



Community Development Block Grant- Disaster Relief

NOTICE OF FUNDING AVAILABILITY

March 5, 2026

Arkansas Development Finance Authority (ADFA)
Community Development Block Grant – Disaster Recovery (CDBG-DR) 2019
Public Law 116-20 | FEMA DR-4441 | HUD Grant Number: B-19-DW-05-0001

1. PURPOSE AND BACKGROUND

The Arkansas Development Finance Authority (ADFA) announces the availability of Community Development Block Grant – Disaster Recovery (CDBG-DR) funds for housing recovery and resilience activities in areas affected by the 2019 Arkansas River Flood (FEMA DR-4441).

This funding was allocated under Public Law 116-20 and is governed by Federal Register Notice 85 FR 4681 (January 27, 2020). On April 30, 2021, the U.S. Department of Housing and Urban Development (HUD) approved Arkansas’s Action Plan for \$8.94 million.

As the lead agency and grantee, ADFA is responsible for administering the 2019 CDBG-DR allocation to address unmet housing needs, with a focus on long-term resilience, affordability, and recovery in the state’s most impacted and distressed (MID) communities.

Program funds and expenditure timeline are dependent on HUD approval and receipt of approval for ADFA’s period of performance extension request.

2. FUNDING SUMMARY

Program Name	Allocation	% of Total
Multi-Family Rental Recovery Program	\$8,493,000	100%
Program Administration	\$447,000	5%

Total Allocation: \$8,940,000

Minimum LMI Benefit: 70% of total expenditures must benefit low- and moderate-income (LMI) persons.

Performance Period: All projects must be completed within 24 months of the executed grant agreement.

3. GEOGRAPHIC ELIGIBILITY

CDBG-DR 2019 funding must benefit the Most Impacted and Distressed (MID) areas:

- Jefferson County
- Perry County

Projects located in these areas that demonstrate direct tie-back to 2019 disaster impacts will receive priority.

4. ELIGIBLE APPLICANTS AND ACTIVITIES

Eligible applicants include developers proposing projects that meet all requirements established by ADFA.

All developments must comply with the ADFA Design Standards Manual for New Construction and Rehabilitation (see Section 5). Projects must also adhere to all applicable federal and state regulations, including HUD HOME per-unit subsidy limits in effect at the time of application.

Affordability Requirements:

Affordable rents must align with HUD’s Fair Market Rents (FMR). ADFA will determine the percentage of affordable units (up to 80% AMI).

At least 51% of total units must be reserved for households at or below 80% AMI.

Minimum Affordability Periods:

Investment Per Unit	Affordability Period
Under \$15,000	5 years
\$15,000 – \$40,000	10 years
Over \$40,000	15 years
Any amount for new construction	20 years

Eligible Activities:

- New construction
- Rehabilitation of affordable rental housing units that meet all program affordability and design standards.

5. Housing Construction and Rehabilitation Program Design Standards

All multifamily housing units developed or rehabilitated under this NOFA must comply with ADFA’s Design Standards Manual for New Construction and Rehabilitation. These standards ensure projects promote durability, energy efficiency, accessibility, and resident quality of life. Resilient Design: Incorporate hazard-resistant and energy-efficient features consistent with FEMA, HUD, and Arkansas State Building Codes. ADFA’s Design Standard Manual can be found on ADFA’s website.

Key Design Requirements:

- **Green Building Standards:** Use Energy Star® products and meet HUD's Green Building Standards where feasible.
- **Accessibility:** Comply with Section 504, Fair Housing Act, and ADA standards.
- **Broadband Infrastructure:** Provide broadband-ready design for multifamily developments of five or more units unless infeasible.

Additional Federal Requirements:

- **LMI Benefit:** At least **70%** of program funds must benefit LMI households.
- **Duplication of Benefits (DOB):** Must follow HUD's 2019 DOB Notice; declined subsidized loans are not considered DOB.
- **Environmental Review:** Required under **24 CFR Part 58**; no funds may be committed until clearance is issued.
- **Fair Housing and Equal Opportunity:** Must comply with Title VI, Section 504, Section 109, the Fair Housing Act, and relevant Executive Orders.
- **Procurement:** Must comply with **2 CFR Part 200** and state procurement laws; contractors must be licensed, insured, and not debarred.
- **Labor Standards:** Projects must comply with **Davis-Bacon and Related Acts (DBRA)** wage requirements.
- **Floodplain Management & Insurance:** Compliance with **24 CFR 55** is required. Properties in flood zones must maintain flood insurance throughout the affordability period.

6. MAXIMUM AMOUNT OF ASSISTANCE

Applicants may request up to \$3,397,200 in assistance, representing the maximum amount a developer may receive under the CDBG-DR program. Funds will be provided as a forgivable loan, over a 20-year term.

7. SCORING CRITERIA

1. Ratio of Affordable Rental Units **(20 points)**

Projects with a higher percentage of affordable units score more points.

- 51%–60% affordable units → 5 points
- 61%–70% affordable units → 10 points
- 71%–80% affordable units → 15 points
- Over 81% affordable units → 20 points

2. Resilient and Sustainable Construction Measures **(3 points)**

Projects that include resilient, sustainable, or energy-efficient construction measures can earn up to 3 points.

3. Site Location and Accessibility **(27 points)**

The site will be evaluated for accessibility, proximity to essential services, and the surrounding residential character.

Proximity to Site Amenities **(3 points each)**

Points are awarded if the site is within 3 miles (shortest driving distance) of at least four appropriate amenities for the population served. Eligible amenities include:

- Grocery store or supermarket
- Pharmacy or drug store
- School, daycare, or education center (not applicable for 100% elderly projects)
- Public Park or green space (not including school grounds)
- Public library
- Senior center with daily services (only for 100% elderly projects)
- Hospital, health clinic, or general practitioner's office
- Public transportation
- Pedestrian trails

All site amenities must be referenced in the Market Study map and include a contact person and verifiable phone number.

4. Residential Density **(3 points)**

Points are awarded if at least four residential units are located within 0.5 miles of the site and occupied as of the application deadline.

5. Incompatible Uses **(up to -5 points)**

Points are deducted for incompatible uses:

- 3 points deducted if incompatible uses are adjacent to the site
- 2 points deducted if incompatible uses are within 0.3 miles (lineal distance)

Examples of incompatible uses include:

- Junk yard, public dump, or solid waste disposal
- Pig farm or chicken farm

- Prison or jail
- Airport

Other Site Considerations:

Site suitability will also consider topography (grade, low-lying areas, floodplain, wetlands) and other factors affecting development feasibility.

Total Possible Points: 50

9. APPLICATION SUBMISSION REQUIREMENTS

The application cycle will open on March 6, 2026, and will continue until all funds have been awarded to eligible projects. Incomplete applications will be deemed ineligible. Applicants must submit:

1. **Excel version** of the application via email to ADFA.CDBGDR@arkansas.gov.
2. **PDF copy** (bookmarked) of the complete application and exhibits.
3. **Submission in the ADFA Programs Portal (MITAS)**, following instructions posted on the ADFA website.

If any application component is not applicable, indicate “N/A” on the tab and provide justification.

10. RELATED DOCUMENTS

[2020 CDBG-DR Multifamily Policies and Procedures](#)

[Design Standards Manual for New Construction and Rehabilitation](#)

[2026 MFHA Application](#)

11. CONTACT INFORMATION

Arkansas Development Finance Authority (ADFA)

CDBG-Disaster Recovery Division

1 Commerce Way, Suite 602

Little Rock, AR 72202

Email: ADFA.CDBGDR@arkansas.gov

Phone: (501) 682-5900

Website: www.adfa.arkansas.gov