoso Roadway & Drainage Improvements Ph. 1.
- 9.16 City of Lordsburg (Hidalgo County). CIF-6721. \$864,000. 2nd St./Mary Dee Kipp Water System Improvements.
- 9.17 City of Lordsburg (Grant County). CIF-6722. \$487,200. Water System Improvements.
- 9.18 City of Lordsburg (Hidalgo County). CIF-6723. \$152,455. Wastewater Treatment Plan PER.
- 9.19 Village of Loving (Eddy County). CIF-6724. \$2,052,138. Streets/Drainage Project.
- 9.20 Luna County. CIF-6725. \$968,852. Dona Ana Improvement Project.
- 9.21 Malaga MDWC&SWA (Eddy County). CIF-6726. \$939,358. Water System Improvements - Ogden Rd.
- 9.22 Otero County. CIF-6727. \$225,000. Bent Round Mountain Rd./Drainage Improvements.
- 9.23 Otero County. CIF-6728. \$225,000. La Luz Section Rd./Drainage Improvements.
- 9.24 Otis MDWC&SWA (Eddy County). CIF-6729. \$2,485,651. Water System Improvements Tank Rehabilitation.
- 9.25 San Antonio MDWCA (Socorro County). CIF-6730. \$263,040. Water System Improvements.
- 9.26 Town of Silver City (Grant County). CIF-6731. \$1,953,270. Santa Clara Well Field Improvements.
- 9.27 Town of Silver City (Grant County). CIF-6732. \$1,084,625. Chloride N. Tank Interior/Exterior Renovations.
- 9.28 Town of Silver City (Grant County). CIF-6733. \$2,000,000. Swan St. Ph. 1 Construction.
- 9.29 South Central Solid Waste Authority (Dona Ana County). CIF-6735. \$9,000,000. SCSWA Holman Road Transfer Station.
- 9.30 City of Sunland Park (Dona Ana County). CIF-6736. \$400,000. Riverside Ph. 2 Drainage/Utility Improvements.
- 9.31 City of Sunland Park (Dona Ana County). CIF-6737. \$4,000,000. Calle Obregon/Carrosel Roadway and Drainage.
- 9.32 City of Truth or Consequences (Sierra County). CIF-6738. \$191,000. Municipal WW Collection System PER.
- 9.33 Tyrone W&WWA (Grant County). CIF-6739. \$503,124. WW Line Replacement & Rehabilitation.

Member Suazo moved, seconded by Member Burke for approval of the projects as presented. The motion passed 10-0.

- 10. **Economic Development Committee Report.** *Committee members: Secretary Rob Black, Chair (Mr. Sam Collins), Secretary Dylan Fuge (Mr. Ben Shelton), Ms. Teresa Costantinidis, Secretary Wayne Propst (Mr. Marcos Trujillo), and Mr. Ronald Lovato.*



**10.1 Update on Activities.** A quorum of the Economic Development Committee met on June 17, 2025, via Zoom. Member Sam Collins chaired the meeting with members Teresa Costantinidis and Ben Shelton in attendance.

Staff presented a final approval recommendation for Little Toad Creek, LLC in the NMTC Program. The committee recommends approval to the Board. Staff presented four Opportunity Enterprise Housing Development projects and one Opportunity Enterprise Commercial Development project. All five projects were recommended for approval.

**Informational Only.**

**10.2 Little Toad Creek Brewery & Distillery (Little Toad Creek, LLC). NMTC- 6690. \$7,000,000. Working Capital and Equipment.** Staff presented a final approval recommendation for Little Toad Creek, LLC for a loan totaling \$6,790,000. This project will help pay for a new production facility in Deming, New Mexico. This facility will be dedicated to producing distilled spirits and canned cocktails for distribution. In addition, the resolution will go over the documents which have been negotiated by NMFA staff with the deal group and give the parameters of the remaining closing documents.

The loan to value exceeds policy requirement of 95%, therefore staff is requesting a waiver for a 96.5% LTV. Pursuant to New Markets Tax Credit Lending and Credit Policies, FNM will seek the commitment of its borrowers toward the project through minimum owner contributions or down-payments of 5% for total investment requests of less than \$8,000,000. The proposed transaction complies with all NMFA policies. Staff recommends final approval of the New Markets Tax Credit financing for Little Toad Creek, LLC.

**Member Suazo moved, seconded by Member Shelton, for approval of agenda item 10.2. The motion passed 10-0.**

**10.3 YSM Development Advisors. OEHD-6796. Workforce Housing Project in Taos. \$6,342,360.** Staff presented a project with YSM to fund an 80-unit deed-restricted residential workforce housing development in Taos, NM on 20.6 contiguous acres of land. The unit mix will be comprised of two- and three bedroom dwellings approximately 1,097 to 1,250 square feet per unit each selling for \$409,689 and \$460,000, respectively. The financing structure of the OE-HDRF loan consists of a revolving line of credit across three tranches. Staff provided an overview of the financial summary, project strengths and weaknesses, and closing conditions.

Managing Partner, Mark Yaravitz and principal member Stephen Martinez of YSM Development Advisors, LLC introduced themselves to the Board and provided their educational background, business strategy and entrepreneurial background. Discussion ensued with staff and YSM representatives answering questions from the Board. The Credit Committee recommends approval as presented.

**Member Shelton moved, seconded by Member Lovato, for approval of agenda item 10.3. The motion passed 9-0. Member Suazo recused himself from this vote.**

**10.4 Inskies Investments. OEHD-6785. Workforce Housing Project in Albuquerque. \$4,000,000.** Staff presented Inskies Investment, LLC's proposal to build a 40-unit rental complex to provide workforce housing options in Albuquerque, NM. The workforce housing project will introduce 30 new housing units

and replace 10 multi-family units in the primary market area. The two new two-story apartment buildings will consist of a total of 25,600 square feet.

The housing development will provide below-market workforce housing options for income-qualified New Mexico residents. Deed restrictions for ten (10) years will be applied to prevent resales and non-workforce housing speculation. Staff went over collateral, borrower background, and the management team, and closing conditions. Staff answered questions from the Board.

**Member Suazo moved, seconded by Member Collins, for approval of agenda item 10.4. The motion passed 10-0.**

**10.5 Sendero Alamo, LLC. OEHD-6783. Workforce Housing Project in Alamogordo. \$15,000,000.** Staff presented Sendero Alamo, LLC's proposal to build 20 two story buildings with 80 two bedroom-units which are for workforce housing in Alamogordo, NM on 12 acres of land. The project will also include community amenities such as a community center, swimming pool, and BBQ area. The total project cost will be \$17,014,063 of which an OERFHD loan will fund \$15,000,000. Staff went over collateral, borrower background, and the management team, and closing conditions. Staff answered questions from the Board.

The loan will be secured by a first position lien on the proposed site. Staff has requested an appraisal of the complete project on an "As Complete" basis on June 12th, 2025. The project does not currently meet the policy requirement LTV of 80%. An "As Complete" appraisal will be submitted prior to loan closing and the appraised value must meet this requirement. The applicant has agreed to contribute additional funds to the project if needed to meet the LTV policy requirement for the OERFHD.

Richard Brenner Campbell, founder of Military Housing Authority, introduced himself, provided his military background and his experience with developing housing for military families, and his partnership with NM Eastern Regional Housing Authority. Discussion ensued amongst Board Members.

**Member Collins moved, seconded by Member Trujillo, for approval of agenda item 10.5. The motion passed 10-0.**

**10.6 Dharma Enterprise. OEFHD-6791. Workforce Housing Project in Santa Fe. \$3,550,181.** Staff presented Dharma Enterprise's proposal to build a 11-unit deed-restricted residential workforce housing development in Santa Fe, NM on 1.89 acres of land. The unit mix will comprise five duplexes (10 dwelling units) and the renovation of an existing outbuilding as an Accessory Dwelling Unit. The financing structure of the OERFHD loan consists of a construction period of eighteen months to permanent structured dwellings.

The loan will be secured by a first lien on the property located at 2200C St. West Alameda, Santa Fe, NM 87507. The subject-t property has an "Upon Stabilization" appraised value of \$4,400,000. The LTV for this request has been calculated at 81%.

Staff are seeking a waiver due to the project not currently meeting the policy requirement LTV of 80%. This is based on the structuring of the loan amount to include capitalized interest. Pursuant to the Housing Development Revolving Fund Loan Policies section III. "Loan Structuring Parameters". Staff went over collateral, borrower background, and the management team, and closing conditions. Mark Giorgetti,

Founder of Palo Santo Designs and partners with Dharma Enterprises, introduced himself, provided a background of the project, his experience as a general contractor, and the community impact

**Member Suazo moved, seconded by Member Shelton, for approval of agenda item 10.6 with the requested policy waiver. The motion passed 10-0.**

**10.7 Pacific Cactus. OECD-6794. \$4,500,000. Commercial Property Development Project in Albuquerque.** Staff presented Pacific Cactus's request for reimbursement of previously incurred costs in the amount of the loan. The project is approximately 70% completed consisting of three buildings with approximately 15 office/warehouse units each ranging from 1,000 to 5,000 SF. For a total of 27,000 SF commercial development in Albuquerque, NM. Situated on 2.72 acres, the unit mix is approximately 60% warehouse and 40% office.

Aaron Carlson, General Contractor of Sterling Pacific Corporation, introduced himself, provided a background of the project, his experience as a general contractor, and the community impact. Staff and Mr. Carlson addressed the Board's questions. Staff closed with going over collateral, borrower background, and the management team, and closing conditions.

**Member Suazo moved, seconded by Member Shelton, for approval of agenda item 10.7. The motion passed 10-0.**

- 11. Finance and Disclosure Committee Report.** *(Committee members: Mr. Martin Suazo, Chair, Mr. A.J. Forte (Ms. Alison Nichols), Secretary Wayne Propst (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Kelsey Rader), and Ms. Joy Esparsen (Mr. Richard Garcia).*

**11.1 Update on Activities.** A quorum of the Finance & Disclosure Committee met June 18, 2025, via Zoom. Member Martin Suazo chaired the meeting, with members Marcos Trujillo, Richard Garcia, Alison Nichols, and Kelsey Rader in attendance.

Staff presented the May Investment Report and the June Bond Issuance Forecast Report as informational items. Staff presented the proposed FY 2026 Budget. The Committee recommended approval of the FY 2026 Budget to the Board.

Staff presented the proposed award of contract to BDO Digital for technical and change management services for the Integrated Business Applications project. After issuance of an RFP and review of proposals, the evaluation team concluded that BDO Digital is most qualified to perform the services. The Committee approved the award. Staff presented the proposed ranking for FY 2026 - 2027 PPRF and Conduit Bond Underwriting Pool after issuance of an RFP and subsequent evaluation. The Committee recommended the award to the Board.

### **Informational Only.**

**11.2 FY 2026 Proposed Budget.** Staff presented the proposed FY 2026 Budget. The proposed budget is balanced in terms of operating revenue over operating expenditures, and comprises total revenue of \$543.9 million and total expenditures of \$244.3 million. Staff provided a proposed FY 26 procurement plan and an updated organizational chart to the Board.

**Member Suazo moved, seconded by Member Nichols, for approval of agenda item 11.2. The motion passed 10-0.**

**11.3 Selection of Bond Underwriter Pool for FY 2026 and FY 2027.** NMFA issued an RFP to select six underwriters to be eligible senior managers for the FY 2026 - 2027 PPRF and Conduit Bond Underwriting Pool and to select up to two underwriters to be alternative co-managers. By policy, the Board must approve both the underwriter assignments and the underwriter takedown commitments for the July 1, 2025 to June 30, 2027 period.

Five individuals, comprised of NMFA Staff and a representative from NMFA's PPRF Municipal Advisor, scored the proposals. The six underwriters eligible to be selected as senior managers based on proposal responses, in order, are: BofA Securities; RBC; Stifel; Morgan Stanley; JP Morgan; and Ramirez. Wells Fargo having scored seventh, and Jefferies, having scored eighth, are the first and second alternate comanagers.

Staff recommends that the Board approve: 1) the RFP results to form the FY2026 – FY2027 PPRF and Conduit Bond Underwriter Pool for the period July 1, 2025 to June 30, 2027 per the chart below;

<b>NMFA Underwriter Pool Assignments FY2026 - FY2027</b>			
New Mexico Finance Authority			
FY 2026 - FY2027 Scheduled Underwriter Pool Assignments			
<u>Bond Issue</u>	<u>Senior Manager</u>	<u>Co-Manager</u>	<u>Co-Manager</u>
1st FY 2026 - FY2027 Negotiated Bond Issue	BofA Securities	JP Morgan	Ramirez
2nd FY 2026 - FY2027 Negotiated Bond Issue	RBC	Stifel	Morgan Stanley
3rd FY 2026 - FY2027 Negotiated Bond Issue	Stifel	BofA Securities	RBC
4th FY 2026 - FY2027 Negotiated Bond Issue	Morgan Stanley	JP Morgan	Ramirez
5th FY 2026 - FY2027 Negotiated Bond Issue	JP Morgan	Stifel	Morgan Stanley
6th FY 2026 - FY2027 Negotiated Bond Issue	Ramirez	BofA Securities	RBC
Alternate Co-Manager #1	Wells Fargo		
Alternate Co-Manager #2	Jefferies		

2) FY2026 – FY2027 not to exceed underwriter takedown commitments. NMFA reserves the right to adjust underwriter takedowns based on market conditions but accepts that takedowns will be no less than those proposed.

**Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 11.3. The motion passed 10-0.**

- 12. Audit Committee Report.** *Committee members: Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Melanie Kenderdine (Mr. Ben Shelton), and Secretary Rob Black (Mr. Sam Collins), and Ms. Teresa Costantinidis.*

**12.1 Update on Activities.** A quorum of the Audit Committee met June 18, 2025, via Zoom. Member Andrew Burke chaired the meeting, with members Martin Suazo, Sam Collins and Teresa Costantinidis in attendance.

Staff was joined by the NMFA's new external auditor, Jaramillo Accounting Group, to kick off the audit and discuss the audit process. This was an informational item.

Staff presented the April financial statements. The statements were accepted by the Audit Committee. Staff along with the Internal Auditor, BDO, presented the observations and opportunities for improvement identified through the performance of the two audits. This was an informational item. Staff updated the members on the status of the new NMFA headquarters as an informational item.

**Informational Only.**

**13. Next Board Meeting.** Thursday, July 24, 2025 9:00 a.m. – 12:00 p.m

**14. Adjournment.** The meeting adjourned at 11:13 a.m.

*AJ forte*

Secretary  
07 / 24 / 2025

Date