ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BOARD COMMITTEE MEETING

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Thursday, February 19, 2026

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BOARD COMMITTEE MEETINGS

Department of Commerce,
1 Commerce Way, Little Rock, AR
Central High/Old Mill Meeting Room

Thursday, February 19, 2026
9:30 AM

These Committees may go into Closed Session for the purpose of the preliminary review of certain applications and all supporting documentation pursuant to §15-5-409(b) and §15-5-207(c).

CONFIDENTIAL INFORMATION	NO ACTION NEEDED

I. REPORT: CONFIDENTIAL – Funds Available for Commitment as of January 31, 2026 - **FOR INFORMATION ONLY** ……..……...… TAB 1

BOARD ASSET COMMITMENT COMMITTEE THURSDAY, FEBRUARY 16, 2026	(Chadwell, Martin, Mims, Perrin, & Sweat) TO FOLLOW

I. MINUTES: Asset Commitment Committee Meeting – December 4, 2025 – Presented by Jon Chadwell, Committee Chair .....TAB 2

II. PRESENTATION: Hybar Overview– **Handout Provided at the Meeting** - Presented by Goldman Sachs and Company …….…… TAB 3

III. ACTION ITEM: Bradley County Economic Development Corporation Loan Guaranty - Presented by Charles Cathey …...……..……...…… TAB 4

IV. REPORTS: CONFIDENTIAL – Development Finance – **FOR INFORMATION ONLY …**……...…….. TAB 5

- Bond Guaranty Fund
- Venture Capital Investment Trust
- Problem Loan Report
- Investment Impairments Report

BOARD HOUSING REVIEW COMMITTEE THURSDAY, FEBRUARY 16, 2026	(Coleman, Chadwell, Mims, O'Connor, & Smith) TO FOLLOW

I. MINUTES: Housing Review Committee Meeting – December 4, 2025 – Presented by Rod Coleman, Committee Chair ..... TAB 6

II. ACTION ITEM: 4% LIHTC – Siloam Community Gardens -
Presented by John Blackwell ……..... TAB 7

III. ACTION ITEM: TBRA Application – Conway Housing Authority –
Presented by Lori Brockway …… TAB 8

IV. ACTION ITEM: CDBG-DR – Planning Program Policies and Procedures Manual –
Presented by Lori Brockway …… TAB 9

V. ACTION ITEM: CDBG-DR - Non-Federal Match Policies and Procedures Manual –
Presented by Lori Brockway …… TAB 10

VI. ACTION ITEM: Request for Proposals (RFPs) - CDBG-SFNC Program –
Presented by Lori Brockway ……..…….…. TAB 11

VII. REPORTS: Federal Housing Programs – **FOR INFORMATION ONLY -**
Presented by Lori Brockway ……...……...…..…..…TAB 12

- HOME Activities Report
- NHTF Activities Report
- HOME-ARP Activities Report
- HOME-ARP NCS Activities Report
- ESG Activities Report
- CDBG-DR Activities and ESG Funds Available
- HOME NHTF Funds Available to Commit

VIII. REPORT: Compliance Monitoring Activities October – December 2025 -
FOR INFORMATION ONLY –
Presented by Tammy White …….. TAB 13

BOARD ARKANSAS STUDENT LOAN AUTHORITY COMMITTEE **(O'Connor, Smith, & Thomas)**
THURSDAY, FEBRUARY 16, 2026 **TO FOLLOW**

I. MINUTES: Arkansas Student Loan Authority Committee Meeting – October 19, 2023 –
Presented by Carey Smith, Acting Committee Chair …….…….. TAB 14

II. ACTION MEMO: Arkansas Education Loan Program – Increase Loan Cap -
Presented by Tony Williams ……..……..…….…… TAB 15

III. PRESENTATION: Implement Health Professionals Graduate Loan Program –
Presented by Tony Williams ……..…….. TAB 16

FINANCIAL REPORTING AND OPERATIONS COMMITTEE **(O'Connor, Hudson, Mims, & Thurston)**
THURSDAY, FEBRUARY 16, 2026 **TO FOLLOW**

I. MINUTES: Financial Reporting and Operations Committee Meeting – October 16, 2025 –
Presented by Seth Mims, Acting Committee Chair …….……..…….. TAB 17

II. DISCUSSION: Operating Results and General Fund Review as of September 30, 2025 – Presented by Kristy Cunningham ……...……..……... TAB 18

ADFA BOARD OF DIRECTORS LUNCHEON
12:00 PM
ROCKEFELLER CONFERENCE ROOM

RESERVED FOR SENIOR STAFF MEMBERS AND ATTENDING BOARD MEMBERS

No Business Will Be Conducted During This Time.

ADJOURNMENT:

The next regular ADFA Board of Directors meeting is scheduled for Thursday, April 16, 2025, ADFA, Arkansas Department of Commerce, 1 Commerce Way, Little Rock, Arkansas.

TAB 1

TAB 2

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

ADFA BOARD – ASSET COMMITMENT COMMITTEE

DECEMBER 4, 2025

DEPARTMENT OF COMMERCE, 1 COMMERCE WAY

CENTRAL HIGH/OLD MILL MEETING ROOM

LITTLE ROCK, AR

ADFA Board Asset Commitment Committee Members Present: Jon Chadwell, Committee Chair.

ADFA Board Asset Commitment Committee Members Present Via Phone or Video: Seth Mims; and Denise Sweat.

ADFA Board Asset Commitment Committee Members Absent: Katelyn Martin; and Harold Perrin.

ADFA Board Members Present: Carey Smith; and Kenneth Burleson (Designee, John Thurston, Arkansas Treasurer of State).

ADFA Board Members Present Via Phone or Video: Rod Coleman; Alan McVey (Designee, Jim Hudson, Secretary, Department of Finance and Administration); and Kirkley Thomas.

ADFA Board Members Absent: Hugh McDonald, Cabinet Secretary of Department of Commerce; and George O'Connor.

ADFA Staff Present: Robert "Ro" Arrington, President, Arkansas Development Finance Authority/Vice President, Homeownership and Public Finance; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Ginger Burton, Director of Single Family Outreach; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Blake Bumgardner, CDBG-DR Specialist; Patricia Cearns, HOME Program Coordinator; Sean Doolin, Assistant Controller; Paula Farthing, Loan Servicing Manager; Alisa Green, HOME-ARP Program Specialist; Tracy Green, Assistant Controller; K. Reid Hall, Arkansas Student Loan Authority; Lanita Hastings, HOME Program Coordinator; Kimmy Helble, Executive Assistant to President; Amanda Hill, HOME Program Coordinator; Catrina Ingram, Assistant Compliance Manger; Hope Lewis, Controller; Derrick Rose, Director of Outreach and Communication; Megan Summitt, Internal Auditor; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

ADFA Staff Present Via Phone or Video: Cathy Ganaway, Senior Accountant; Yedda Matthews, Senior Accountant; and Jenise Tucker, Accountant.

Others Present: Pagan Williams, BDO USA; Casey Kleinhenz, Community Development of NWA; and Traci Williams, Rockwell Housing Solutions, LLC.

Others Present VIA Phone or Video: Sharon Cohen, and Geoffrey Ross, BDO USA; Brian Ettehad, and Daniel Meador, Frost PLLC; Gordon Wilbourn, Kutak Rock; S. Crow, and Amanda Raible, PDC Companies; and Lornea Wells, The McVay Firm, PLLC.

Call to Order: Mr. Chadwell called the Asset Commitment Committee meeting to order at approximately 10:16 AM.

Minutes: Mr. Chadwell presented the Asset Commitment Committee minutes from the July 17, 2025 meeting and entertained a motion to accept the minutes as presented.

Ms. Sweat made a motion to accept the minutes.

Mr. Mims seconded the motion. The motion passed.

Action Item: Amendment to EdFinancial Program Administration Contract: Mr. Williams stated the action item was a request to increase the amount of the contract with EdFinancial from $850,000 to $1,750,000.

Mr. Williams reminded the Board that under the EdFinancial Contract, the company provided default-management services, supported agreements with twenty-two (22) Arkansas schools, and offered loan counseling to their students after they leave school to help avoid student loan default. The contract included IT support, web development, marketing assistance, and staffing for one full-time employee and one part-time employee.

Mr. Williams continued that the increase was essentially all for default management services and those costs were not paid by the Arkansas Student Loan Authority (ASLA), it was a pass through charge. Mr. Williams noted that compared to the six contiguous states, currently Arkansas had the lowest student loan delinquency rate. Mr. Williams credited EdFinancial with Arkansas's strong performance in maintaining low student loan delinquency in this region.

After a brief discussion, Mr. Chadwell entertained a motion to approve the Amendment to EdFinancial Program Administration Contract from $850,000 to $1,750,000.

Mr. Mims made the motion to approve.

Ms. Sweat seconded the motion. The motion passed.

Action Item: Amendment to Aspire Resources Contract: Mr. Williams stated that the

request was an increase in the contract amount of $342,000 for fiscal year 2026 to $610,000 and for fiscal year 2027 from $444,000 to $772,000.

Mr. Williams noted that Aspire was the Arkansas Student Loan Authority (ASLA) loan originator and loan servicer and provided marketing services primarily for digital marketing, postcards, and letters. The increase in the contract is because of the increase in loan volume which is up 60% over last year, and the digital marketing expenses are up 177% due to ASLA taking a more aggressive approach to digital marketing to reach potential students.

The aggressive approach to digital marketing is due to the fact that approximately 60% of the student loans nationwide are issued by Sallie Mae at rates as high as 17%. ASLA would like to see an increase in student loan volume, not for the sake of making loans, but to protect families from making poor borrowing decisions.

Chairman Smith asked whether the Aspire Contract applied solely to the private loan program and did not market for the federal student loans. Mr. Williams confirmed this was correct.

Mr. Chadwell entertained a motion to approve the Amendment to Aspire Resources Contract as presented.

Ms. Sweat made a motion to approve.

Mr. Mims seconded the motion. The motion passed.

Update: SSBCI Funding: Mr. Cathey stated that the allotment period under State Small Business Credit Initiative (SSBCI) Tranche 1, was coming to a close. ADFA was approved for its portion of Tranche 1 on December 12th, 2022 with a deadline of December 12, 2025 to disburse 80% of the $24 million.

Mr. Cathey noted the SSBCI program had encountered significant challenges throughout the duration of the program with lending, Venture Capital, and Legislative action in the state. The majority of the difficulties were from lending due to many of the deals presented to ADFA were non-compliant with SSBCI requirements due to factors such as business size, number of employees, deal structure, and similar eligibility concerns.

Mr. Cathey provided examples of the challenges such as Act 116 which eliminated all DEI affirmative action and other related programs in the state of Arkansas, this directly conflicted with the SSBCI program and created additional barriers for implementation.

Mr. Cathey stated that ADFA would not apply for Tranche 2 of SSBCI and added that the remaining monies of Trance 1 did not need to be sent back to the U.S. Treasury.

Mr. Arrington stated that he requested Mr. Cathey to come back to the Board in the first quarter of 2026 with an update on the Venture Capital funds and their status.

For clarification, Chairman Smith asked whether ADFA was not applying for the second Tranche of SSBCI funds because the money was not needed, or because ADFA had not met the qualifications to apply. Mr. Cathey satisfied Chairman Smith's query with an explanation that under SSBCI guidelines only actual disbursements, not commitments, count towards the required 80% threshold, and to date, 21 states have not met the SSBCI qualifications to apply for Tranche 2.

No action needed.

Confidential Reports: For Information Only: The Committee reviewed the Bond Guaranty Fund report, and the Problem Loan report.

No action needed.

Adjournment: Mr. Chadwell concluded the Asset Commitment Committee at approximately 10:41 AM.

Minutes approved and signed on this 4th day of December 2025.

_____

Jon Chadwell, Committee Chair

TAB 3

Hybar Overview -

Handout Will Be Provided

at the Meeting

Presented by:

Goldman Sachs & Company

TAB 4

Action Memorandum

Date: February 10, 2026

To: ADFA Board of Directors
From: Chuck Cathey CC

Subject: ADFA Loan to BCEDC

At the May 15, 2025, ADFA Board of Directors' Meeting, the Board approved an ADFA General Fund loan to the Bradley County Economic Development Corporation to acquire and subsequently lease 105.92 acres of land to the City of Warren for development of an industrial park. The loan amount approved was $953,280 with a 3% interest rate and 25-year amortization period.

As part of that original approval, there should have been a specific request of record to provide the ADFA General Fund with a guarantee from the ADFA Bond Guaranty Fund for the full outstanding amount of the loan for the life of the loan. The original minutes of the presentation request and approval of the loan are attached for your convenience.

It is recommended that the Board specifically record the approval of a guarantee from the ADFA Bond Guaranty Fund to the ADFA General Fund in the amount of $953,280, effective as of May 15, 2025.

TAB 5

BOND GUARANTY FUND REPORT

VENTURE CAPITAL
Arkansas Investments
by Funds

PROBLEM LOAN REPORT

INVESTMENT IMPAIRMENTS

TAB 6

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
ADFA BOARD – HOUSING REVIEW COMMITTEE
DECEMBER 4, 2025
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY
CENTRAL HIGH/OLD MILL MEETING ROOM
LITTLE ROCK, AR

Housing Review Committee Members Present: Jon Chadwell; and Carey Smith

Housing Review Committee Members Present Via Phone or Video: Rod Coleman, Committee Chairman; and Seth Mims.

Housing Review Committee Members Absent: George O'Connor.

ADFA Board Members Present: Kenneth Burleson (Designee, John Thurston, Arkansas Treasurer of State).

ADFA Board Members Present Via Phone or Video: Alan McVey (Designee, Jim Hudson, Secretary, Department of Finance and Administration); Denise Sweat; and Kirkley Thomas.

ADFA Board Members Absent: Katelyn Martin; Hugh McDonald, Cabinet Secretary of Department of Commerce; and Harold Perrin.

ADFA Staff Present: Robert "Ro" Arrington, President, Arkansas Development Finance Authority/Vice President, Homeownership and Public Finance; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Ginger Burton, Director of Single Family Outreach; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Blake Bumgardner, CDBG-DR Specialist; Patricia Cearns, HOME Program Coordinator; Sean Doolin, Assistant Controller; Paula Farthing, Loan Servicing Manager; Alisa Green, HOME-ARP Program Specialist; Tracy Green, Assistant Controller; K. Reid Hall, Arkansas Student Loan Authority; Lanita Hastings, HOME Program Coordinator; Kimmy Helble, Executive Assistant to President; Amanda Hill, HOME Program Coordinator; Catrina Ingram, Assistant Compliance Manger; Hope Lewis, Controller; Derrick Rose, Director of Outreach and Communication; Megan Summitt, Internal Auditor; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

ADFA Staff Present Via Phone or Video: Cathy Ganaway, Senior Accountant; Yedda Matthews, Senior Accountant; and Jenise Tucker, Accountant.

Others Present: Pagan Williams, BDO USA; Casey Kleinhenz, Community Development of NWA; and Traci Williams, Rockwell Housing Solutions, LLC.

Others Present VIA Phone or Video: Sharon Cohen, and Geoffrey Ross, BDO USA; Brian Ettehad, and Daniel Meador, Frost PLLC; Gordon Wilbourn, Kutak Rock; S. Crow, and Amanda Raible, PDC Companies; and Lornea Wells, The McVay Firm, PLLC.

Call to Order: Mr. Coleman, Committee Chair, called the meeting to order at approximately 10:42 AM.

Minutes: Mr. Coleman presented the Housing Review Committee minutes from the October 16, 2025 meeting and entertained a motion to accept the minutes as presented.

Mr. Mims made a motion to accept the minutes.

Mr. Chadwell seconded the motion. The motion passed.

Action Item: Emergency Solutions Grant (ESG) Program Applications: Ms. Brockway introduced the BDO Government Services team, Sharon Cohen, and Geoffrey Ross, who attended online, and Pagan Williams, who attended in person. Ms. Brockway noted the BDO team was assisting ADFA with the ESG program.

Ms. Williams reported that for the 2025 – 2026 funding cycle, Arkansas had received thirty-one (31) applications. Approximately one-quarter were reapplications from the 2024 – 2025 period, and about 10% came from new applicants. The requested amount was about $4.2 million with approximately $2.1 million available, which resulted in a highly rigorous qualification process.

Ms. Brockway stated ADFA sought the approval of funding for twenty-four (24) ESG applicants in the amount of $2,159,194.

Mr. Coleman asked whether all of the recommended parties were in good standing with ADFA, to which Ms. Brockway confirmed they were.

Mr. Coleman entertained a motion to approve the ESG applications in the amount of $2,159,194.

Mr. Chadwell made a motion to approve the request as presented.

Mr. Mims seconded the motion. The motion passed.

Reports: Federal Housing Programs: Ms. Brockway noted that under the Status of HOME Activities there were several she wanted to mention; Meadowbrook at Cabot had closed out as of November 25, 2025, Stonebrook Park and Meadowbrook Park closed out on December 3, 2025, and Fair Oaks and Spavinaw would be closing out within the next week.

Ms. Brockway continued to the status of National Housing Trust Fund activities and stated that Patriot Park was expected to be completed by April 2026. Ms. Brockway noted that Funding Status of the Administrative funds, the 2021 program had a drawdown of $57,125.70 in Administrative funds with an expenditure deadline of October 13, 2026.

Ms. Brockway stated on the HOME-ARP report that the Fort Smith Children's Shelter had expended 100% of their Nonprofit Operating Assistance Funding and are closed out.
Ms. Brockway stated that Supportive Services had an agreement end date of March 31, 2026, and is uncertain if the expenditure deadline would be met, if not, then the money would return to Non-Congregate Shelter Housing (NCS).

Ms. Brockway reported that Women and Children First were at 80% completion and continued to make progress. Ms. Brockway noted that Next Step Day Room had not received a Notice to Proceed but anticipated that it would be received later in December. Ms. Brockway added that Arkansas Enterprises for the Developmentally Disabled (AEDD) had been progressing but had not yet submitted a draw request, and Our House was also progressing at 23% completion.

Ms. Brockway stated that ADFA would send out a Notice of Funding Availability (NOFA) for HOME-ARP NCS on December 8, 2025 with an application deadline of March 9, 2026, and hoped to receive two (2) applications.

Ms. Brockway reported that most of the ESG recipients were on track with their expenditure. Ms. Brockway added that Ms. Williams, with BDO, had sent out emails and letters, per the agreement, with the details if timely draw requests are not submitted.

Ms. Brockway updated that on the CDBG-DR report regarding 2020, ADFA had received HUD approval for the Substantial Amendment, the Financial Management, and Grant Certification. Ms. Brockway added that ADFA held a Developer Training on November 13, 2025 to generate interest in the program for Jefferson and Perry counties, with the hope that these funds would be used in partnership with the 9% LIHTC program.

Ms. Brockway reported that her team had completed the Policy and Procedures Manual for the 2019 CDBG-DR Rental Recovery Program and it would be available online within the next week.

Ms. Brockway stated the 2025 funds are allocated for Benton, Cross, and Pulaski counties, excluding Little Rock. Ms. Brockway added that ADFA had an approved Action Plan, Financial Management, and Grant Certification. Ms. Brockway noted an RFP had been sent out on November 25, 2025 with responses due by January 16, 2026 for the CDBG-DR Single-Family New Construction program.

Ms. Brockway stated her team was currently developing applications and policy procedures for all of the eligible activities which were Multi Family Rental, and Single-Family New Construction. Ms. Brockway anticipated to bring the policies and procedure before the Board for approval in February.

For information only. No action needed.

Reports: Non-Compliant Projects as of November 20, 2025: Ms. White reported that she provided the Board with general information and general updates on projects that are roughly 120 days delinquent in different areas.

Ms. White stated she had the workout plan for Veterans Cottages in Jonesboro for those who wanted to view it.

Mr. Coleman reminded Mr. Arrington and Staff that in the October meeting, the Board had requested recommendations on how to strengthen the Compliance team either by implementing a 15-year compliance period or by otherwise adding more enforceable provisions to the compliance agreement.

For information only. No action needed.

Adjournment: Mr. Coleman concluded the meeting at approximately 10:58 AM.

Minutes approved and signed on this 4th day of December 2025.

_____

Rod Coleman,
Housing Review Committee Chair

TAB 7

BOARD HOUSING REVIEW COMMITTEE
ACTION MEMORANDUM

Board HRC Meeting: February 19, 2026 Prepared by: John Blackwell

HOUSING PARTNER	
Name of Entity:	**Siloam Community Gardens, LP** **Soft 16 Development Company, LLC**
Address of Entity:	**24185 Mill Road, Summers, AR 72769**
Contact Person:	**Michael Cox and Jeffrey Simmons**
Phone	**479-824-3056 (Cox)** **662-544-1126 (Simmons)**
Email Address:	**michael@archfarms.net** **jeffreyclay99@gmail.com**

DEVELOPMENT INFORMATION	
Name of Development:	**Siloam Community Gardens** **21299 Hwy AR-16** **Siloam Springs, Benton County 72761**

ACTION REQUESTED

It is proposed that the ADFA Staff Housing Review Committee recommend to the ADFA Board Housing Review Committee the approval of the following for the Siloam Community Gardens development located in Siloam Springs, Benton County:

- The issuance of $17,041,563 in tax-exempt bonds; and
- Issuance of a Section 42(m) Letter for 4% Low-Income Housing Tax Credits

BACKGROUND INFORMATION

Amount Requested:

- ADFA Tax-Exempt Bonds: $17,041,563 to fund a construction and permanent loan. Bonds will be privately placed with Key Bank.
- 4% Low-Income Housing Tax Credits: $1,697,833 (approx. annual amount) that will generate approximately $14,846,938 in equity. Equity investor is Key Community Development Corp. (an affiliated entity of Key Bank).

Siloam Community Gardens (the "Project") involves the new construction of a 152-unit (60 - 2BR, 92 – 3BR) apartment building in Siloam Springs, Benton County. All units in the Project will be available to the general public.

The Project developer and sponsor is Soft 16 Development Company ("Soft 16"). Soft 16 was formed by Michael Cox and is a first-time borrower with ADFA. Jeffrey Simmons of Delta Land Development will act as project consultant.

Financial closing for the Project is targeted for Spring/Summer 2026. Other sources of funding for the Project include sponsor equity and deferred development fee.

The Project has been reviewed and found to be in compliance with the requirements of the 2026 Qualified Allocation Plan for Low Income Housing Tax Credits (the "QAP") and the Tax-Exempt Bond Program Guidelines.

A market study was prepared by Gibson Consulting, LLC and concluded an acceptable level of demand for the Project.

FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE

Recommended for approval at the December 2, 2025 ADFA Staff HRC.

MEMORANDUM

To: ADFA Board Housing Review Committee

From: John Blackwell, Multifamily Underwriter
John Maneval, Consultant to ADFA

Re: Siloam Community Gardens
Siloam Springs, Benton County

Date: February 19, 2026

Executive Summary

Siloam Community Gardens (the "Project") involves the new construction of a 152-unit apartment building in Siloam Springs, Benton County. All units in the Project will be available to the general public.

The Project developer and sponsor is Soft 16 Development Company ("Soft 16"). Soft 16 was formed by Michael Cox and is a first-time borrower with ADFA. Jeffrey Simmons of Delta Land Development will act as project consultant.

To support the new construction of the Project, Soft 16 has requested that ADFA provide $1,697,833 of 4% Low Income Housing Tax Credits ("LIHTC") and an issuance of approximately $17,041,563 of tax-exempt bonds.

Financial closing for the Project is targeted for Spring/Summer 2026. Other sources of funding for the Project include sponsor equity and deferred development fee.

The Project has been reviewed and found to be in compliance with the requirements of the 2026 Qualified Allocation Plan for Low Income Housing Tax Credits (the "QAP") and the Tax-Exempt Bond Program Guidelines.

A market study was prepared by Gibson Consulting, LLC and concluded an acceptable level of demand for the Project.

1. Investment Proposal

The proposed first mortgage loan for the Project will be funded by tax-exempt bonds which will be privately placed with Key Bank, N.A. ADFA is requested to issue approximately $17,041,563 in tax-exempt multifamily housing bonds. The distribution of the bond proceeds to support the Project will be evidenced by typical loan documentation among the borrower, Key Bank and ADFA. The bonds will fund a construction/permanent loan from Key Bank equal to the entire amount of the ADFA bond issuance. The construction loan period will have a term of 30 months (with an option to extend by six months) and require monthly, variable rate interest-only payments. It is anticipated that Soft 16 and Key Bank will enter into a rate-lock agreement upon construction commencement to establish an interest rate for the loan upon conversion to the permanent phase. The permanent loan will have an 18-year term, and will be amortized over a 35-year period.

The issuance of ADFA bonds to fund the Key Bank construction/permanent loan will allow the Project to qualify for 4% LIHTC in an annual amount of approximately $1,697,833 that will generate approximately $14,846,938 in equity, which represents an equity raise-up ratio of 87.5 cents/dollar.

All units will be restricted at or below 60% of AMI under the LIHTC Program for at least 30 years.

2. Property Description

The Project involves the new construction of a 152-unit apartment complex consisting of 38 residential buildings (each with four units) and a single community building. The Project is located on a currently-vacant 20.57 acre site at 21299 Highway AR-16 in Siloam Springs, Benton County.

The Project will consist of 38 residential buildings. There are five (5) different building types to accommodate a variety of unit layouts; five of the buildings will include a second story to accommodate an expanded three-bedroom unit.

In addition to the residential buildings, the Project site will include a total of 342 surface parking spaces (including 18 handicapped designated), a community building, walking and bike paths, a pet park, tot lot and picnic area. Community gardens will be available to tenants.

Overall, the Project consists of 60 two-bedroom units and 92 three-bedroom units. Unit sizes average 1,000 sq. ft. for two-bedroom units and 1,310 sq. ft. for three-bedroom units.

Unit amenities include refrigerator, range/oven, dishwasher, internet, in-unit washer/dryer, and air conditioning. Units will have open floorplans, windows with window covers, ceiling fans, and closets.

The Project site is located in the eastern portion of the City of Siloam Springs in Benton County. The site is bordered to the east by Route 16, and is south of Keck Road (Route 4). To the north of the site is the Fox Tail community, a recently-completed development of single family homes. To the east across Route 16 is vacant land. To the south is a warehouse. And to the east is a construction materials facility. The site is generally flat, and has the necessary zoning approvals and utility connections that are suitable for the proposed use.

The Project is located in an area with access to stores, services, shopping, hospital and doctor's offices, libraries, and recreational parks.

Maps, photos, floor plans and a site plan of the Project are included as attachments to this memo.

3. Construction / Scope of Work Analysis

Building construction is slab-on-grade and includes wood framing, and vinyl and masonry trim. Total residential floor area is 180,520 square feet, resulting in an average per-unit size of 1,188 sq. ft.. All units have separate entries from the exterior, so there is no common hallway or entry areas to the residential buildings.

The building will be designed for energy efficiency and will include Energy Star appliances, LED light fixtures, and water conserving fixtures.

Construction is expected to take 12 months to complete and includes creating nine (9) units accessible for disabled households in compliance with ADA standards as well as the Arkansas Usability Standards in Housing (AUSH).

An Environmental Phase I Assessment for the site was completed in February 2025 by GIBCO Environmental and identified no environmental conditions.

The construction cost for the Project is estimated to be $25,015,269 or $164,574 per unit, not including contingency of approximately 5.19%. A detailed construction cost breakdown is included as an attachment to this memo.

4. Sources and Uses Analysis

The Project will be financed primarily with the proceeds of a tax-exempt bond issuance in the approximate amount of $17,041,563 as described more fully above.

The permanent loan from Key Bank is being underwritten at an estimated interest rate of 5.32% (which includes the required ADFA override of 0.125%) for a term of 18 years on a 35-year amortization schedule. An interest rate lock for the permanent loan from Key Bank is expected to be executed prior to the commencement of construction.

During the construction period, the Key Bank loan will have a term of 30 months and require monthly, variable rate interest-only payments. The construction loan will include a provision to allow for a six month extension. The construction loan will be repaid in full upon conversion to the permanent phase.

Key Community Development Corporation (an affiliated entity of Key Bank) will provide approximately $14,846,938 in equity for 4% LIHTC in an annual amount of approximately $1,697,833. This represents an equity raise-up ratio of 87.5 cents/dollar.

Additional sources include owner equity of $2,093,149 and the deferral of $1,186,028 of the development fee. In accordance with the requirements of the QAP, the deferred development fee is estimated to be repaid in full from project cash flow within the 15-year LIHTC compliance period; the 20-year operating proforma estimates repayment by Year 6. A review of the owner's financials indicate the liquidity and net worth necessary to support the proposed owner equity contribution.

The property was purchased for $1,300,000 and is being contributed to the Project at a reduced price of $825,000. A full appraisal to justify the acquisition cost and the valuation of the Project upon completion will be completed prior to closing.

The overall development cost for the Project is estimated to be $35,167,678 or $231,366/unit. below.

A detailed sources and uses statement is included in the attached underwriting analysis.

5. Operating Plan Analysis

Detailed operating revenue and expense estimates, as well as a 20-year operating proforma, are included in the attached underwriting analysis.

The annual operating expense is $4,905 per unit, excluding Reserves for Replacement (RFR) of $300 per unit per year. In developing the operating pro-forma, revenue is trended at 2.00% per annum and expenses at 3.00% per annum. The vacancy rate is underwritten at 7.00%. First year stabilized debt service coverage ratio (DSCR) is expected to be 1.19 for the first mortgage; in year 15 DSCR is expected to be 1.42 for the first mortgage.

The Project's proposed net rents are $941 to $1,154/month for two-bedroom units, and $1,091 to $1,337/month for three-bedroom units. A total of 46 units (10 two-bedroom and 36 three-bedroom) are targeted for occupancy by households with incomes at or below 50% AMI, and the remaining 106 units (50 two-bedroom and 56 three bedroom) are targeted for occupancy at 60% AMI.

The rents are supported by the market study prepared by Gibson Consulting, LLC. The market analyst has analyzed market support for the Project and has confirmed adequate demand at the proposed rent levels and AMI targeting. The capture rate for all unit types is below 20% in accordance with the requirements of the QAP.

Tenants pay electric (heating, cooking, lighting, air conditioning, hot water) utility charges, as well as water and sewer. The landlord pays all common area utilities and trash collection.

6. Development Team

Role	Entity	Prior ADFA Experience	Comments
Developer/Sponsor	Soft 16 Development Company	No	Soft 16 Development is a new company established by Michael Cox, who has a successful food production business. He established Soft 16 Investments in 2021 to diversify into real estate. Cox has engaged Jeffrey Simmons of Delta Southern Land Development to serve as a consultant for development and construction purposes on the Project. Mr. Simmons has a successful track record in multifamily rental development and construction in the region, and

			has experience with LIHTC financing and operations. Simmons has previous experience with LIHTC multifamily in Louisiana, Mississippi, Tennessee and Arkansas. Simmons' experience in Arkansas included serving in development and construction management roles for three LIHTC properties (multiple phases of Cypress Grove Homes) which were placed in service in 2016.
Architect	Harris Solution	No	Harris Solution is owned by Aaron Harris and was formed in 2012. Mr. Harris is a licensed architect and engineer, and has nearly 30 years of professional experience. The firm served as architect and engineer for six (6) LIHTC developments located in Mississippi, Iowa and Illinois.
General Contractor	Soft 16 Construction Management	No	Soft 16 Construction Management was created by Michael Cox for this Project. Mr. Simmons (Delta Southern Land Development) and Harris Solution will provide support to this new entity to complete construction of the Project. Both of these entities have direct experience with similar projects and in the construction process. Soft 16 Construction Management will secure a Payment and Performance Bond to provide additional financial security that the Project will be completed.
Property Manager	Price Edwards and Company	Yes	Price Edwards was formed in 1988 and employs over 200 professionals managing a variety of multifamily and commercial properties. The Company currently manages numerous LIHTC properties in Arkansas and Oklahoma

7. Risk and Sensitivity Analysis

The Project presents low risk to ADFA. All first lien financial risk is assumed by Key Bank during the construction and permanent phase.

Construction-period risk is mitigated by the general contractor securing a payment and performance bond securing 100% of the construction contract. Operating risk is significantly mitigated by a demonstrated strong market for affordable rental units in the Primary Market Area.

Additionally, the sponsor will guarantee completion/operation of the Project, has a successful record of developing affordable multifamily projects, and a sound financial profile.

8. Qualified Allocation Plan Compliance

The Project was reviewed for compliance and consistency with the 2026 Qualified Allocation Plan for Low Income Housing Tax Credits. The table below provides a summary of key requirements of the QAP and the corresponding compliance of the Project.

QAP Standard	Requirement for Compliance	Actual	QAP Standard	Complies?
Operating Deficit Reserve	At least 6 months OpEx + annual debt svc + RFR	$ 924,187	$ 211,199	Yes
Annual RFR Deposit	At least $250 per unit per year	$ 300	$ 250	Yes
Development Fee	No greater than 12.5% of Net Development Costs	$ 3,595,973	$ 3,822,403	Yes
General Contractor Fees	General Requirements: <= 7% of Hard Costs	$ 1,436,238	$ 1,522,903	Yes
	Contractor Profit: <= 10% of Hard Costs + Gen Reqs	$ 2,051,769	$ 2,319,200	Yes
	Contractor Overhead: <= 4% of Hard Costs + Gen Reqs	$ 820,708	$ 927,680	Yes
Development Costs	Total Development Costs per Unit: <=$245,000/unit	$ 231,366	$ 245,000	Yes
Min. Debt Svc. Coverage	Greater of 1.15 or as required by Lender/Investor	1.19	1.15	Yes
Rehabilitation Standard	Rehabilitation hard costs at least $50,000 per unit	NA	$ 50,000	Yes
	No less than 30% of Total Development Costs	NA	30.00%	Yes
Minimum Scoring	At least 45 points per QAP scoring protocol	58.75	45.00	Yes

9. Recommendation

It is proposed that the ADFA Board Housing Review Committee recommend the approval of the following:

- The issuance of tax-exempt bonds in the approximate amount of $17,041,563 to fund a construction and permanent loan; and
- Issuance of a 42(m) Letter for Low-Income Housing Tax Credits in the approximate amount of $1,697,833 that will generate approximately $14,846,938 in equity.

These amounts are approximate and subject to change as underwriting is finalized to reflect final interest rates, equity pricing and other factors.

Submitted by:

_____
John Blackwell, Underwriter

_____
John Maneval, Consultant to ADFA

Attachments

A. Project Data Sheet
B. Operating Income and Expense Detail
C. Pro Forma
D. Construction Cost Detail
E. Maps
F. Photos
G. Project Site Plan

TAB 8

STAFF HOUSING REVIEW COMMITTEE
ACTION MEMORANDUM

Staff HRC Meeting: February 4, 2026 Prepared by: Lori Brockway

HOUSING PARTNER	
Name of Entity:	**Housing Authority of the City of Conway ("Conway Housing Authority")**
Address of Entity:	**335 South Mitchell Conway, AR 72034**
Contact Person:	**Dr. Jackie Otto**
Phone	**(501)733-1381**
Email Address:	**Jotto@conwayha.org**
DEVELOPMENT INFORMATION	
Name of Development:	**Tenant Based Rental Assistance ("TBRA")**

REQUEST & BACKGROUND INFORMATION

Amount Requested:	$ 1,620,695.00	Total Budget
	$ 1,432,450.00	Housing Assistance Payments ("HAP")
	$ 143,245.00	Administrative Fees
	$ 45,000.00	Project Delivery *

Project Delivery: The applicant will receive an additional **$450.00 for project delivery. The project delivery** is for the purpose of initial and annual NSPIRE inspections $300.00 and initial income verification and annual recertifications $150.00 per household.

Source of Funds: HOME

Developer in Compliance: Yes

Purpose: Housing Authority of the City of Conway ("Conway Housing Authority") ("CHA") is requesting $1,620,695 to provide Rental Assistance, Security Deposits, and Utility Deposits to 100 to low and very low-income households. CHA is focusing on families, seniors and individuals experiencing or at risk of homelessness households with disabilities.

Background Information:

- CHA will utilize TBRA to assist approximately 418 applicants currently on their waiting list.
- CHA activities will include outreach to identify eligible participants, assessment of housing needs, and coordination with landlords and local service providers to secure affordable housing options.
- CHA is requesting the $1,620,695.00 allocation to provide Rental Assistance, Utility Deposits, and Security Deposits to 100 families/individuals.
- The proposed service area is Faulkner County.

Recommended for Approval

TAB 9

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

2025 Community Development Block Grant Disaster Recovery Program

Local Preparedness Planning Program

Version 1.0

January 2026

Table of Contents

Version History 3
Introduction 4
Program Description 4
Administration 4
Funding Amounts 4
Planning Activities 4
National Objectives 5
Disaster Tie-back & Mitigation 5
Eligible Areas 5
Eligible Applicants 5
Ineligible Costs 5
Application Process 6
- Notice of Funding Availability 6
- Application 6
- Eligibility Criteria 6
- Review and Selection Process 8

Grant Agreement 10
- Award Letter 10
- Grant Agreement Terms and Conditions 11
- Grant Agreement Modifications 11

Request for Payment and Quarterly Reporting 11
- Quarterly Performance Reporting 11
- Request for Payments 12
- Recapture of Funds 12

Implementation 12
- Procurement Requirements 13
- Environmental Review 13
- Financial Management 13
- Internal Controls 13
- Conflict of Interest 14

Equal Opportunity 14
Prevention of Fraud, Waste, and Abuse 14
Monitoring and Closeout 15
Program Monitoring 15
Audit Requirements 15
Closeout 15
Recordkeeping 16

Version History

Version	Date	Summary Description
1.0	January 2026	Original

OBJ

Introduction

In 2025, the Arkansas Development Finance Authority (ADFA) received a Community Development Block Grant–Disaster Recovery (CDBG-DR) allocation from the U.S. Department of Housing and Urban Development's (HUD) to help fund community recovery from the 2023 severe storms and tornadoes (DR-4698) and 2024 severe storms, straight-line winds, tornadoes, and flooding (DR-4788).

The purpose of this policy manual is to provide the overall objectives and process by which ADFA will award CDBG-DR funds for ADFA's Local Preparedness Planning Program (the Program).

Program Description

The Program will support Most Impacted and Distressed (MID) areas to better prepare for future disasters. Funding for the Program will be allocated to subrecipients. This Program will provide critical planning funding to support communities to update local disaster response plans, hazard mitigation plans, evacuation plans, emergency communication plans, and other recovery plans. By strengthening disaster and mitigation planning at the local level, the Program empowers these communities to make informed decisions, improve preparedness, and better withstand future disasters.

Administration

ADFA will serve as the lead agency for the allocation of funds to eligible subrecipients.

Funding Amounts

$1,000,000 in CDBG-DR funds will be available for the Program. There is a maximum award amount of $50,000 per application.

Planning Activities

The requirements for state planning activities under HCDA Section 105(a)(12) have been waived and broadened to align with the standards applied to CDBG entitlement grantees.

Eligible plans must demonstrate a clear focus on building long-term resilience and prioritizing measures that reduce future risks and vulnerabilities. At the end of the planning process a plan must be produced that can be submitted to ADFA.

Funding through this Program may be used to support every phase of the planning process. This includes activities such as collecting and analyzing data, conducting studies, preparing planning documents, and identifying actionable steps to implement these plans.

National Objectives

The Universal Notice in Section III.C.2, outlines an alternative requirement for states regarding planning activities. They are permitted to follow the rules for entitlement jurisdictions. Therefore, plans are considered to meet a national objective as long as the planning efforts are consistent with the plans described at 24 CFR 570.205.

Disaster Tie-back & Mitigation

Arkansas communities affected by DR-4698 and DR-4788 faced extensive storm damage. One way to mitigate future storm events is to invest in local disaster preparedness and response planning. The Program is designed to directly assist these Most Impacted and Distressed (MID) areas during their recovery by providing resources to update and strengthen local disaster response and mitigation plans.

Through targeted planning support, communities will be able to integrate lessons learned from DR-4698 and DR-4788, identify specific local vulnerabilities, and prioritize actions that reduce the risk of future storms and flooding. By investing in local planning capacity, this Program establishes a foundation for long-term resilience, empowering communities to make informed decisions, improve coordination, and enhance their ability to withstand future disasters.

Eligible Areas

Eligible activities will be restricted to projects located within the HUD-designated MID areas of Benton, Cross, and Pulaski Counties (excluding the City of Little Rock because the City received its own CDBG-DR allocation).

Eligible Applicants

Eligible applicants will be units of general local government. Applicants may partner with local universities or non-profit partners as co-applicants to the Program. If applying with a co-applicant, the applicant must have a written agreement or memorandum of understanding (MOU) in place with the co-applicant that outlines roles, responsibilities, and terms of the partnership.

Ineligible Costs

The following activities as identified in 24 CFR 570.207 are not eligible costs for the Program:

- General government expenses: Expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance.

- Political activities: CDBG-DR funds cannot fund the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration.

Application Process

Eligible applicants are invited to submit applications during the application window. The Program is a non-competitive, first-come, first-served program. Applicants will be eligible for funding provided eligibility criteria are met and funding is available.

Notice of Funding Availability

ADFA will release a notice of funding availability (NOFA) through the following platforms:

- Email notifications to eligible applicants in the eligible areas
- Website
- Other public channels

ADFA will host an application workshop or other forum to provide an overview of the Program goals, required documentation, and to offer a forum for questions.

Technical assistance is available by sending inquiries to ADFA.CDBGDR@arkansas.gov. ADFA will respond to all inquiries in a timely manner.

Application

Once the NOFA is announced, applicants will apply to ADFA using forms which will be located on the ADFA website. Additionally, ADFA will be available to answer questions any applicant may have about the process or required documents. Applicants may only submit one application.

Applications will be accepted during the application window only. Only completed applications, including all required supporting documentation, will be considered for funding.

A list of supporting documents will be included in the NOFA.

Eligibility Criteria

Each application must address the following eligibility criteria. More information about eligibility criteria and additional documentation needed as part of the application is included within the application guidance materials.

Description of the Planning Activity

Each application must clearly describe the proposed planning project, outlining the specific need it addresses and the intended goals and outcomes for the community. Applicants are required to submit a comprehensive narrative detailing their objectives for the grant, including a defined scope of work, a proposed budget, a timeline for completion, and the expected benefits to the community. The narrative should also provide a thorough explanation of how the deliverable will reduce risks and enhance resilience within the community.

Planning Location

Demonstration that the plan will benefit the HUD-identified MID areas.

Tie-back and Mitigation

Demonstration that the plan is in response to the disaster and will be used to mitigate future disasters impacts as discussed in the mitigation needs assessment in the Action Plan.

Eligibility

Demonstration that the project is an eligible planning activity consistent with the categories established in 24 CFR 570.205 and the plan lays the groundwork for long-term resilience and prioritizing actions that reduce future vulnerabilities.

Capacity

The applicant demonstrates the capacity to manage the grant funding.

Budget

Each submission must provide a comprehensive project budget that details anticipated costs by category, such as support services, program management, and administrative expenses. Applicants should clearly explain how the requested funding amounts were calculated. The budget must also identify all expected sources of funding that will match the CDBG-DR funds. Documentation confirming the commitment of each funding source should be included with the application.

Cost-Effectiveness

Planning applications must demonstrate that proposed activities are cost-effective.

Timeline

Applicants must include a project timeline for completion with milestones. All projects funded under the Program must be completed within two (2) years of grant award unless another timeframe is negotiated with ADFA and incorporated into the grant agreement.

Review and Selection Process

Application Review

Once an application is received, it will be reviewed to ensure all required criteria are met and to confirm both the applicant and proposed plan are eligible for funding. The Program is noncompetitive and awards funding on a first-come, first-serve basis, subject to the availability of funds. Applicants who meet all Program requirements will be considered for funding. Further details about the application process, necessary documentation, and review procedures will be provided in the NOFA.

Request for Information

If something is unclear in the application, ADFA may request additional information or materials. It is important that applicants respond by the due date with the information/materials so that ADFA can complete the evaluation process. Applicants can ask for an extension or for further explanation of the request. If an applicant fails to provide the requested information/materials or fails to ask for an extension or assistance, the application will be evaluated accordingly.

Appeals

All appeal requests related to Program activities are processed and reviewed by ADFA staff. Each appeal will be reviewed against Program policies and requirements. Staff will make a recommendation to the ADFA Board of Directors which will approve the final selection.

Appeal requests to ADFA must be postmarked within 10 calendar days of the date of service on the original correspondence communicating the decision to be appealed. Appeals must be submitted in writing to: Arkansas Development Authority, Attention: CDBG-DR, 1 Commerce Way, Suite 602, Little Rock, AR 72202.

The applicant's written request should contain the following information:

- Applicant's name
- Applicant's mailing address
- Applicant's telephone number
- Email address (if available)
- The reason(s) the decision or action is being appealed
- Documentation that supports the request to overturn the decision

The applicant shall be notified of the final determination in writing.

Duplication of Benefits Review

Prior to an award, a Duplication of Benefits review will take place as well as a determination of cost reasonableness and verification that the CDBG-DR award will not supplant funding for the project from other sources.

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support (42 United States Code [U.S.C.] 5155(a) and (c)). Duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular disaster recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

Applicants will be required to list and provide documentation regarding other sources of funding they have received. Typical sources of Duplication of Benefits include, but are not limited to, the following:

- Federal Emergency Management Agency (FEMA) Public Assistance
- FEMA Hazard Mitigation Grant Program
- FEMA National Flood Insurance Program
- FEMA Increased Cost of Compliance Benefits
- U.S. Army Corps of Engineers
- Commercial insurance
- State funding
- Subsidized loans
- Capital budgets

ADFA will review the information provided and complete a Duplication of Benefits analysis as part of the application review process. Any duplicative assistance will be deducted from the CDBG-DR award amount. Another Duplication of Benefits review will be performed at grant closeout. To prevent a Duplication of Benefits, matching funds from other sources (i.e., local funds or grants) are considered before ADFA allocates funding. ADEM will perform a Duplication of Benefits analysis for each project that includes:

1.) assess applicant's total need;
2.) identify total assistance;
3.) exclude non-duplicative amounts;

4.) exclude funds for a different purpose;
5.) exclude funds for the same purpose, different allowable use;
6.) identify a final Duplication of Benefits amount (if any) and calculate the award; and
7.) reassess unmet need when necessary.

Once funded, subrecipients must agree to subrogate (commit to ADFA) any future payments they may receive after the award amount is determined from sources that represent a potential Duplication of Benefits. The subrogation agreement requires the subrecipient to notify ADFA if additional funds are received and to assist ADFA in collecting any amounts owed from these sources. The subrogation agreement requires the subrecipient to notify ADFA if additional funds are received. The subrecipient will provide ADFA with a description of the funding received. ADFA will verify the complete Duplication of Benefits analysis to determine whether the funds received are duplicative. If the funds received are deemed duplicative, the subrecipient is required to return the funds to ADFA.

Supplanting of Funds

Another form of Duplication of Benefits is using CDBG-DR funds to supplant funds already budgeted for a project. These include City, County, FEMA, State, and U.S. Army Corps of Engineers (USACE) funding. ADFA will verify that CDBG-DR funds will not be used for activities reimbursable by, or for which funds are made available by, FEMA or USACE. ADFA will require applicants to certify that the CDBG-DR funds will not supplant other available funding that has been budgeted or in the case of FEMA and USACE made available to the applicant.

Cost Reasonableness Evaluation

One of the regulations ADFA must follow is 2 CFR 200. Part of those regulations require that projects funded with CDBG-DR funds must be considered necessary and reasonable. Costs are considered reasonable if, in their nature and amount, they do not exceed that which would be incurred by a prudent person in the conduct of competitive business. ADFA will review project costs to be sure they are reasonable.

Grant Agreement

Award Letter

Once award amounts are determined, ADFA will send an award letter to successful applicants, which is a preliminary offer to enter into a grant agreement. Awards will be considered final upon receipt of a signed grant agreement between ADFA and the subrecipient.

Grant Agreement Terms and Conditions

After the award letter, ADFA will send a grant agreement to the subrecipient. Prior to any disbursement of CDBG-DR funds, the grant agreement must be signed by all parties. The grant agreement will include a statement of work, schedule of activities and milestones, budget, reporting requirements, recordkeeping, termination, recapture of funds, and other CDBG-DR requirements.

Funding will be provided as a grant to subrecipients on a cost reimbursement basis according to the terms identified in the grant agreement. Subrecipients must verify all costs before submitting invoices to ADFA for reimbursement and provide all required reporting and supporting documentation requested by ADFA.

Grant Agreement Modifications

All projects funded under the Program must be completed within two (2) years of grant award unless another timeframe is agreed upon or an extension is granted. Subrecipients may request a grant amendment to extend the period of performance, for scope changes, or for budget changes that affect the CDBG-DR grant award.

Request for Payment and Quarterly Reporting

Quarterly Performance Reporting

Applicants will be required to submit a project schedule that details specific milestones and spending timelines with their application. To ensure that the subrecipient is following their timeline, ADFA will require subrecipients to submit a quarterly status report to provide updates on the project.

In order to meet the HUD requirement for submitting the Disaster Recovery Grant Reporting System (DRGR) Quarterly Performance Report, ADFA will require subrecipients to provide quarterly progress update reports. This performance report shall be submitted to ADFA at a due date and in a format specified in the subrecipient grant agreement. These reports will provide:

1. General Information – a comprehensive narrative on project progress, meeting milestones, and progress on performance metrics.
2. Financial Information - current expenditure of federal funds and any other funds being utilized

Request for Payments

Subrecipients will be responsible for submitting draw requests to be reimbursed for incurred costs. Before submitting the draw for funds, subrecipients must verify that vendor invoices are accurate and complete, the activities and costs were incurred during the period of performance, and all required support documentation is included in the draw request.

ADFA will review each draw including:

- Review documentation submitted and compare it to the draw request and remaining budget.
- Review for eligibility based on applicable laws, CDBG-DR requirements, and CDBG regulations.
- Follow-up as necessary for clarification.

Pre-Award Expenses

Project expenses incurred before the effective date of the grant agreement are not considered eligible expenses for reimbursement.

Recapture of Funds

Under the circumstances listed below, applicants may be required to repay all or a portion of the assistance received. The reasons for grant recapture include, but are not limited to, the following scenarios:

- An applicant is determined to have provided false or misleading information to the Program.
- An applicant withdraws from the Program prior to completion of the project. (Withdrawal from the Program must be in writing or via email.)
- The project is not completed due to non-cooperation by the applicant.
- The applicant did not comply with the approved scope of work in a manner that made the project eligible.
- The applicant failed to report the receipt of any additional funds received after a Duplication of Benefits analysis was conducted.

All applicants who have been identified for the recapture of Program funding will not be able to close out of the Program until all funds have been repaid to the Program.

Implementation

The following are the CDBG-DR requirements for implementation of the grant. ADFA will produce a subrecipient grant manual that will go into more detail on each of these requirements.

Procurement Requirements

All procurements funded, in whole or in part, with CDBG-DR funds must comply with comply with the requirements of 2 CFR 200.318 – 327.

Environmental Review

Planning must be in compliance with the National Environmental Policy Act (NEPA), and other related federal and state environmental laws. Planning is Categorically Excluded Not Subject to (CENST) Section 58.5 pursuant to 24 CFR Part 58.34(a)18 and 58.35(b)19. The CENST was completed at the CDBG-DR program level for Planning Activities.

Financial Management

Subrecipients are responsible for managing the Program grant award and must maintain a robust financial management system. Essential principles include establishing effective financial controls, ensuring costs are allowable, tracking program income, and conducting regular audits.

Governmental entities and public agencies receiving CDBG-DR funding must comply with specific administrative and financial management requirements outlined in CDBG regulations. This includes adherence to 24 CFR 570.489 for basic program administration, as well as any waivers or alternative requirements specified in the Federal Register Notice for disaster recovery funds. Additionally, subrecipients must follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under 2 CFR Part 200, as adopted by HUD and clarified in 24 CFR 570.502.

Internal Controls

Proper internal controls allow an organization to maintain adequate oversight and control of its cash, property, and other assets. Internal controls are established by developing policies, procedures, defined job responsibilities, personnel, and record keeping practices.

The soundness of any subrecipient's financial management structure is determined by its system of internal controls. Specifically, internal controls refer to the following:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

With a sound internal control system, a subrecipient can ensure that:

- Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies.

- Resources are protected against waste, mismanagement, or loss.
- Information on the source, amount, and use of funds is reliable, secured, and up-to-date, and this information is disclosed in the appropriate reports and records.

As part of an effective internal control system, sufficient personnel should be designated as the primary staff at the subrecipient organization responsible for the financial management of the CDBG-DR project. Refer to 2 CFR 200.303 for more information.

Conflict of Interest

No person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities may obtain a financial interest or benefit from a CDBG-DR-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-DR-assisted activity, or with respect to the proceeds of the CDBG-DR-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for 1 year thereafter.

Equal Opportunity

Through the use of CDBG-DR funding, no person should be excluded, denied benefits, or subjected to discrimination on the basis of their race, color, national origin, sex, disability, or age. ADFA and its subrecipients may not discriminate in any of the following areas: deciding who will be admitted or have access to any CDBG-DR-funded program or activity; providing opportunities in or treating any person with regard to such a program or activity; or making employment decisions in the administration of or in connection with such a program or activity.

ADFA and the subrecipients must administer and fund programs that are in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and will affirmatively further fair housing.

Prevention of Fraud, Waste, and Abuse

This Program will be monitored periodically by ADFA to ensure compliance with all federal and state requirements. A subrecipient must agree to return all unexpended funds and improper payments to ADFA in the event of fraud, waste, or mismanagement and/or substantial noncompliance with the guidelines. Complaints regarding fraud, waste, or abuse

of funds will be forwarded to the HUD Office of the Inspector General Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov).

The Prevention of Fraud, Waste, and Abuse Policy can be found on the ADFA website

Monitoring and Closeout

Program Monitoring

ADFA will monitor all projects. Therefore, subrecipients must closely monitor operations in order to increase efficiency, be compliant with applicable rules and regulations, and improve the overall quality of services and the use of funds. The frequency and timing of ADFA monitoring will be based on a risk assessment. Monitoring is a formal process in which the program implementation is reviewed. If issues are identified during monitoring remedies will be discussed with the subrecipient. All monitoring findings must be resolved before the project is closed.

Audit Requirements

All audits must be conducted in accordance with 2 CFR Part 200 and must be performed in accordance with Generally Accepted Government Auditing Standards (GAGAS) (see 2 CFR 200.514(a)). According to GAGAS, a financial audit should determine whether:

- Financial information is presented in accordance with the established or stated criteria.
- The subrecipient has adhered to specific financial compliance requirements.
- The subrecipient's internal control structure over financial reporting and/or safeguarding assets is suitably designed and implemented to achieve control objectives.

Closeout

When executing closeout procedures, the subrecipient must hold a public hearing to discuss the program closeout as the funds are depleted. The Project Completion Report and back-up documentation must be completed, the national objective must be met, there cannot be any outstanding compliance review findings on the project, and all required audits must be approved.

The project will be ready for closeout when the following conditions are met:

- All eligible activities are completed in accordance with the scope of work agreed upon within the signed grant agreement.
- All funds are expended in full or the remaining funds are intended to be returned to HUD.
- All reporting requirements are completed.

- Any special conditions of the Program are met.
- All audit and monitoring issues are resolved.
- A final Duplication of Benefits check has been performed.
- All closeout forms are submitted.

Recordkeeping

Subrecipients must thoroughly document compliance with all applicable regulations by maintaining complete records and submitting all required reports. Filing systems should be user-friendly and provide a clear historical record of activities for review by HUD, ADFA, auditors, and local staff. All relevant books, records, accounts, documents, and other materials related to the grant must be accessible to these entities. Certain records must also be available to the public, while files containing personal information—such as social security numbers—must be securely stored.

Records must be retained in accordance with 24 CFR 570.490(d) for at least three years following the closeout of the grant to the state.

TAB 10

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

2025 Community Development Block Grant Disaster Recovery Program

FEMA Non-Federal Match Program

Version 1.0

January 2026

Table of Contents

Version History 3
Introduction 4
Program Description 4
Administration 4
Available Funds 5
Eligible Disasters 5
Eligible Activities 5
Ineligible Activities 7
National Objectives 8
Eligible Applicants 8
Eligible Areas 8
Eligible Programs 9
- FEMA PA Program 9
- FEMA HMGP 11

Match Requirements 11
Application Process 12
- Application 12
- Application Priorities 13
- Eligibility Criteria 13
- Clarifications 14

Award 15
- Project Delivery 15
- Grant Agreement 15
- Exception Policy 16
- Appeals 16

Timely Expenditures 16
Flood Control Structures 17
Implementation 17
- Environmental Review 17
- Procurement Requirements 18

Davis Bacon 20
Section 3 20
Duplication of Benefits and Subrogation 21
Uniform Relocation Assistance 21
Recordkeeping 22
Payment 23
Request for Payments 23
Recapture of funds 23
Program Income 23
Closeout 24
Subrecipient Close-out 24
Program Close-out 24

Version History

Version	Date	Summary Description
1.0	January 2026	Original

Introduction

In 2025, the Arkansas Development Finance Authority (ADFA) received a Community Development Block Grant–Disaster Recovery (CDBG-DR) allocation from the U.S. Department of Housing and Urban Development's (HUD) to help fund community recovery from the 2023 severe storms and tornadoes (DR-4698) and 2024 severe storms, straight-line winds, tornadoes, and flooding (DR-4788).

The purpose of this policy manual is to provide the overall objectives and process by which ADFA will award CDBG-DR funds for the FEMA Non-Federal Match Program (the Program).

Program Description

Purpose

The Program is designed to assist local jurisdictions with infrastructure-related recovery efforts following the disaster events. Recognizing that the Federal Emergency Management Agency (FEMA) requires state and local governments to contribute a portion of project costs known as the local share or match, the Program aims to ease the financial strain on communities already burdened by emergency response costs and reduced revenues.

Administered by ADFA, the Program helps cover the non-federal cost share for eligible projects under FEMA's Public Assistance (PA) program and Hazard Mitigation Grant Program (HMGP).

ADFA will only provide the non-federal match to projects that have already been completed. ADFA will prioritize projects that primarily provide service to residential areas and benefit low- to moderate-income (LMI) households.

All entities that are eligible for FEMA PA and HMGP may be eligible for the Program. These entities include, but are not limited to, local governments, state agencies and authorities, public K-12 schools, universities, and other local program applicants eligible to receive federal recovery funds, including private non-profit organizations.

Administration

The Arkansas Division of Emergency Management (ADEM) will serve as a partner to ADFA and will be responsible in assisting ADFA manage the program. ADEM's duties will include providing a list of FEMA eligible projects to ADFA and determining the eligible costs for matching funds. ADFA will have a grant agreement with the local jurisdiction receiving FEMA PA or HMGP funding and provide the non-federal FEMA match.

Available Funds

$6,095,600 in CDBG-DR funds will be available for the Program. The Program will provide matching funds to cover the portion of project costs not financed by FEMA's PA or HMGP program, up to 25% of the total project cost as determined by FEMA.

ADFA will only provide the non-federal match to projects completed by FEMA prior to December 22, 2025. Completed projects are defined as services rendered, Project Worksheet fully obligated, and all FEMA payments have been made. The project does not need to be closed out by FEMA to be funded—only completed.

Eligible Disasters

CDBG-DR funds can only be used as FEMA non-federal match for the 2023 severe storms and tornadoes with a FEMA major disaster declaration number of DR-4698 and the 2024 severe storms, straight-line winds, tornadoes, and flooding with a FEMA major disaster declaration number of DR-4788.

Eligible Activities

All activities must be CDBG-DR eligible and approved under a FEMA program. HCDA Section 105(a)1, 2, 4, 9 and 12 are the applicable eligible activities for the Program and will include applicable waivers identified in the Allocation Announcement Notice (90 FR 4759) and Universal Notice (90 FR 1754).

Housing and Community Development Act of 1974 (HCDA) Eligible Activities for Match Program	
Section 105(a)(1)	Acquisition of real property (including air rights, water rights, and other interests therein) which is A. blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; B. appropriate for rehabilitation or conservation activities; C. appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;

	D. to be used for the provision of public works, facilities, and improvements eligible for assistance under this title; or E. to be used for other public purposes
Section 105(a)(2)	Acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements.
Section 105(a)(4)	Clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings).
Section 105(a)(9)	Payment of the non-federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this title.
Section 105(a)(12)	Activities necessary 1. to develop a comprehensive community development plan, and 2. to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively i. determine its needs, ii. set long-term goals and short-term objectives, iii. devise programs and activities to meet these goals and objectives, iv. evaluate the progress of such programs in accomplishing these goals and objectives, and v. carry out management, coordination
Waiver in Universal	The prohibition on assisting buildings for the general conduct of government at 42 U.S.C. 5305(a)(2) and associated regulations at 24 CFR 570.207(a) are waived for non-federal match. This waiver allows grantees to use CDBG-DR

Notice (90 FR 1754) III.D.6.b.	funds as the non-federal match on any other Federal program providing funds for the construction, reconstruction, and rehabilitation of public improvements or facilities for the general conduct of government. This waiver is subject to the following alternative requirements: grantees are prohibited from using CDBG-DR funds for buildings that do not provide services all year around and for buildings that are used exclusively as emergency operations centers.

Ineligible Activities

As per 24 CFR 570.207, ADFA will not fund the following activities through the Program:

- **General government expenses**: Expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance.
- **Political activities**: CDBG funds cannot fund the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration.
- **Purchase of equipment**: The purchase of equipment with CDBG funds is generally ineligible.
    - **Construction equipment**: The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing or depreciation is eligible. The purchase of construction equipment for use as part of a solid waste disposal facility is eligible.
    - **Furnishings and personal property.** The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible.
    - **Fire protection equipment**: Fire protection equipment is considered to be an integral part of a public facility and thus, purchase of such equipment would be eligible.
- **Operating and maintenance**: Any expense associated with repairing, operating or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program.

- Examples of ineligible operating and maintenance expenses are:
    - Maintenance and repair of publicly owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking and other public facilities and improvements.
    - Payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities.

National Objectives

For FEMA PA: Low- to moderate-income area benefit (LMA) and Urgent Need national objectives. The Urgent Need national objective will only be used when an LMI national objective cannot be achieved through the project, but the project has demonstrable recovery or mitigation of public infrastructure benefits within the HUD- or grantee-identified Most Impacted and Distressed (MID) areas.

For HMGP Buyout: Low-to moderate income limited clientele (LMC) or Low- to moderate-income area benefit (LMA). To qualify for the LMC national objective, the HMGP buyout program will be limited to LMI persons and acquiring their property for more than fair market value.

Eligible Applicants

All entities that are eligible for FEMA PA and FEMA HMGP may be eligible for the Program. These entities include, but are not limited to:

- Local governments
- State agencies and authorities
- Public schools (K-12)
- Universities
- Other local program applicants eligible to receive federal recovery funds, including eligible private nonprofit organizations.

Eligible Areas

Eligible activities will be restricted to projects located within the HUD-designated MID areas of Benton, Cross, and Pulaski Counties (excluding the City of Little Rock because the City received its own CDBG-DR allocation).

Eligible Programs

The Program will provide matching funds to cover the portion of project costs not financed by FEMA's PA or HMGP program, up to 25% of the total project cost as determined by FEMA.

FEMA PA Program

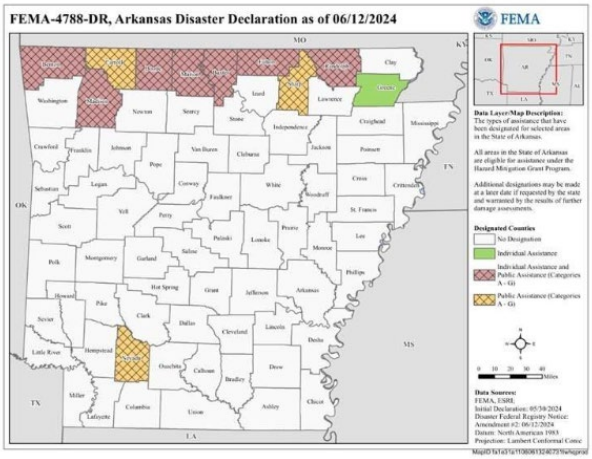
FEMA's PA Program provides grants to state, tribal, territorial, and local governments, and certain types of private nonprofits so that communities can respond to and recover from major disasters quickly. Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act also allows FEMA to fund the hardening of these damaged facilities against future events by providing assistance for hazard mitigation measures during the recovery process, known as Section 406 Mitigation. In Arkansas, ADEM manages the FEMA PA program. Together with FEMA, ADEM evaluates eligibility for FEMA PA. Through the PA Program, FEMA provides grant funding for:

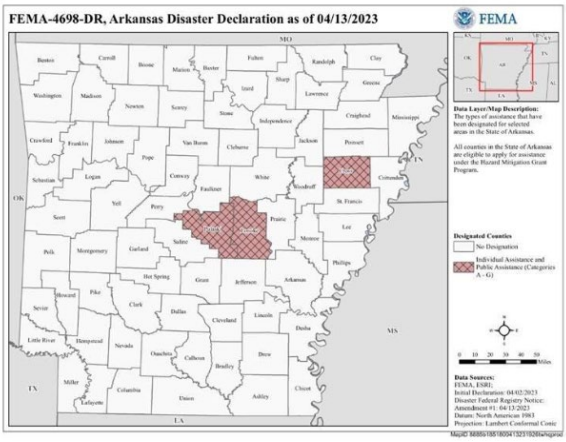
- Emergency protective measures and debris removal (Emergency Work); and
- Permanent restoration of damaged facilities, including cost-effective hazard mitigation to protect the facilities from future damage (Permanent Work).

To facilitate the processing of PA funding, FEMA separates Emergency Work into two categories (A and B) and Permanent Work into five categories (C – G) based on general types of facilities. Category A is eligible under Section 407 for removing debris or wreckage from publicly or privately-owned lands and waters. Category B is eligible under Section 403(a)(3) to address immediate threats to life and property resulting from a major disaster. Categories C – G are eligible under Section 406(a)(1)(A) for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed by a major disaster. These categories are shown below and aligned with HUD eligible activities.

FEMA Category	PA Scope	HUD Eligible Activity	Funded?
Category A	Debris Removal	Section 105(a)(4)	Yes
Category B	Emergency Protective Measures	Section 105(a)(9)	Yes
Category C	Roads/Bridges	Section 105(a)(2)	Yes
Category D	Water control facilities	Section 105(a)(2)	Yes

Category E	Building/equipment	Waiver in Universal Notice (90 FR 1754) III.D.6.b.	Yes, government buildings, no to equipment unless integral to project
Category F	Utilities	Section 105(a)(2)	Yes
Category G	Parks, recreational, and other facilities	Section 105(a)(2)	Yes





A Project Worksheet is a compilation of forms used by the FEMA PA Program Applicant and FEMA to develop projects[1]. The Project Worksheet package is usually compiled in a set order to ensure uniformity and facilitate efficient review and processing. Some of the forms included are listed below:

- **Project Worksheet Cover**: the primary form used to identify the location, damage description and dimensions, scope of work, and cost estimate for each project.
- **Damage Description and Scope of Work Continuation Sheet**: used to expand on damage quantities and description, scope of work, and cost extensions.
- **Cost Estimating Continuation Sheet**: used to calculate damage costs for large permanent work projects.
- **Special Considerations Questions**[2]: form asks questions about insurance, floodplain, repair/reconstruction, and environmental concerns as it pertains to a facility.

[1] FEMA Disaster Assistance Fact Sheet – Elements of a Project Worksheet
[2] Special Consideration Questions – FEMA Form 90-120

- **Time / Equipment records**[3]:
    - Force Account Labor Summary Record (FEMA Form 90-123)
    - Force Account Equipment Summary Record (FEMA Form 90-127)
    - Material Summary Record (FEMA Form 90-124)
    - Rented Equipment Summary Record (FEMA Form 90-125)
    - Contract Work Summary Record (FEMA Form 90-126)
    - Fringe Benefit Rate Sheet (FEMA Form 90-128)
- Cost Estimating Format - Large Project Report[4]
- Cost Estimating Format Spreadsheet

ADFA will review each Project Worksheet to determine at a minimum the national objective, HUD eligible activity, potential cost(s) that can be funded by CDBG-DR, and the non-federal share amount.

FEMA HMGP

Hazard mitigation is defined as any sustained action taken to reduce or eliminate long-term risk to people and property from natural hazards and their effects. FEMA's Section 404 funding can be used to fund structural and non-structural projects, and a facility does not need to be damaged to use these funds. The funding can be combined with 406 PA funding where appropriate. Section 406 hazard mitigation funding is used to provide protection to the parts of a facility that were damaged and Section 404 hazard mitigation funding is used to provide protection to the undamaged parts of the facility.

Arkansas is eligible for Hazard Mitigation Grant Program (HMGP) funds under Section 404 of the Stafford Act, as amended. The Arkansas ADEM, the applicant for these funds, is inviting applications from eligible sub-applicants, state agencies, local governments, special districts, and federally recognized tribes.

Match Requirements

The Program is guided by the Stafford Disaster Relief and Emergency Assistance Act, USC 5121, the Code of Federal Regulations Title 44 Parts 13.36, 13.37 and 13.40, and the FEMA Disaster Assistance Guidance 9500 Series.

[3] FEMA Public Assistance – Project Formulation SOP
[4] Cost Estimating Format (CEF) For Large Projects Standard Operating Procedure (SOP)

From Section 408(g)(2) of the Stafford Act, Cost Sharing, the language states that the federal share of the costs eligible to be paid using assistance provided (e.g., FEMA) will be 75 percent and the non-federal share shall be paid from funds made available by ADFA.

The updated Universal Notice (90 FR 1754) also states that grant funds may be used to satisfy a match requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG-DR activity. This includes programs or activities administered by the FEMA.

For all match activities, grantees must document that CDBG-DR funds have been used for the actual costs incurred for the assisted project and for costs that are eligible, meet a national objective, and meet other applicable CDBG requirements.

Application Process

Eligible entities will apply to ADEM through an application process for funding. The portion of funds applied as match for any project must meet CDBG-DR eligibility requirements in addition to the requirements of the federal and state agency administering the project.

Entities will then apply to ADFA for up to the 25% non-federal share match requirement for FEMA PA and HMGP. Applications for FEMA Match funding will be open cycled, reviewed, and approved as submitted to ADFA.

Step 1: Identification of FEMA projects – ADEM will provide a list to ADFA of active PA and HMGP projects. ADFA will review the projects for eligibility.

Step 2: Application – ADFA will notify potential subrecipients to apply for CDBG-DR Match Funding.

Step 3: Application Review – ADFA will review applications based on threshold criteria with LMI communities receiving priority as well as compliance documentation.

Step 4: Award – ADFA makes awards to subrecipients.

Step 5: Draw – ADFA makes payment to subrecipient.

Step 6: Close-out – ADFA works with ADEM and the Subrecipient to close out contracts.

Application

Applicants will apply for the program by completing the application package which will be emailed to eligible applicants.

Throughout the entire application cycle, technical assistance is available by sending inquiries to ADFA.CDBGDR@arkansas.gov. ADFA will respond to all inquiries in a timely manner.

Applicants have until the deadline to submit all required application materials. Only completed applications, including all required supporting documentation, will be considered for funding.

Applicants will be given a list of supporting documents that will be required to be submitted with the application.

Application Priorities

Eligible applicants must submit a funding request to the ADEM through a formal application process. CDBG-DR funding preference will be given to communities with LMI populations. Any portion of funds used as a match must comply with both CDBG-DR eligibility criteria and the specific requirements set by the relevant federal and state agencies overseeing the project.

During the review of projects, ADFA will assess projects on the following criteria:

- National Objective: use of the LMI benefit national objective criteria.
- HUD MID: determine if the project location is within the HUD MID areas.
- HUD Requirements: determine if the costs can be made HUD eligible.
- Funding Threshold: determine if the match amount is worth pursuing.
- Funding Leverage: other available funding options for local match.
- Benefit: document the needs stated by the impacted community.
- Quality Control: assess the quality of documentation to justify the local match.
- Commitment: determine if the final Project Worksheet amount and project cost is settled.

Eligibility Criteria

Each application must address the following eligibility criteria. More information about eligibility criteria and additional documentation needed as part of the application is included within the application guidance materials.

Disaster Tieback or Mitigation

The Program will fund projects with a tie-back to disaster or projects that mitigate needs associated with the disaster as identified in the Action Plan.

The FEMA PA Program requires clear documentation showing a direct disaster related impact as a prerequisite for entry into the PA Program. Using FEMA Project Worksheets, ADFA assumes that if the eligible applicant received funding and support through the FEMA PA program, then the project has a tie to the declared disaster.

The FEMA HMGP funds projects that reduce, or mitigate, future disaster losses in communities. ADFA assumes that if the eligible applicant received funding and support through the FEMA HMGP, then the project serves a mitigation benefit.

Mitigation Design

All infrastructure will be verified that it was designed to increase resilience to disasters or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.

FEMA encourages the restoration of disaster-damaged, publicly owned facilities, and the protection of these damaged facilities from future incidents. ADFA will support this effort with program funds that may be used to rehabilitate damaged systems and/or build new systems that will help protect life and property and reduce suffering and hardship by lessening the impact of future disasters.

Long-Term Maintenance

Subrecipients are expected to be able to maintain all infrastructure projects as well as green space created as a result of the FEMA funded project. ADFA will need to review a capital improvement plan and an operations and maintenance plan that has been adopted by the municipal board by resolution to demonstrate a commitment to long term sustainment and investment. The development of these deliverables shall be included in engineering scopes of work for contracts that are funded with CDBG-DR funds. ADFA and ADEM will work with subrecipients to review operation and maintenance plans.

Long-term sustainability

All newly constructed infrastructure that is assisted with CDBG–DR funds must be designed and constructed to withstand extreme weather events. To satisfy this requirement, ADFA must identify and implement resilience performance metrics that will protect the public from any risks identified in the action plan. ADFA will review non-federal match projects to determine which metrics are suitable for reporting to HUD through the DRGR system.

Clarifications

During the application review process, applicants are required to respond in a timely manner to any ADFA requests for information/materials to complete the evaluation process. Any request for additional information will include a definitive due date for return of the requested information. If the applicant needs an extension, clarification, or assistance, the applicant may make its request within the allotted response timeframe. If an applicant fails to provide the requested information/materials or fails to ask for an extension or assistance,

the application will be scored accordingly and there will be no additional opportunity to submit the requested materials.

Award

The CDBG-DR award will be based on the applicant's requested amount for a percentage (at least 25%) of the cumulative cost FEMA PA or HMGP projects. ADEM will conduct any Duplication of Benefits calculations prior to determining the final acquisition amount.

Once award amounts are determined for local governments and entities, ADFA will notify successful applicants which is a preliminary offer to enter into a grant agreement. Execution of a grant is contingent on both parties' agreement of the terms and conditions.

Project Delivery

CDBG-DR will provide up to 1% per award for project delivery, which are fees incurred by the applicant to administer the project or to hire a grant administrator. Project Delivery must be substantiated by documentation of costs incurred and cannot be duplicated by another federal funding source.

Grant Agreement

After completing the application process, applicants must sign and execute the ADFA Grant Agreement before any grant funds are released. At a minimum, the agreement will include the following provisions (in accordance with 24 CFR 570.503(b)):

- Statement of Work, detailing the activities to be completed
- Milestones with Timelines
- Budget
- Record and Reports Requirements
- Program Income Guidance
- Suspension and Termination Rules
- Recapture of Funds Guidance
- Uniform Administrative Requirements to comply with federal and financial standards

Should any legitimate program additions or deletions be required, ADFA modify the terms of the subrecipient grant agreement.

Exception Policy

ADFA will consider exceptions to the program guidelines on a case-by-case basis. All exceptions must be submitted in writing with the application and include a justification. Exceptions should enhance the benefit to LMI households or areas. Exceptions cannot violate federal, state, or local laws or regulations. Exceptions must still meet HUD's requirements for necessary and reasonable, comply with federal accessibility standards, and accommodate a person with disabilities if applicable. A written response will be authorized in writing to the applicant upon approval or denial of the application requesting an exception.

Appeals

All appeal requests related to program activities are processed and reviewed by ADFA staff. Each appeal will be reviewed against program policies and requirements. Staff will make a recommendation to the ADFA Board of Directors which will approve the final selection.

Appeal requests to ADFA must be postmarked within 10 calendar days of the date of service on the original correspondence communicating the decision to be appealed. Appeals must be submitted in writing to: Arkansas Development Authority, Attention: CDBG-DR, 1 Commerce Way, Suite 602, Little Rock, AR 72202.

The applicant's written request should contain the following information:

- Applicant's name
- Applicant's mailing address
- Applicant's telephone number
- Email address (if available)
- The reason(s) the decision or action is being appealed
- Documentation that supports the request to overturn the decision

The applicant shall be notified of the final determination in writing.

Timely Expenditures

The period of performance will commence upon execution of a grant agreement between ADFA and the subrecipient. ADFA will only be providing the non-federal match to project that have already been completed. Therefore, the period of performance will be 6 months in order to allow time for all project paperwork to be processed and funds to be drawn.

Flood Control Structures

The Universal Notice (90 FR 1754) in Section III.D.6.d. details requirements for Flood control structures (i.e., dams and levees). CDBG-DR can't be used to enlarge a dam or levee beyond the original footprint of the structure that existed before the disaster event, without obtaining pre-approval from HUD and any Federal agencies that HUD determines are necessary based on their involvement or potential involvement with the levee or dam. Grantees that use CDBG-DR funds for levees and dams are required to: (1) register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams; (2) ensure that the structure is admitted in the USACE's PL 84-99 Rehabilitation Program (Levee Rehabilitation and Inspection Program); (3) ensure the structure is accredited under the FEMA National Flood Insurance Program (NFIP); (4) enter the exact location of the structure and the area served and protected by the structure into the DRGR system; and (5) maintain file documentation demonstrating that the grantee has conducted a risk assessment before funding the flood control structure and documentation that the investment includes risk reduction measures.

Implementation

Environmental Review

The Universal Notice (90 FR 1754) in Section III.B.10.c. allows recipients of CDBG-DR funds to adopt another federal agency's environmental review. The notice states that "recipients of CDBG-DR funds that supplement other Federal assistance may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, so long as the actions covered by the existing environmental review, approval, or permit and the actions proposed for the CDBG-DR supplemental funds are substantially the same. Such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit. Projects originally funded by another agency that are later supplemented with CDBG-DR do not have to supplement the other agency's environmental review with any HUD environmental requirements that differ from the originating agency. However, if the activity is modified so the other agency's environmental review no longer covers the activity, the grantee is required to reevaluate and supplement the other agency's environmental review to comply with all applicable HUD environmental regulations in 24 CFR part 58." ADFA will require the subrecipient to submit before ADFA will approve the release of funds:

1. An electronic or paper copy of the federal agency's review. The review must become part of the subrecipient's environmental review record.

2. A memo stating that the scope of work completed by the federal agency's review is substantially the same as the CDBG-DR match project.
3. Submit a RROF (HUD-Form 7015.15) that another agency review is being used, including the name of the other Federal agency, the name of the project, and the date of the project's review as prepared by the other federal agency.

Procurement Requirements

HUD allows grantees like ADFA to adopt the procurement policies and procedures that satisfy the other federal agency's requirements to promote consistency and seamlessly leverage their funding. ADFA will use FEMA's procurement policies and procedures. ADFA will add to each subrecipients file that adopt FEMA procurement requirements for activities that will be used to satisfy the non-federal match.

Additionally, when CDBG-DR funds are used as the non-federal match in another federal program, subrecipients are not required to incorporate liquidated damages into each procured contract.

Financial Management

The subrecipient is responsible for administering the program grant award and requires a sound financial management system. The key principles of financial management are common to all types of organizations and include sound financial management systems, internal controls, allowability of costs, use and tracking of program income, and audits.

The CDBG regulations, which also are applicable to CDBG-DR funding, require subrecipients who are governmental entities or public agencies to adhere to certain administrative and financial management requirements. In addition to the CDBG regulations at 24 CFR 570.489, which contain the basic program administrative requirements, the Federal Register Notice contains the specific waivers and alternative requirements for the use of the disaster recovery funds. Additionally, 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which was adopted by HUD at 2 CFR 2400 and clarified applicability at 24 CFR 570.502, also applies.

Internal Controls

Internal controls refer to the combination of policies, procedures, defined job responsibilities, personnel, and records that allow an organization (or an agency) to maintain adequate oversight and control of its cash, property, and other assets.

The soundness of any subrecipient's financial management structure is determined by its system of internal controls. Specifically, internal controls refer to the following:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

With a sound internal control system, a subrecipient can ensure that:

- Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies.
- Resources are protected against waste, mismanagement, or loss.
- Information on the source, amount, and use of funds is reliable, secured, and up-to-date, and this information is disclosed in the appropriate reports and records.

As part of an effective internal control system, sufficient personnel should be designated as the primary staff at the subrecipient organization responsible for the financial management of the CDBG-DR project. Refer to 2 CFR 200.303 for more information.

Conflict of Interest

No persons who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities may obtain a financial interest or benefit from a CDBG-DR-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-DR-assisted activity, or with respect to the proceeds of the CDBG-DR-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for 1 year thereafter.

Equal Opportunity

Through the use of CDBG-DR funding, no person should be excluded, denied benefits, or subjected to discrimination on the basis of their race, color, national origin, sex, disability, or age. ADFA and its subrecipients may not discriminate in any of the following areas: deciding who will be admitted or have access to any CDBG-DR-funded program or activity; providing opportunities in or treating any person with regard to such a program or activity; or making employment decisions in the administration of or in connection with such a program or activity.

ADFA and the subrecipients must administer and fund programs that are in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and will affirmatively further fair housing.

Prevention of Fraud, Waste, and Abuse

This Program will be monitored periodically by ADFA to ensure compliance with all federal and state requirements. A subrecipient must agree to return all unexpended funds and improper payments to ADFA in the event of fraud, waste, or mismanagement and/or substantial noncompliance with the guidelines. Complaints regarding fraud, waste, or abuse of funds will be forwarded to the HUD Office of the Inspector General Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov).

The Prevention of Fraud, Waste, and Abuse Policy can be found on the ADFA website.

Davis Bacon

ADFA will only be providing the non-federal match to already completed projects. Therefore, the March 2025[5] DOL waiver of retroactive Davis Bacon and Related Acts (DBRA) applicability for certain CDBG-DR projects will include the 2025 allocations for projects where CDBG-DR funds are used as non-federal match for other federal grant programs. The waiver allows:

No DBRA applicability if:

All construction work on a project *was completed before* the date the CDBG-DR *grant agreement* was signed by HUD, and CDBG-DR funds are used *only to reimburse those completed project costs*.

The waiver applies to all projects funded by CDBG-DR grants **used as non-federal match** for **public facilities and improvements, including infrastructure**, whether *contracted by the grantee directly or through subrecipients*.

Section 3

All projects receiving more than $200,000 in HUD assistance at a project site are required to comply with the Section 3 rule, as detailed in 24 CFR Part 75. For completed projects, ADFA would ask subrecipients for a list of section 3 labor hours and also ask about qualitative efforts.

[5] HUD's Office of Disaster Recovery Division, CDBG-DR Guidance: Davis-Bacon and Related Acts (DBRA) Applicability and Department of Labor Waiver Provisions, HUD, 2025.

Duplication of Benefits and Subrogation

Because the costs for FEMA PA projects can fluctuate based on scope of work, ADFA will ensure that a Duplication of Benefits is not triggered. The Stafford Act prohibits any person, business concern or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss which they have already received financial assistance under any other program, from insurance, or any other sources. To prevent a Duplication of Benefits, matching funds from other sources (i.e., local funds or grants) are considered before ADFA allocates funding.

ADEM will perform a Duplication of Benefits analysis for each project that includes:

1.) assess applicant's total need;

2.) identify total assistance;

3.) exclude non-duplicative amounts;

4.) exclude funds for a different purpose;

5.) exclude funds for the same purpose, different allowable use;

6.) identify a final Duplication of Benefits amount (if any) and calculate the award; and

7.) reassess unmet need when necessary.

ADEM in conjunction with ADFA will verify that subrecipients did not have other local or state funds designated or planned for the activity in any capital improvement plan or budgeted.

Subrecipient must agree to subrogate (commit to ADFA) any future payments they may receive after the award amount is determined from sources that represent a potential Duplication of Benefits. The subrogation agreement requires the subrecipient to notify ADFA if additional funds are received and to assist ADFA in collecting any amounts owed from these sources.

Uniform Relocation Assistance

The Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (the URA) and its implementing regulations at 49 CFR 42, establish minimum standards for federally funded programs and projects requiring the acquisition of real property or displaced persons from their homes or businesses. The URA applies broadly to all planned or intended federally funded projects, funded in part or in whole where acquisition, rehabilitation or demolition occurs in any phase. For applications, properties impacted will indicate on their application if the property is owner-occupied or tenant occupied. The

project must consider potential impacts to tenants[6]. If an identified project results in tenants leaving their homes involuntarily (being displaced), the tenants may be eligible for Tenant Relocation Assistance under the URA. These requirements apply to the relocation of any displaced person as defined at 49 CFR § 24.2(a)(9). Displaced persons under this definition must be fully informed of their rights and entitlements to relocation assistance and payments provided by the URA and its implementing regulations. For more information, refer to 49 CFR 24, Subpart C. The cost of relocation will be allocated in the ADEM budget for the project and those costs are eligible for CDBG-DR match.

Recordkeeping

It is important that the subrecipient fully document compliance with all applicable regulations. This is accomplished through maintaining comprehensive records and submitting all necessary reports.

The filing system should be easy to use and should provide a historic account of activities for examination and review by HUD, ADFA, auditors, and local staff. These entities must have access to any pertinent books, records, accounts, documents, papers, and other property that is relevant to the grant. Certain records must be available to the public as well. However, subrecipients must keep files that contain personal information, such as social security numbers, in a secure place.

Records must be retained according to 24 CFR 570.490(d) for the greater of three years from closeout of the grant to the state.

Audit Requirements

All audits must be conducted in accordance with 2 CFR Part 200 and must be performed in accordance with Generally Accepted Government Auditing Standards (GAGAS) (see 2 CFR 200.514(a)). According to GAGAS, a financial audit should determine whether:

- Financial information is presented in accordance with the established or stated criteria.
- The subrecipient has adhered to specific financial compliance requirements.
- The subrecipient's internal control structure over financial reporting and/or safeguarding assets is suitably designed and implemented to achieve control objectives.

[6] HUD's Tenant Assistance, Relocation and Real Property Acquisition Handbook (1378.0)

In conducting an audit, the subrecipient **must** supply the following information to the auditor at the beginning of each audit:

- A copy of the grant information sheet received with the grant agreement
- A copy of the grant agreement
- A copy of all draw requests processed during the fiscal year
- A copy of the monitoring letter if one was issued during or affecting the fiscal year being audited
- A copy of the community's most recent budget, which includes the CDBG-DR funds for the fiscal year
- The location of CDBG-DR project records and the name and phone number for a contact person.

Payment

Request for Payments

Subrecipients will be responsible for billing ADFA for invoiced costs. Before the submission of costs to ADFA, subrecipients must verify that vendor invoices are accurate and complete, the activities and costs were incurred during the period of performance, and all required support documentation is included in the payment package.

ADFA will review the draw request and reconcile any issues that may arise as a result. It is anticipated that only one draw per project will be necessary for this program.

Recapture of Funds

There are situations that may trigger Duplication of Benefits and require ADFA to reduce the amount of CDBG-DR funding used on a project. In addition, failure of a subrecipient to ensure that the use of CDBG-DR funding follows HUD regulations could also trigger a reduction in funding. Applicants who have been identified for recapture of program funding will not be able to close out of the Program until all funds have been repaid to ADFA.

Program Income

Program income is the gross income received by ADFA or any of its subrecipients that is directly generated from the use of CDBG-DR funds. Information regarding how program income may be generated and used is available at 24 CFR 570.489 and 24 CFR 570.504, as well as on HUD's website. ADFA does not anticipate generating program income through the

Program. If program income is generated, it will be transferred from the subrecipient to ADFA. Program income will be expended before drawing funds from HUD.

Closeout

Subrecipient Close-out

ADFA will 'piggyback' on FEMA's closeout and perform a similar review to ensure projects can be closed out for HUD. In addition to the things FEMA reviews, ADFA will verify that specific HUD requirements are met or not triggered, verify that costs charged to the CDBG-DR grant are eligible, and verify that costs were allocated correctly. As mentioned above, FEMA will verify compliance with procurement and contracting for closeout. ADFA will document that a contract can be closed when all applicable invoices have been received, compliance is met, and no further activity is needed.

Program Close-out

To close out the Program, ADFA staff will verify the following:

- Projects:
  - Confirm that all Program activities are complete.
  - Confirm final beneficiary and accomplishment numbers, including Section 3 labor hours.
  - Confirm compliance with all contracts funded through the Program.
- Financials:
  - Confirm the total reimbursement through the Program and verify that the accounting is accurate.
  - Confirm final reimbursement request has been made.
  - Confirm that the Program is not overspent against the Action Plan budget.
- Administrative
  - Confirm documentation is retained for any critical decisions made or policies developed (for future audits).
  - Closeout applicant files and make sure files are consistently organized.
  - Closeout individual activities and the Program in DRGR.

The Program will be ready for closeout when the conditions are met:

- All eligible activities are completed.
- All funds are expended in full or remaining funds are planned to be returned to ADFA.
- All reporting requirements were completed.
- Any specials conditions of the program were met.
- All audit and monitoring issues were resolved.
    - Evidence of having met a national objective
    - Budget, expenditure information, CDBG-DR Draw down requests
    - Source documentation (purchase orders, invoices, canceled checks)
    - Applicable environmental review records
    - Applicable monitoring and audit reports

Outlook

RE: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

From Turner, Jennifer <jturner@rogersar.gov>
Date Thu 1/15/2026 3:50 PM
To ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>

Thank you.

Jennifer Cook-Turner, PhD |Grants Manager
Finance Department | www.rogersar.gov
301 W. Chestnut St., Rogers, AR 72756
Email: jturner@rogersar.gov
Office: (479) 621-1117
Cell: (479) 399-8660

From: ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>
Sent: Thursday, January 15, 2026 3:29 PM
To: Turner, Jennifer <jturner@rogersar.gov>; ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>
Subject: Re: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

CAUTION: This email originated from outside of the City of Rogers and attachments were detected. Do not open attachments unless you recognize the sender and know the content is safe.
CAUTION: This email originated from outside of the City of Rogers and URL's were detected. Do not click links unless you recognize the sender and know the content is safe.
I am reaching out to our consultants for some additional information that may help.

Thanks

From: Turner, Jennifer <jturner@rogersar.gov>
Sent: Thursday, January 15, 2026 3:11 PM
To: ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>
Subject: RE: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

Thank you. Is there an option to waive the close-out requirement date of 12/22/2025?

The City of Rogers is still in the recovery phase. Not all projects have been completed, therefore, they are not eligible for closeout. Also, our large Cat A debris project has been in the final stage of large project review since August. It is completed and fully documented. There hasn't been any movement on Cat A, even though we have repeatedly contacted and expressed concerns to our FEMA, State and Congressional representatives. The local share of our Cat A is $4M.

Jennifer Cook-Turner, PhD |Grants Manager

Finance Department | www.rogersar.gov

301 W. Chestnut St., Rogers, AR 72756

Email: jturner@rogersar.gov

Office: (479) 621-1117
Cell: (479) 399-8660

From: ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>
Sent: Thursday, January 15, 2026 2:45 PM
To: Turner, Jennifer <jturner@rogersar.gov>; ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>
Subject: Re: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

CAUTION: This email originated from outside of the City of Rogers and attachments were detected. Do not open attachments unless you recognize the sender and know the content is safe.

CAUTION: This email originated from outside of the City of Rogers and URL's were detected. Do not click links unless you recognize the sender and know the content is safe.

Good Afternoon,

To clarify, this program will fund the match portion of a Project that has been closed-out by recipient and FEMA.

Thank you

From: Turner, Jennifer <jturner@rogersar.gov>
Sent: Thursday, January 15, 2026 12:02 PM
To: ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>
Subject: RE: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

Hi ADFA 2025 CDBG-DR Team,

Upon initial review of the FEMA Non-Federal Match Draft, Available Funds $6,095,600 in CDBG-DR funds will be available for the FEMA Non-Federal Match Program. The program will provide matching funds to cover the portion of project costs not financed by FEMA's PA or HMGP program, up to 25% of the total project cost as determined by FEMA.

ADFA will only provide the non-federal match to projects completed by FEMA prior to December 22, 2025.

Could you please clarify the language **"projects completed by FEMA"**? Does that mean:

1. completed by the applicant and still in large project (large project) review,
2. obligated by FEMA (paid or unpaid to recipient and/or subrecipient),
3. Project has been closed-out by recipient and FEMA

Thank you!

Jennifer Cook-Turner, PhD |Grants Manager

Finance Department | www.rogersar.gov

301 W. Chestnut St., Rogers, AR 72756

Email: jturner@rogersar.gov

Office: (479) 621-1117
Cell: (479) 399-8660

From: ADFA CDBG-DR <ADFA.CDBGDR@arkansas.gov>
Sent: Wednesday, January 14, 2026 3:47 PM
To: Johnston, Donna <djohnston@rogersar.gov>; Turner, Jennifer <jturner@rogersar.gov>; cj@halorrs.com; ssmith@wynneschools.org; bwiley@wynneschools.org; cityclerkofparkin@gmail.com; stacie.schlenker@wynneschools.org; kennethmoore@wynneschools.org; slyons@wynneschools.org; aaron.russell@halorrs.com; jhobbs@cityofwynne.com; dstephens@cherryvalleyar.org; cityofhickoryridge@yahoo.com; lblake@crosscountyar.org; sorman@bentonvillear.com; jflynn@bellavistaar.gov; Mayor's Office <mayor@rogersar.gov>; CityAdmin@siloamsprings.com; bedwards@centertonar.us; nathan.see@cityofpearidge.com; kevin.johnston@cityofgentry.com; kmaddox@gravettear.com; btharp@decaturar.us; cityofsulphursprings@outlook.com; randall.noblett@cavespringsar.gov; CountyJudge@bentoncountyar.gov; demconact@bentoncountyar.gov; bhyde@pulaskicounty.net; North Little Rock Mayor <mayor@nlr.ar.gov>; mayormaryjo@cityofsherwood.net; Jelmore@cityofjacksonville.net; mayor@maumelle.org; shannonhillsmayor@aristotle.net; mayor@cityofalexander.org; ckees@cammackvillage.org; mayor@cityoflittleflock.com; AJ Gary <AJ.Gary@arkansas.gov>; Jodi Lee <Jodi.Lee@arkansas.gov>
Subject: Public Hearing Notice- 2025 CDBG-DR Planning and Non-Federal Match Programs Policies and Procedures

CAUTION: This email originated from outside of the City of Rogers and attachments were detected. Do not open attachments unless you recognize the sender and know the content is safe.

CAUTION: This email originated from outside of the City of Rogers and URL's were detected. Do not click links unless you recognize the sender and know the content is safe.

Good Afternoon,

The Arkansas Development Finance Authority will hold a public hearing via Zoom at 10:00 am on January 20, 2026, to discuss the policies and procedures for its 2025 CDBG-DR Local Preparedness Planning and Non-Federal Match Programs. Attached are the Notice and drafts of each program's policies and procedures. All documents have also been posted on ADFA's website under Upcoming Events and on the CDBG-DR website. Please reach out should there be any questions regarding the hearing.

Arkansas Development Finance Authority

Community Development Block Grant Disaster Recovery (CDBG-DR) - Arkansas Development Finance Authority

Thank you

Outlook

Re: City of Rogers, FEMA delay and the CDBG-DR Non-Federal Match Programs Opportunity

From Blake Bumgardner <Blake.Bumgardner@arkansas.gov>
Date Thu 1/29/2026 8:44 AM
To Weaver, Kyle <Kyle.Weaver@mail.house.gov>; ADFA CDBG-DR <adfa.cdbgdr@arkansas.gov>
Cc jturner@rogersar.gov <jturner@rogersar.gov>; Hale, Jordan <Jordan.Hale@mail.house.gov>; VanDeGrift, Grace <Grace.VanDeGrift@mail.house.gov>; White, Colby (Cotton) <colby_white@cotton.senate.gov>; Stuckey, Beau <Beau.Stuckey@mail.house.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>; Jimmy Harris <jimmy_harris@boozman.senate.gov>; paige.brown@adem.arkansas.gov <paige.brown@adem.arkansas.gov>

Kyle,

Thank you for the follow up. We were able to log Jennifer's comments and are awaiting any more during the comment period ending January 30th. We will take all comments into consideration and provide the most effective policies and procedures, given they follow all related requirements.

We will be happy to save the email you attached in the program file. Please have a wonderful day.

Thanks

From: Weaver, Kyle <Kyle.Weaver@mail.house.gov>
Sent: Wednesday, January 28, 2026 4:21 PM
To: ADFA CDBG-DR <adfa.cdbgdr@arkansas.gov>
Cc: jturner@rogersar.gov <jturner@rogersar.gov>; Hale, Jordan <Jordan.Hale@mail.house.gov>; VanDeGrift, Grace <Grace.VanDeGrift@mail.house.gov>; White, Colby (Cotton) <colby_white@cotton.senate.gov>; Stuckey, Beau <Beau.Stuckey@mail.house.gov>; Lori Brockway <lori.brockway@arkansas.gov>; Patricia Cearns <patricia.cearns@arkansas.gov>; Jimmy Harris <jimmy_harris@boozman.senate.gov>; paige.brown@adem.arkansas.gov <paige.brown@adem.arkansas.gov>
Subject: RE: City of Rogers, FEMA delay and the CDBG-DR Non-Federal Match Programs Opportunity

Some people who received this message don't often get email from kyle.weaver@mail.house.gov. Learn why this is important

Blake,

I wanted to follow up my email on January 15, 2026, to note that the Arkansas congressional delegation was informed today by FEMA that it was announcing federal grants for the State of Arkansas involving disasters DR-4698, DR-4788, and DR-4873. Among those, I am pleased to report, is the City of Rogers Category A – Debris Removal project that was the subject of my email to you a few weeks ago pertaining to eligibility for CDBG-DR funds.

I understand that ADFA was able to log Jennifer Turner's (City of Rogers) comment during the recent public hearing to discuss the policies and procedures for the 2025 CDBG-DR Local Preparedness Planning and Non-Federal Match Programs. Our office remains hopeful that the

conditions for local cost share eligibility can take into account projects that experienced delays in FEMA's review and award process. As I noted in my earlier email, we want to ensure that all possible opportunities are exhausted for the consideration of recovery projects that should be eligible for CDBG-DR funding. As ADFA continues looking into this issue further for additional information and guidance, please keep me updated on any developments and let me know if we can be of any assistance.

For your records, I have attached the email our office received earlier today from FEMA with the award notification. The Rogers Cat A project is the fourth one listed in the table within the body of the email.

Thank you.

Kyle Weaver|*Projects Director*
Congressman Steve Womack, AR-3

p: 479-464-0446|f: 479-464-0063|a: 3333 Pinnacle Hills Parkway, Suite 120, Rogers, AR 72758

From: Weaver, Kyle
Sent: Thursday, January 15, 2026 5:07 PM
To: 'adfa.cdbgdr@arkansas.gov' <adfa.cdbgdr@arkansas.gov>
Cc: jturner@rogersar.gov; Hale, Jordan <Jordan.Hale@mail.house.gov>; VanDeGrift, Grace <Grace.VanDeGrift@mail.house.gov>; White, Colby (Cotton) <colby_white@cotton.senate.gov>; Stuckey, Beau <Beau.Stuckey@mail.house.gov>; 'lori.brockway@arkansas.gov' <lori.brockway@arkansas.gov>; 'patricia.cearns@arkansas.gov' <patricia.cearns@arkansas.gov>; Harris, Jimmy (Boozman) <jimmy_harris@boozman.senate.gov>; paige.brown@adem.arkansas.gov
Subject: City of Rogers, FEMA delay and the CDBG-DR Non-Federal Match Programs Opportunity
Importance: High

Blake,

Good afternoon. I wanted to briefly make contact with you to corroborate information recently conveyed to ADFA by Jennifer Turner at the City of Rogers and provide some additional context regarding the delay in processing that has been experienced with FEMA projects related to DR-4788-AR.

Specifically, Congressman Womack's office initiated a status inquiry with our liaisons at FEMA Region 6 on October 15, 2025, to request an update on the City of Rogers Category A – Debris Removal project and when it might be obligated for payment. Per the Large Project Number LPN-19820 description, "This award provides $12,187,800.72 in federal funding to the city of Rogers for Public Assistance Alternative Procedures for Debris Removal operations as a result of FEMA-DR-4788-AR (Severe Storms, Straight-line Winds, Tornadoes and Flooding). This funding is authorized under Section 428 of the Robert T. Stafford Act."

In response, our FEMA Region 6 liaison informed Congressman Womack's office on Oct. 20th that "The City of Roger's debris removal project is currently going through the final stages of the

large project notification process. There are currently no actions that the subrecipient or recipient need to take."

Our office made subsequent follow up status inquiries with FEMA Region 6 on Oct. 27th, Nov. 17th, and Dec. 11th. There was no substantive change in the project status with each response received and a specific obligation date remained pending.

Today, Jan. 15, 2026, I have once again submitted a status inquiry to our liaisons at FEMA Region 6. I have also included our liaisons at FEMA HQ.

I wanted to lay out for you and those at ADFA that we are now approaching three months of waiting for FEMA to clear the Rogers Cat A project through the large project notification process and corroborate what Jennifer has told you regarding the status. I also wanted to note our continued efforts to obtain clarity about status and communicate urgency with FEMA on this matter.

That said, I understand in my communications with Jennifer today that there is a real concern that this delay on FEMA's part might jeopardize the eligibility for Rogers FEMA PA projects like the Cat A project highlighted that haven't been completed/obligated to benefit from CDBG-DR Non-Federal Match Programs. I wanted to use this email today to indicate the interest of our office to ensure that all possible opportunities are exhausted for the consideration of recovery projects that should be eligible for this federal funding. Whether that is through any administrative allowances, time extensions, or exceptions to policy that might be available under the circumstances that are outside the control of the local government entity. If the issue pertains to a matter of law or statute that would limit any administrative recourse, I would want to know that too. I understand that your office is seeking additional information and guidance, and I would appreciate being looped in on anything you find out. Additionally, if there is something our office needs to do on this directly with HUD since this funding comes through that federal agency, please let me know so we can advocate on behalf of potential applicants like Rogers who are caught in a FEMA delay and be helpful to ADFA in the process.

For the awareness of those who I have engaged with on this matter, I wanted them to be aware of my email to you and your office. I have copied Jennifer, staff in Congressman Womack's office and my grants contacts in Sen. Cotton and Sen. Boozman's offices, and Paige Brown at ADEM, who is quite familiar with the concerns pertaining to the Rogers debris removal project with FEMA.

Thank you for your time and consideration. I appreciate your responsiveness and engagement with Jennifer and the City of Rogers on this matter. If there is anything Congressman Womack's office can be of assistance with regarding this concern, please let me know as our office wants to be as helpful as possible.

Have a great evening.

Kyle Weaver|*Projects Director*
Congressman Steve Womack, AR-3

p: 479-464-0446|f: 479-464-0063|a: 3333 Pinnacle Hills Parkway, Suite 120, Rogers, AR 72758

U.S. HOUSE OF REPRESENTATIVES

BOARD OF EDUCATION

STACIE SCHLENKER, President
SPENCER PARKER, Vice-President
MICHAEL HIRONS, Secretary

TERESA DALLAS, Board Member
LEANNE LOVELL, Board Member

Wynne Public Schools
P.O. Box 69
Wynne, Arkansas 72396
Phone: (870) 238-5020 Fax: (870) 238-5011

January 28, 2026

Public Comment Regarding CDBG-DR Recovery Priorities for Wynne School District

Dear Arkansas Development Finance Authority,

On behalf of the Wynne School District and the Wynne community, we thank you for your efforts to identify CDBG-DR recovery projects and opportunities to support the many Arkansas communities impacted by storms associated with DR-4698 and DR-4788. We also appreciate the opportunity to have participated in the January 20, 2026, Public Hearing, as well as this opportunity to provide written input during the 10-day public comment period.

The following points reflect key considerations related to the FEMA Non-Federal Match and Local Preparedness Planning Programs and how these issues affect the ongoing recovery of the Wynne School District:

• Our high school student body remains displaced following the March 31, 2023, tornado that destroyed our high school facility. FEMA-eligible expenses associated with emergency protective measures and the ongoing operation of temporary high school facilities require a 25% local match creating significant strain on our local operating budget.

• Given the immense scale of damage to our district—including emergency protective measures, the need to provide adequate temporary facilities for the duration of the rebuilding process, and the scope of FEMA-eligible rebuilding projects—the required 25% local match continues to present a significant challenge. The magnitude of these costs is disproportionate to the size of our district and its operating budget.

- The Arkansas Department of Emergency Management (ADEM) discontinued the practice of offsetting a portion of the required 25% local match several years ago. We believe additional consideration should be given to our district, as well as other disaster-impacted entities across the region that are financially strained and have limited recourse due to this policy change. We strongly believe it is in the best interest of the state to prioritize entities experiencing severe financial impacts ahead of funding for new projects. Given the scale of damages in Wynne, Arkansas alone, we want to again express our concern that the $6,095,600 available for FEMA Non-Federal Match Program will not be adequate to restore financial stability and enable full recovery of impacted entities. The Wynne School District alone will incur non-federal match costs in excess of this amount.

• The FEMA 75/25 Hazard Mitigation Grant Program (HMGP) provides meaningful benefits to schools and other public entities following a disaster. However, for rural school systems such as Wynne, the required 25% non-federal match limits our ability to take advantage of mitigation opportunities. Due to our size, we do not maintain fund balances at a level that would allow participation without additional taxpayer support. As a secondary priority, we respectfully request that CDBG-DR funds be considered to offset, in part or in whole, the required 25% match so that entities such as the Wynne School District can invest in more resilient infrastructure.

Again, we appreciate the opportunity for our voice to be heard as part of this process. Should there be interest in further engagement on these matters, we would welcome the opportunity to do so. Thank you for your careful consideration of our comments. We look forward to the possibility of collaborating with ADFA as we continue our recovery efforts.

Respectfully,

Stacie Schlenker Board President	Spencer Parker Vice-President	Dr. Kenneth Moore Superintendent

Outlook

Re: CDBG-DR Public Hearing Follow Up Questions

From Blake Bumgardner <Blake.Bumgardner@arkansas.gov>
Date Mon 1/26/2026 1:04 PM
To C.J. Huff <cj@halorrs.com>; Lori Brockway <lori.brockway@arkansas.gov>
Cc Candy Goodwin <candy.goodwin@halorrs.com>; Kenneth Moore <kennethmoore@wynneschools.org>; Sandra Smith <ssmith@wynneschools.org>; Stephanie Lyons <slyons@wynneschools.org>; Stacie Schlenker <stacie.schlenker@wynneschools.org>

C.J.,

Please see our responses below in red. Let us know if you have any further questions or comments.

Thanks,

From: C.J. Huff <cj@halorrs.com>
Sent: Saturday, January 24, 2026 5:49 AM
To: Blake Bumgardner <blake.bumgardner@arkansas.gov>; Lori Brockway <lori.brockway@arkansas.gov>
Cc: Candy Goodwin <candy.goodwin@halorrs.com>; Kenneth Moore <kennethmoore@wynneschools.org>; Sandra Smith <ssmith@wynneschools.org>; Stephanie Lyons <slyons@wynneschools.org>; Stacie Schlenker <stacie.schlenker@wynneschools.org>
Subject: CDBG-DR Public Hearing Follow Up Questions

Blake. A few quick follow up questions regarding the public hearing…

- I wasn't clear whether the Wynne School District could apply as the primary applicant or whether it had to be a sub-applicant under the City of Wynne. The primary applicant should be a local unit of government. The school district may be listed as the co-applicant.
- On the planning grant, would emergency operations planning development be an eligible cost? And if so, would it have to be in conjunction with the city or on their own. I'm assuming the answer to the question above will have bearing on that answer. Emergency operations planning may be eligible, given that it meets all necessary criteria submitted in the application. The co-applicant should work with the City to be sure that the emergency operations planning meets the needs of the School District but also fits within the overall emergency planning of the City.

- I understand you all are looking at the language related to the grant requiring all work to have been completed by December 22, 2025. However, a quick question, since we are at least 18 months away from closeout on the Wynne High School and temporary campus, the fact that the temporary campus is complete, for example, but not closed out…is that considered complete by the deadline or not because, although funding is obligated, the project is not technically complete. This has been discussed and language similar to "*ADFA will only provide the non-federal match to projects completed by FEMA prior December 22, 2205. Completed projects are defined as services rendered, project worksheet (PW) fully obligated, and all FEMA payments have been made. The project does not need to be closed out by FEMA to be funded, only completed. "* can be expected in the policies.
- If I missed the answer to this question, I apologize. I didn't see a timeline in the draft action, but is there a date at which the application period will open and close for each of the projects? The application period will be announced in the Notice of Funding Availability issued by ADFA. There is not currently a date for this notice to be issued.

Thanks to you and Lori both for all your guidance and leadership on this effort!

CJ

--
CJ Huff, Ed.D.
417-434-8311
CJ@HaloRRS.com

HaloRRS
Response & Recovery Solutions

Trusted advisors when you need it most
www.HaloRRS.com

TAB 11

ROBERT "RO" ARRINGTON
PRESIDENT
ARKANSAS DEVELOPMENT
FINANCE AUTHORITY

To: ADFA Board Housing Review Committee
From: Lori Brockway, Federal Housing Programs Manager
Date: February 19, 2026
Re: RFP - Single Family New Construction (SFNC) Program with CDBG-DR Funding

ADFA issued requests for proposals for consultants to potentially assist with the development and management of the Single Family New Construction (SFNC) Program utilizing CDBG-DR funding. ADFA received responses from the following firms:

SFNC-CDBG-DR

- GrantWorks
- Hagerty
- ICF
- TDA
- Timberline Construction
- Witt O'Brien's

The Staff Housing Review Committee met and reviewed all the proposals received and will present their recommendation to the Board at the February 19, 2026, meeting.

TAB 12

HOME
Activities Report

STATUS OF HOME ACTIVITIES - IDIS

2/1/2026

FUNDING STATUS - PROJECTS

IDIS Activity	Activity Type	Activity Name	Activity Status	Last Draw Date	Home Units	Total Units	Committed Amount	Drawn Amount	% HOME Expended
14915	NC	Cottage Lane Village	Open	11/18/2025	11	40	$1,760,000.00	$1,258,438.99	72%
14918	NC	The Peaks at Springdale III	Open	11/18/2025	11	72	$1,925,000.00	$1,647,000.01	86%
14928	NC	Loraine Park of Lowell	Open	11/18/2025	9	60	$1,500,000.00	$1,350,000.02	90%
14944	NC	The Vineyards At Cabot Ph II	Open	11/05/2025	8	48	$1,320,000.00	$1,188,000.00	90%
14978	NC	McAuley Place Apartments	Open	10/22/2025	11	60	$1,980,000.00	$1,172,618.10	59%
14979	NC	McAuley Place Apartments - Ph II	Open	11/4/2025	17	60	$3,000,000.00	$914,048.90	30%
14995	NC	The Bluffs at Shackleford	Open	11/4/2025	11	61	$2,000,000.00	$1,516,882.78	76%
15009	NC	Harrison Estates	Open		10	60	$1,858,964.00	$540,000.00	29%
15010	NC	Harrison Estates Senior Housing	Open	11/18/2025	11	60	$1,835,829.00	$323,100.00	18%
15013	NC	Walnut Commons 2024 (HOME)	Open	11/4/2025	11	60	$1,800,000.00	$377,566.20	21%
15035	REHAB	Northgate Apartments - Rehab	Open	11/12/2025	11	20	$1,552,143.00	$1,055,450.81	68%
15036	TBRA	Brad Black River Area Development (ADMIN)	Open				$25,000.00	$0.00	0%
15037	TBRA	Brad Black River Area Development (HAP/PD)	Open		40		$261,480.00	$0.00	NOT YET FUNDED
							$20,818,416.00	$11,343,105.81	

DEADLINE STATUS - PROJECTS

IDIS Activity	Activity Type	Activity Name	Earliest Grant Yr	Expenditure Deadline	Period of Performance	SF-425 Filing Deadline	Grant Closeout Deadline	Written Agreement Date	IDIS - 4 YR Project Completion Deadline	NOTES	Inspection Date	% Construction Completion	Inspection Phase
14915	NC	Cottage Lane Village	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	5/28/2024	5/28/2028		12/10/2025	70%	CONSTRUCTION
14918	NC	The Peaks at Springdale III	2020	9/30/2028	9/30/2028	1/28/2029	9/30/2029	6/26/2024	6/26/2028		1/6/2026	100%	FINAL
14928	NC	Loraine Park of Lowell	2020	9/30/2028	9/30/2028	1/28/2029	9/30/2029	9/6/2024	9/6/2028		1/15/2026	80%	CONSTRUCTION
14944	NC	The Vineyards At Cabot Ph II	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	8/12/2024	8/12/2028		7/24/2025	92%	CONSTRUCTION
14978	NC	McAuley Place Apartments	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	2/24/2025	2/24/2029		1/8/2026	46%	CONSTRUCTION
14979	NC	McAuley Place Apartments - Ph II	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	2/24/2025	2/24/2029		1/8/20226	26%	CONSTRUCTION
14995	NC	The Bluffs at Shackleford	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	6/26/2025	6/26/2029		2/3/2026	22%	CONSTRUCTION
15009	NC	Harrison Estates	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	7/1/2025	7/1/2029		2/3/2026	9%	CONSTRUCTION
15010	NC	Harrison Estates Senior Housing	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	7/1/2025	7/1/2029		2/3/2026	25%	CONSTRUCTION
15013	NC	Walnut Commons 2024 (HOME)	2022	9/30/2030	9/30/2030	1/28/2031	9/30/2031	8/6/2025	8/6/2029		11/15/2025	6%	CONSTRUCTION
15035	REHAB	Northgate Apartments - Rehab	2022	9/30/2030	9/30/2030	1/28/2031	9/30/2031	8/22/2025	8/22/2029		11/5/2025	35%	CONSTRUCTION
15036	TBRA	Brad Black River Area Development (HAP/PD)	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	7/1/2025	7/1/2029				
15037	TBRA	Brad Black River Area Development (ADMIN)	2020	9/30/2028	9/30/2028	1/28/2029	9/30/2029	9/6/2024	9/6/2028				

G STATUS - ADMIN

14509	ADMIN	ADFA ADMINISTRATION (2020/18 AD - 2020 PA)	Open	11/18/2025			$2,033,744.43	$1,748,888.89	86.0%
14510	ADMIN	ADFA ADMIN / RECORDING 2020	Open	10/14/2025			$16,058.50	$15,773.50	98.2%
14677	ADMIN	ADFA ADMINISTRATION 2021	Open				$1,405,091.40	$0.00	0.0%
14762	ADMIN	ADFA ADMINISTRATION 2022	Open				$1,730,109.66	$0.00	0.0%
14940	ADMIN	ADFA ADMINISTRATION 2023	Open				$1,616,016.87	$0.00	0.0%
14953	ADMIN	ADFA ADMINISTRATION 2024	Open				$1,532,651.77	$0.00	0.0%
							$8,333,672.63	$1,764,662.39	
					TOTAL HOME		$29,152,088.63	$13,107,768.20	

NHTF
Activities Report

STATUS OF NHTF ACTIVITIES - IDIS

2/1/2026

FUNDING STATUS - PROJECTS

IDIS Activity ID	Program Year	Activity Type	Activity Name	Activity Status	Last Draw Date	Initial Funding Date	HTF Units	Total Units	Committed Amount	Drawn Amount	PCT	TO BE DEOBLIGATED
13894	2020	NC	PATRIOT PARK (NHTF)	Open	7/10/2024	9/8/2020	14	60	$1,650,000.00	$1,649,000.00	99.9%	$1,000.00
14917	2024	NC	THE PEAKS AT SPRINGDALE PH III (NHTF)	Open	11/18/2025	8/6/2024	4	72	$605,000.00	$513,806.07	84.9%	
14922	2024	NC	LORAINE PARK OF LOWELL (NHTF)	Open	11/5/2025	8/19/2024	9	60	$1,500,000.00	$1,349,999.98	90.0%	
14995	2024	NC	THE BLUFFS AT SHACKLEFORD (NHTF)	Open	1/6/2026	6/27/2025	5	61	$1,000,000.00	$821,250.00	82.1%	
15011	2023	NC	WALNUT COMMONS (NHTF)	Open	12/18/2025	7/21/2025	4	60	$754,000.00	$79,456.50	10.5%	
									$5,509,000.00	$4,413,512.55		

DEADLINE STATUS - PROJECTS

IDIS Activity ID	Program Year	Activity Type	Activity Name	Earliest Grant Yr	Expenditure Deadline	Period of Performance	SF-425 Filing Deadline	Grant Closeout Deadline	Written Agreement Date	4 YR Project Completion Deadline	NOTES	Inspection Date	% Construction Completion	Inspection Phase
13894	2020	NC	PATRIOT PARK (NHTF)	2018	9/12/2023	9/12/2025	1/10/2026	9/12/2026	9/2/2020	Extended to 6/30/2025	POTENTIAL TO BE BLOCKED IN IDIS	1/8/2026	40%	CONSTRUCTION
14917	2024	NC	THE PEAKS AT SPRINGDALE PH III (NHTF)	2020	7/31/2025	7/31/2027	11/28/2027	7/31/2028	6/26/2024	6/26/2028		1/6/2026	100%	FINAL
14922	2024	NC	LORAINE PARK OF LOWELL (NHTF)	2022	8/29/2027	8/29/2029	12/27/2029	8/29/2030	8/19/2024	8/19/2028		1/15/2026	80%	CONSTRUCTION
14998	2024	NC	THE BLUFFS AT SHACKLEFORD (NHTF)	2023	8/1/2028	8/1/2030	11/29/2030	8/1/2031	6/11/2025	6/11/2029		2/3/2026	22%	CONSTRUCTION
15011	2024	nc	WALNUT COMMONS 2024 (NHTF)	2023	8/1/2028	8/1/2030	11/29/2030	8/1/2031	7/18/2025	7/18/2029		1/15/2026	12%	CONSTRUCTION

FUNDING STATUS - ADMIN

IDIS Activity ID	Program Year	Activity Type	Activity Name	Activity Status	Last Draw Date	Initial Funding Date		Committed Amount	Drawn Amount	PCT	Expenditure Deadline
14512	2021	ADMIN	ADFA NHTF ADMIN 2021	Open	1/21/2026	11/23/2021		$412,310.90	$63,820.62	15%	10/31/2026
14725	2022	ADMIN	ADFA NHTF ADMIN 2022	Open		2/13/2023		$457,393.80	$0.00	0%	8/29/2027
14921	2023	ADMIN	ADFA NHTF ADMIN 2023	Open		8/9/2024		$300,053.71	$0.00	0%	8/1/2028
14921	2024	ADMIN	ADFA NHTF ADMIN 2024	Open		2/10/2025		$300,009.49	$0.00	0%	12/17/2029
								$1,469,767.90	$63,820.62		
							TOTAL NHTF	$6,978,767.90	$4,477,333.17		

HOME – ARP
Activities Report

HOME-ARP

Organization	Proposed Use	Status	Non Profit Operating Assistance Funding	Disbursed Year 1	Approved Disbursement Year 2	% Expended Year 2	Funding Year 2	3 Months (Yr 2) 25%	6 Months (Yr 2) 50%	9 Months (Yr 2) 75%	12 Months (Yr 2) 100%
Restore Hope, Inc	Operating Expense Assistance	Notice To Proceed	$300,000.00	$150,000.00	$125,000.00	83%	$150,000	$37,500.00	$75,000.00	$112,500.00	$150,000.00
Riverview Hope Campus	Operating Expense Assistance	**Completed**	$138,246.00	$58,299.00	$79,947.00	**100%**	$79,947	$19,986.75	$39,973.50	$59,960.25	$79,947.00
Arkansas Enterprises for the Developmentaly Disabled, Inc (AEDD)	Operating Expense Assistance	Notice To Proceed	$300,000.00	$150,000.00	$125,000.00	83%	$150,000	$37,500.00	$75,000.00	$112,500.00	$150,000.00
Legal Aid of Arkansas	Operating Expense Assistance	Notice To Proceed	$300,000.00	$150,000.00	$125,000.00	83%	$150,000	$37,500.00	$75,000.00	$112,500.00	$150,000.00
Fort Smith Children's Shelter	Operating Expense Assistance	**Completed**	$123,702.00	$50,000.00	$73,702.00	**100%**	**$73,702**	$18,425.50	$36,851.00	$55,276.50	$73,702.00
Next Step Day Room Inc	Operating Expense Assistance	**Completed**	$136,500.00	$68,250.00	$68,250.00	**100%**	$68,250	$17,062.50	$34,125.00	$51,187.50	$68,250.00
Women & Children First	Operating Expense Assistance	Notice To Proceed	$300,000.00	$150,000.00	$141,084.48	94%	$150,000	$37,500.00	$75,000.00	$112,500.00	$150,000.00
			$1,598,448.00	**$776,549.00**	**$737,983.48**	90%	**$821,899**	**$205,474.75**	**$410,949.50**	**$616,424.25**	**$821,899.00**

Organization	Proposed Use	Status	Supportive Services Funding	Project Delivery	Approved Disbursement	% Expended	Deobligation Amount	6 Months 25%	12 Months 50%	18 Months 75%	24 Months 100%
Legal Aid of Arkansas	Supportive Services	Notice To Proceed	$660,766.00	n/a	**$190,319.62**	72%	**$396,013.27**	$165,191.50	$330,383.00	$495,574.50	$660,766.00
Restore Hope, Inc	Supportive Services	Notice To Proceed	$900,000.00	$90,000.00	**$516,064.88**	69%	**$242,107.09**	$247,500.00	$495,000.00	$742,500.00	$990,000.00
Riverview Hope Campus	Supportive Services	Notice To Proceed	$700,000.00	$50,000.00	**$260,050.97**	51%	**$243,538.99**	$187,500.00	$375,000.00	$562,500.00	$750,000.00
Serve NWA	Supportive Services	Notice To Proceed	$300,000.00	$30,000.00	**$199,571.06**	82%	**$87,947.42**	$82,500.00	$165,000.00	$247,500.00	$330,000.00
Fort Smith Children's Shelter	Supportive Services	**Completed**	$537,900.00	$53,790.00	**$547,813.93**	**100%**	**$43,859.04**	$147,922.50	$295,845.00	$443,767.50	$591,690.00
Women & Children First	Supportive Services	Notice To Proceed	$717,000.00	$71,700.00	**$151,950.54**	31%	**$298,526.66**	$197,175.00	$394,350.00	$591,525.00	$788,700.00
Next Step Day Room Inc	Supportive Services	Notice To Proceed	$92,000.00	$9,200.00	**$72,486.14**	73%	**$2,189.94**	$25,300.00	$50,600.00	$75,900.00	$101,200.00
Our House Inc	Supportive Services	**Completed**	$635,000.00	$63,500.00	**$671,361.15**	**100%**	**$26,464.66**	$174,625.00	$349,250.00	$448,875.00	$698,500.00
Ouachita Children, Youth & Family Center	Supportive Services	**Application Withdrawn**	$413,000.00	$41,300.00	**$53,571.38**	**100%**	**$400,728.62**	$113,575.00	$227,150.00	$340,725.00	$454,300.00
Center for Arkansas Legal Services	Supportive Services	**Completed**	$591,261.00	$59,126.00	**$228,351.01**	**100%**	**$422,035.99**	$162,596.75	$325,193.50	$487,790.25	$650,387.00
Community Action Program for Central AR	Supportive Services	Notice To Proceed	$900,000.00	$90,000.00	**$700,497.85**	91%	**$222,629.57**	$247,500.00	$495,000.00	$742,500.00	$990,000.00
St Bernards Development Foundation	Supportive Services	**Completed**	$300,000.00	$30,000.00	**$285,689.77**	**100%**	**$44,310.23**	$82,500.00	$165,000.00	$247,500.00	$330,000.00
			$6,746,927.00	**$588,616.00**	**$3,877,728.30**	79%	**$2,430,351.48**	**$1,833,885.75**	**$3,667,771.50**	**$5,426,657.25**	**$7,335,543.00**

Organization	Proposed Use	Status	ADFA HOME-ARP NCS Project Funding	DR Submitted	Approved	Retainage 10%	TBD	% Expended	Completion %	TBD	TBD
Women & Children First	Non-Congregate Shelter	Final Cost Certification	$ 7,000,000.00	$ 5,018,924.85	**$4,517,032.36**	**$501,892.49**		71.70%	88%		
Next Step Day Room Inc	Non-Congregate Shelter	Application Approved by Board	$ 3,696,295.23	$ -		**$0.00**		0.00%			
Arkansas Enterprises for the Developmentaly Disabled, Inc (AEDD)	Non-Congregate Shelter	Final Cost Certification	$ 4,618,543.00	$ 1,932,270.00	**$1,739,042.50**	**$193,227.50**		41.84%	28%		
Our House Inc	Non-Congregate Shelter	Final Cost Certification	$ 3,772,484.85	$ 676,836.76	**$609,153.08**	**$67,683.68**		17.94%	33%		
2025 NOFA for NCS Applications: $6,382,683.44			**$ 19,087,323.08**	**$ 7,628,031.61**	**$6,865,227.94**	**$762,803.67**		**40%**			
									***Report as of February 9, 2026**		

HOME – ARP NCS
Activities Report

STATUS OF HOME-ARP NCS ACTIVITIES - IDIS

2/1/2026

FUNDING STATUS - NCS PROJECTS

IDIS Activity ID	Program Year	Activity Type	Activity Name	Activity Status	Last Draw Date	Initial Funding Date	NCS Units	Total Units	Committed Amount	Drawn Amount	PCT
14945	2021	NCS	WOMEN & CHILDREN FIRST: The Center Against Family Violence (NCS)	Open	12/3/2025	1/24/2025	44	44	$7,000,000.00	$4,517,032.36	65%
14981	2021	NCS	OUR HOUSE, INC - A HOME TO NEW BEGINNINGS - (NCS)	Open	10/14/2025	6/11/2025	11	11	$3,772,485.00	$454,737.08	12%
15026	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 805 North Cypress Street, North Little Rock (1 OF 3)	Open	1/15/2026	9/15/2025	6	6	$1,539,514.34	$148,359.00	10%
15027	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 5 Polk Street, Cabot (2 OF 3)	Open	1/15/2026	9/15/2025	6	6	$1,539,514.33	$904,780.20	59%
15028	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 291 Cardinal Lane, Cabot (3 OF 3)	Open	1/15/2026	9/15/2025	6	6	$1,539,514.33	$685,903.80	45%
									$15,391,028.00	$6,710,812.44	

DEADLINE STATUS (NCS) - PROJECTS

IDIS Activity ID	Program Year	Activity Type	Activity Name	Earliest Grant Yr	Expenditure Deadline	Period of Performance	SF-425 Filing Deadline	Grant Closeout Deadline	Written Agreement Date	Project Completion Deadline	NOTES	Inspection Date	% Construction Completion	Inspection Phase
14945	2021	NCS	WOMEN & CHILDREN FIRST: The Center Against Family Violence (NCS)	2021	9/30/2030	9/30/2030	1/28/2031	9/30/2031	12/5/2024	6/6/2026		1/22/2026	88%	Construction
14981	2021	NCS	OUR HOUSE, INC - A HOME TO NEW BEGINNINGS - (NCS)	2021	9/30/2030	9/30/2030	1/28/2031	9/30/2031	5/30/2025	11/29/2026		1/6/2026	33%	Construction
15026	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 805 North Cypress Street, North Little Rock (1 OF 3)	2021	9/30/2030	9/30/2030	1/28/2031	9/30/2031	7/8/2025	1/7/2027		2/4/2026	30%	Construction
15027	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 5 Polk Street, Cabot (2 OF 3)	2021	9/30/2030	9/30/2030	1/28/2031	9/30/2031	7/8/2025	1/7/2027		2/4/2026	30%	Construction
15028	2021	NCS	AEDD, INC (HOME-ARP - NCS) - 291 Cardinal Lane, Cabot (3 OF 3)	2021	9/30/2030	9/30/2030	1/28/2031	9/30/2031	7/8/2025	1/7/2027		24/2026	30%	Construction

HOME-ARP FUNDS AVAILABLE - IDIS

					Committed Amount	Drawn Amount
HOME-ARP				FUNDING TOTALS	$15,391,028.00	$6,710,812.44

	Grant Year	Available to Subgrant	*Available for Projects*	Less Board Approvals Not Yet Committeed	Available to Commit
EN	2021	$10,078,978.52	$10,078,978.52	$3,696,295.23	$6,382,683.29

ESG Activities Report

ESG - 2024 Award

Organization	Program Funding	Status	Awarded Funding	ADMIN Max Allowed 1%	Approved Disbursement 2023 Funds	Approved Disbursement 2024 Funds	Total	% Expended	SO	ES	RRH	HP	HMIS- Max Allowed 5%
St Bernards Foundation	ESG	Notice to Proceed	$10,000.00	$0.00	**$2,292.34**	**$1,242.11**	**$3,534.45**	**35%**	$10,000	$0.00	$0.00	$0.00	$0.00
Riverview Hope Campus	ESG	Notice to Proceed	$291,818.00	$2,753.00	**$18,526.34**	**$68,488.98**	**$87,015.32**	**30%**	$5,000	$200,000.00	$60,300.00	$10,000.00	$13,765.00
Margies Haven House Inc	ESG	Notice to Proceed	$25,295.50	$245.50	**$7,450.10**	**$16,503.26**	**$23,953.36**	**95%**	$0	$24,550.00	$0.00	$0.00	$500.00
ARVAC, Inc	ESG	Notice to Proceed	$789,500.00	$1,500.00	**$221,922.38**	**$335,822.23**	**$557,744.61**	**71%**	$35,000	$450,000.00	$115,000.00	$158,000.00	$30,000.00
St Francis House	ESG	Notice to Proceed	$50,500.00	$500.00	**$7,643.62**	**$20,936.66**	**$28,580.28**	**57%**	$0	$45,000.00	$5,000.00	$0.00	$0.00
Second Chance DV SA Shelter	ESG	Notice to Proceed	$15,900.00	$150.00	**$2,850.79**	**$5,514.69**	**$8,365.48**	**53%**	$0	$15,000.00	$0.00	$0.00	$750.00
River City Ministry of Pulaski County	ESG	Notice to Proceed	$80,800.00	$800.00	**$15,495.92**	**$28,761.08**	**$44,257.00**	**55%**	$0	$80,000.00	$0.00	$0.00	$0.00
Crowley's Ridge Development Council	ESG	Notice to Proceed	$90,100.00	$850.00	**$10,233.69**	**$60,400.14**	**$70,633.83**	**78%**	$0.00	$0.00	$85,000.00	$0.00	$4,250.00
The Salvation Army - El Dorado	ESG	Notice to Proceed	$126,075.00	$500.00	**$15,584.83**	**$21,027.01**	**$36,611.84**	**29%**	$0.00	$70,225.00	$0.00	$55,350.00	$0.00
Our House Shelter Program	ESG	Notice to Proceed	$72,500.00	$500.00	**$8,856.68**	**$36,891.10**	**$45,747.78**	**63%**	$0.00	$72,000.00	$0.00	$0.00	$0.00
Women & Children First	ESG	Notice to Proceed	$44,990.40	$400.00	**$6,943.99**	**$11,293.67**	**$18,237.66**	**41%**	$0.00	$43,590.40	$0.00	$0.00	$1,000.00
City of Hot Springs	ESG	Notice to Proceed	$59,974.00	$574.00	**$0.00**	**$50,270.00**	**$50,270.00**	**84%**	$6,000.00	$51,400.00	$0.00	$0.00	$2,000.00
The Salvation Army -NWA	ESG	Notice to Proceed	$100,000.00	$0.00	**$25,044.10**	**$20,863.87**	**$45,907.97**	**46%**	$0.00	$70,000.00	$30,000.00	$0.00	$0.00
River Valley Shelter for Battered Women	ESG	Notice to Proceed	$37,013.00	$363.00	**$0.00**	**$22,634.84**	**$22,634.84**	**61%**	$0.00	$36,300.00	$0.00	$0.00	$350.00
Micah68 Initiative	ESG	Notice to Proceed	$142,000.00	$2,000.00	**$0.00**	**$41,218.72**	**$41,218.72**	**29%**	$0.00	$90,000.00	$25,000.00	$25,000.00	$0.00
Peace at Home Family Shelter	ESG	Notice to Proceed	$31,800.00	$300.00	**$9,696.78**	**$10,679.55**	**$20,376.33**	**64%**	$0.00	$30,000.00	$0.00	$0.00	$1,500.00
Mission Outreach of Northeast AR, Inc	ESG	Notice to Proceed	$36,350.00	$500.00	**$3,144.88**	**$10,906.55**	**$14,051.43**	**39%**	$0.00	$35,000.00	$0.00	$0.00	$1,000.00
Next Step Day Room, Inc	ESG	Notice to Proceed	$100,700.00	$950.00	**$20,506.19**	**$36,448.88**	**$56,955.07**	**57%**	$20,000.00	$75,000.00	$0.00	$0.00	$4,750.00
Serve NWA	ESG	Notice to Proceed	$98,555.80	$975.80	**$25,688.30**	**$51,674.34**	**$77,362.64**	**78%**	$0.00	$97,580.00	$0.00	$0.00	$0.00
Harrison House of Hope	ESG	**De-obligated**	$112,100.00	$1,100.00	**$771.91**	**$0.00**	**$771.91**	**1%**	**$0.00**	$50,000.00	$30,000.00	$30,000.00	$1,000.00
Totals			**$2,315,971.70**	**$14,961.30**	**$402,652.84**	**$851,577.68**	**$1,254,230.52**	**17.39%**	**$76,000.00**	**$1,535,645.40**	**$350,300.00**	**$278,350.00**	**$60,865.00**

2023 Funding: $ 598,695.48
2024 Funding: $ 2,296,487.00

Report as of February 5, 2026

ADMIN 2024 Award			Total
	2023	2024	
ADFA	$44,902.15	$88,013.26	$132,915.41
Subgrantees	$0.00	$3,881.08	$3,881.08

CDBG-DR Activities

and

ESG Funds Available

STATUS OF CDBG-DR ACTIVITIES - IDIS

2/1/2026	ALLOCATIONS	
ANNUAL ALLOCATION	2019	2025
	$8,940,000.00	$59,048,000.00
ACTIVITIES		
ADMIN	$447,000.00	$2,952,400.00
PLANNING OVERVIEW		$1,000,000.00
MF NEW CONSTRUCTION	$8,493,000.00	$24,000,000.00
SF NEW CONSTRUCTION		$20,000,000.00
FEMA NON-FEDERAL MATCH		$6,095,600.00
INFRASTRUCTURE/HOUSING		$5,000,000.00

				Committed Amount	Drawn Amount
DRGR			FUNDING TOTALS	$0.00	$0.00
	Grant Year	Available to Subgrant			
Pending	2019	$8,493,000.00	*Available for Projects*	Less Board Approvals Not Yet Committeed	Available to Commit
				$0.00	$8,493,000.00
Pending	2025	$56,095,600.00	*Available for Projects*	Less Board Approvals Not Yet Committeed	Available to Commit
				$0.00	$56,095,600.00

ESG FUNDS AVAILABLE - IDIS

				Committed Amount	Drawn Amount
ESG			FUNDING TOTALS	$2,204,643.61	$1,254,230.72
	Grant Year	Available to Subgrant			
EN	2024	$333,971.01			
		-$61,404.00	*-Less HMIS Contract - Restore Hope*		
		$272,567.01			
	2025	$2,271,567.00	*(includes admin)*		
		-$112,273.00	*-Less ADFA BDO/HORNE Contract*		
		$2,431,861.01			
			Available for Projects (includes admin)	Less Board Approvals Not Yet Committeed (includes admin)	(includes admin) Available to Commit
				$2,373,591.89	2025 ESG Remaining: $58,269.12
					-Less ADFA ADMIN: *($39,667.07)*
					2025 Final Available to Commit
					$18,602.05

NHTF and HOME
Funds Available

NHTF FUNDS AVAILABLE - IDIS

2/1/2026

	Committed Amount	Drawn Amount
FUNDING TOTALS	$6,978,767.90	$4,477,333.17

NHTF

AVAILABLE TO COMMIT

	Grant Year	Available to Subgrant	
EN	2025	$2,701,133.42	
	2024	$2,698,519.14	*BABA Active*
PI	2025	$104,961.58	
	2024	$15,507.56	*BABA Active*
IU	2025	$493,010.00	*BABA Active*
		$6,013,131.70	*Available for Projects*

Less Board Approvals Not Yet Committeed	Final NHTF Available to Commit
$3,428,631.00	$2,584,500.70
Pending Applications 2026 - NHTF	
$1,000,000.00	

HOME FUNDS AVAILABLE - IDIS

	Committed Amount	Drawn Amount
FUNDING TOTALS	$29,152,088.63	$13,107,768.20

HOME

AVAILABLE TO COMMIT

	Grant Year	Available to Subgrant		
EN	2025	$9,051,604.22		
	2024	$6,644,757.00		
	2023	$7,935,228.75		
	2022	$10,089,308.95		
	2021	$390.98		
PI	2025	$9,297,862.02		
	2024	$5,820,157.50		
	2023	$5,021,877.35		
	2022	$1,953,883.19		
HP	2024	$116,373.54		
	2023	$266,205.52		
IU	2025	$185,379.06		
	2024	$772,391.54		
	2023	$162,783.60	$25,429,678.34	HOME Available before BABA
		$57,318,203.22	*Available for Projects*	
		-$261,480.00	*Less TBRA Not Yet Funded Pending Draw*	
		$57,056,723.22		
CR	2025	$1,357,740.63		
	2024	$1,328,951.40		
	2023	$1,587,045.75		
		$4,273,737.78	*Available for CHDO Projects*	
			Available for ALL HOME Projects	

Less Board Approvals Not Yet Committed	Available to Commit
$21,593,209.00	$35,463,514.22
Less Board Approvals Not Yet Committed	Available for CHDO Commitments
$0.00	$4,273,737.78
	Final HOME Available to Commit
	$39,737,252.00
Pending Applications 2026 (TBRA/MF HOUSING)	
$3,770,695.00	

TAB 13

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Reyno Manor	9/30/2025	Nedra Whitaker	0	5	11	5 >50%
Ridge at NLR II	9/30/2025	Monica Smith	10	0	10	5 > 51+%
Ridge at NLR III	9/30/2025	Monica Smith	10	0	4	3 31-40%
Villas at North Little Rock II	10/3/2025	Monica Smith	7	0	0	No Findings
Villas at North Little Rock I	10/3/2025	Monica Smith	9	0	0	No Findings
Meadowbrook at Jacksonville	10/3/2025	Monica Smith	13	0	0	No Findings

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Holt District Homes	10/3/2025	Monica Smith	25	0	1	1 >0-15%
Stuttgart Apartments I	10/3/2025	Nedra Whitaker	0	11	6	5 > 50%
Bluffs on McCain II	10/6/2025	Monica Smith	13	0	12	5 > 51+%
River Valley Apartments	10/6/2025	Gabby Cruz	0	5	0	No Findings
Stuttgart Apartment II	10/6/2025	Nedra Whitaker	0	11	3	2 16-30%
Rock Ridge Pointe	10/7/2025	Monica Smith	17	0	0	No Findings

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Woodmont Manor - FAF & CDBG Only	10/7/2025	Nedra Whitaker	0	5	0	No Findings
Cottages of Good Shepherd I	10/9/2025	Monica Smith	11	0	7	5 > 51+%
Cottages of Good Shepherd II	10/9/2025	Monica Smith	11	0	8	5 > 51+%
The Manor- FAF/ALIF/NSP	10/10/2025	Monica Smith	8	0	3	3 31-40%
Reed Property Group - NSP Only	10/10/2025	Monica Smith	4	0	4	5 > 51+%
Pinehurst Apartments - PRLF Only	10/14/2025	Nedra Whitaker	0	5	0	No Findings

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Hillside Apartments	10/16/2025	Nedra Whitaker	0	9	0	No Findings
Foster Collier Gordon Manor	10/21/2025	Nedra Whitaker	0	12	20	5 >51+%
Peaks at Little Rock II	10/24/2025	Meshawn Conner	0	38	12	3 31-40%
Hicky Gardens	10/24/2025	Nedra Whitaker	0	11	21	5 > 51+%
Hickory Square Apartments	10/30/2025	Gabby Cruz	0	8	6	5 > 51+%
Electric Park	10/31/2025	Meshawn Conner	0	22	12	5 > 51+%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Peaks at Springdale II	10/31/2025	Nedra Whitaker	0	16	5	3 31-40%
Monthly Total Units / Total Files			**138**	**158**	**145**	
Imperial Homes South	11/7/2025	Monica Smith	21	0	18	5 51+%
MeadowBrook Park of Marianna II	11/7/2025	Gabby Cruz	0	5	5	5 51+%
Reed Property Group - NSP Only	11/12/2025	Tammy White	0	3	2	5 51+%
Vineyards at El Dorado II	11/12/2025	Nedra Whitaker	0	10	2	2 16-30%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Lofts at Texarkana	11/14/2025	Meshawn Conner	0	9	4	4 41-50%
Vineyards at El Dorado I	11/18/2025	Nedra Whitaker	0	7	0	No Findings
Walker Courts South Apartments	11/20/2025	Monica Smith	22	0	8	3 31-40%
Harmony Place Apartments	11/21/2025	Monica Smith	23	0	15	3 31-40%
Ashdown Apartments	11/25/2025	Monica Smith	11	0	4	3 31-40%
Hillside Apartments	11/26/2025	Monica Smith	20	0	8	4 41-50%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Cedar Hill	11/26/2025	Monica Smith	22	0	15	5 51+%
Meadow Park Apartments	11/26/2025	Monica Smith	23	0	13	5 51+%
Monthly Total Units / Total Files			**142**	**34**	**94**	
Carroll House	12/1/2025	Monica Smith	22	0	8	3 31-40%
Woodbend	12/2/2025	Monica Smith	25	0	18	5 51+%
Vineyards at Monticello II	12/2/2025	Nedra Whitaker	0	28	2	1 >0-15%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Park Place Apartments	12/2/2025	Monica Smith	23	0	13	5 >51+%
Stonebrook Park Fort Smith	12/4/2025	Gabby Cruz	0	7	5	5 >51+%
Cliffridge Apartments	12/5/2025	Catrina Ingram	13	0	8	5 >51+%
Malcolm Manor - Past year 15	12/5/2025	Nedra Whitaker	0	5	8	5 >51+%
Glen Cove	12/5/2025	Tammy White	0	3	0	No Findings
Hughes Villas II	12/5/2025	Gabby Cruz	0	5	0	No Findings

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Woodland Cardinal - HOME Only	12/8/2025	Tammy White	0	5	5	5 51+%
Westridge Apartments	12/8/2025	Nedra Whitaker	0	5	0	No Findings
BCD - HOME Only	12/8/2025	Monica Smith	6	0	2	3 31-40%
Maple Place RAD	12/10/2025	Nedra Whitaker	0	25	59	5 51+%
Garland Towers	12/10/2025	Catrina Ingram	0	13	9	5 51+%
Westside Lofts	12/11/2025	Gabby Cruz	0	10	9	5 51+%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Riverview Hope - MSF/FAF/AHTF	12/11/2025	Catrina Ingram	0	0	0	No Scoring
Orchards at Cabot	12/12/2025	Nedra Whitaker	0	7	3	4 41-50%
Ridge at Jonesboro II	12/15/2025	Nedra Whitaker	0	7	0	No Findings
Buffington Tower	12/16/2025	Monica Smith	22	0	14	5 51+%
Orchards at Mabelvale I	12/16/2025	Meshawn Conner	0	10	3	2 16-30%
Meadowbrook Park of West Helena	12/16/2025	Gabby Cruz	0	5	2	4 41-50%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Meadows Crossing	12/16/2025	Tammy White	0	8	0	No Findings
Garden Walk on 2nd	12/16/2025	Catrina Ingram	0	9	4	4 41-50%
Peaks at Country Club I	12/17/2025	Nedra Whitaker	0	9	4	4 41-50%
Orchards at Mabelvale II	12/17/2025	Meshawn Conner	0	8	1	1 >0-15%
Valley Estates Clarksville II	12/17/2025	Nedra Whitaker	0	9	0	No Findings
Granite Mountain Senior Homes	12/18/2025	Nedra Whitaker	0	6	32	5 51+%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Stonbrook Park Van Buren II	12/18/2025	Gabby Cruz	0	5	3	5 51+%
Stuttgart Apartments I	12/15/2025	Monica Smith	11	0	6	5 51+%
Savannah Park of Charleston I and II	12/19/2025	Nedra Whitaker	0	10	1	1 >0-15%
StoneRidge Duplexes of Bentonville II	12/22/2025	Meshawn Conner	0	20	14	5 51+%
Stone Ridge of Morrilton	12/22/2025	Tammy White	0	6	3	4 41-50%
Peaks at Country Club II	12/22/2025	Meshawn Conner	0	9	5	5 51+%

Oct - Dec. 2025 Compliance Monitoring Activities

Score = Non Compliance

	No Findings
1	**>0 - 15%**
2	**16 - 30%**
3	**31 - 40%**
4	**41 - 50%**
5	**51+%**

Property Name	Review Date	Auditor	Units Reviewed	Files Reviewed	Units/Files Non-Compliant	Score
Savannah Park Farmington	12/23/2025	Monica Smith	7	0	2	2 16-30%
Village Park South I - Past year 15	12/29/2025	Monica Smith	20	0	14	5 51+%
Village Park South II - Past year 15	12/29/2025	Monica Smith	20	0	19	5 51+%
Stonebrook Park of Wynne	12/29/2025	Nedra Whitaker	0	7	3	4 41-50%
Valley Estates of Mabelvale III	12/29/2025	Catrina Ingram	0	9	0	No Findings
Ridge at West Memphis II	12/30/2025	Nedra Whitaker	0	10	2	2 16-30%

Oct - Dec. 2025 Compliance Monitoring Activities						Score = Non Compliance
						No Findings 1 >0 - 15% 2 16 - 30% 3 31 - 40% 4 41 - 50% 5 51+%
Property Name	**Review Date**	**Auditor**	**Units Reviewed**	**Files Reviewed**	**Units/Files Non-Compliant**	**Score**
Hickory View RAD	12/31/2025	Meshawn Conner	0	27	13	4 41-50%
Stone Ridge of Fort Smith	12/31/2025	Gabby Cruz	0	10	6	5 51+%
Madison Heights III	12/31/2025	Nedra Whitaker	0	9	9	5 51+%
Monthly Total Units / Total Files			**169**	**306**	**309**	
Quarterly Total Units / Total Files			**449**	**498**	**548**	

TAB 14

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

ADFA BOARD – ARKANSAS STUDENT LOAN AUTHORITY COMMITTEE

OCTOBER 19, 2023
DIANA BANQUET ROOM
THE LODGE AT MOUNT MAGAZINE STATE PARK
577 LODGE DRIVE, PARIS, AR 72855

ADFA Board Arkansas Student Loan Authority Committee Members Present: Stephanie Garner, Committee Chair; George O'Connor; Carey Smith; and Kirkley Thomas.

ADFA Board Arkansas Student Loan Authority Committee Members Absent: Dr. Lee Lane.

ADFA Board Members Present: Jon Chadwell, Rod Coleman; Jim Hudson, Secretary, Department of Finance and Administration; Seth Mims; Harold Perrin; Denise Sweat; Larry Walther, Treasurer, Office of Treasurer of State of Arkansas.

ADFA Board Members Absent: Katelyn Busby; and Hugh McDonald, Cabinet Secretary of Department of Commerce.

ADFA Staff Present: Mark Conine, President of Arkansas Development Finance Authority; Ro Arrington, Vice-President of Homeownership and Public Finance; Jake Bleed, General Counsel and Special Project Director; Chuck Cathey, Vice-President of Development Finance; Kristy Cunningham, Chief Financial Officer; John Blackwell, Director of Tax Credits; Lori Brockway, Federal Housing Program Manager; Sean Doolin, Assistant Controller; Paula Farthing, Loan Servicing Manager; Susan Gardner, Assistant Federal Housing Program Manager and Software Coordinator; Tracy Green, Assistant Controller; Kimmy Helble, Executive Assistant to ADFA President and Capital Access Program Administrator; Catrina Ingram, Assistant Compliance Manager; Hope Lewis, Controller; Derrick Rose, Public Information Officer; Megan Summitt, Internal Auditor; Tammy White, Compliance Manager; Tony Williams, Director, Arkansas Student Loan Authority; and Birkett Wootton, Construction Inspector.

ADFA Staff Present via Zoom: Jason Bays, HOME Program Coordinator; Netta Bradford, Finance Program Analyst; Kimberly Edmonson, HOME-ARP Program Specialist; Cathy Ganaway, Senior Accountant; Alisa Green, HOME-ARP Program Specialist; Lanita Hastings, HOME Program Coordinator; and Drew Rogers, Attorney.

Others Present: Jim Petty, Bentonville Housing Partners, LP; Brian Ettehad and Daniel Meador, Frost, PLLC; Jim Hathaway, Kutak Rock, LLP; Jim Fowler, Rose Law Firm; and Farrah Tucker, Real Estate Agent.

Others Present Via Phone or Video: Debbie Grooms, Arkansas Enterprises for the Developmentally Disabled (AEDD); Eric Munson, Arkansas State Treasurer's Office; William W. Veronda, Bank of America Securities, Inc.; Matt Barker and Bryan Scoggins, Barker Scoggins Consulting, LLC; Greg Handberg and Andrew Michaelson, Bentonville Artspace Lofts, LP; Edmond Hurst, Carty & Co., Inc.; Lydia Ulrich Alston, Community Development Corporation of Bentonville & Bella Vista; Traci Williams, Domera Development, LLC; Ami Curry, Fort Smith Children's Emergency Shelter; Lee Richardson, Legal Aid of Arkansas; Frank Fricker, Lockwood and Mead Real Estate, LLC; Sharon Chapman, Next Step Day Room, Inc.; Blake Bumgardner, PDC Companies; Ted Fellman and Cheryl Schluterman, Raymond James; Karen Phillips, Restore Hope; Kristina Knight, RichSmith Development; Matt Darst, Upward Housing Group I, LLC.; Jeff Van Patten, Van Patten & Co., LLC.; Walter McSpadden, Wright Lindsey Jennings.

Call to Order: Ms. Garner called the Arkansas Student Loan Authority Committee to order at approximately 10:21 AM.

Minutes: Ms. Garner presented the minutes from the January 19, 2023 meeting, giving the Committee opportunity to make comments, or changes. Being none, Ms. Garner sought approval of the minutes.

Mr. O'Connor made a motion to approve the minutes as presented. Mr. Smith seconded the motion. The motion was passed with the exception of Dr. Lane, who was absent.

Presentation and Resolution: Ms. Garner yielded the floor to Mr. Williams to give his presentation and A THIRD RESOLUTION MODIFYING AND SUPPLEMENTING THE RESOLUTION AUTHORIZING ARKANSAS DEVELOPMENT FINANCE AUTHORITY (THE " AUTHORITY") THROUGH ITS STUDENT LOAN AUTHORITY DIVISIO N, (THE "DIVISION") TO PLAN, PROMULGATE, AND TO INITIATE EDUCATION LOAN PROGRAMS TO BENEFIT ARKANSAS STUDENTS ATTENDING ELIGIBLE INSTITUTIONS; TO INITIATE AN EDUCATION LOAN PROGRAM FOR SPECIFIC CAREER TRAINING CERTIFICATE PROGRAMS IN ORDER TO MEET THE EDUCATION FINANCING NEEDS IN HIGH DEMAND CAREER FIELDS IN ARKANSAS; TO PLAN AND PROMULGATE ADDITIONAL EDUCATION LOAN PROGRAMS AS FURTHER DESCRIBED HEREIN TO BE UNDER THE DIRECTION OF THE PRESIDENT OF THE AUTHORITY; TO ENGAGE PROFESSIONAL FIRMS TO ASSIST IN THE PLANNING; FORMULATING AND INITIATING THE SEPARATE EDUCATION LOAN PROGRAMS AUTHORIZED AND DESCRIBED HEREIN; AND OTHER PURPOSES RELATED THERETO.

Mr. Williams began his presentation by sharing slides that were prepared to give a better understanding of the student loan landscape in Arkansas with data

showing that there are 25,000 less students now than there were in 2011 , coming out of Arkansas, primarily due to affordability and birth rates. Mr. Williams stated that the interest rates with Arkansas Student Loan Authority (ASLA) are 2.95% up to 6.42% APR.

After some discussion, Ms. Garner entertained a motion to adopt the resolution as presented to raise the total loan cap from $10 million to $20 million.

Mr. Smith made a motion to adopt the resolution.

Mr. Kirkley seconded the motion. The motion passed with the exception of Dr. Lane, who was absent.

Adjournment: To conclude the meeting, Ms. Garner submitted her report of the Committee discussions and actions, in the form of a motion, to the full ADFA Board. The Committee meeting was adjourned at approximately 10:34 AM.

Minutes approved and signed this 19th day of October 2023.

_____

Carey Smith, Chairman of the Board

TAB 15

AR STUDENT LOAN AUTHORITY
ACTION MEMORANDUM

ADFA Board Student Loan Committee: February 19, 2026 Prepared By: Tony Williams

HOUSING PARTNER	
Name of Entity:	**Arkansas Student Loan Authority ("ASLA")**
Address of Entity:	**3801 Woodland Heights Road** **Little Rock, AR 72212**
Contact Person:	**Tony Williams, Director**
Phone	**501-682-1241**
Email Address:	**TWilliams@asla.info**

DEVELOPMENT INFORMATION	

ACTION REQUESTED

ASLA staff requests an increase in the maximum loan cap—from $40 million to $80 million—for the Arkansas Education Loan Program.

BACKGROUND INFORMATION

On December 21, 2017, the ADFA Board (the "Board") adopted a resolution authorizing ADFA (through ASLA) to plan and develop a refinancing education loan program.

On October 18, 2018, the Board authorized the ASLA Division to "implement a refinancing loan program" and to "develop and implement an education loan program, to benefit qualified student borrowers attending eligible institutions, including, but not limited to, graduate programs for medicine, pharmacy, law, and accounting."

The Board resolution adopted on October 18, 2018, placed a total loan cap of $5 million on the Arkansas Education Loan Program (the "Loan Program"). (For purposes of the loan cap, the student loan balance is the total amount of student loans held on ADFA's balance sheet.)

On October 21, 2021, the Board adopted a modifying resolution authorizing the total loan cap for the Loan Program to be raised from $5 to $10 million.

On October 19, 2023, the Board adopted a modifying resolution authorizing the total loan cap to be raised from $10 million to $20 million.

On October 31, 2024, the Board adopted a modifying resolution authorizing the total loan cap to be raised from $20 million to $40 million.

As of January 31, 2026, the Loan Program total portfolio balance was $33,381,538 with an additional $660,360 in approved loans currently scheduled for disbursement—thus equaling a total commitment of $34,041,898.

Total Loan Program commitments are expected to reach the maximum loan cap of $40 million by July 2026.

TAB 16

Proposal to Implement Health Professions Graduate Loan Program

Elimination of Federal Graduate PLUS Loans

The Federal Grad PLUS Loan Program will no longer be available for **new** borrowers as of July 1, 2026, due to the *One Big Beautiful Bill Act* (OBBB); students who receive federal student loans prior to July 1, 2026, may maintain eligibility for up to three more academic years.

The elimination of the Federal Grad PLUS program will create a deficit in financing options for graduate students; consequently, graduate schools and their students are looking to ASLA and other private student loan lenders to fill the void. In the 2024-25 academic year, approximately $79 million in Federal Grad PLUS loans were made to students attending Arkansas colleges and universities. As a result of the phase-out, the unmet need for graduate loans in the 2026-27 academic year is expected to be $15 to $20 million, then increasing incrementally over the next four academic years as the Grad PLUS program is completely phased out.

Following is the Federal Grad PLUS loan volume at Arkansas higher education institutions in the 2024-25 academic year.

AR Colleges of Health Education	$21,906,058
NYIT College of Ostepathic Medicine @ ASU	$17,789,258
University of AR for Medical Sciences	$13,089,876
Harding University	$6,135,625
Arkansas State University - Jonesboro	$5,527,409
University of AR - Little Rock	$4,635,502
University of Central Arkansas	$3,063,462
Lyon College	$2,915,061
University of AR - Fayetteville	$2,356,683
Southern Arkansas University	$627,849
Henderson State University	$478,837
Arkansas Tech University	$278,680
University of AR - Monticello	$214,727
John Brown University	$61,096
University of AR - Grantham	$51,625
Hendrix College	$37,188
University of AR - Fort Smith	$14,641
Philander Smith College	$14,015
TOTAL	$79,197,592

Response to Elimination of Federal Grad PLUS: Health Professions Graduate Loan Program

It is well understood that the Federal Grad PLUS Program has allowed excessive borrowing by students and should be restricted to protect both students and taxpayers. It is also understood that certain graduate students entering high-demand healthcare career fields will be negatively impacted by the elimination of Federal Grad PLUS, which may result in fewer students entering these fields and more prevalent worker shortages in the healthcare industry. In order to assist in addressing a portion of financing void created by the elimination of the Federal Grad PLUS Program, ADFA/ASLA proposes to implement a loan targeting individuals entering graduate-level health profession programs.

The proposed **Health Professions Graduate Loan Program** is limited to health profession students due to a demonstrated record of high graduation rates along with job placement rates above 90% in the selected healthcare programs. The primary difference in the proposed program and ASLA's existing private student loan program is the credit underwriting criteria. The chart below provides a comparison of the underwriting criteria for both programs; dissimilar criteria is characterized by the **BLUE** background; uniform criteria is characterized by the GRAY background.

Current Private Student Loan	Proposed Health Professions Grad Loan
• Minimum FICO: 660 (TransUnion FICO 8)	• Minimum FICO: 670 (TransUnion FICO 8)
• Debt-to-Income Ratio: 50% - Derived from Credit Report and Recent Pay Stub	• Restrictions on Allowable Personal Debt: Based on Student's Field of Study
• Students must be an AR resident attending a college or university located in or outside of AR, or • Student may be a non-resident attending a college or university located in AR.	• Students must attend an eligible college or university located in Arkansas. • AR residents and non-residents are eligible
	• Grad Program Required Placement Rate of 90% • No Online Courses
• No more than two accounts reporting 30-day delinquencies during previous two years. • No delinquencies of 60 days or more during previous two years. • No charge-offs, repossessions, collection accounts, judgments, foreclosures, garnishments by credit providers or tax liens. • No previous bankruptcies. • No defaults on private or government student loan. • Must be citizen or permanent resident of U.S. • Successful verification of identity and address	• No more than two accounts reporting 30-day delinquencies during previous two years. • No delinquencies of 60 days or more during previous two years. • No charge-offs, repossessions, collection accounts, judgments, foreclosures, garnishments by credit providers or tax liens. • No previous bankruptcies. • No defaults on private or government student loan. • Must be citizen or permanent resident of U.S. • Successful verification of identity and address
• Credit criteria must be met by student or co-signer.	• Credit criteria must be met by student. Cosigners are not required.

Proposed Graduate Program Requirements

In addition to the credit underwriting criteria above, the graduate programs must meet the following requirements.

- Higher education institutions must be non-profit, Title IV eligible, degree granting, accredited higher education institutions.
- Higher education institutions must be located in Arkansas.
- Graduate programs must have a **Placement Rate** of 90% or higher.
    - Placement rates for specific CIP codes are found in College Scorecard data (CIP = Classification of Instructional Programs)
    - Placement Rates are based on statewide CIP codes and not individual schools.
        - National placement rates may be used if Arkansas placement rates are not available. Schools/Programs without placement rates include the following but are not limited to: Alice Walton School of Medicine, Lyon College Institute of Health Sciences (Dental & Vet), ASU College of Veterinary Medicine
- Online programs are not eligible programs.

Proposed Loan Terms

- 8.5% Fixed Interest Rate / No Origination Fees
- 0.25% discount for using Auto-Debit during repayment period
- Payments deferred while enrolled in school full-time for up to 60-months
- 6-Month Grace Period after in-school period
- Maximum of 48 months of deferment after Grace Period
    - $25 monthly payment required during deferment
    - Deferments granted in 12-month increments
- 15-year Repayment Period
- Maximum loan amount is **Cost of Attendance** less other **Financial Aid**
    - Subject to maximum debt limit based on field of study
- Aggregate Borrowing Limit: TBD

RESOLUTION OF THE

ARKANSAS DEVELOPMENT FINANCE AUTHORITY AUTHORIZING STAFF TO IMPLEMENT A HEALTH PROFESSIONS GRADUATE LOAN PROGRAM

WHEREAS, the Arkansas Development Finance Authority (the "Authority") is authorized pursuant to Arkansas Code Annotated § 15-5-101 et seq. to make, purchase, and finance student loans and to issue student loan revenue bonds; and

WHEREAS, the Authority desires to implement a Health Professions Graduate Loan Program (the "Program") to provide educational loans to eligible students enrolled in approved graduate-level health professions programs; and

WHEREAS, the Program may be funded, in whole or in part, through the issuance of student loan revenue bonds; and

WHEREAS, the Board of Directors of the Authority (the "Board") desires to authorize Authority staff to establish program terms, eligibility criteria, underwriting standards, and operational guidelines for the Program, subject to the requirements set forth herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Arkansas Development Finance Authority as follows:

1. **Authorization.** Authority staff is hereby authorized and directed to implement and administer the Health Professions Graduate Loan Program in accordance with applicable law and Authority policies.
2. **Eligible Institutions and Programs.** Loans under the Program shall be made only to students participating in Authority-approved graduate-level programs at nonprofit, Title IV eligible, degree-granting, accredited institutions of higher education located within the State of Arkansas.
3. **Loan Structure and Underwriting.** Credit underwriting criteria for the Program may differ from criteria applied to existing private student loan programs offered by the Authority in order to acknowledge and respond to the specific needs and expected outcomes of students enrolled in graduate-level health profession programs, while maintaining prudent credit standards.
4. **Bond Rating Requirement.** Authority staff is authorized to pursue student loan revenue bonds to fund the Program only if, at minimum, a single-A rating from a nationally

recognized rating agency is in place on the proposed student loan revenue bonds at the time of issuance of such bonds.

5. **Delegation of Authority.** Authority staff is authorized to develop program guidelines, eligibility requirements, loan terms, underwriting criteria, policies, procedures, and related documents, and to take all further actions necessary or desirable to carry out the intent of this Resolution.
6. **Effective Date.** This Resolution shall be effective immediately upon adoption.

PASSED AND APPROVED this _____ day of February, 2026.

Arkansas Development Finance Authority

By:_____

Chairman

ATTEST:

By:_____

Robert Arrington, President

TAB 17

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

ADFA BOARD – FINANCIAL REPORTING AND OPERATIONS COMMITTEE

OCTOBER 16, 2025
RED APPLE INN, 305 CLUB ROAD
QUINDELL CONFERENCE ROOM
HEBER SPRINGS, AR

ADFA Board Financial Reporting and Operations Committee Members Present: Alan McVey (Designee for Jim Hudson, Secretary, Department of Finance and Administration); and Kenneth Burleson (John Thurston, Treasurer, Office of Treasurer of State of Arkansas).

ADFA Board Financial Reporting and Operations Committee Members Absent: George O'Connor, Committee Chair; Dr. Lee Lane; and Seth Mims.

ADFA Board Members Present Carey Smith, Chairman; Jon Chadwell; Rod Coleman; and Denise Sweat.

ADFA Board Members Present Via Phone or Video: Harold Perrin.

ADFA Board Members Absent: Katelyn Martin; Hugh McDonald, Cabinet Secretary of Department of Commerce; and Kirkley Thomas.

ADFA Staff Present: Robert "Ro" Arrington, Interim President, Arkansas Development Finance Authority and Vice President, Homeownership and Public Finance; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Kristy Cunningham, Chief Financial Officer; Sean Doolin, Assistant Controller; Paula Farthing, Loan Servicing Manager; Alisa Green, HOME-ARP Program Specialist; Tracy Green, Assistant Controller; Kimmy Helble, Executive Assistant to President and Capital Access Program Administrator; Catrina Ingram, Assistant Compliance Manager; Sam Leslie, Construction Inspector; Hope Lewis, Controller; Drew Rogers, Attorney Specialist; Derrick Rose, Director of Outreach and Communication; Megan Summitt, Internal Auditor; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

ADFA Staff Present Via Phone or Video: Jason Bays, HOME Program Coordinator; Blake Bumgardner; Charles "Chuck" Cathey, Vice President, Development Finance; Lanita Hastings, HOME Program Coordinator; Carol Leek, HOME Program Coordinator; Yedda Matthews, Senior Accountant; and Nick Sherwood, HOME-ARP Program Coordinator.

Others Present: Brian Ettehad and Daniel Meador, Frost PLLC; and Jim Petty, Strategic Realty.

Others Present VIA Phone or Video: Traci Williams, Rockwell Housing Solutions, LLC.; Kristina Knight, RichSmith Development; and Lornea Wells, The McVay Firm, PLLC.

Call to Order: Chairman Smith stated due to the lack of a quorum the Financial Reporting and Operations Committee would be commenced as a Committee of the Whole and would report to the full ADFA Board.

As the Acting Chair for the Committee, Mr. Smith called the Financial Reporting and Operations Committee meeting to order on Thursday, October 16, 2025, at approximately 11:37 AM.

Minutes: Mr. Smith presented the minutes of the July 17, 2025 Financial Reporting and Operations Committee meeting and asked if any committee member had comments or changes. Being none, Mr. Smith entertained a motion to approve of the minutes as presented.

Mr. Burleson made a motion to approve the minutes.

Dr. McVey seconded the motion. The motion passed.

Discussion: Operating Results and General Fund Review as of June 30, 2025: Ms. Cunningham stated the presentation was from fiscal year end to last fiscal year end.

Ms. Cunningham noted that as ADFA began to reinstate work with Single Family Mortgage Revenue Bonds there would be major fluctuations such as increases in cash once the bond proceeds are received, the debt is shown on the books; as the Single Family loans are pooled, those are securitized and invested, then the investment scales up based on buying those mortgage-backed securities.

Ms. Cunningham stated since investments were being added to the Income Statement and building the Balance Sheet, there was an increase on the interest income side. Ms. Cunningham echoed the Frost auditors statement that GASB 101 caused some fluctuations with the current year expenses for a reinstatement that had prior year expenses.

Ms. Cunningham directed the Board's attention to the Venture Capital Investment Trust (VCIT) financials and stated it was running its course, the Line of Credit had been paid off, and during review, in preparation of the audit, as of June 30th there were six (6) different funds that had write-offs or write-downs associated with those investments within VCIT.

Ms. Cunningham continued that the current year's Bond Activity showed there was $125M in the new Single Family Bonds and the remainder were standard scheduled redemptions. A few had paid off, or the Bond Guaranty Fund had paid those funds off on a couple of bond deals.

Ms. Cunningham continued to present the report as shown in the Board of Directors book and engaged in a brief discussion with the Board.

Ms. Cunningham concluded the report with appreciation of the accounting staff and their resilient capabilities to which Mr. Arrington echoed a wholehearted appreciation of their accomplishments throughout the many varied processes which are encountered day to day.

Adjournment: Mr. Smith concluded the Financial Reporting and Operations Committee at approximately 11:38 AM.

Minutes approved and signed on this 16th day of October, 2025.

_____

Carey Smith, Acting Committee Chair

TAB 18

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

- ***OPERATING RESULTS AND***
- ***GENERAL FUND REVIEW***
- ***As of September 30, 2025***

Reported to the Board Financial Reporting
& Operations Committee on
Thursday, February 19, 2026

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BALANCE SHEET - UNAUDITED
SEPTEMBER 30, 2025

	Fiscal Year Ended June 30, 2025	Three months ended for FY2025 September 30, 2024	Three months ended for FY2026 September 30, 2025	Difference September 30, 2025 to September 30, 2024	% Diff	
ASSETS:						
Cash and cash equivalents	377,392,900	359,713,776	**384,539,459**	24,825,683	6.46%	**A**
Accounts receivable	4,089,993	3,723,585	**2,811,991**	(911,594)	-32.42%	
Accrued interest receivable	3,108,984	2,706,871	**3,528,211**	821,340	23.28%	
Accrued rent receivable	374,321	324,367	**200,561**	(123,806)	-61.73%	
Investments, at amortized cost	235,958,072	173,192,481	**284,983,104**	111,790,623	39.23%	**B**
Loans receivable, at amortized cost, net	399,094,370	386,662,775	**403,312,523**	16,649,748	4.13%	**C**
Real Estate Owned	-	-	**-**	-	#DIV/0!	
Deferred charges	1,253,784	1,641,342	**1,253,784**	(387,558)	-30.91%	
Direct Financing Leases	121,782,453	128,847,756	**118,870,933**	(9,976,823)	-8.39%	**C**
Capitalized Assets	2,080,185	2,099,462	**2,055,021**	(44,441)	-2.16%	
Other Assets	3,272,846	738,350	**3,216,134**	2,477,784	77.04%	**D**
TOTAL ASSETS	1,148,407,908	1,059,650,765	**1,204,771,721**	145,120,956	12.05%	
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Bonds and notes payable, net of unamortized discounts and premiums	538,128,709	476,166,502	**597,341,593**	121,175,091	20.29%	**E**
Lease Liability GASB 87	-	287,673	**-**	(287,673)	#DIV/0!	
Accrued interest payable	4,498,776	4,390,034	**5,731,468**	1,341,434	23.40%	**E**
Accounts payable	10,389,095	9,443,897	**8,802,797**	(641,100)	-7.28%	
OPEB and pension liabilities	5,542,576	6,052,540	**5,542,576**	(509,964)	-9.20%	
Deposits against financing arrangements	53,564,644	43,107,398	**44,343,957**	1,236,559	2.79%	
Total liabilities	612,123,800	539,448,044	**661,762,391**	122,314,347	18.48%	
FUND BALANCES:						
Restricted by bond resolution and programs	371,951,700	354,696,959	**377,960,646**	23,263,687	6.16%	
Invested in capital assets	2,080,185	2,099,462	**2,055,021**	(44,441)	-2.16%	
Unrestricted *	162,252,223	163,406,300	**162,993,663**	(412,637)	-0.25%	
TOTAL LIABILITIES AND FUND BALANCES	1,148,407,908	1,059,650,765	**1,204,771,721**	145,120,956	12.05%	
	-	-	-			

***** *Includes amounts designated by board for various programs.*

A) Increase is mainly due to Single Family program receiving a combined $140 million in bond proceeds in April 2025 and August 2025 net of investment and loan/lease activity. (See B) investment activity, C) Loan/lease activity, and E) bond activity.)

B) Investments increased primarily due to $138 million of Single Family mortgage-backed securities (MBS) purchases net of MBS remittances of $10 million and General Fund and Bond Guaranty Fund programs investments maturing of $16.7 million and mainly re-investing the funds in State Treasury Money Management Trust Fund.

C) Increase is primarily related to loan fundings with HOME ($12.0mm), NHTF ($3.5mm), ASLA (net $11.0mm), and DPA ($14.2mm) programs net of principal repayments received on various loans/leases.

D) Increase is due to land purchase.

E) See Bonds and Note Summary Report. See page 7. The increase from September 2024 was due to the two Single Family bond issuances of totaling $140 million at par net of redemptions of approximately $20.3 million on various bond issues.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR
Year to Date Comparison: Period Ending September 30, 2025 - UNAUDITED

	Fiscal Year Ended June 30, 2025	Three months ended for FY2025 September 30, 2024	Three months ended for FY2026 September 30, 2025	Difference September 30, 2025 to September 30, 2024	% Diff	
REVENUES:						
Interest income:						
Loans and direct leases	17,715,880	4,347,066	**4,365,685**	18,619	0.43%	
Investments	18,987,209	4,570,938	**5,910,946**	1,340,008	29.32%	**Z**
Amortization of discounts and premiums on	-					
loans and investments, net	29,111	8,162	**6,184**	(1,978)	-24.23%	
Financing fee income	6,024,468	1,567,560	**1,757,697**	190,137	12.13%	**Y**
Total Interest Income	42,756,668	10,493,726	**12,040,512**	1,546,786	14.74%	
Federal financial assistance	18,420,164	4,962,973	**8,735,315**	3,772,342	76.01%	**V**
Rental Real Estate	265,142	46,306	**48,715**	2,409	5.20%	
Default Management Services	271,689	30,023	**61,288**	31,265	104.14%	**U**
Other income	55,909	11,218	**12,000**	782	6.97%	
TOTAL REVENUES	61,769,572	15,544,246	**20,897,830**	5,353,584	34.44%	
EXPENSES:						
Interest on bonds and notes:						
Current interest	18,386,484	3,253,244	**4,949,131**	1,695,887	52.13%	**X**
Accreted interest	-	813,234	**793,869**	(19,365)	-2.38%	
Total interest on bonds and notes	18,386,484	4,066,478	**5,743,000**	1,676,522	41.23%	
Provision for losses	2,674,729	1,709	**-**	(1,709)	-100.00%	**W**
Federal financial assistance programs	2,998,422	358,924	**5,135,456**	4,776,532	1330.79%	**V**
Loan Servicing and Other Contractual Services	183,871	40,557	**83,570**	43,013	106.06%	
Default Management Services expense	302,836	28,263	**50,268**	22,005	77.86%	**U**
Special Allowance expense	-	-	**-**	-	#DIV/0!	
Rental Real Estate expense	244,651	24,697	**102,904**	78,207	316.67%	**T**
Administrative expenses:	-					
Salaries and benefits	4,912,002	1,376,285	**1,458,177**	81,892	5.95%	
Operations and maintenance	1,002,720	358,146	**897,680**	539,534	150.65%	**T**
Other	3,610,107	1,097,782	**756,694**	(341,088)	-31.07%	**T**
TOTAL EXPENSES	34,230,349	7,344,854	**14,172,406**	6,827,552	92.96%	
		-	**-**			
REVENUES OVER EXPENSES	27,539,223	8,199,392	**6,725,424**	(1,473,968)	-17.98%	
Transfer from other funds	(5,373,636)	(2,115,192)	**(202)**	2,114,990	-99.99%	
REVENUES OVER EXPENSES	22,165,587	6,084,200	**6,725,222**			
FUND BALANCES:						
Beginning of period	514,118,521	514,118,521	**536,284,108**			
End of Period	536,284,108	520,202,721	**543,009,330**			
Net interest income	*24,370,184*	*6,427,248*	*6,297,512*	(129,736)	-2.02%	**S**

Z) Steady increase relates mainly to new Single Family mortgage-backed securities portfolio purchases at yields ranging 5.0%-5.4%.

Y) See Sources of Cash Report. See Page 8.

X) Increase relates to the Single Family bond issuances.

W) Provision for Loan Losses adjusted semi-annually.

V) Federal financial assistance revenue and expense fluctuates each year depending on type and amount of disbursement activity. The majority is related to the HOME-American Rescue Plan program in the current year.

U) Increases relate to student loan borrowers re-entering repayment status after the COVID payment pause and requiring payment counseling (paid by schools). ASLA has Default management contracts with 22 schools.

T) Fluctuations in these accounts relate to the reclassification of general ledger accounts made due to our transition from the State's accounting system. No significant overall fluctuations for this time period.

S) Attributable to increase in net interest margin:

Tobacco program	$	-
General Fund programs	$	229,000
Single Family program	$	(70,000)
Federal Housing programs	$	39,000
Bond Guaranty programs	$	(46,000)
State Facilities program	$	2,000
Student Loan programs	$	(160,000)
Multifamily programs	$	(11,000)
Other Economic Development programs	$	(113,000)

ARKANSAS VENTURE CAPITAL INVESTMENT TRUST FUND - COMPONENT UNIT
BALANCE SHEET - UNAUDITED
SEPTEMBER 30, 2025

	VCIT	AIF	Eliminations	Total
ASSETS:				
Cash and cash equivalents	1,694,535	326,116		**2,020,651**
Accounts receivable	-	-		**-**
Accrued interest receivable	-	-	-	**-**
Accrued rent receivable	-	-		**-**
Investments, at amortized cost	17,439,307	3,722,926		**21,162,233**
Loans receivable, at amortized				**-**
cost, net	4,700,003	-	-	**4,700,003**
Real Estate Owned	-	-		**-**
Deferred charges	-	-		**-**
Direct Financing Leases	-	-		**-**
Other Asset	-	-		**-**
TOTAL ASSETS	23,833,845	4,049,042	-	**27,882,887**
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Bonds and notes payable, net				
of unamortized discounts				
and premiums	-	-	-	**-**
Accrued interest payable	-	-	-	**-**
Accounts payable	-	515		**515**
OPEB and pension liabilities	-	-		**-**
Deposits against	-	-		**-**
financing arrangements	-	-		**-**
Total liabilities	-	515	-	**515**
FUND BALANCES:				
Restricted by bond resolution				
and programs	23,833,845	4,048,527		**27,882,372**
Invested in capital assets	-	-		
Unrestricted *	-	-		
TOTAL LIABILITIES AND FUND				
BALANCES	23,833,845	4,049,042	-	**27,882,887**
	-	-	-	-

ARKANSAS VENTURE CAPITAL INVESTMENT TRUST FUND - COMPONENT UNIT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR
Period Ending September 30, 2025 - UNAUDITED

	7/1/2025 - 9/30/2025 VCIT	1/1/2025 - 9/30/2025 AIF *	Eliminations	Total
REVENUES:				
Interest income:				
Loans and direct leases	-	-	-	**-**
Investments	(73,142)	2,864,339	-	**2,791,197** **
Amortization of discounts				**-**
and premiums on loans and				**-**
investments, net	-	-	-	**-**
Financing fee income	-	-	-	**-**
Total Interest Income	(73,142)	2,864,339	-	**2,791,197**
Federal financial assistance	-	-		**-**
State financial assistance	-	-		**-**
Other income	-	-		**-**
TOTAL REVENUES	(73,142)	2,864,339	-	**2,791,197**
EXPENSES:				
Interest on bonds and notes:				
Current interest	-	37,736		**37,736**
Accreted interest		-		**-**
Total interest on bonds and notes	-	37,736	-	**37,736**
Administrative expenses:				
Salaries and benefits		-		**-**
Operations and maintenance		-		**-**
Other	37,500	88,675	-	**126,175**
TOTAL EXPENSES	37,500	126,411	-	**163,911**
	-	-		
REVENUES OVER EXPENSES	(110,642)	2,737,928	-	**2,627,286**
Transfer from other funds	672,668	-		**672,668**
REVENUES OVER EXPENSES	562,026	2,737,928	-	**3,299,954**
FUND BALANCES:				
Beginning of period	23,271,819	1,402,449		**24,674,268**
Distributions to member		(91,850)		**(91,850)**
Prior change in accounting period				**-**
End of Period	23,833,845	4,048,527	-	**27,882,372**
Net interest income	*(73,142)*	*2,826,603*	-	***2,753,461***

* Note: Total is shown in order to capture information as of 9/30/2025. For audit purposes, the reporting period for AIF will be as of 12/31/2025.
** Note: Investment income is reported based on estimated information at time of distribution. Actual may vary upon valuation of K-1s and other year end information.

ADFA Bond and Note Summary

Fiscal YTD Through: September 30, 2025

	Issuance	Average Yield	Optional Bond Calls	Average Yield	Scheduled Redemptions	Average Yield	Full Redemptions or Refundings	Average Yield	Total Redemptions	Net Issuance (Redemptions)
Single Family	$ 65,000,000	4.91%	$ 1,165,000	4.22%	$ 755,000	4.01%	$ -	-	**$ 1,920,000**	$ 63,080,000
PRLF Notes	$ -	-	$ -	-	$ 67,088	1.00%	$ -	-	**$ 67,088**	$ (67,088)
Multi-Family	$ -	-	$ -	-	$ -	-	$ -	-	**$ -**	$ -
Bond Guaranty	$ -	-	$ -	-	$ 390,000	3.05%	$ -	-	**$ 390,000**	$ (390,000)
State Facilities	$ -	-	$ -	-	$ 672,399	2.72%	$ -	-	**$ 672,399**	$ (672,399)
Amendment 82	$ -	-	$ -	-	$ -	-	$ -	-	**$ -**	$ -
Tobacco	$ -	-	$ -	-	$ 4,965,108	4.89%	$ -	-	**$ 4,965,108**	$ (4,965,108)
ASLA	$ -	-	$ -	-	$ -	-	$ -	-	**$ -**	$ -
GF advances	$ -	-	$ -	-	$ -	-	$ -	-	**$ -**	$ -
	$ 65,000,000		$ 1,165,000		$ 6,849,595		$ -		**$ 8,014,595**	$ 56,985,405

PRLF - Notes with US Department of Rural Housing Development (Preservation Revolving Loan Fund)
ASLA - Arkansas Student Loan Authority

Issuance during year:

Single Family:

2025 Series B	$ 65,000,000
Total	$ 65,000,000

Full Redemptions/Refundings:

Total	$ -

Sources of Cash to Fund Operations and Other Cash Needs of the Authority

	June 30, 2024	June 30, 2025	September 30, 2025
Single Family Programs			
Administrative fees	$ 61,427	68,303	$ 88,151
Mortgage credit certificate (MCC) fees	450	-	-
TBA Mortgage programs	2,436,698	2,107,309	971,737
Multi Family Programs			
Tax credit and Multifamily issuance/administrative fees	1,082,283	1,898,957	654,807
TCAP asset management fees	221,385	228,025	**
AHAP administrative reimbursement	2,350	1,828	-
Federal Housing Programs			
HOME administrative reimbursement	989,222	1,025,145	260,000
NSP I and III administrative reimbursement	12,328	10,965	-
ESG administrative reimbursement	-	12,098	5,000
CDBG administrative reimbursement	-	-	12,831
National Housing Trust Fund	174,362	205,485	50,000
Homeownership Assistance Fund (HAF)	23,725	3,359	500
Public Finance/Economic Development Programs			
Admin fees - State Facilities, Bond Guaranty & Conduit (limitec	655,146	649,412	100,502
Issuance fees - Conduit, State Facilities & Bond Guaranty	330,000	317,253	-
General Fund			
Interest earnings (cash and investments)	3,670,426	3,730,941	920,488
Loan interest income	2,031,704	2,688,226	679,293
Tobacco Bonds - administrative fees	33,370	32,569	**
Interagency Programs			
ANRC Water programs administrative/issuance fees	513,544	529,386	**
College Tech Revolving Loan Program	4,713	9,625	**
AEDC - CDBG/NSP administrative fees	-	-	**
E&E/AEO Loan Programs (LLR and RLLF)	67,445	50,811	14,154
	$ 12,310,577	13,569,697	$ 3,757,464

** Program administrative fees to ADFA have not been received yet.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
DELINQUENCY AND OTHER REAL ESTATE SUMMARY OF ADFA SERVICED LOANS

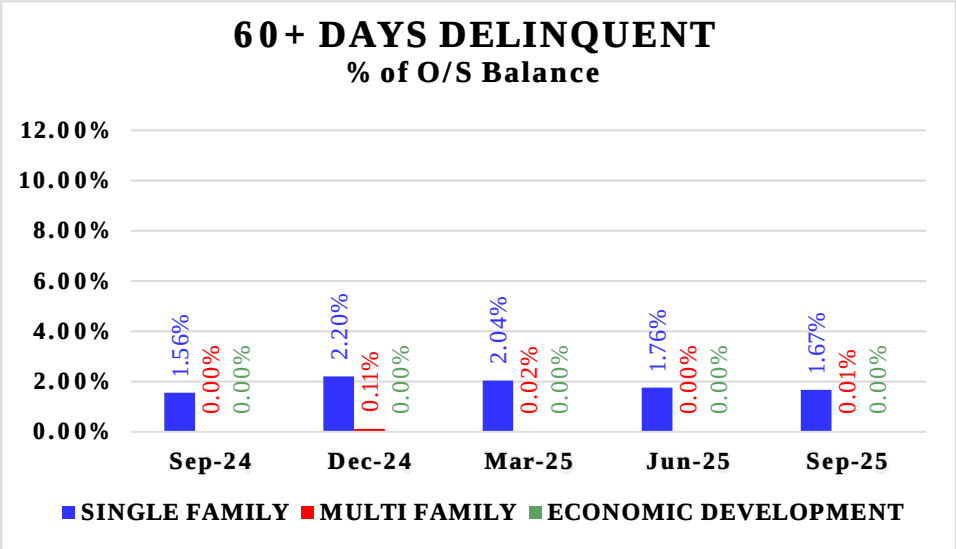
	September-2024		September-2025		Difference	
Program Name	Total Delinquent Loan Balance	Total Program Loan Balance	Total Delinquent Loan Balance	Total Program Loan Balance	Total Delinquent Loan Balance	Total Program Loan Balance
Rural Housing Multifamily	0	845,137	0	787,061	0	(58,076)
Tax Credit Assistance Program (TCAP)	0	16,505,011	0	16,410,342	0	(94,669)
Guaranteed ED	3,242,840	21,042,424	2,965,000	17,995,718	(277,840)	(3,046,706)
Assisted Living Revolving Fund (ALIF)	24,959	896,584	27,987	847,678	3,028	(48,906)
CDBG	0	7,700,000	0	7,700,000	0	0
PRLF	0	3,177,154	0	3,059,451	0	(117,703)
National Housing Trust Fund	0	15,903,424	0	19,309,178	0	3,405,755
SSBCI	0	894,652	438,723	2,276,434	438,723	1,381,783
Settlement Funds Repayable Loans (SH)	254,021	3,540,902	225,930	3,362,705	(28,091)	(178,197)
Habitat for Humanity - Saline County	0	89,200	0	79,609	0	(9,591)
FAF/BMIR	409,860	5,360,155	396,668	5,154,641	(13,192)	(205,514)
CTC (College Tech)	0	7,243,684	0	6,268,390	0	(975,294)
DPA (Repurchased)	11,254	11,254	11,254	11,254	0	0
Habitat for Humanity- Pulaski County	0	110,994	0	100,494	0	(10,500)
Project Fund (Direct Loans) Housing	41,159	134,568	38,726	877,625	(2,434)	743,057
Project Fund (Direct Loans) Economic Developme	0	9,260,911	436,346	4,774,141	436,346	(4,486,770)
SF First Mortgage	101,490	101,490	0	221,385	(101,490)	119,895
Tourism Reserve Fund	0	115,956	0	107,264	0	(8,693)
Bond Guaranty Fund	1,210,095	1,733,428	1,294,079	1,648,367	83,984	(85,061)
HOME	5,586,079	116,772,089	7,432,613	139,318,650	1,846,534	22,546,560
Neighborhood Stabilization (NSP)	1,734,385	13,733,248	0	0	(1,734,385)	(13,733,248)
Neighborhood Stabilization (NSP)III	0	3,611,320	0	0	0	(3,611,320)
Mastered Serviced - Multi-Family	0	1,874,848	0	1,755,414	0	(119,435)
Mastered Serviced - Single Family	9,738	81,959	0	67,799	(9,738)	(14,160)
TOTAL	$ 12,625,881	$ 230,740,393	$ 13,267,327	$ 232,133,599	$ 641,447	$ 1,393,206

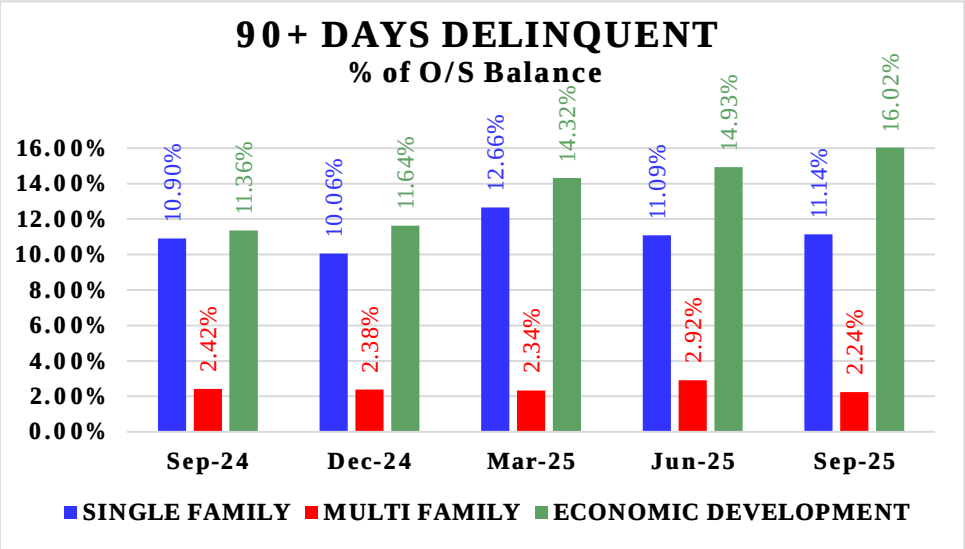
OTHER REAL ESTATE OWNED		
Program	**Property Name**	**Value**
HOME		
		$ -
FINANCED LEASES OF REO		
HOME / TCAP / Exchange	U of A - Rich Mountain (The Oaks of Mena)	1,025,444
		$ 1,025,444
IN SUBSTANCE FORECLOSURES		
PROJECT FUND (DIRECT LOAN)		**$ -**

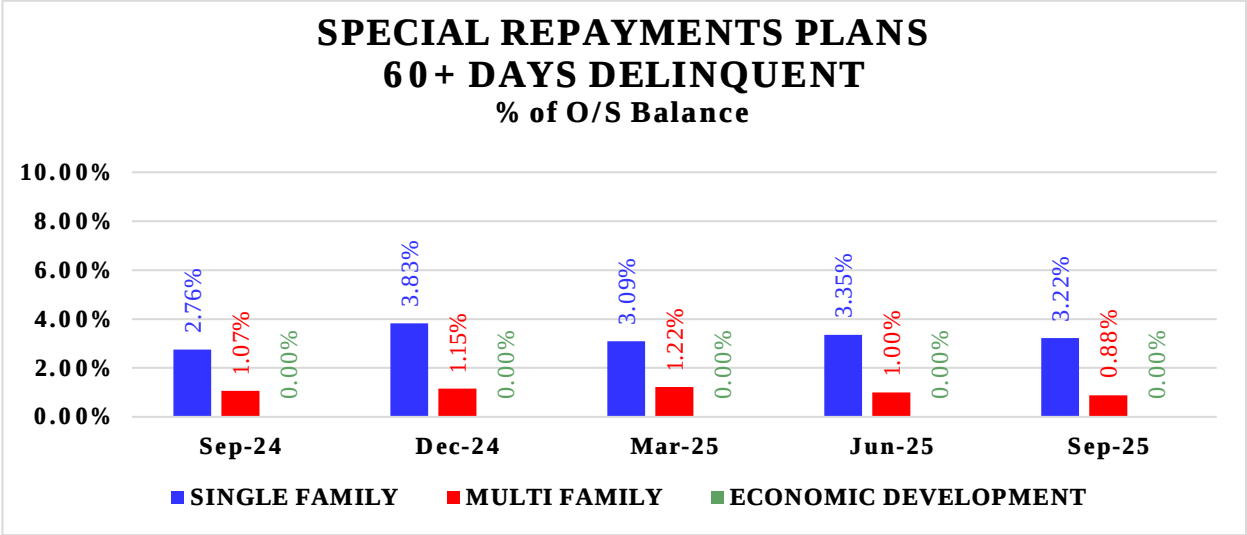
DELINQUENCY REPORT PRESENTED TO THE BOARD OF DIRECTORS FOR SEPTEMBER 2025

ADFA AND VENDOR SERVICED LOANS

DELINQUENCY REPORT (AS A % OF OUTSTANDING LOAN BALANCES)



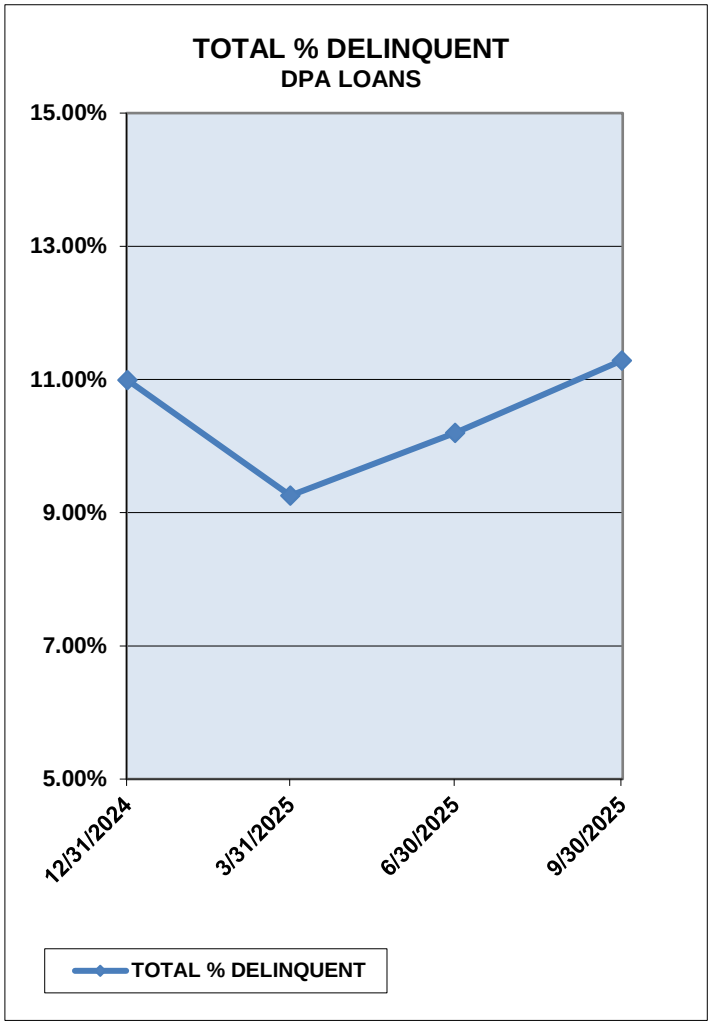




A loan is considered 90 days delinquent when it has three or more payments past due and it is not involved any special repayment agreements. The "90 days delinquent" chart reflects any loan that is 90 or more days delinquent. A loan balance will be included in the "Special Repayment Plan" chart when it is at least 60 days delinquent and the borrower and ADFA have reached a specific agreement to spread a delinquency over time in order to bring the loan current. If the agreement is kept, the loan will appear in the Special Repayment Plan numbers until it is less than 60 days delinquent.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
GENERAL FUND DPA LOANS
LOAN SERVICING REPORT as of 09/30/2025

	DELINQUENT BALANCES			
	12/31/2024	3/31/2025	6/30/2025	9/30/2025
30 DAYS	$ 1,878,445.71	$ 1,866,518.70	$ 1,948,508.36	$ 2,309,129.85
% DELINQUENT	4.66%	4.54%	4.63%	5.15%
60 DAYS	$ 756,884.41	$ 617,640.74	$ 644,785.40	$ 773,534.39
% DELINQUENT	1.88%	1.50%	1.53%	1.73%
90 DAYS	$ 395,794.38	$ 189,216.97	$ 316,954.20	$ 373,024.05
% DELINQUENT	0.98%	0.46%	0.75%	0.83%
120 + DAYS	$ 1,394,493.46	$ 1,128,752.87	$ 1,380,458.91	$ 1,599,761.68
% DELINQUENT	3.46%	2.75%	3.28%	3.57%
TOTAL DELINQUENT	$ 4,425,617.96	$ 3,802,129.28	$ 4,290,706.87	$ 5,055,449.97
TOTAL PRINCIPAL	$ 40,269,018.82	$ 41,073,624.51	$ 42,071,259.90	$ 44,797,227.17
TOTAL % DELINQUENT	10.99%	9.26%	10.20%	11.29%



	Interest Receipts	Write-offs	Interest Yield	Interest, Net of Write-offs
FISCAL YEAR ENDED JUNE 30, 2026 (Annualized)	$ 2,302,441.00	$ 218,856.96	5.36%	4.85%
YEAR ENDED JUNE 30, 2025	$ 2,090,450.11	$ 227,410.84	5.29%	4.72%
YEAR ENDED JUNE 30, 2024	$ 1,528,102.08	$ 119,630.64	4.68%	4.31%
YEAR ENDED JUNE 30, 2023	$ 980,259.82	$ 74,399.93	3.82%	3.52%
3-YEAR AVERAGE	$ 1,532,937.34	$ 140,480.47	4.60%	4.18%