



Move-In Assistance

The Problem: The costs of moving into a new rental home can be high, no matter what your financial circumstances. If you're a renter that is making anything below one hundred twenty percent of the area median income (AMI), then the cost of the first month's rent, last month's rent, a security deposit, and other fees can prevent you from moving into a unit that you have qualified for based on income.

The Solution: A revolving fund to assist families with moving into a rental unit. This assistance would be in the form of a low or no interest loan, through a bank or CDFI, and be paid back during the first year of the lease. The loan would either be backed by the state and underwritten by the lender, or the fund would capitalize a revolving account managed by the lender. An Individual Development Account (IDA) could also be added, matching the repayments dollar-for-dollar. This not only incentivizes repayment of the loan, but it also means that at the end of the term, that family has the amount of the deposit ready for them to use for another deposit or another bill.

Legislative Proposal: A loan program available to people that are qualified for a rental unit that would be funded and backed by the state. Much like the Economic Development Department's Collateral Assistance Program, the state would be helping individuals fill the fund gap of getting into housing.

Potential Partners: Support for this would come from landlords and tenants, as well as housing rights advocate groups. Bernalillo County has expressed interest in this program, and other jurisdictions may as well.

Potential Opposition: Resistance on this would likely come from legislators and policy makers that see this as enabling people to not be fiscally responsible.

How will we pay for it? Move-in costs typically range from three to four thousand dollars. This would be a three year pilot, with an annual appropriation of \$4 million dollars, helping approximately one thousand households. If proven effective, it could be expanded in a later session.