

# 2019 Arkansas Flood Disaster Recovery - Housing Assistance Program

## Eligible Applicants

Arkansas Development Finance Authority (ADFA) will provide financial assistance to homeowners whose primary homes are located in the presidentially declared disaster areas that are eligible for individual assistance and have been damaged or destroyed by the natural disasters of 2019.

**Income limits do not apply.**

The State financial assistance under this program includes:

### **Housing Repair/Rehabilitation Assistance**

Individuals whose homes were damaged by the 2019 natural disasters may receive financial assistance not to exceed \$30,000 for the necessary and reasonable cost of eligible repair expenses for a disaster-affected home determined feasible for rehabilitation.

## Type of Assistance

Assistance under this program will be provided as a repayable loan, amortized over a 10 year period with a 0% interest rate. The first year of loan repayments can be deferred upon request by the borrower and ADFA approval.

**Interest Rate: 0 percent (0%) Term: 10 Years (First year can be deferred)**

## Eligibility

Homeowners must register with FEMA and provide ADFA with the FEMA award/denial letter to be considered for eligibility under this program. Other criteria includes: Owner occupied at the time of the 2019 natural disaster, residency at the time of the 2019 natural disaster and damage to the home caused by the 2019 natural disaster.

## Application Process

1. Complete and submit the 2019 Disaster Recovery Application and provide support documentation. Application can be found online at: <https://adfa.arkansas.gov/files/>
2. ADFA completes income verification process (Income guidelines do not apply)
3. ADFA meets with the homeowners to inspect damage to the home and take pictures to verify natural disaster damage. Homes deemed infeasible for rehabilitation will not be considered for the loan program. Residency will be confirmed and the first photo will be of the mailbox.
4. ADFA approves or denies acceptance into the program. If homeowner is approved, ADFA will issue the notice to proceed documents and lien documents will be signed.
5. Homeowner must give ADFA two detailed estimates for projects that need to be undertaken. ADFA will provide reimbursement funds after verification that the work is complete (by means of a final inspection), and ADFA will then authorize payment to the homeowner. Homeowner must provide detailed receipts or invoices for payment.

6. Homeowners must use licensed contractors; and, since contractor and trade licenses are issued by different Boards and Departments, checking the status of licenses is a bit more complicated. You will need to validate them with the respective issuing authority. Here's a list where you can validate the different licenses issued by the state:

Residential and Commercial Contractors – <http://aclb2.arkansas.gov/clbsearch.php>

You can lookup plumbing and HVAC Trade License here –

<https://www.healthy.arkansas.gov/programs-services/topics/hvac-plumbing-publications>

Electrical Trade License can be looked up here –

<https://www.ark.org/labor/electrician/search.php>

Asbestos Abatement Certificates and Licenses –

<https://www.adeg.state.ar.us/air/program/asbestos/contractor.aspx> for contractors and consultants, and <https://www.adeg.state.ar.us/air/program/asbestos/licenses.aspx> for those with certificates

You may also contact the respective Boards and Departments to check the status of a contractor or trade license. If you are looking for alarm systems license, you can only check the status by getting in touch with the State Police.

7. Homeowner will be required to provide proof of homeowners insurance and flood insurance showing ADFA as mortgagee / loss payee
8. Contractor must warranty workmanship and materials for 1 year from completion date
9. All work needs to be building permitted with copies of permits provided prior to final payment
10. A lien will be filed against the property at project completion
11. Proof of occupancy required at completion of projects