



**RE: SB 283 Workforce Housing & Redevelopment Reform – NMBC Supports**

Chair and Members of the Committee:

I respectfully write in support of SB 283, which expands the Metropolitan Redevelopment Code to address housing shortage areas and incentivize the development of qualifying multifamily housing.

New Mexico is facing sustained housing pressures. Vacancy rates remain low in many communities, construction costs are high, and families in the workforce increasingly struggle to find housing they can afford. SB 283 provides local governments with a practical tool to encourage new multifamily development in areas officially designated as housing shortage areas.

This bill allows qualifying multifamily properties to receive a property tax exemption for up to 20 years, at the discretion of local governments. Importantly, this incentive is not unlimited or unconditioned. To qualify, at least fifteen percent of units must serve households between seventy and ninety-five percent of the area median income, ensuring that teachers, nurses, public safety officers, and working families benefit from the policy.

SB 283 is structured with transparency and local control. Housing-shortage areas must be formally designated following public notice and a hearing, and redevelopment plans must conform to the community's broader planning objectives. This ensures that incentives are applied strategically rather than indiscriminately.

While the bill provides temporary tax relief to stimulate development, it also creates long-term tax base growth. Without development, vacant or underutilized land generates little revenue. By encouraging construction now, communities ultimately gain new long-term property value, economic activity, and gross receipts tax revenue once exemptions expire.

SB 283 recognizes that housing supply is central to economic growth. Employers cannot recruit and retain workers if those workers cannot find housing. By responsibly expanding redevelopment tools, this legislation supports workforce stability, economic competitiveness, and community growth.

For these reasons, I respectfully urge a DO PASS vote on SB 283.

Thank you for your consideration.

A handwritten signature in blue ink, appearing to read "Carla J. Sonntag".

Carla J. Sonntag  
President & CEO