

# ARKANSAS DEVELOPMENT FINANCE AUTHORITY BOARD COMMITTEE MEETING



Thursday, May 21, 2026

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY  
BOARD COMMITTEE MEETINGS**

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

Thursday, May 21, 2026  
**10:30 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).*

**CALL TO ORDER**

**I. ROLL CALL AND NOTE OF ABSENCES**

**II. COMMITTEE ANNOUNCEMENTS ..... TAB 1**

**ACTIVITY REPORTS**

**NO ACTION NEEDED**

**III. REPORT: Funds Available for Commitment as of April 30, 2026 -  
FOR INFORMATION ONLY..... TAB 2**

**IV. REPORTS: Development Finance - FOR INFORMATION ONLY ..... TAB 3**

- Bond Guaranty Fund
- Problem Loan Report

**BOARD OPERATIONS COMMITTEE  
THURSDAY, MAY 21, 2026**

**(Carey Smith, Committee Chair)  
TO FOLLOW**

**I. MINUTES: Presented by Carey Smith, Committee Chair ..... TAB 4**

- Asset Commitment Committee - February 19, 2026
- Financial Reporting and Operations Committee - April 16, 2026
- Professional Selection Committee - April 16, 2026

**II. PRESENTATION: AMS Schools-National, Inc. - Plan and Finance Presentation -  
Presented by Gordon Wilbourn, Kutak Rock ..... TAB 5**

**III. PRESENTATION: Arkansas Venture Development Fund - Stratos Equity Partners -  
Presented by Chuck Cathey ..... TAB 6**

**IV. ACTION MEMO: Arkansas Student Loan Authority - RFP - Trustee  
Presented by Ro Arrington and Tony Williams ..... TAB 7**

- V. ACTION MEMOS: Prison Construction Trust Fund -**  
 Presented by Ro Arrington ..... TAB 8
- 2025 Cummins & Varner Wastewater Treatment Plant
  - 2025 Newport Units Door Controls

<b>BOARD HOUSING REVIEW COMMITTEE</b>	<b>(Coleman, Chadwell, &amp; Smith)</b>
<b>THURSDAY, MAY 21, 2026</b>	<b>TO FOLLOW</b>

- I. MINUTES:** Housing Review Committee Meeting - April 16, 2025 -  
 Presented by Rod Coleman, Committee Chair ..... TAB 9
- II. AWARDS:** 2026 9% LIHTC Staff Recommendations -  
 Presented by John Blackwell and Lori Brockway ..... TAB 10
- III. REPORTS:** Federal Housing Programs - **FOR INFORMATION ONLY -**  
 Presented by Lori Brockway ..... TAB 11
- 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

<b>BOARD AUDIT COMMITTEE</b>	<b>(Sweat, Hudson, Thomas, &amp; Thurston)</b>
<b>THURSDAY, MAY 21, 2026</b>	<b>TO FOLLOW</b>

- I. MINUTES:** Presented by Denise Sweat, Committee Chair ..... TAB 12
- Audit Committee Meeting - October 16, 2025
  - Audit Committee Meeting - December 4, 2025
  - Audit Committee Meeting - April 16, 2026
- II. REVIEW:** StartSmart Program Audit -  
 Presented by Megan Summitt ..... TAB 13

<b>ADFA BOARD OF DIRECTORS LUNCHEON</b>
<b>12:00 PM</b>
<b>ROCKEFELLER CONFERENCE ROOM</b>
<b>RESERVED FOR SENIOR STAFF MEMBERS AND ATTENDING BOARD MEMBERS</b>

*No Business Will Be Conducted During This Time.*

**ADJOURNMENT:**

The next regular ADFA Board of Directors meeting is scheduled for  
**Thursday, July 16, 2026**, ADFA, Arkansas Department of Commerce,  
 1 Commerce Way, Little Rock, Arkansas.

**TAB 1**

COMMITTEE  
ANNOUNCEMENTS

**TAB 2**

**Arkansas Development Finance Authority  
Funds Available for Commitment  
4/30/2026**

Category	Program	Available to Commit
<b>Housing:</b>		
***	<b>HOME Investment Partnership (HOME): (including 2025 grant award)</b>	<b>\$ 39,575,882.37</b>
	Total HOME funds available	
	Applications received but not approved:	
	7-2026 Applications-competitive, 9% LIHTC	15,847,406.00
***	<b>HOME Investment Partnership-American Rescue Plan (HOME-ARP):</b>	<b>\$ 6,382,683.29</b>
***	<b>National Housing Trust Fund (NHTF): (including 2025 grant award)</b>	<b>\$ 2,611,938.82</b>
	Total NHTF funds available	
	Applications received but not approved:	
	3-2026 Applications-competitive, 9% LIHTC	2,542,362.00
***	<b>Emergency Shelter Grant Program (HESG): (including 2025 grant award)</b>	<b>\$ 18,602.05</b>
***	<b>CDBG-Disaster Credits (CDBG-Disaster Credits): (2019 grant award)</b>	<b>\$ 8,493,000.00</b>
***	<b>CDBG-Disaster Credits (CDBG-Disaster Credits): (2025 grant award)</b>	<b>\$ 56,095,600.00</b>
***	<b>Financing Adj. Factor/New Below Market Interest Rate (FAF/NBMIR)</b>	<b>\$ 5,457,698.58</b>
***	<b>Tax Credit Assistance Program (TCAP)</b>	<b>\$ 3,402,819.75</b>

**Arkansas Development Finance Authority  
Funds Available for Commitment  
4/30/2026**

Category	Program	Available to Commit
***	<b>Affordable Housing Assistance Program (fka DHS-Assisted Living Incentive Fund)</b>	<b>\$ 2,052,375.69</b>
***	<b>Mortgage Settlement Funds (MSF):</b>	<b>\$ 3,340,092.13</b>
<b>Total Funds Available for Housing</b>		<b><u>\$ 127,430,692.68</u></b>
<b>Economic Development:</b>		
***	Venture Capital Investment Trust and Recycled Funds (unrestricted)	<b>\$ 1,373,193.64</b>
<b>Student Loan Programs:</b>		
***	ALSA Funds allocated for Loan Programs (including new and refinancing loans)	\$ 80,000,000.00
	Less: Total Direct Student Loans and Job Training Certificate Loans	<u>\$ (33,733,001.00)</u>
	Total Funds Available for Student Loan Programs	<b><u>\$ 46,266,999.00</u></b>
<b>Down Payment Assistance Programs:</b>		
***	General Funds allocated for Down Payment Assistance loans	\$ 60,000,000.00
	Less: Total Down Payment Assistance loans serviced by US Bank and ServiSol.	<u>\$ (46,690,000.35)</u>
	Total Funds Available for Down Payment Assistance Loan Program	<b><u>\$ 13,309,999.65</u></b>
<b>Grand Total</b>		<b>\$ 188,380,884.97</b>

**TAB 3**

# BOND GUARANTY FUND REPORT

**ADFA Bond Guaranty Fund Data  
As of April 30, 2026**

	<b>Total Guaranty</b>			<b>% Guaranteed by</b>
<b>Bond Balances:</b>				
IDB's	19,625,000			
City/Co Issues	10,082,726			
<b>Total Bond Balances-&gt;</b>	<b>29,707,726</b>			
Less Guaranty by WFF	(698,000)			
<b>Direct/Interim Loan Balances:</b>	<b>ADFA's Share</b>	<b>Total O/S</b>	<b>ADFA</b>	<b>AEDC</b>
American Vegetable Soybean	173,019	346,039	50%	50%
Sage V Foods	373,040	373,040	100%	0%
HIA Holdings, LLC	75,547	75,547	100%	0%
Bradley County Econ Dev Corp	953,280	953,280	100%	0%
<b>Total Direct Loans Only-&gt;</b>	<b>1,574,886</b>	<b>1,747,906</b>		
<b>Commitments that are unfunded:</b>	<b>ADFA's Share</b>	<b>Total Approved Date Approved</b>	<b>ADFA</b>	<b>% Guaranteed by AEDC/Other</b>
<b>Total Commitments yet to fund-&gt;</b>	<b>-</b>			
<b>Total Bonds, Direct Loans and Unfunded-&gt;</b>	<b>30,584,612</b>			
<b>Contingent Guarantees</b>				
Aristotle Unified Communications, LLC	3,750,000			
<b>Total Contingent Guarantees-&gt;</b>	<b>3,750,000</b>			
<b>Total of all guarantees-&gt;</b>	<b>34,334,612</b>			

<b>Bond Guaranty Reserve Fund</b>	<b>At Cost</b>	<b>Market Value</b>
Federated Treasury MMF	800,967	800,967
State Treasury MMTF	8,827,585	8,827,585
US Government Agencies	7,940,749	7,688,895
<b>Portfolio Totals-&gt;</b>	<b>17,569,301</b>	<b>17,317,447</b>

<b>Coverage Ratios:</b>		
Leverage (total guarantees/portfolio totals)	1.954	1.983
Reserve % of Total Guarantees (portfolio totals/total guarantees)	51.17%	50.44%

**Additional sources of cash flows that could be credited to the guaranty fund: ( No outstanding Bonds on Projects listed below)**

	<b>Total Due</b>	<b>Est of Expected Annual Payment</b>	<b>Periodic Payment</b>	
Alvar Resins, Inc (*)	-	-	24,801	M
American Vegetable Soybean (*)	-	-	20,681	M
Texas CLT (1)	115,248		TBD	
Arklam (2)	1,178,831		TBD	
	<u>1,294,079</u>	<u>-</u>		

A = annual pmt, M = monthly pmt

(\*) - Paid in full this month

(1) - Terms to be established at AEDC Commission meeting; still in negotiations

(2) - Litigation Pending

# PROBLEM LOAN REPORT

**PROBLEM LOAN REPORT**  
**05/01/26**

Company:	<b>J&amp;E Food Group</b>	Location:	Warren
Industry/Product:	Chicken Processsing	Credit Rating:	6.00
<b>EDBR311934</b>			
Original Amount:	\$3,000,000	Loan Date:	06/27/19
<b>Current Balance:</b>	<b>\$2,965,000</b>	99%	Maturity: 06/27/31
Expected Salvage:	\$1,000,000	34%	Date of Last Payment: <b>02/21/20</b>
Net Reserve Balance:	\$1,965,000		Paid thru Date: 02/15/20
Reserve %	100%	Monthly Payment:	\$26,440
Reserve \$	\$1,965,000	Delinquent Amount:	\$1,928,957
Collateral:	1st REM Land and Buildings + 1st Lien Equipment/Machinery		
Guarantors:	John and Elizabeth White		

**APR 26** Deed-in-Lieu of Foreclosure executed, property is now REO, next step will be disposal of property by private sale or auction

**TAB 4**

MINUTES:  
ASSET COMMITMENT  
COMMITTEE  
February 19, 2026

ARKANSAS DEVELOPMENT FINANCE AUTHORITY  
**ADFA BOARD – ASSET COMMITMENT COMMITTEE**  
FEBRUARY 19, 2026  
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; Katelyn Martin; and Seth Mims.

**ADFA Board Asset Commitment Committee Members Absent:** Harold Perrin; and Denise Sweat.

**ADFA Board Members Present:** Rod Coleman; Alan McVey (Designee, Jim Hudson, Secretary, Department of Finance and Administration); Hugh McDonald, Cabinet Secretary of Department of Commerce; Carey Smith; Kirkley Thomas; and Kenneth Burleson (Designee, John Thurston, Arkansas Treasurer of State).

**ADFA Board Members Absent:** George O'Connor.

**ADFA Staff Present:** Robert "Ro" Arrington, President, Arkansas Development Finance Authority; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Blake Bumgardner, CDBG-DR Specialist; Sean Doolin, Assistant Controller; Ginger Burton Duncan, Director of Single Family Outreach; Paula Farthing, Loan Servicing Manager; Tracy Green Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Hope Lewis, Controller; Derrick Rose, Director of Communication; Megan Summitt, Internal Auditor; Julia Virahovskaya, Accountant; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

**Others Present:** Casey Kleinhenz, Community Development of NWA; Paul Phillips, Crews & Associates, Inc.; Jeffrey Simmons, Delta Southern Land & Development, LLC.; Aaron Harris, Harris Building Solutions, LLC.; David Stickler, Hybar LLC; Richard Pierle, Landmark Property Group; Shannon Crow, PDC Companies; Traci Williams, Rockwell Housing Solutions, LLC.; Michael Cox, Soft 16 Investments, LLC.; Michael Ceryanec, Springdale Housing Authority; and Nona McVey, The McVay Firm, PLLC.

**Call to Order:** Mr. Chadwell called the Asset Commitment Committee meeting to order at approximately 10:08 AM.

**Minutes:** Mr. Chadwell presented the Asset Commitment Committee minutes from the December 4, 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.

**Presentation: Hybar Overview:** Mr. Arrington prefaced the presentation by stating that Hybar was not requesting an action from the ADFA Board at this time, but that Mr. Stickler planned to return to the Board at the April 16th Board meeting.

Mr. Stickler stated that he had a long-standing relationship with ADFA. With ADFA's assistance, Hybar committed to Arkansas with an investment of \$1.3 billion and the creation of 400 jobs with an average wage of \$75,000 a year. Mr. Stickler noted that the current discussion reflected a significantly larger investment of \$9 billion dollars and the creation of several thousand jobs, with an average wage of \$145,000.

Mr. Stickler stated that with the success of Hybar, he and the group of investors intend to replicate the original plant on the same 1,300-acre site that was secured in 2023; this would create 200 jobs for Arkansans. He also noted that Hybar would have a long-term special rate contract with Entergy.

Mr. Stickler emphasized that a critical focus for Hybar was to hire from the local workforce. During the two-year construction period, the company would implement an apprentice program with 35 - 40 Hybar employees that would work alongside construction contractors three to four days a week and spend one to two days a week they would work in the mill, initially shadowing the steel operators. This structure would allow individuals who may not yet have the necessary skills to successfully develop a skill set while also building a strong sense of accountability.

Secretary McDonald stated that, in his view, the presence of Hybar and its ongoing investments have positioned Arkansas to become the most technologically advanced and economically competitive steel-producing state.

After additional discussion, Mr. Stickler concluded the presentation with the statement that he would like to see the project begin in June.

**Action Item: Bradley County Economic Development Corporation Loan Guaranty:** Mr. Cathey described the Bradley County Economic Development Corporation (BCEDC) Loan Guaranty action item as a housekeeping item.

Mr. Cathey noted that, as part of that original approval, there should have been a specific request entered into the record that required the ADFA General Fund to receive a

guarantee from the ADFA Bond Guaranty Fund for the full outstanding amount of the loan for the duration of the loan.

Mr. Cathey stated it was recommended that the Board formally 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.

Mr. Chadwell entertained a motion to approve the BCEDC Loan Guaranty action item as presented.

Ms. Martin approved the action item as presented.

Mr. Mims seconded the motion. The motion passed.

**Confidential Reports: For Information Only:** The Committee reviewed the Bond Guaranty Fund Report, Venture Capital Investment Trust, the Problem Loan Report, and the Investment Impairments Report.

No action needed.

**Adjournment:** Mr. Chadwell concluded the Asset Commitment Committee at approximately 10:27 AM.

Minutes approved and signed on this 19th day of February 2026.

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Jon Chadwell, Committee Chair

MINUTES:  
FINANCIAL REPORTING  
and  
OPERATIONS COMMITTEE  
February 19, 2026

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY**  
**ADFA BOARD – FINANCIAL REPORTING AND OPERATIONS COMMITTEE**  
APRIL 16, 2026  
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY  
CENTRAL HIGH/OLD MILL MEETING ROOM  
LITTLE ROCK, AR

*The Financial Reporting and Operations Committee convened as a committee of the full Board to ensure that a quorum was present.*

**ADFA Board Financial Reporting and Operations Committee Members Present:**

Alan McVey (Designee for Jim Hudson, Secretary, Department of Finance and Administration), Acting Committee Chair; and Kenneth Burleson (Designee for John Thurston, Treasurer, Office of Treasurer of State of Arkansas).

**ADFA Board Members Present** Carey Smith; Jon Chadwell; Rod Coleman; Katelyn Martin; Denise Sweat; and Kirkley Thomas.

**ADFA Board Appointees Present:** Dr. Martin Eggensperger; Andy Goodman; and Russ Martin.

**ADFA Board Members Absent:** Hugh McDonald, Cabinet Secretary of Department of Commerce.

**ADFA Staff Present:** Robert “Ro” Arrington, President, Arkansas Development Finance Authority; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Charles “Chuck” Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Ginger Burton Duncan, Director of Single Family Outreach; Paula Farthing, Loan Servicing Manager; Tracy Green Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Catrina Ingram, Compliance Assistant Manager; Hope Lewis, Controller; Drew Rogers, Attorney Specialist; Derrick Rose, Director of Communication; Megan Summitt, Internal Auditor; Julia Virahovskaya, Accountant; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

**Others Present:** Casey Kleinhenz, Community Development of NWA; Ted Fellman and Cheryl Schluterman, Raymond James; Traci Williams, Rockwell Housing Solutions, LLC.; and Nona McVay, The McVay Firm, PLLC.

**Call to Order:** Mr. McVey, Acting Committee Chair, called the Financial Reporting and Operations Committee meeting to order on Thursday, April 16, 2026, at approximately 11:11 AM.

**Minutes:** Mr. McVey presented the minutes of February 19, 2026, Financial Reporting and Operations Committee meeting and asked if any committee member had comments or changes.

Mr. McVey entertained a motion to approve the minutes as presented.

Mr. Burleson made a motion to approve the minutes.

Mr. Thomas seconded the motion. The motion passed.

**Action Item: Budget Submission – Fiscal Year 2027:** Mr. Bleed stated that the budget presented to the Board was an initial draft of the ADFA Operating Budget for fiscal year 2027. He noted, moving forward, it was expected to serve as a working document subject to amendments.

Mr. Bleed further stated that under Act 944 of 2025, ADFA was moved from under certain state processes, one of which was the obligation to submit a budget to the Arkansas General Assembly. However, a budget remained necessary, and those responsibilities have shifted from the Legislature to the Board.

Mr. Bleed continued the intent of the document was twofold; first, to serve as a clear planning document for the coming year, and second, to function as a delegation of authority from the Board to the ADFA president and staff. He explained that the draft was originally designed to draw a clear line between responsibilities requiring Board approval and those delegated to staff. However, as part of the rules that were adopted in October 2025, the Board may amend the budget and may require special approval or review of any expenditure.

Mr. Bleed further noted the budget only reflected the ADFA General Fund. It did not include federally funded programs which are budgeted legislatively, nor expenses paid by bond proceeds, bond trust indentures, or expenses incurred by Arkansas Student Loan Authority (ASLA).

Mr. McVey inquired about the timeline to provide a final amended budget.

Mr. Bleed clarified the draft budget would authorize ADFA to operate after July 1<sup>st</sup> according to the expenditures outlined. He acknowledged certain deficiencies, such as ASLA General Fund, but anticipated it would be incorporated into the document.

Mr. Bleed and Ms. Cunningham clarified that though ADFA and ASLA each had their own general funds, combining them into a single budget document may be beneficial. They noted the format was still under discussion.

Ms. Martin asked for clarification that the document was an educated projection that could be revised by either the Board or staff with the Board's approval.

Mr. Bleed agreed and added that if there was a need to exceed the stated amounts, the matter would be brought to the Board's attention.

Continued discussion revealed that the drafted budget presented to the Board contained more details than what had been provided to the State.

Mr. McVey moved to accept the budget for fiscal year 2027 and entertained a second motion.

Mr. Burleson seconded the motion. The motion passed.

**Discussion: Operating Results and General Fund Review as of December 31, 2025:**

Ms. Cunningham stated the review covered the period ending December 31, 2025, which included the fiscal year ending June 30, 2025, on the Balance Sheet.

Ms. Cunningham stated that ADFA would be new to the bond issuance world with ASLA, but within the previous two years ADFA had re-entered the Single Family Mortgage Revenue Bond (MRB) market. She explained several of the recent presentations had reflected the fluctuations primarily from the Single Family MRB program, but the presentation had now stabilized as ADFA had completed more issuances and this activity had become part of its normal course of business.

Ms. Cunningham added that as the federal program loans are expended, they became loans receivable on the Authority's books, resulting in an increase in those balances, net of the repayments received on existing loans.

Ms. Cunningham directed focus to the income statement and stated the income had been steady with an uptick in investments due to additions from the Single Family Bond Mortgage-Backed Securities (MBS) with the majority of rates being around 5% which is based on the change of mortgage rates within Single Family and would affect the MBS rate which would always be 50 basis points lower.

Ms. Cunningham continued the Loan Loss Reserve reflected a variety of programs, their reserves and was adjusted on a semi-annual basis in December and June. Ms. Cunningham stated that Federal Programs was one of the programs with the most fluctuations due to those funds coming from HUD and the Treasury. Some of those funds are expensed and some are used for loans such as for HOME or National Housing Trust Fund (NHTF).

Ms. Cunningham clarified that, regarding Item V, there had been an increase in HOME-ARP funds, which are currently treated as grants. There are also HOME

funds, and NHTF funds which were classified as program income, and program income would not be included in the revenue because it functioned as revolving loan funds. Ms. Cunningham noted those funds are cash repayments and could be expended as administrative expenses or TBRA, or issued as forgivable loans, and would be reported accordingly due to timing considerations.

Chairman Coleman requested that ASLA student loan delinquencies be included in the Delinquency Report and not only in the ADFA Staff Reports.

Chairman Coleman also requested an update on Rich Mountain. Ms. Farthing responded that it was a lease to U of A Rich Mountain and she would gather more information and update the Chairman.

Ms. Cunningham directed the Board to Sources of Cash and explained that the report presented how ADFA was able to fund operations. The report covered a six-month period and was compared against the previous two years. Ms. Cunningham added that ADFA also assisted several other state agencies and performed accounting functions on their behalf.

Ms. Cunningham noted that ADFA had two additional audit reports with the two ANRC programs, which meant that there were three audits as of June 30<sup>th</sup>.

Mr. McVey moved to accept the report as presented.

Mr. Burlison seconded the motion. The motion passed.

**Update: State Small Business Credit Initiative (SSBCI) Funding Update:** Mr. Cathey stated that the update was a follow-up for informational purposes only.

Mr. Cathey reported that ADFA did not qualify to apply for the second tranche of SSBCI funds and noted it was due to a combination of factors which included challenging economic environment for lending, difficulties in venture capital fundraising, and legislative actions that required the cancellation of a key lending program. This combination made it unachievable to deploy the required level of SSBCI allocation required to support qualification for a Request for Disbursement of Tranche 2.

Mr. Cathey then read the recap of the deployment of Tranche 1 program funds to the Board and explained that according to SSBCI, the funds would not be considered as obligated until they were in the hands of the ultimate recipient of the investment or loan.

Mr. Cathey further explained that the sunset date for the SSBCI program is March 11, 2028. However, there is no sunset date on funds that were deployed and later returned to the trust. Once returned, those funds would lose all federal features, but any funds placed into the trust are required to remain in the trust and could be used only for venture capital investments.

No action needed.

**Adjournment:** Mr. McVey concluded the Financial Reporting and Operations Committee at approximately 11:48 AM.

Minutes approved and signed on this 16th day of April 2026.

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Alan McVey, Acting Committee Chair

MINUTES:  
PROFESSIONAL SELECTION  
COMMITTEE

February 19, 2026

ARKANSAS DEVELOPMENT FINANCE AUTHORITY  
**ADFA BOARD – PROFESSIONAL SELECTION COMMITTEE**  
APRIL 16, 2026  
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY  
CENTRAL HIGH/ OLD MILL MEETING ROOM  
LITTLE ROCK, AR

*The Professional Selection Committee convened as a committee of the full Board to ensure that a quorum was present.*

**ADFA Board Professional Selection Committee Members Present:** Kirkley Thomas, Committee Chair; Jon Chadwell; Rod Coleman; and Katelyn Martin.

**ADFA Board Members Present:** Alan McVey (Designee for Jim Hudson, Secretary, Department of Finance and Administration); Carey Smith; Denise Sweat; and Kenneth Burluson (Designee, John Thurston, Treasurer, Office of Treasurer of State of Arkansas).

**ADFA Board Appointees Present:** Dr. Martin Eggensperger; Andy Goodman; and Russ Martin.

**ADFA Board Members Absent:** Hugh McDonald, Cabinet Secretary of Department of Commerce.

**ADFA Staff Present:** Robert “Ro” Arrington, President, Arkansas Development Finance Authority; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Charles “Chuck” Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Ginger Burton Duncan, Director of Single Family Outreach; Paula Farthing, Loan Servicing Manager; Tracy Green Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Catrina Ingram, Compliance Assistant Manager; Hope Lewis, Controller; Drew Rogers, Attorney Specialist; Derrick Rose, Director of Communication; Megan Summitt, Internal Auditor; Julia Virahovskaya, Accountant; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

**Others Present:** Casey Kleinhenz, Community Development of NWA; Ted Fellman and Cheryl Schluterman, Raymond James; Traci Williams, Rockwell Housing Solutions, LLC.; and Nona McVay, The McVay Firm, PLLC.

**Call to Order:** Mr. Thomas called the Professional Selection Committee meeting to order at approximately 10:56 AM.

Mr. Thomas reminded the Board that the Committee would meet as a committee of the full Board.

**Minutes:** Mr. Thomas presented the Professional Selection Committee minutes from the August 21, 2025, meeting and entertained a motion to approve the minutes as presented.

Ms. Martin made a motion to approve the minutes as presented.

Ms. Sweat seconded the motion. The motion passed.

**Action Memos: Request for Proposals (RFPs) - Arkansas Student Loan Authority (ASLA):** Mr. Williams stated the action memos being presented were in anticipation of the issuance of bonds in the fall of this year and would likely be in the range of \$40 - \$45 million dollars in bonds.

Mr. Williams continued that an RFP had been issued for the position of Arkansas Student Loan Bond Counsel for the upcoming Student Loan Bond Issue series. He stated the recommended firm for the Board for Arkansas Student Loan Bond Counsel was Kutak Rock, with the Denver office serving as the primary team for this series, however, local representation is also accessible.

After a brief discussion, Mr. Thomas entertained a motion to approve the staff recommendation of Kutak Rock as the Arkansas Student Loan Bond Counsel for the upcoming Student Loan Bond Issue series.

Mr. Burleson made a motion to approve.

Ms. Martin seconded the motion. The motion passed.

Mr. Williams stated that an RFP had been issued for the position of Arkansas Student Loan Bond Underwriter as the Senior Manager. The staff recommended Bank of America Securities.

After a brief discussion, Mr. Thomas entertained a motion to approve the staff recommendation of Bank of America Securities for the position of Arkansas Student Loan Bond Underwriter as the Senior Manager for the upcoming Student Loan Bond Issues.

Ms. Martin made a motion to approve.

Ms. Sweat seconded the motion. The motion passed.

**Adjournment:** Mr. Thomas concluded the Professional Selection Committee activities at approximately 11:10 AM.

Minutes approved and signed this 16th day of April 2026.

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Kirkley Thomas, Committee Chair,  
Professional Selection

**TAB 5**



# ARKANSAS DEVELOPMENT FINANCE AUTHORITY

## APPLICATION FOR CONDUIT ISSUES

Date: May 8, 2026

Borrower: AMS Schools - National, Inc. or affiliate single-member LLC

Address: 3002 South Priest Drive

City: Tempe State: AZ ZIP: 85282

Project Locations: 3510 North Street, Fort Smith, Arkansas and  
6423 Stagecoach Road, Little Rock, Arkansas

Phone: 623-404-0045 Mobile: 520-305-0961

Contact person: Katherine Determan, Chief Financial Officer

Email: kdeterman@amsimpact.com

Type of Entity: nonprofit, federally tax exempt  
(Private, Non-Profit, Governmental, etc.)

Amount to be Financed: Not-to-Exceed \$50,000,000

### Purpose of Financing:

a) Finance the acquisition, development, construction, improvement, and equipping of land and school buildings in Fort Smith, Arkansas; b) pay capitalized interest on all or a portion of the Series 2026 Bonds; c) refinance through a refunding of the Authority's Series 2024A & 2024B Charter School Revenue Bonds issued for the benefit of AMS Schools - Arkansas, Inc.; d) fund various required reserves; and d) pay issuance expenses related to the Series 2026 Bonds.

### Proposed Structure:

Series A - an approximate \$47 million tax-exempt term bond maturing in 2036 with a mandatory sinking fund beginning 7/1/2031 based on a 35-year amortization;

Series B - an approximate \$3 million taxable term bond maturing on 7/1/2031 with a mandatory sinking fund beginning on 7/1/2027.

The financing is expected to be guaranteed by Academy of Mathematics and Science, Inc., an Arizona non-profit corporation, through which a "BB+" rating is expected to be received on the financing.

**\*\*Please attach to this Application a Distribution List detailing the Professionals that will be involved in the transaction (i.e., Bond Counsel, Underwriter, Trustee, etc.). Also, please attach any appropriate disclosure letters including G-17 letters.\*\***



**Arkansas Development Finance Authority  
Charter School Revenue Bonds  
(Academies of Math & Science Projects)  
Series 2026**

**Distribution List**

*May 5, 2026*

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The logo for Baird, consisting of the word "BAIRD" in white, uppercase, sans-serif font, set against a dark blue parallelogram background that is tilted to the right.

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## **Disclosures of Material Financial Characteristics and Financial Risks of Proposed Offering of Charter School Revenue Bonds**

Robert W. Baird & Co. Incorporated (“Baird”) has been engaged as underwriter or placement agent for the proposed offering by you (or the “Issuer”) of fixed rate bonds, notes or other debt securities (the “Bonds”), to be sold on a negotiated basis. The Bonds will be charter school revenue bonds that you will issue for the benefit of a charter school (or multiple charter schools operated or sponsored by a single charter school company). The following is a general description of the financial characteristics and security structures of the Bonds, as well as a general description of certain financial risks that you should consider before deciding whether to issue the Bonds.

This document is being provided to an official of the Issuer who has the authority to bind the Issuer by contract with Baird, who does not have a conflict of interest with respect to the offering.

The proceeds from the sale of the Bonds will be loaned to the charter school or an affiliate thereof that owns or operates the charter school facility and leases it to the charter school (in either case, the “charter school borrower”). The loan may be used to acquire, expand, refinance, renovate and/or make improvements to school facilities. Principal and interest payments on the Bonds will be made from amounts you receive from the charter school borrower. The charter school borrower will pay those amounts to you from operating revenues that the charter school generates, which will consist primarily of state aid or assistance. Although you will be a party to the bond purchase agreement and certain other legal documents to be entered into in connection with the issuance of the Bonds, the material financial risks described below will be borne by the charter school or charter school borrower, as set forth in those legal documents. The Bonds will be payable solely from amounts the Issuer receives from the charter school borrower. The Bonds will not constitute a debt or liability of the state or any political subdivision thereof (other than the Issuer). The Issuer will not be obligated to pay the principal of the Bonds or interest on the Bonds, except from funds provided under the indenture. Neither the full faith and credit nor the taxing power of the State of Arkansas or any political subdivision thereof (including the Issuer) is pledged to the payment of the principal of or interest on the Bonds.

As the issuer of the Bonds, you will be a party to the bond purchase agreement and certain other legal documents to be entered into in connection with the issuance of the Bonds, but the material financial risks described below will be borne by the obligor, as set forth in those legal documents. A copy of our disclosure letter is also being sent to the obligor. In such case, any reference below to “you” or “your” shall refer to the obligor, unless otherwise noted because of transaction’s terms.

### **Financial Characteristics**

*Maturity and Interest.* The Bonds will be interest-bearing debt securities to be issued by the

Issuer. Maturity dates for the Bonds will be fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. Maturity dates, including the final maturity date, are subject to negotiation and will be reflected in the official statement. At each maturity, the scheduled principal or par amount of the Bonds will have to be repaid.

The Bonds will pay fixed rates of interest typically semi-annually on scheduled payment dates, although some of the Bonds may accrue interest to be paid at maturity. Such bonds are often referred to as capital appreciation or zero-coupon bonds. The interest rates to be paid on the Bonds may differ for each series or maturity date. The specific interest rates will be determined based on market conditions and investor demand and reflected in the official statement for the Bonds. The Bonds with longer maturity dates will generally have interest rates that are greater than securities with shorter maturity dates.

Redemption. The Bonds may be subject to optional redemption, which allows the Issuer, at its option (at the request of the charter school borrower), to redeem some or all of the Bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. The Bonds may be subject to optional redemption only after the passage of a specified period of time from the date of issuance, and upon payment of the redemption price set forth in the official statement for the Bonds, which typically is equal to the par amount of the Bonds being redeemed (plus accrued interest) but may include a redemption premium. The Issuer will be required to send out a notice of optional redemption to the holders of the Bonds, usually a certain period of time prior to the redemption date. The Bonds may also be subject to mandatory redemption, which requires the Issuer to redeem specified principal amounts of the Bonds annually in advance of their maturity dates. If so, the mandatory redemption price will likely be 100% of the principal amount of the Bonds to be redeemed. The Bonds may be further subject to extraordinary or mandatory redemption upon the occurrence of certain events, authorizing or requiring you to redeem the Bonds at their par amount (plus accrued interest).

Credit Enhancements. The Bonds may feature credit enhancements, such as an insurance policy provided by a municipal bond insurance company that guarantees the payment of principal of an interest on the bonds when due in the event of default. Other credit enhancements could include a letter of credit provided by a financial institution, or financial support from a state agency.

Tax Status. If the Bonds are intended to be tax-exempt, counsel will provide an opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes. Certain Bonds may also be exempt from state personal income tax.

Some Bonds (or a portion of those being issued) may be taxable, meaning that interest on the Bonds will be included in gross income for federal income tax purposes.

### **Security**

Payment of principal of and interest on a municipal security, including the Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

The Bonds are charter school revenue bonds. The principal of and interest on the Bonds will be payable from certain revenues derived by the Issuer under the loan agreement with the charter school borrower. If the charter school borrower is not the same entity as the charter school, the charter school borrower's obligation to make payments under the loan agreement may be a special obligation expressly limited to the rental income it receives from the charter school. The source of revenues necessary to make payments on the loan agreement ultimately will consist of the pledged revenues received by the charter school. It is intended that payments made to the Issuer under the loan agreement will be sufficient to meet debt service obligations on the Bonds.

As security for the Securities, the Issuer will assign to the trustee all right, title and interest of the Issuer in and to the payments receivable from the charter school borrower under the loan agreement. The holders of the Securities and the trustee may also have a mortgage lien on the facilities and may be entitled to the benefit of a covenant by the charter school borrower not to further encumber the facilities except for certain permitted liens.

The Bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on the Securities only from the revenue source(s) specifically pledged to the Bonds. The Bonds do not permit the bondholders to compel you to impose a tax levy or use any funds other than payments under the loan agreement for payment of debt service. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. The Issuer is not required to make payments of principal or interest if the charter school or charter school borrower defaults.

#### Financial and Other Covenants

The Issuer (and/or the charter school borrower) may be required to agree to certain financial and other covenants (such as debt service coverage ratios) that are designed to protect bond holders. Covenants are a form of additional security. The failure to continue to meet covenants may trigger an event of default or other adverse consequences to you and/or the charter school borrower giving bond holders certain rights and remedies.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the Bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the Bonds.

#### **Financial Risk Considerations**

Certain risks may arise in connection with your issuance of the Bonds, including some or all of the following (generally, the charter school borrower, rather than you, will bear these risks):

#### Default Risk

A default may occur if the funds pledged to secure the Bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds may be able to exercise a range of available remedies. Budgetary adjustments and other revenue-generated measures may be necessary to enable the charter school borrower to provide sufficient funds to pay debt service on the Bonds. A default may negatively impact the charter school's credit ratings and may effectively limit its ability to publicly offer bonds or other securities at market interest rate levels. Further, if the charter school is unable to provide

sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, the charter school may find it necessary to consider available alternatives under state law, including a sale of the facilities or bankruptcy. A default also may occur if the charter school is unable to comply with covenants or other provisions agreed to in connection with the issuance of the Bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

#### Redemption Risk

The ability to redeem the Bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, the charter school may be unable to take advantage of the lower interest rates to reduce debt service. In addition, if the Bonds are subject to extraordinary or mandatory redemption, the charter school may be required to redeem the bonds at times that are disadvantageous.

#### Refinancing Risk

If the financing plan contemplates refinancing some or all of the Bonds at maturity (for example, if there are term maturities or if a shorter final maturity is chosen than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent the charter school from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict the charter school's ability to refund the Bonds to take advantage of lower interest rates.

#### Reinvestment Risk

Proceeds from the issuance of the Bonds may need to be invested prior to the time that the charter school is able to spend those proceeds for the authorized purpose. Depending on market conditions, the charter school may not be able to invest those proceeds at or near the rate of interest that the charter school is paying on the bonds, which is referred to as "negative arbitrage".

#### Tax Compliance Risk (applicable if the Fixed Rate Bonds are tax-exempt bonds)

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS), and, if applicable, state tax laws. You and the charter school must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You and the charter school also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of the representations or a failure to comply with certain tax-related covenants may cause the interest on the Bonds to become taxable retroactively to the date of their issuance, which may result in an increase in the interest rate that the charter school pays on the Bonds or the mandatory redemption of the Bonds. The IRS also may audit you, the charter school, the Bonds or your (or the charter school's) other bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the Bonds are declared taxable, or if you or the charter school are subject to audit, the market price of the Bonds and/or your or the charter school's) other bonds may be adversely affected. Further,

your or the charter school's ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing Fixed Rate Bonds.

*Continuing Disclosure Risk.*

In connection with the issuance of the Bonds, you and/or the charter school may be subject to continuing disclosures which require dissemination of annual financial and operating information and notices of material events. Compliance with these continuing disclosure requirements is important and facilitates an orderly secondary market. Failure to comply with continuing disclosure requirements may affect the liquidity and marketability of the Bonds, as well as your and/or the charter school's other outstanding securities. Because instances of material non-compliance with previous continuing disclosure requirements must be disclosed in an official statement, failure to comply with continuing disclosure requirements may also make it more difficult or expensive for you or the charter school to market and sell future bonds.



**Arkansas Development Finance Authority  
Charter School Revenue and Revenue Refunding Bonds  
(Academies of Math & Science – Fort Smith and Little Rock Projects)  
Series 2026  
Preliminary Financing Timetable**

*As of May 6, 2026*

May 2026							June 2026							July 2026							August 2026						
S	M	T	W	Th	F	Sa	S	M	T	W	Th	F	Sa	S	M	T	W	Th	F	Sa	S	M	T	W	Th	F	Sa
					1	2	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
3	4	5	6	7	8	9	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
10	11	12	13	14	15	16	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
17	18	19	20	21	22	23	28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29
24	25	26	27	28	29	30															30	31					
31																											

Date		Task	Parties Responsible
Apr 10 – May 18	✓	<b>Provide Project Specific Information and Updated Obligated Group information to Underwriter’s Counsel and Terry Warren for drafting the Preliminary Limited Offering Memorandum (“PLOM”) and Appendix A &amp; B</b>	<b>AMS, WCL</b>
May 2	✓	Draft of Transcript List, TEFRA Notice, TEFRA Approval and State Proclamation distributed	BC
May 12		<b>Submit Financing Application and Marketing Resolution to the Issuer</b>	<b>WCL</b>
May 13		Publish TEFRA Hearing Notice	BC
May 13		Drafts of Bond Indenture, Loan Agreement, ADFA Bond Resolution (“Bond Documents”) distributed	BC
May 20		<b>Issuer TEFRA Hearing</b>	<b>IC, BC</b>
May 20		Draft of PLOM distributed	UC
May 20		Drafts of Appendix A & B distributed	WCL
May 21		<b>ADFA Meeting for Marketing Resolution approval</b>	<b>I, IC, AMS, WCL</b>
May 25		<i>Memorial Day</i>	
May 27		Comments due on drafts of Bond documents, PLOM and Appendix A & B	All
May 28		Receive Governor’s TEFRA Approval	IC, BC
June 2		Near Final Bond Documents, PLOM and Appendix A&B Distributed	BC, UC, WCL
June 2		Distribute Financial Projections	AMS, SPF

**Key:**  
 I.....Arkansas Development Finance Authority (Issuer)  
 IC.....Kutak Rock LLP (Issuer Counsel)  
 AMS.....Academies of Math & Science (Borrower)  
 WCL.....Warren Charter Law (Borrower’s Counsel)  
 SPF.....Specialized Public Finance (Financial Advisor)  
 BC.....Squire Patton Boggs (Bond Counsel)  
 UC.....Quarles & Brady (Underwriter’s Counsel)  
 RWB.....Robert W. Baird & Co. (Underwriter)  
 T.....BOKF, NA (Trustee)



Date	Task	Parties Responsible
June 4	Rating package (Bond Documents, PLOM, Appendix A & B, Financials, & Projections) distributed to S&P	SPF, RWB
<b>TBD</b>	<b>AMS Board Meeting – Adoption of Bond Resolution</b>	<b>AMS, WCL</b>
<b>June 17</b>	<b>Follow-up to May’s S&amp;P Obligated Group Rating Meeting</b>	<b>AMS, RWB, SPF, S&amp;P</b>
July 1	Final Comments due on Bond Documents, PLOM, Appendix B and BPA	All
July 1	Real estate and title work substantially complete	AMS, WCL
<b>July 1</b>	<b>Receive Series 2026 bond rating</b>	<b>AMS, RWB, SPF</b>
July 2	Near final draft of Investor Presentation distributed	RWB
<i>July 3 &amp; 4</i>	<i>Independence Day Holiday Observed</i>	
July 8	Near Final drafts of Bond Documents, BPA, PLOM and Appendix A & B distributed	BC, UC
July 8	Receive Comments and Finalize Investor Presentation	RWB, AMS
<b>July 8</b>	<b>Due diligence call held</b>	<b>All</b>
<b>July 9</b>	<b>Substantially Final Bond Documents, PLOM, Appendix A &amp; B, Bond Purchase Agreement (BPA) and ADFA Bond Resolution distributed for Issuer Meeting</b>	<b>BC, WCL, UC, I</b>
<b>July 9</b>	<b>Post PLOM and distribute marketing materials including Investor Presentation</b>	<b>UC, RWB</b>
<b>July 15</b>	<b>Investor Q&amp;A Call</b>	<b>AMS, RWB</b>
<b>July 16</b>	<b>ADFA Meeting for Final Approval</b>	<b>I, IC, AMS, WCL</b>
<b>July 21</b>	<b>Bonds are priced (interest rate set) and BPA executed</b>	<b>RWB, AMS, SPF, I</b>
July 23	Circulate draft of final Limited Offering Memorandum (LOM)	UC
July 27	Comments due on LOM	All
July 27	Post LOM	UC
July 29	Circulate draft closing memo	SPF
July 31	Circulate final closing memo	SPF
Aug 3	Pre-closing	All
<b>Aug 4</b>	<b>Bond Closing – Funds Delivered</b>	<b>BC, T, RWB, AMS, SPF</b>

**Key:**

I.....Arkansas Development Finance Authority (Issuer)  
IC.....Kutak Rock LLP (Issuer Counsel)  
AMS.....Academies of Math & Science (Borrower)  
WCL.....Warren Charter Law (Borrower’s Counsel)  
SPF.....Specialized Public Finance (Financial Advisor)  
BC.....Squire Patton Boggs (Bond Counsel)  
UC.....Quarles & Brady (Underwriter’s Counsel)  
RWB.....Robert W. Baird & Co. (Underwriter)  
T.....BOKF, NA (Trustee)



**TAB 6**

**TAB 7**

Memorandum

To: ADFB Board Operations Committee

From: Ro Arrington, President  
Tony Williams, Director, ASLA

Date: May 12, 2026

Re: Arkansas Student Loan Trustee

We recently advertised a Request for Proposals for the position of Trustee for our upcoming Student Loan Bond Issue series. We received responses from the following entities. We will have a staff recommendation for the Board to consider on May 21.

Bank of OZK  
BNY  
Computershare  
Regions  
Simmons  
UMB

**TAB 8**

Memorandum

To: ADFA Board of Directors

From: Ro Arrington, President

Date: May 6, 2026

Re: Department of Correction Prison Construction Trust Fund

As part of our role as administrator of the Arkansas Department of Correction (ADC) Prison Construction Trust Fund (PCTF), we from time to time enter into fully funded contracts with them from the PCTF for Projects within their system. We have received a request from the Department of Correction to access the PCTF for construction and improvements to the Cummins and Varner Wastewater Treatment Plant. The amount of the contract will not exceed \$1,950,000.

The Board of Correction has already approved the contract. The Division of Building Authority has approved it as well.

The Trust Fund has more than ample funds to cover this project, and as usual, the Division of Building Authority will approve all draws. Staff is asking the Board to approve the President executing this contract.



SARAH HUCKABEE SANDERS  
GOVERNOR

ARKANSAS DEPARTMENT OF CORRECTIONS

1302 Pike Avenue, Suite C  
North Little Rock, AR 72114



OFFICE OF THE  
SECRETARY

TO: Board of Corrections  
FROM: Chad Brown, Chief Financial Officer, Department of Corrections  
DATE: November 18, 2025  
SUBJECT: Prison Construction Trust Fund Request

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This memo seeks authorization from the Board of Corrections to contract with McClelland Consulting Engineers to begin the construction of new mechanical bar screens for the Varner/Cummins Wastewater Facility. A mechanical bar screen is a type of coarse screening equipment used at the headworks (initial stage) of a wastewater treatment plant. Its primary function is to intercept and remove large solid objects—like rags, plastics, wood, and other debris—from raw sewage before it enters more sensitive treatment stages.

Cummins Unit and Varner Unit, located in Gould, operate a shared wastewater treatment facility. Both the Varner and Cummins Units are currently under a Consent Administrative Order (CAO) for wastewater violations, issued by the Arkansas Department of Energy and Environment – Division of Environmental Quality (DEQ) in 2022.

The approval of this request would allow the process of reporting and compliance to begin in order to step closer to fulfilling the CAO.

If the Board approves, \$1,950,000 will be utilized from the Prison Construction Trust Fund (PCTF).

**2025 CUMMINS & VARNER WASTEWATER TREATMENT PLANT**

**CONTRACT FOR THE CONSTRUCTION AND EQUIPPING OF  
CORRECTION OR PRISON FACILITIES**

This CONTRACT FOR THE CONSTRUCTION AND EQUIPPING OF CORRECTION OR PRISON FACILITIES is between the ARKANSAS DEVELOPMENT FINANCE AUTHORITY (the "Authority"), a body politic and corporate, organized, and existing under the laws of the State of Arkansas, and the ARKANSAS DEPARTMENT OF CORRECTIONS (the "DOC"), an agency of the State of Arkansas.

WITNESSETH:

WHEREAS, the Authority maintains the Prison Construction Trust Fund (the "Fund") pursuant to Ark. Code Ann. § 22-3-1225; and

WHEREAS, the DOC desires to construct and equip correction or prison facilities to be used by the DOC as described in § 22-3-1225(c)(1), as more specifically described in Exhibit A to this Contract (the "Project"), utilizing monies in the Fund in an amount not to exceed **\$1,950,000** (the "Project Amount"); and

WHEREAS, the Authority is authorized by law to fund or to provide for the funding of the Project by various methods, including contracts, in accordance with the provisions of the Arkansas Development Finance Authority Act, § 15-5-101 through 106 (the "Act"), and to pledge the cash funds collected by it from the sale of annual license plate validation decals and deposited in the Fund, after payment of the amounts as specified in § 22-3-1225(b), to the repayment of such contracts, provided that the project, the plans therefor, and the construction thereof have been reviewed and approved by the Department of Transformation and Shared Services Division of Building Authority (DBA); and

WHEREAS, the DOC desires that the Authority fund the Project in an amount not to exceed the Project Amount to enable the DOC to complete the Project, and the Authority has agreed to do the same; and

WHEREAS, it is desirable that the Authority and the DOC enter into this contract pursuant to Ark. Code Ann. § 22-3-1225 for the purpose of funding the Project from monies in the Fund in an amount not to exceed the Project Amount; and

WHEREAS, pursuant to and in accordance with the provisions of ACA § 22-3-1225 and the Act, and pursuant to official action of the Authority, the Authority and the DOC propose to enter into this Contract upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I  
DEFINITIONS

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**Section 1.1. Definitions.** The following words and terms shall have the following meanings:

“DBA” means the Arkansas Department of Transformation and Shared Services - Division of Building Authority, being the agency created by Ark. Code Ann. § 22-2-104, or any successor agency.

“Authority” means the Arkansas Development Finance Authority, being the authority created by Ark. Code Ann. § 15-5-101 et seq., and any successor authority or agency.

“Board” means the Arkansas Board of Corrections, being the board created by Ark. Code Ann. § 12-27-101 et seq., and any successor board.

“Construct” or “construction” has the meaning assigned in Ark. Code Ann. § 22-3-1203, *i.e.*, to acquire, construct, reconstruct, remodel, expand, install, or equip all lands, buildings, structures, improvements, or other property, either real, personal, or mixed, which is useful in connection with the building, and to make other necessary expenditures in connection therewith by such methods and in such manner as the DBA shall determine to be necessary or desirable to accomplish the powers, purposes, and authorities set forth in Ark. Code Ann. Title 22, Chapter 3, Subchapter 12 (§§ 22-3-1201 to -1225). The term “construct” or “construction” shall be construed as including purchasing instructional equipment and major maintenance projects.

“Contract” means this Contract for the Purchase, Construction and Equipping of Correction or Prison Facilities, dated as of, between the Authority and the DOC, and any amendments and supplements hereto.

“DOC” means the Arkansas Department of Corrections, being the department created by Ark. Code Ann. § 25-43-401, and any successor department or agency.

“Equip” has the meaning assigned in Ark. Code Ann. § 22-3-1203, *i.e.*, to install or place on or in any building or structure, or in connection with the use and operation of any building or structure, equipment of any and every kind, whether or not affixed, including, without limiting the generality of the foregoing, equipment used or employed in connection with the prison agriculture and industry programs; instructional equipment, materials, and books for use by any state-supported institution of higher education; and any and all library and reference books and materials.

“Project” means the purchase, construction, and equipping of the correction or prison facilities to be used by the DOC more specifically described in Exhibit A attached to this Contract.

“Project Amount” means an amount not to exceed **\$1,950,000**.

## ARTICLE II REPRESENTATIONS AND COVENANTS

**Section 2.1. Representations and Covenants of the Authority.** The Authority represents and covenants that:

(a) The Authority is a body corporate and politic of the State, duly organized and existing

**2025 Cummins & Varner Wastewater Treatment Plant**

under the laws of the State. Under the provisions of Ark. Code Ann. § 22-3-1225, the Act, and the Constitution of the State, the Authority is authorized to enter into the transactions to be performed by it under this Contract and to carry out its obligations hereunder. The Authority has been duly authorized to execute and deliver this Contract.

(b) Nothing in this Contract shall be construed to require the Authority to operate the Project.

(c) Notwithstanding anything herein contained to the contrary, it is the intention of the Authority that any obligation it may hereby incur for the payment of money shall not be a general debt on its part but shall be payable solely from the moneys in the Fund.

**Section 2.2. Representations and Covenants of the DOC.** The DOC represents and covenants as follows:

(a) The DOC was created on July 1, 2019 under Transformation pursuant to § 25-43-401. The administrative functions of nine (9) state entities were transferred to the DOC by a cabinet-level transfer. The Arkansas Division of Correction ("ADC") and the Arkansas Division of Community Correction ("ACC") are two of the state entities transferred into the DOC, pursuant to § 25-43-402. As a result of these transfers, the DOC is the department within the Executive Department of the State and is the department having general supervision and control of all offenders committed to, or in the custody of, the State's penitentiaries, the governing body of which is the Board. The Secretary of the DOC has the power to enter into this Contract, as the chief executive of the Department, and has duly authorized the execution and delivery of this Contract by proper action of the Board.

(b) Neither the execution and delivery of this Contract, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions hereof conflicts with or results in a breach of the terms, conditions, or provisions of any agreement or instrument to which the DOC is now a party or by which the DOC is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge, or encumbrance whatsoever upon any of the property or assets of the DOC under the terms of any instrument or agreement except as provided herein.

(c) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court or public board or body, known to be pending or threatened against or affecting the DOC, nor to the best of the knowledge of the DOC is there any basis therefor, wherein an unfavorable decision, ruling, or finding would materially adversely affect the transactions contemplated by this Contract or which, in any way, would adversely affect the validity or enforceability of this Contract.

(d) The Project is of the type authorized and permitted by Ark. Code Ann. § 22-3-1225(c)(1).

(e) The Project, the plans therefor, and the construction thereof have been reviewed and approved by the DBA.

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ARTICLE III  
FUNDING OF THE PROJECT

**Section 3.1. Agreement to Purchase, Construct and Equip the Project.**

(a) The Project shall be purchased, constructed, and equipped by and shall belong to and be the property of the DOC.

(b) The DOC will make all contracts and do all things necessary for the purchase, construction, and equipping of the Project, and the DOC agrees that:

(c) The Contract will cause the Project to be purchased, constructed, and equipped in accordance with the specifications and directions of the DOC.

(d) The Contract will allow for the purchase, construct, and equip the Project with all reasonable dispatch and use its best efforts to cause construction and equipping of the Project to be completed as soon as may be practicable, delays caused by *force majeure* excepted.

(e) So long as the DOC is not in Default under any of the provisions of this Contract, the DOC shall have full power to carry out the acts and agreements provided in this Section, and such power is granted and confirmed irrevocably by the Authority to the DOC and is accepted by the DOC, and shall not be terminated by any act of the Authority or of the DOC.

**Section 3.2. Disbursements from the Fund.**

(a) The Authority will make disbursements from the Fund to pay the cost of the Project, or to reimburse the DOC for any cost of the Project paid by the DOC.

(b) The Authority will make disbursements upon receipt of a requisition signed by the Secretary of the DOC.

(c) In making any payment from the Fund, the Authority may rely conclusively on requisitions and certificates delivered to it pursuant to this Section and the Authority shall be relieved of all liability with respect to the accuracy of such requisitions and certificates and the making of such payments in accordance with such requisitions and certificates and all liability to see to the proper application thereof by the DOC.

**Section 3.3. Furnishing Documents to the Authority.** The DOC agrees to cause such requisitions to be directed to the Authority as may be necessary to effect payments out of the Fund in accordance with Section 3.2. The Authority shall retain a record of all such requisitions.

**Section 3.4. Plans and Specifications; Modifications to Project.** The DOC agrees to maintain plans and specifications for the Project. The DOC may make any changes in or modifications of the plans and specifications, and may make any deletions from or substitutions or additions to the Project without the prior consent of the Authority, so long as such changes or modifications in the plans and specifications, or deletions from or substitutions or additions to the Project, do not materially alter the size, scope, or character of the Project, impair the structural integrity and utility of the Project, or violate the requirements of any governmental authority. If any such changes or modifications in the plans and specifications, or if any such

deletions from or substitutions or additions to the Project, materially alter the size, scope, or character of the Project or impair the structural integrity and utility of the Project then, and in such event, no such changes, modifications, substitutions, deletions, or additions shall be made without the express written consent of the DBA. The DOC covenants and agrees that no changes, modifications, substitutions, deletions, or additions shall be made with respect to the Project if such change disqualifies the Project for funding with moneys in the Fund.

#### ARTICLE IV AMOUNTS PAYABLE

**Section 4.1. Amounts Payable.** The DOC will pay to the Authority the reasonable fees and expenses of the Authority in connection with the Project incurred during the term of this Contract.

#### ARTICLE V SPECIAL COVENANTS

**Section 5.1. No Warranty of Condition or Suitability by the Authority.** The Authority makes no warranty, either express or implied, as to the Project or the condition thereof, or that the Project will be suitable for the purposes or needs of the DOC.

**Section 5.2. Access to Books and Records.** The DOC agrees that the Authority and its duly authorized agents shall also be permitted, at all reasonable times, to examine the books and records of the DOC with respect to the Project.

**Section 5.3. Further Assurances and Corrective Instruments.** The Authority and the DOC agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or for carrying out the expressed intention of this Contract.

**Section 5.4. Authority and Authorized DOC Representatives.** Whenever under the provisions of this Contract the approval of the Authority or the DOC is required or the Authority or the DOC is required to take some action at the request of the other, such approval or such request shall be given for the Authority by its President or any designated Officer and for the DOC by its Secretary or his designee; the Authority and any party hereto shall be authorized to act on any such approval or request.

#### ARTICLE VI MISCELLANEOUS

**Section 6.1. Term of Contract.** This Contract shall remain in full force and effect from the date hereof to and including such date as the Project has been completed or until such time as all of the fees and expenses of the Authority shall have been fully paid or provision made for such payments, whichever is later; provided that this Contract may be terminated prior to such date.

**Section 6.2. Notices.** All notices, certificates, or other communications hereunder shall

be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows:

<b>To the Authority:</b> Arkansas Development Finance Authority Attention: Public Finance Officer 1 Commerce Way Little Rock, AR 72202	<b>To the DOC:</b> Arkansas Department of Corrections Attention: Office of the Secretary 1302 Pike Avenue, Suite C North Little Rock, AR 72114
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The Authority and the DOC may designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

**Section 6.3. Binding Effect.** This Contract shall inure to the benefit of and shall be binding upon the Authority, the DOC, and their respective successors and assigns.

**Section 6.4. Severability.** In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 6.5. Execution in Counterparts.** This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 6.6. Applicable Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Arkansas.

**Section 6.7. Captions.** The captions and headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Sections of this contract.

IN WITNESS WHEREOF, the Authority and DOC have caused this Contract to be executed in their respective names by their duly authorized officials as of the date first above written.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

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DATE: \_\_\_\_\_

ARKANSAS DEPARTMENT OF CORRECTIONS

BY: Lindsay Wallace

TITLE: Secretary

ARKANSAS BOARD OF CORRECTIONS

BY: Bonne Magness

TITLE: Chairman



Department of Shared Administrative Services  
Governor Sarah Huckabee Sanders  
Secretary Leslie Fiskens

Date: 5/5/2026

James Flannery  
7800 Correction Circle, Pine Bluff, AR 71603

Re: Approval to Bid, Agency Project # 4802604 ADC Cummins and Varner Units Bar Screens and Lift Station Improvements

Dear James Flannery,

The DBA Design Review Section has reviewed the response submitted by your design professional concerning the final plan review comments and have determined them to be satisfactory. The project file is being sent to the DBA Construction Section for coordination with your design professional regarding a bid date. Please advise them that they may proceed with the bid preparation.

If you have not already done so, please submit your revised Division Zero documents to: [robert.morehead@arkansas.gov](mailto:robert.morehead@arkansas.gov) .

Please be advised that this approval will become void within one (1) year of the date of this letter if bids are not opened within the timeframe. If the approval is voided, then agencies must re-submit the project for review.

To conserve resources, DBA will distribute this letter via electronic copy only. If you require a hardcopy of this letter, you may request a copy via a reply to this message and a printed copy will be sent to your attention.

If you have any questions, please contact my office for assistance.



Department of Shared Administrative Services  
Governor Sarah Huckabee Sanders  
Secretary Leslie Fiskens

Sincerely,

A handwritten signature in blue ink, appearing to read "Nathan K. Alderson", with a long horizontal flourish extending to the right.

Nathan K. Alderson, AIA  
SAS, DBA State Architect

cc: Taylor White P.E (email only)  
Robert Morehead, Construction Document Analyst, DBA (email only)

2025 NEWPORT UNITS  
DOOR CONTROLS

Memorandum

To: ADFP Board of Directors

From: Ro Arrington, President

Date: May 6, 2026

Re: Department of Correction Prison Construction Trust Fund

As part of our role as administrator of the Arkansas Department of Correction (ADC) Prison Construction Trust Fund (PCTF), we from time to time enter into fully funded contracts with them from the PCTF for Projects within their system. We have received a request from the Department of Correction to access the PCTF for construction and equipping door controls as stated in the 2025 Newport Units Door Controls contract. The amount of the contract will not exceed \$700,000.

The Board of Correction has already approved the contract. The Division of Building Authority has approved it as well.

The Trust Fund has more than ample funds to cover this project, and as usual, the Division of Building Authority will approve all draws. Staff is asking the Board to approve the President executing this contract.

**2025 NEWPORT UNITS DOOR CONTROLS**

**CONTRACT FOR THE CONSTRUCTION AND EQUIPPING OF  
CORRECTION OR PRISON FACILITIES**

This CONTRACT FOR THE CONSTRUCTION AND EQUIPPING OF CORRECTION OR PRISON FACILITIES is between the ARKANSAS DEVELOPMENT FINANCE AUTHORITY (the "Authority"), a body politic and corporate, organized, and existing under the laws of the State of Arkansas, and the ARKANSAS DEPARTMENT OF CORRECTIONS (the "DOC"), an agency of the State of Arkansas.

WITNESSETH:

WHEREAS, the Authority maintains the Prison Construction Trust Fund (the "Fund") pursuant to Ark. Code Ann. § 22-3-1225; and

WHEREAS, the DOC desires to construct and equip correction or prison facilities to be used by the DOC as described in § 22-3-1225(c)(1), as more specifically described in Exhibit A to this Contract (the "Project"), utilizing monies in the Fund in an amount not to exceed \$700,000 (the "Project Amount"); and

WHEREAS, the Authority is authorized by law to fund or to provide for the funding of the Project by various methods, including contracts, in accordance with the provisions of the Arkansas Development Finance Authority Act, § 15-5-101 through 106 (the "Act"), and to pledge the cash funds collected by it from the sale of annual license plate validation decals and deposited in the Fund, after payment of the amounts as specified in § 22-3-1225(b), to the repayment of such contracts, provided that the project, the plans therefor, and the construction thereof have been reviewed and approved by the Department of Transformation and Shared Services Division of Building Authority (DBA); and

WHEREAS, the DOC desires that the Authority fund the Project in an amount not to exceed the Project Amount to enable the DOC to complete the Project, and the Authority has agreed to do the same; and

WHEREAS, it is desirable that the Authority and the DOC enter into this contract pursuant to Ark. Code Ann. § 22-3-1225 for the purpose of funding the Project from monies in the Fund in an amount not to exceed the Project Amount; and

WHEREAS, pursuant to and in accordance with the provisions of § 22-3-1225 and the Act, and pursuant to official action of the Authority, the Authority and the DOC propose to enter into this Contract upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

**2025 NEWPORT UNITS DOOR CONTROLS**

ARTICLE I  
DEFINITIONS

**Section 1.1. Definitions.** The following words and terms shall have the following meanings:

“DBA” means the Arkansas Department of Transformation and Shared Services - Division of Building Authority, being the agency created by Ark. Code Ann. § 22-2-104, or any successor agency.

“Authority” means the Arkansas Development Finance Authority, being the authority created by Ark. Code Ann. § 15-5-101 et seq., and any successor authority or agency.

“Board” means the Arkansas Board of Corrections, being the board created by Ark. Code Ann. § 12-27-101 et seq., and any successor board.

“Construct” or “construction” has the meaning assigned in Ark. Code Ann. § 22-3-1203, *i.e.*, to acquire, construct, reconstruct, remodel, expand, install, or equip all lands, buildings, structures, improvements, or other property, either real, personal, or mixed, which is useful in connection with the building, and to make other necessary expenditures in connection therewith by such methods and in such manner as the DBA shall determine to be necessary or desirable to accomplish the powers, purposes, and authorities set forth in Ark. Code Ann. Title 22, Chapter 3, Subchapter 12 (§§ 22-3-1201 to -1225). The term “construct” or “construction” shall be construed as including purchasing instructional equipment and major maintenance projects.

“Contract” means this Contract for the Purchase, Construction and Equipping of Correction or Prison Facilities, dated as of, between the Authority and the DOC, and any amendments and supplements hereto.

“DOC” means the Arkansas Department of Corrections, being the department created by Ark. Code Ann. § 25-43-401, and any successor department or agency.

“Equip” has the meaning assigned in Ark. Code Ann. § 22-3-1203, *i.e.*, to install or place on or in any building or structure, or in connection with the use and operation of any building or structure, equipment of any and every kind, whether or not affixed, including, without limiting the generality of the foregoing, equipment used or employed in connection with the prison agriculture and industry programs; instructional equipment, materials, and books for use by any state-supported institution of higher education; and any and all library and reference books and materials.

“Project” means the purchase, construction, and equipping of the correction or prison facilities to be used by the DOC more specifically described in Exhibit A attached to this Contract.

“Project Amount” means an amount not to exceed **\$700,000**.

ARTICLE II  
REPRESENTATIONS AND COVENANTS

**Section 2.1. Representations and Covenants of the Authority.** The Authority represents and covenants that:

(a) The Authority is a body corporate and politic of the State, duly organized and existing under the laws of the State. Under the provisions of Ark. Code Ann. § 22-3-1225, the Act, and the Constitution of the State, the Authority is authorized to enter into the transactions to be performed by it under this Contract and to carry out its obligations hereunder. The Authority has been duly authorized to execute and deliver this Contract.

(b) Nothing in this Contract shall be construed to require the Authority to operate the Project.

(c) Notwithstanding anything herein contained to the contrary, it is the intention of the Authority that any obligation it may hereby incur for the payment of money shall not be a general debt on its part but shall be payable solely from the moneys in the Fund.

**Section 2.2. Representations and Covenants of the DOC.** The DOC represents and covenants as follows:

(a) The DOC was created on July 1, 2019 under Transformation pursuant to § 25-43-401. The administrative functions of nine (9) state entities were transferred to the DOC by a cabinet-level transfer. The Arkansas Division of Correction (“ADC”) and the Arkansas Division of Community Correction (“ACC”) are two of the state entities transferred into the DOC, pursuant to § 25-43-402. As a result of these transfers, the DOC is the department within the Executive Department of the State and is the department having general supervision and control of all offenders committed to, or in the custody of, the State's penitentiaries, the governing body of which is the Board. The Secretary of the DOC has the power to enter into this Contract, as the chief executive of the Department, and has duly authorized the execution and delivery of this Contract by proper action of the Board.

(b) Neither the execution and delivery of this Contract, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions hereof conflicts with or results in a breach of the terms, conditions, or provisions of any agreement or instrument to which the DOC is now a party or by which the DOC is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge, or encumbrance whatsoever upon any of the property or assets of the DOC under the terms of any instrument or agreement except as provided herein.

(c) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court or public board or body, known to be pending or threatened against or affecting the DOC, nor to the best of the knowledge of the DOC is there any basis therefor, wherein an unfavorable decision, ruling, or finding would materially adversely

affect the transactions contemplated by this Contract or which, in any way, would adversely affect the validity or enforceability of this Contract.

(d) The Project is of the type authorized and permitted by Ark. Code Ann. § 22-3-1225(c)(1).

(e) The Project, the plans therefor, and the construction thereof have been reviewed and approved by the DBA.

### ARTICLE III FUNDING OF THE PROJECT

#### **Section 3.1. Agreement to Purchase, Construct and Equip the Project.**

(a) The Project shall be purchased, constructed, and equipped by and shall belong to and be the property of the DOC.

(b) The DOC will make all contracts and do all things necessary for the purchase, construction, and equipping of the Project, and the DOC agrees that:

(c) The Contract will cause the Project to be purchased, constructed, and equipped in accordance with the specifications and directions of the DOC.

(d) The Contract will allow for the purchase, construct, and equip the Project with all reasonable dispatch and use its best efforts to cause construction and equipping of the Project to be completed as soon as may be practicable, delays caused by *force majeure* excepted.

(e) So long as the DOC is not in Default under any of the provisions of this Contract, the DOC shall have full power to carry out the acts and agreements provided in this Section, and such power is granted and confirmed irrevocably by the Authority to the DOC and is accepted by the DOC, and shall not be terminated by any act of the Authority or of the DOC.

#### **Section 3.2. Disbursements from the Fund.**

(a) The Authority will make disbursements from the Fund to pay the cost of the Project, or to reimburse the DOC for any cost of the Project paid by the DOC.

(b) The Authority will make disbursements upon receipt of a requisition signed by the Secretary of the DOC.

(c) In making any payment from the Fund, the Authority may rely conclusively on requisitions and certificates delivered to it pursuant to this Section and the Authority shall be relieved of all liability with respect to the accuracy of such requisitions and certificates and the making of such payments in accordance with such requisitions and certificates and all liability to see to the proper application thereof by the DOC.

**Section 3.3. Furnishing Documents to the Authority.** The DOC agrees to cause such requisitions to be directed to the Authority as may be necessary to effect payments out of the Fund in accordance with Section 3.2. The Authority shall retain a record of all such requisitions.

**Section 3.4. Plans and Specifications; Modifications to Project.** The DOC agrees to maintain plans and specifications for the Project. The DOC may make any changes in or modifications of the plans and specifications, and may make any deletions from or substitutions or additions to the Project without the prior consent of the Authority, so long as such changes or modifications in the plans and specifications, or deletions from or substitutions or additions to the Project, do not materially alter the size, scope, or character of the Project, impair the structural integrity and utility of the Project, or violate the requirements of any governmental authority. If any such changes or modifications in the plans and specifications, or if any such deletions from or substitutions or additions to the Project, materially alter the size, scope, or character of the Project or impair the structural integrity and utility of the Project then, and in such event, no such changes, modifications, substitutions, deletions, or additions shall be made without the express written consent of the DBA. The DOC covenants and agrees that no changes, modifications, substitutions, deletions, or additions shall be made with respect to the Project if such change disqualifies the Project for funding with moneys in the Fund.

#### ARTICLE IV AMOUNTS PAYABLE

**Section 4.1. Amounts Payable.** The DOC will pay to the Authority the reasonable fees and expenses of the Authority in connection with the Project incurred during the term of this Contract.

#### ARTICLE V SPECIAL COVENANTS

**Section 5.1. No Warranty of Condition or Suitability by the Authority.** The Authority makes no warranty, either express or implied, as to the Project or the condition thereof, or that the Project will be suitable for the purposes or needs of the DOC.

**Section 5.2. Access to Books and Records.** The DOC agrees that the Authority and its duly authorized agents shall also be permitted, at all reasonable times, to examine the books and records of the DOC with respect to the Project.

**Section 5.3. Further Assurances and Corrective Instruments.** The Authority and the DOC agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or for carrying out the expressed intention of this Contract.

**Section 5.4. Authority and Authorized DOC Representatives.** Whenever under the provisions of this Contract the approval of the Authority or the DOC is required or the Authority or the DOC is required to take some action at the request of the other, such approval or such request shall be given for the Authority by its President or any designated Officer and for the

DOC by its Secretary or his designee; the Authority and any party hereto shall be authorized to act on any such approval or request.

ARTICLE VI  
MISCELLANEOUS

**Section 6.1. Term of Contract.** This Contract shall remain in full force and effect from the date hereof to and including such date as the Project has been completed or until such time as all of the fees and expenses of the Authority shall have been fully paid or provision made for such payments, whichever is later; provided that this Contract may be terminated prior to such date.

**Section 6.2. Notices.** All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows:

<b>To the Authority:</b> Arkansas Development Finance Authority Attention: Public Finance Officer 900 W. Capitol, Suite 310 Little Rock, AR 72203	<b>To the DOC:</b> Arkansas Department of Corrections Attention: Office of the Secretary 1302 Pike Avenue, Suite C North Little Rock, AR 72114
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The Authority and the DOC may designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

**Section 6.3. Binding Effect.** This Contract shall inure to the benefit of and shall be binding upon the Authority, the DOC, and their respective successors and assigns.

**Section 6.4. Severability.** In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 6.5. Execution in Counterparts.** This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 6.6. Applicable Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Arkansas.

**Section 6.7. Captions.** The captions and headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Sections of this contract.

IN WITNESS WHEREOF, the Authority and DOC have caused this Contract to be executed in their respective names by their duly authorized officials as of the date first above written.

ARKANSAS DEVELOPMENT FINANCE  
AUTHORITY

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ARKANSAS DEPARTMENT OF CORRECTIONS

BY: Lindsay Wallace

TITLE: Secretary

ARKANSAS BOARD OF CORRECTIONS

BY: Greg Mason

TITLE: Chairman

**Exhibit A - Project Description**

Construction and equipping of door controls at the DOC Division of Correction prison facilities at Newport, AR, in an amount not to exceed \$700,000.



Department of Shared Administrative Services  
Governor Sarah Huckabee Sanders  
Secretary Leslie Fiskens

Date: 4/30/2026

Eddie Powell  
7800 Correctional Circle  
Pine Bluff, AR 71603

Re: Approval to Proceed, Agency Project # 4802605

Dear Eddie Powell,

The DBA Design Review Section has reviewed the response submitted having only minor comments at this time. You may proceed with this project as planned. Please make note of the following comments to which no written response is required at this time.

1.

To conserve resources, DBA will distribute this letter to your project folder only, if you require a hardcopy of this letter, you may request a copy via a reply to this message and a printed copy will be sent by USPS to your attention.

If you have any questions, please contact my office for assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nathan K. Alderson".

Nathan K. Alderson, AIA  
SAS, DBA State Architect

cc: Lockeby & Associates, Inc (email only)  
Robert Morehead, Construction Document Analyst, DBA (email only)

**TAB 9**

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY**  
**ADFA BOARD - HOUSING REVIEW COMMITTEE**  
APRIL 16, 2026  
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY  
CENTRAL HIGH/OLD MILL MEETING ROOM  
LITTLE ROCK, AR

*The Housing Review Committee convened as a committee of the full Board to ensure that a quorum was present.*

**Housing Review Committee Members Present:** Rod Coleman, Committee Chairman; Jon Chadwell; and Carey Smith.

**ADFA Board Members Present:** Alan McVey (Designee, Jim Hudson, Secretary, Department of Finance and Administration); Katelyn Martin; Denise Sweat; Kirkley Thomas; Kenneth Burleson (Designee, John Thurston, Arkansas Treasurer of State).

**ADFA Board Appointees Present:** Dr. Martin Eggensperger; Andy Goodman; and Russ Martin.

**ADFA Board Members Absent:** Hugh McDonald, Cabinet Secretary of Department of Commerce.

**ADFA Staff Present:** Robert "Ro" Arrington, President, Arkansas Development Finance Authority; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Ginger Burton Duncan, Director of Single Family Outreach; Paula Farthing, Loan Servicing Manager; Tracy Green Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Catrina Ingram, Compliance Assistant Manager; Hope Lewis, Controller; Drew Rogers, Attorney Specialist; Derrick Rose, Director of Communication; Megan Summitt, Internal Auditor; Julia Virahovskaya, Accountant; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

**Others Present:** Casey Kleinhenz, Community Development of NWA; Ted Fellman and Cheryl Schluterman, Raymond James; Traci Williams, Rockwell Housing Solutions, LLC.; and Nona McVay, The McVay Firm, PLLC.

**Call to Order:** Mr. Coleman, Committee Chair, called the meeting to order at approximately 10:41 AM.

Mr. Coleman announced that during the current Board meeting, the Committee would meet as a committee of the full Board and the other committees on the agenda would also meet as a committee of the full Board.

**Minutes:** Mr. Coleman presented the Housing Review Committee minutes from the February 19, 2026, meeting and entertained a motion to accept the minutes as presented.

Mr. Chadwell made a motion to accept the minutes.

Mr. McVey seconded the motion. The motion passed.

**Action Item: 4% LIHTC Application - Ford Avenue Flats:** Mr. Coleman announced that the Housing Review Committee would no longer provide full presentations on 4% LIHTC applications due to the vetting process of the ADFA Staff and a third party.

Mr. Blackwell presented the details of the Ford Avenue Flats action memo and stated that the development was in Washington County, in Springdale, Arkansas. He explained that the project involved new construction of 138 units of affordable rental housing. The development partnership was structured as a 60%/40% split, with Mercy Housing of Denver, Colorado, holding a 60% interest and 40% CDC of Bentonville holding the remaining 40%.

Mr. Blackwell stated the request was for \$23,000,000 in Private Activity Bond volume cap to fund a construction and permanent loan from Regions Bank. This allocation would allow the development to qualify for an approximate annual amount of \$1,997,699 in 4% LIHTC, which would generate approximately \$16,612,671 in equity. The equity investor was Regions Affordable Housing. The request also included a HOME loan of \$2,150,000 and NHTF funding of \$1,000,000.

Mr. Blackwell continued that the Total Development Cost (TDC) was \$39.3 million. Mr. Blackwell stated the requested waivers included the QAP's 2026 per-unit TDC limit of \$245,000 and noted the developer's request was for \$285,091 per unit. He further explained that another waiver regarded HOME funding, although the ADFA requirement is that the Authority hold the first lien position, ADFA will subordinate to Regions. In addition, it was requested to waive ADFA's standard 20-year term and amortization requirement to match Regions' 40-year term and amortization.

Mr. Blackwell clarified that there were no outstanding conditions, as indicated in the action memo, because the project had been cleared environmentally.

Chairman Coleman stated that though the project exceeded the ADFA limit, the philanthropic support of \$6,000,000 from the Walton Family Foundation made up the difference to bring the project back within the limit.

After a brief discussion and introductions with Mr. Nick Emenhiser, representing Mercy Housing, and Mr. Casey Kleinhenz, representing CDC of Bentonville, Chairman Coleman entertained a motion to approve the waivers for the TDC limit, the HOME first-lien requirement, and the HOME 20-year term and amortization, as presented, and to approve the action memo as submitted.

Mr. Chadwell made a motion to approve.

Ms. Martin seconded the motion. The motion passed.

**Action Item: CDBG-DR - Residential Anti-Displacement and Relocation Assistance Plan (RARAP):** Ms. Brockway presented the Residential Anti-Displacement and Relocation Assistance Plan (RARAP), which is required for the CDBG-DR Program. She noted that the plan established policies and procedures by which ADFA would minimize displacement and provide relocation assistance in connection with activities assisted with CDBG-DR funds.

Ms. Brockway opened the floor to questions and comments.

Mr. Chadwell queried about the use of the terms, *feasible*, *reasonable*, and *appropriate*, which appeared in several sections. He asked who determined the application of these standards, and if they could be challenged.

Ms. Brockway clarified that the evaluation, which included the terminology in question, was used for internal purposes and she did not foresee it being subject to challenge.

Mr. Chadwell questioned whether the payments would be made directly to the tenant or to the location where the tenant would be relocating.

Ms. Brockway clarified that the payments would be sent to the location where the tenant would be staying.

Following a brief discussion, Chairman Coleman entertained a motion to approve the RARAP as presented.

Mr. Chadwell made a motion to approve the RARAP.

Ms. Martin seconded the motion. The motion passed.

**Reports: Federal Housing Programs:** Ms. Brockway reported that NHTF had a committed amount of \$412,310.90 in administration funds and a drawn amount of \$67,220. Ms. Brockway noted that she did not expect all the funds to be fully utilized by the October 31<sup>st</sup> deadline.

Ms. Brockway stated that the HOME-ARP Operating Assistance activity had been completed and closed out. The Supportive Services activity would be completed at the end of April and closed out in May, and that any unexpended funds would be transferred to Non-Congregate Shelter (NCS) activities.

Ms. Brockway also noted that HOME-ARP NCS projects were progressing well and that Next Step Day Room, which was not included in the report, was expected to receive its notice to proceed around the first of May.

For information only. No action needed.

**Reports: Compliance Monitoring Activities for January through March:** Ms. White noted that the Compliance Monitoring report in the printed Board book was incomplete, but that a handout with the full report had been provided to the Board members.

For information only. No action needed.

**Adjournment:** Mr. Coleman concluded the meeting at approximately 10:56 AM.

Minutes approved and signed on this 16th day of April 2026.

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Rod Coleman,  
Housing Review Committee Chair

**TAB 10**

**2026 9% LIHTC STAFF RECOMMENDATIONS**

	APPLICANT	DEVELOPER	DEVELOPMENT	CONG.DIST. COUNTY (TOTAL) UNITS (LIHTC)	HOME	NHTF	LIHTC FEDERAL
1	Avalon at Mabelvale, Limited Partnership Nathan Joseph 1954 Airport Road, Suite 151 Chamblee, GA 30341 (309) 696-0503	Domera Development, LLC Nathan Joseph 1954 Airport Road, Suite 151 Chamblee, GA 30341 (309) 696-0503	Avalon at Mabelvale near 7401 N. Chicot Rd. Little Rock, AR 72209 N/C Garden Apartments	2nd Pulaski  61      60			1,222,100
2	Avalon Villas at Mabelvale, Limited Partnership Nathan Joseph 1954 Airport Road, Suite 151 Chamblee, GA 30341 (309) 696-0503	Domera Development, LLC Nathan Joseph 1954 Airport Road, Suite 151 Chamblee, GA 30341 (309) 696-0503	Avalon Villas at Mabelvale near 7401 Mabelvale Pike Little Rock, AR 72209 N/C elderly Row/Townhouse	2nd Pulaski  63      62			1,247,400
3	Briley Manor Limited Partnership Amanda Raible 15825 Cantrell Road Little Rock, AR 72223 (501) 666-9629	Phillips Development Corp. Amanda Raible 15825 Cantrell Road Little Rock, AR 72223 (501) 666-9629	Briley Manor 900 Donovan Briley Blvd North Little Rock, AR 72118 N/C elderly Row/Townhouse	2nd Pulaski  72      71	3,000,000	1,000,000	1,250,000
4	Enclave Estates at Magnolia, LP Christopher Tritsis 1189 Wilmette Avenue, Unit 316 Wilmette, IL 60091-2719 (773) 968-9590	Cubit Development Group, LLC Christopher Tritsis 1189 Wilmette Avenue, Unit 316 Wilmette, IL 60091-2719 (773) 968-9590	Enclave Estates at Magnolia near 603 Lelia Street Magnolia, AR 71753 N/C NON-PROFIT Row/Townhouse	4th Columbia  61      60			1,241,900
5	Enclave Estates at Trumann, LP Christopher Tritsis 1189 Wilmette Avenue, Unit 316 Wilmette, IL 60091-2719 (773) 968-9590	Cubit Development Group, LLC Christopher Tritsis 1189 Wilmette Avenue, Unit 316 Wilmette, IL 60091-2719 (773) 968-9590	Enclave Estates at Trumann near 202 S. Melton Avenue Trumann, AR 72472 N/C Garden Apartments	1st Poinsett  61      60			1,222,100
6	Iron Wheel Mountain Home LP Tom Stratman 515 N 162nd Ave Suite 202 Omaha, NE 68118 (479) 531-6200	W-HOMES LLC Tom Stratman 515 N 162nd Ave Suite 202 Omaha, NE 68118 (402) 334-8899	Iron Wheel Mountain Home approx. 800 Parkway Drive Mountain Home, AR 72653 N/C NON-PROFIT Garden Apartments	1st Baxter  60      60	2,010,106	563,632	1,188,000

	APPLICANT	DEVELOPER	DEVELOPMENT	CONG.DIST. COUNTY (TOTAL) UNITS (LIHTC)	HOME	NHTF	TAX CREDITS FEDERAL
7	Mountain Home Housing Partners, LP Matt Darst 406 S Miller Road Willard, MO 65781 (417) 988-0815	Upward Housing Group I LLC Matt Darst 406 S Miller Road Willard, MO 65781 (417) 988-0815	Mountain Home Senior Estates TBD McClure Lane Mountain Home, AR 72653 N/C Row/Townhouse	1st Baxter 64 64	1,642,800		1,232,000  246,400 State
8	Newport Apts II, LP Herbert Ivison PO Box 12980 Jackson, MS 39236 (601) 982-4300	Trinity Development, LLC Herbert Ivison, III PO Box 12980 Jackson, MS 39236 (601) 982-4300	Newport Apartments 1900 N. State Street Newport, AR 72112 Acq/Rehab Garden Apartments	1st Jackson 42 42			572,000
9	Orchards at Little Rock, Limited Partnership Robert Garth 127 Audubon Drive, Suite C, #345 Maumelle, AR 72113 (501) 244-9777	Garth Development Robert Garth 127 Audubon Drive, Suite C Maumelle, AR 72113 (501) 244-9777	Orchards at Little Rock Approx. 10392 W. 36th Street Little Rock, AR 72204 N/C elderly Garden Apartments	2nd Pulaski 64 63	2,000,000		1,234,200
10	Spring Creek Flats Limited Partnership Casey Kleinhenz 808 N Main Street Bentonville, AR 72712 (479) 531-6200	Community Development NWA Casey Kleinhenz 808 N Main Street Bentonville, AR 72712 (479) 531-6200	Spring Creek Flats 250 McCollough Drive Springdale, AR 72764 N/C NON-PROFIT Garden Apartments	3rd Washington 24 24			466,400
11	VH Fayetteville, LP Clifton Bates 128 North Maple Street Suite A Ridgeland, MS 39157 (601) 454-5302	VH Development, LLC Clifton Bates 128 North Maple Street Suite A Ridgeland, MS 39157 (601) 952-8121	Sullivan of Fayetteville N Brophy Circle Fayetteville, AR 72703 N/C Garden Apartments	3rd Washington 60 60	3,000,000		1,207,800
12	Vineyards at Little Rock, Limited Partnership Robert Garth 127 Audubon Drive, Suite C, #345 Maumelle, AR 72113 (501) 244-9777	Garth Development Robert Garth 127 Audubon Drive, Suite C Maumelle, AR 72113 (501) 244-9777	Vineyards at Little Rock Approx. 10501 West 36th Street Little Rock, AR 72204 N/C Garden Apartments	2nd Pulaski 66 65	2,000,000		1,250,000

	APPLICANT	DEVELOPER	DEVELOPMENT	CONG.DIST. COUNTY (TOTAL) UNITS (LIHTC)	HOME	NHTF	TAX CREDITS FEDERAL
13							
				<b>TOTALS</b>	<b>13,652,906</b>	<b>1,563,632</b>	<b>13,333,900</b>
14							246,400 state
15							
16							
17							
18							

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>Domera Development, LLC</b>
<b>Address of Entity:</b>	<b>1954 Airport Road Chamblee, GA 30341</b>
<b>Contact Person:</b>	<b>Nathan Joseph</b>
<b>Phone</b>	<b>(309) 696-0503</b>
<b>Email Address:</b>	<b><a href="mailto:nathan.joseph@domeradev.com">nathan.joseph@domeradev.com</a></b>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Avalon at Mabelvale Near 7401 N Chicot Road Little Rock, AR 72209</b>
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**ACTION REQUESTED**

Reservation of 1,222,100 annual 9% LIHTC (\$0.77 raise/Midwest Housing Equity Group)

**BACKGROUND INFORMATION**

Multifamily New Construction  
Garden Apartments  
61 Units (1 Manager Unit) 48 2BR & 13 3BR  
1<sup>st</sup> Mortgage = SFG Cedar Rapids Bank & Trust \$3,360,000 @ 7.53%  
Developer Fee \$1,109,445 (\$33,995 Deferred)  
DCR 1.16 Year 1, 1.23 Year 15  
Total Development Cost \$12,803,224  
Cost per unit \$209,888.91  
Cost per square foot \$207.74

**FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE**

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>Domera Development, LLC</b>
<b>Address of Entity:</b>	<b>1954 Airport Road Chamblee, GA 30341</b>
<b>Contact Person:</b>	<b>Nathan Joseph</b>
<b>Phone</b>	<b>(309) 696-0503</b>
<b>Email Address:</b>	<b><a href="mailto:nathan.joseph@domeradev.com">nathan.joseph@domeradev.com</a></b>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Avalon Villas at Mabelvale Near 7401 Mabelvale Pike Little Rock, AR 72209</b>
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**ACTION REQUESTED**

Reservation of 1,247,400 annual 9% LIHTC (\$0.77 raise/Midwest Housing Equity Group)

**BACKGROUND INFORMATION**

Elderly (55+) New Construction  
Row/Townhouse  
63 Units (1 Manager Unit) 63 2BR  
1<sup>st</sup> Mortgage = SFG Cedar Rapids Bank & Trust \$3,020,000 @ 7.53%  
Developer Fee \$1,094,979 (\$5,045 Deferred)  
DCR 1.17 Year 1, 1.21 Year 15  
Total Development Cost \$12,629,065  
Cost per unit \$200,461.35  
Cost per square foot \$200.09

**FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE**

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Carol Leek

Presented By: Lori Brockway

<b>HOUSING PARTNER</b>	
<b>Name of Entity:</b>	<b>Briley Manor, LP</b>
<b>Address of Entity:</b>	<b>15825 Cantrell Rd. Little Rock, AR 72223</b>
<b>Contact Person:</b>	<b>Amanda Raible</b>
<b>Phone</b>	<b>(501) 666-9629</b>
<b>Email Address:</b>	<a href="mailto:amanda@pdccompanies.com">amanda@pdccompanies.com</a>
<b>DEVELOPMENT INFORMATION</b>	
<b>Name of Development:</b>	<b>Briley Manor 900 Donovan Briley Blvd., North Little Rock, AR 72118 Pulaski County Project #5703</b>
<b>ACTION REQUESTED</b>	
Developer is seeking \$1,250,000 annual 9% LIHTC (.82 raise/Raymond James Affordable Housing), \$3,000,000 in HOME funds and \$1,000,000 in NHTF funds to construct 71 one- and two-bedroom units for elderly tenants, and one (1) management unit.	
<b>BACKGROUND INFORMATION</b>	
<b>Amount Requested:</b> ADFA HOME: \$2,000,000 @ 1% and \$1,000,000 @ 2% amortized over 35 years with a loan term of 35 years. ADFA NHTF: \$1,000,000 @ 0% amortized over 35 years with a loan term of 35 years.	
<b>Management/Projects in Compliance:</b> There are no outstanding compliance issues / fees due.	
<b>Background Information:</b> Total development budget is \$14,400,000 to construct 72 units with the following sources: HOME \$3,000,000, NHTF \$1,000,000, Deferred Developer Fee \$150,915, GP Capital Contribution \$110 and LIHTC Equity \$10,248,975.	
<ul style="list-style-type: none"><li>• <u>Unit breakdown</u> includes 1 two-bedroom management unit, and units designated as:<ul style="list-style-type: none"><li>- LIHTC - 49 units consisting of 14 one-bedroom and 35 two-bedroom units.</li><li>- HOME - 16 units consisting of 2 one-bedroom and 1 two-bedroom Low HOME units; and 3 one-bedroom and 10 two-bedroom High HOME units (Davis-Bacon required).</li><li>- NHTF - 6 units consisting of 2 one-bedroom and 4 two-bedroom units</li></ul></li><li>• <u>Unit sizes</u> are 629 sq. ft. for the one-bedroom, and 802 sq. ft. for the two-bedroom.</li><li>• <u>Average Cost</u> per sq. ft. is \$266.12. Average Cost per unit is \$200,000.00.</li><li>• <u>Debt Coverage Ratio</u> ("DCR") is 1.40 in year 1, then trends down to 1.34 in year 15.</li><li>• <u>Maximum developer fee</u> is \$1,647,577. Developer is requesting a \$950,000 fee and is deferring \$150,915 of that amount.</li><li>• <u>HOME Match</u> amount of \$750,000 will be met by contributions in the form of site preparation and construction materials totaling \$460,000 (plumbing and site prep.), and the reduction of the architect fees in the amount of \$290,000.</li><li>• <u>Asset Management</u> is required as there are 10 or more HOME units.</li></ul>	
<b>FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE</b>	
<b>Recommended for Approval.</b>	

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

<b>HOUSING PARTNER</b>	
<b>Name of Entity:</b>	<b>Cubit Development Group, LLC</b>
<b>Address of Entity:</b>	<b>1189 Wilmette Avenue, Unit #316 Wilmette, IL 60091-2719</b>
<b>Contact Person:</b>	<b>Christopher Tritsis</b>
<b>Phone</b>	<b>(773) 968-9590</b>
<b>Email Address:</b>	<b><a href="mailto:tritsis@cubitdevelopmentgroup.com">tritsis@cubitdevelopmentgroup.com</a></b>
<b>DEVELOPMENT INFORMATION</b>	
<b>Name of Development:</b>	<b>Enclave Estates at Magnolia Near 603 Lelia Street Magnolia, AR 71753</b>
<b>ACTION REQUESTED</b>	
Reservation of 1,241,900 annual 9% LIHTC (\$0.77 raise/Midwest Housing Equity Group)	
<b>BACKGROUND INFORMATION</b>	
Multifamily New Construction Row/Townhouse Non-Profit 61 Units (1 Manager Unit) 30 2BR, 31 3BR 1 <sup>st</sup> Mortgage = SFG Cedar Rapids Bank & Trust \$3,495,000 @ 7.53% Developer Fee \$1,020,344 (\$8,037 Deferred) DCR 1.15 Year 1, 1.31 Year 15 Total Development Cost \$13,064,981 Cost per unit \$214,180.01 Cost per square foot \$197.95	
<b>FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE</b>	

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>Cubit Development Group, LLC</b>
<b>Address of Entity:</b>	<b>1189 Wilmette Avenue, Unit #316 Wilmette, IL 60091-2719</b>
<b>Contact Person:</b>	<b>Christopher Tritsis</b>
<b>Phone</b>	<b>(773) 968-9590</b>
<b>Email Address:</b>	<b><a href="mailto:tritsis@cubitdevelopmentgroup.com">tritsis@cubitdevelopmentgroup.com</a></b>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Enclave Estates at Trumann Near 202 S. Melton Avenue Trumann, AR 72472</b>
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**ACTION REQUESTED**

Reservation of 1,222,100 annual 9% LIHTC (\$0.77 raise/Midwest Housing Equity Group)

**BACKGROUND INFORMATION**

Multifamily New Construction  
Garden Apartments  
61 Units (1 Manager Unit) 48 2BR, 13 3BR  
1<sup>st</sup> Mortgage = SFG Cedar Rapids Bank & Trust \$3,100,000 @ 7.53%  
Developer Fee \$978,136 (\$1,475 Deferred)  
DCR 1.18 Year 1, 1.28 Year 15  
Total Development Cost \$12,510,704  
Cost per unit \$205,093.50  
Cost per square foot \$202.99

**FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE**

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Amanda Hill

Presented By: Lori Brockway

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>Iron Wheel Mountain Home LP</b>
<b>Address of Entity:</b>	<b>515 N 162<sup>nd</sup> Avenue, Suite 202 Omaha, NE 68118</b>
<b>Contact Person:</b>	<b>Casey Kleinhenz</b>
<b>Phone</b>	<b>(479) 531-6200</b>
<b>Email Address:</b>	<a href="mailto:caseyk.cdc@gmail.com"><b>caseyk.cdc@gmail.com</b></a>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Iron Wheel Mountain Home</b> <b>approx. 800 Parkway Drive, Mountain Home, 72653</b> <b>Baxter County</b> <b>Project #5700</b>
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**ACTION REQUESTED**

Developer is seeking \$1,188,000 annual 9% LIHTC (Midwest Housing Equity Group/.78 raise), \$2,010,106 in HOME funds and \$563,632 in NHTF funds to construct 60 one- two- and three- bedroom units for multifamily tenants.

**BACKGROUND INFORMATION**

**Amount Requested:**

ADFA HOME: \$2,000,000 @ 1% amortized over 35 years with a loan term of 35 years which will be in 1<sup>st</sup> position.

ADFA HOME: \$10,106 @ 2% amortized over 35 years with a loan term of 35 years.

The HOME deed restriction will also be recorded in 1<sup>st</sup> first position.

ADFA NHTF: \$563,632 @ 0% amortized over 30 years with a loan term of 30 years.

**Management/Projects in Compliance:** There are no outstanding compliance issues / fees due.

**Background Information:**

Total development budget is \$11,999,940 to construct 60 units which will consist of one- two- and three-bedroom units with the following sources: HOME \$2,010,106, NHTF \$563,632, Deferred Developer Fee \$102,866, Developer Note \$56,936 and LIHTC Equity \$9,266,400.

- Unit breakdown
  - LIHTC - 46 units will consist of (7- one-bedroom, 31- two-bedroom, 8- three-bedroom units).
  - HOME - 11 units will consist of (1- one-bedroom and 2- two-bedroom Low HOME units; and 3- one-bedroom, 2-two- bedroom, and 3- three-bedroom High HOME units).
  - NHTF - 3 units will consist of (1-one-bedroom, 1 - two-bedroom, and 1- three-bedroom units).
- Unit sizes are 627 sq. ft. for the one-bedroom, 820 sq. ft. for the two-bedroom, and 1,108 sq. ft. for the three-bedroom.
- Average Cost per sq. ft. is \$238.41.
- Debt Coverage Ratio ("DCR") is 1.40. The DCR average is 1.37 below the 1.40 limit.
- Maximum developer fee allowed is \$1,335,595. Developer requested \$1,007,000 and will defer \$102,866 of the fee.
- Match amount: \$502,526.50 will be met by reducing Architecture and Construction Fees, totaling \$535,000.
- Asset Management is required as there are 10 or more HOME units.

**FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE**

**Recommend for Approval.**

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Amanda Hill

Presented By: Lori Brockway

**HOUSING PARTNER**

<b>Name of Entity:</b> <b>Address of Entity:</b>	<b>Mountain Home Housing Partners, LP</b> <b>406 S Miller Road</b> <b>Willard, MO, 65781</b>
<b>Contact Person:</b> <b>Phone</b> <b>Email Address:</b>	<b>Matt Darst</b> <b>(417) 988-0815</b> <a href="mailto:darst@upwardhousinggroup.com">darst@upwardhousinggroup.com</a>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Mountain Home Senior Estates</b> <b>TBD McClure Lane, Mountain Home</b> <b>Baxter County</b> <b>Project #5704</b>
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**ACTION REQUESTED**

Developer is seeking \$1,232,000 annual 9% LIHTC (.79 raise/Midwest Housing Equity Group), \$246,400 annual State of Arkansas LIHTC (.60 raise/Midwest Housing Equity Group), and \$1,642,800 in HOME funds to construct 64 one- and two- bedroom units for 55 and older tenants.

**BACKGROUND INFORMATION**

**Amount Requested:**

ADFA HOME: \$1,642,800 @ 1% amortized over 30 years with a loan term of 30 years.  
The HOME deed restriction will be recorded in first position.

**Management/Projects in Compliance:** There are no outstanding compliance issues / fees due.

**Background Information:**

Total development budget is \$12,632,600 to construct 64 units which will consist of one- and two-bedroom units with the following sources: HOME \$1,642,800, Deferred Developer Fee \$25,000, LIHTC Equity \$9,609,600, and State LIHTC Equity \$1,355,200.

- Unit breakdown
  - LIHTC - 53 units will consist of (26- one-bedroom, and 27- two-bedroom units).
  - HOME - 11 units will consist of (2- one-bedroom, and 1- two-bedroom Low HOME units; and 4- one-bedroom, and 4- two-bedroom High HOME units).
- Unit sizes are 604 sq. ft. for the one-bedroom and 832 sq. ft. for the two-bedroom.
- Average Cost per sq. ft. is \$274.91.
- Average Cost per unit is \$197,384.38.
- Debt Coverage Ratio ("DCR") is 1.68 The DCR average is 1.46 which is above the 1.40 limit, but trends down to 1.16 in year 15.
- Maximum developer fee allowed is \$1,415,100. Developer requested \$1,065,000 and will defer \$25,000 of the fee.
- Match amount: \$410,700 will be met by reducing Architect and Contractor fees by \$510,000.
- Asset Management is required there are 10 or more HOME units.

**FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE**

**Recommend for Approval.**

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>Trinity Development, LLC</b>
<b>Address of Entity:</b>	<b>P.O. Box 12980 Jackson, MS 39236</b>
<b>Contact Person:</b>	<b>Herbert B. Ivison, III</b>
<b>Phone</b>	<b>(601) 982-4300</b>
<b>Email Address:</b>	<b><a href="mailto:trey.ivison@southernmg.net">trey.ivison@southernmg.net</a></b>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>Newport Apartments 1900 N. State Street Newport, AR 72112</b>
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**ACTION REQUESTED**

Reservation of 572,000 annual 9% LIHTC (\$0.77 raise/PNC Financial)

**BACKGROUND INFORMATION**

Multifamily Acquisition/Rehabilitation  
Garden Apartments  
42 Units 20 1BR, 20 2BR, 2 3BR  
1<sup>st</sup> Mortgage = Bellwether Enterprises \$1,205,000 @ 6%  
2<sup>nd</sup> Mortgage = USDA 515 \$1,449,275 @ 1%  
Developer Fee \$909,713 (\$0 Deferred)  
DCR 1.16 Year 1, 1.40 Year 15  
Total Development Cost \$8,395,096  
Cost per unit \$199,883.24  
Cost per square foot \$290.13

**FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE**

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Amanda Hill

Presented By: Lori Brockway

**HOUSING PARTNER**

<b>Name of Entity:</b> <b>Address of Entity:</b>	<b>The Orchards at Little Rock, Limited Partnership</b> <b>127 Audubon Drive, Suite C, #345</b> <b>Maumelle, AR, 72113</b>
<b>Contact Person:</b> <b>Phone</b> <b>Email Address:</b>	<b>Robert Garth</b> <b>(501) 244-9777</b> <a href="mailto:garthdevelopment@hotmail.com">garthdevelopment@hotmail.com</a>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>The Orchards at Little Rock</b> <b>Approx. 10391 West 36<sup>th</sup> Street Little Rock</b> <b>Pulaski County</b> <b>Project #5714</b>
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**ACTION REQUESTED**

Developer is seeking \$1,234,200 annual 9% LIHTC (.78 raise/Stratford Capital Group) and \$2,000,000 in HOME funds to construct 64 one- and two- bedroom units for 55 and older tenants, including one separate two-bedroom unit for on-site management.

**BACKGROUND INFORMATION**

**Amount Requested:**

ADFA HOME: \$2,000,000 @ 1% amortized over 35 years with a loan term of 35 years which will be in 1<sup>st</sup> position.

The HOME deed restriction will also be recorded in 1<sup>st</sup> first position.

**Management/Projects in Compliance:** There are no outstanding compliance issues / fees due.

**Background Information:**

Total development budget is \$13,397,962 to construct 64 units which will consist of one- two- and three-bedroom units with the following sources: HOME \$2,000,000, Permanent Loan \$1,772,165 and LIHTC Equity \$9,625,797.

- Unit breakdown
  - LIHTC - 52 units will consist of (25- one-bedroom, and 27- two-bedroom units).
  - HOME - 11 units will consist of (1- one- bedroom, and 2- two-bedroom Low HOME units; and 4- one-bedroom, and 4- two-bedroom High HOME units).
- Unit sizes are 855 sq. ft. for the one-bedroom and 1,184 sq. ft. for the two-bedroom.
- Average Cost per sq. ft. is \$207.01, which includes the 1,184 sq. ft. of management unit in calculation.
- Average Cost per unit is \$209,343.16, which includes the cost of management unit in calculation.
- Debt Coverage Ratio ("DCR") is 1.16. The DCR average is 1.19 below the 1.40 limit.
- Maximum developer fee allowed is \$1,486,345. Developer requested \$1,138,000 and will not defer any of the fee.
- Match amount: \$500,000 will be met by reducing supply and sub-contractor fees totaling \$500,000.
- Asset Management is required as there are 10 or more HOME units.

**FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE**

**Recommend for Approval.**

**BOARD HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Board HRC Meeting: 05/21/2026

Prepared by: John Blackwell

<b>HOUSING PARTNER</b>	
<b>Name of Entity:</b>	<b>Community Development NWA</b>
<b>Address of Entity:</b>	<b>808 N. Main Street Bentonville, AR 72712</b>
<b>Contact Person:</b>	<b>Casey Kleinhenz</b>
<b>Phone</b>	<b>(479) 531-6200</b>
<b>Email Address:</b>	<b><a href="mailto:ckleinhenz@cd-nwa.com">ckleinhenz@cd-nwa.com</a></b>
<b>DEVELOPMENT INFORMATION</b>	
<b>Name of Development:</b>	<b>Spring Creek Flats 250 &amp; 251 McCollough Drive Springdale, AR 72764</b>
<b>ACTION REQUESTED</b>	
Reservation of 466,400 annual 9% LIHTC (\$0.78 raise/Midwest Housing Equity Group)	
<b>BACKGROUND INFORMATION</b>	
Multifamily New Construction Garden Apartments Non-Profit 24 Units 8 1BR & 16 2BR 1 <sup>st</sup> Mortgage = Arvest \$1,162,068 @ 6.75% Developer Fee \$364,973 DCR 1.22 Year 1, 1.33 Year 15 Total Development Cost \$4,799,988 Cost per unit \$199,999.50 Cost per square foot \$236.59	
<b>FINAL RECOMMENDATION OF BOARD HOUSING REVIEW COMMITTEE</b>	

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Carol Leek

Presented By: Lori Brockway

**HOUSING PARTNER**

<b>Name of Entity:</b>	<b>VH Fayetteville, LP</b>
<b>Address of Entity:</b>	<b>128 N. Maple St., Ste. A Ridgeland, MS 39157</b>
<b>Contact Person:</b>	<b>Clifton E. Bates</b>
<b>Phone</b>	<b>(601) 454-5302</b>
<b>Email Address:</b>	<b><a href="mailto:cliff@vhcompanies.com">cliff@vhcompanies.com</a></b>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>The Sullivan of Fayetteville North Brophy Circle, Fayetteville, AR 72703 Washington County Project #5702</b>
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**ACTION REQUESTED**

Developer is seeking \$1,207,800 annual 9% LIHTC (.78 raise/Huntington Bank) and \$3,000,000 in HOME funds to construct 60 one-, two- and three-bedroom units for low-income tenants.

**BACKGROUND INFORMATION**

**Amount Requested:**

ADFA HOME: \$2,000,000 @ 1% and \$1,000,000 @ 2% amortized over 35 years with a loan term of 35 years.

**Management/Projects in Compliance:** There are no outstanding compliance issues / fees due.

**Background Information:**

Total development budget is \$13,183,237 to construct 60 units with the following fund sources: HOME \$3,000,000, Deferred Developer Fee \$263,339, Private Loan \$500,000 and LIHTC Equity \$9,419,898.

- Unit breakdown includes units designated as:
  - LIHTC - 45 units consisting of 4 one-bedroom, 23 two-bedroom, and 18 three-bedroom units.
  - HOME - 15 units consisting of 2 one-bedroom, 7 two-bedroom and 3 three-bedroom Low HOME units; and 3 three-bedroom High HOME units (Davis-Bacon required).
- Unit sizes are 859 sq. ft. for the one-bedroom, 1,000 sq. ft. for the two-bedroom, and 1,220 sq. ft. for the three-bedroom.
- Average Cost per sq. ft. is \$204.60. Average Cost per unit is \$219,720.62.
- Debt Coverage Ratio ("DCR") is 1.31 in year 1, then trends down to 1.20 in year 15.
- Maximum developer fee is \$1,465,326. Developer is requesting a \$1,170,000 fee and is deferring \$263,339 of that amount.
- HOME Match amount of \$750,000 will be met by contributions in the form of site preparation and construction materials.
- Asset Management is required as there are 10 or more HOME units.

**FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE**

**Recommended for Approval.**

**STAFF HOUSING REVIEW COMMITTEE  
ACTION MEMORANDUM**

Staff HRC Meeting: May 12, 2026  
Prepared by: Amanda Hill

Presented By: Lori Brockway

**HOUSING PARTNER**

<b>Name of Entity:</b> <b>Address of Entity:</b>	<b>The Vineyards at Little Rock, Limited Partnership</b> <b>127 Audubon Drive, Suite C, #345</b> <b>Maumelle, AR, 72113</b>
<b>Contact Person:</b> <b>Phone</b> <b>Email Address:</b>	<b>Robert Garth</b> <b>(501) 6244-9777</b> <a href="mailto:garthdevelopment@hotmail.com">garthdevelopment@hotmail.com</a>

**DEVELOPMENT INFORMATION**

<b>Name of Development:</b>	<b>The Vineyards at Little Rock</b> <b>Approx. 10501 West 36<sup>th</sup> Street, Little Rock</b> <b>Pulaski County</b> <b>Project #5698</b>
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**ACTION REQUESTED**

Developer is seeking \$1,250,000 annual 9% LIHTC (.78 raise/Stratford Capital Group) and \$2,000,000 in HOME funds to construct 66 one-, two- and three- bedroom units for multifamily tenants, including one separate three-bedroom unit for on-site management.

**BACKGROUND INFORMATION**

**Amount Requested:**

ADFA HOME: \$2,000,000 @ 1% amortized over 35 years with a loan term of 35 years.  
The HOME deed restriction will be recorded in first position.

**Management/Projects in Compliance:** There are no outstanding compliance issues / fees due.

**Background Information:**

Total development budget is \$13,830,400 to construct 66 units which will consist of one- two- and three-bedroom units with the following sources: HOME \$2,000,000, Permanent Loan \$2,081,375 and LIHTC Equity \$9,749,025.

- Unit breakdown
  - LIHTC - 55 units will consist of (17- one-bedroom, 17- two-bedroom, and 21- three-bedroom units).
  - HOME - 11 units will consist of (2- one-bedroom and 1- two-bedroom Low HOME units; and 2- one-bedroom, 2- two-bedroom, and 4- three-bedroom High HOME units).
- Unit sizes are 930 sq. ft. for the one-bedroom, 1,113 sq. ft. for the two-bedroom and 1,280 sq. ft. for the three-bedroom.
- Average Cost per sq. ft. is \$191.09, which includes the 1,280 sq. ft. of management unit in calculation.
- Average Cost per unit is \$209,551.52, which includes the cost of management unit in calculation.
- Debt Coverage Ratio ("DCR") is 1.16. The DCR trends up to 1.22 in year 15.
- Maximum developer fee allowed is \$1,534,200. Developer requested \$1,177,000 and will not defer any of the fee.
- Match amount: \$500,000 will be met by reducing the cost of supplies and sub-contractor fees of \$500,000.
- Asset Management is required as there are 10 or more HOME units.

**FINAL RECOMMENDATION OF STAFF HOUSING REVIEW COMMITTEE**

**Recommend for Approval.**

**TAB 11**

**HOME**  
**Activities Report**

**STATUS OF HOME ACTIVITIES - IDIS**

5/1/2026

**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	05/06/2026	11	40	\$1,760,000.00	\$1,584,000.00	90%
14918	NC	The Peaks at Springdale III	Open	02/18/2026	11	72	\$1,925,000.00	\$1,732,500.00	90%
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	04/07/2026	11	60	\$1,980,000.00	\$1,695,652.20	86%
14979	NC	McAuley Place Apartments - Ph II	Open	04/07/2026	17	60	\$3,000,000.00	\$2,361,052.82	79%
14995	NC	The Bluffs at Shackleford	Open	04/07/2026	11	61	\$2,000,000.00	\$1,781,550.00	89%
15009	NC	Harrison Estates	Open	05/06/2026	10	60	\$1,858,964.00	\$1,358,067.60	73%
15010	NC	Harrison Estates Senior Housing	Open	03/04/2026	11	60	\$1,835,829.00	\$1,255,346.10	68%
15013	NC	Walnut Commons 2024 (HOME)	Open	04/15/2026	11	60	\$1,800,000.00	\$1,061,895.60	59%
15035	REHAB	Northgate Apartments - Rehab	Open	04/08/2026	11	20	\$1,552,143.00	\$1,396,928.70	90%
15036	TBRA	Brad Black River Area Development (ADMIN)	Open				\$22,548.00	\$0.00	0%
15037	TBRA	Brad Black River Area Development (HAP/PD)	Open		40		\$261,480.00	\$0.00	NOT YET FUNDED
15040	TBRA	HA of the City of Conway (ADMIN)	Open				\$143,245.00	\$0.00	0%
15041	TBRA	HA of the City of Conway (HAP/PD)	Open		100		\$1,477,450.00	\$0.00	NOT YET FUNDED
							\$22,436,659.00	\$16,764,993.04	

**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		4/9/2026	87%	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		4/28/2026	95%	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		8/25/2025	100%	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		5/6/2026	83%	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		5/6/2026	65%	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		4/15/2026	48%	CONSTRUCTION
15009	NC	Harrison Estates	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	7/1/2025	7/1/2029		4/29/2026	33%	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		4/29/2026	60%	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		4/28/2026	38%	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		3/17/2026	100%	FINAL
								Written Agreement Date	TBRA - 2 YR COMPLETION				
15036	TBRA	Brad Black River Area Development (HAP/PD)	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030		NOT YET FUNDED				
15037	TBRA	Brad Black River Area Development (ADMIN)	2020	9/30/2028	9/30/2028	1/28/2029	9/30/2029	11/26/2025	11/26/2027				
15041	TBRA	HA of the City of Conway (HAP/PD)	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030		NOT YET FUNDED				
15040	TBRA	HA of the City of Conway (ADMIN)	2021	9/30/2029	9/30/2029	1/28/2030	9/30/2030	3/17/2026	3/17/2028				

**FUNDING STATUS - ADMIN**

14509	ADMIN	ADFA ADMINISTRATION (2020/18 AD - 2020 PA)	Open	5/6/2026			\$2,035,846.43	\$1,772,605.75	87.1%
15044	ADMIN	ADFA HOME ADMIN / RECORDING 2020	Open	5/6/2026			\$500.00	\$80.00	16.0%
14677	ADMIN	ADFA ADMINISTRATION 2021	Open				\$1,261,846.40	\$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%
15043	ADMIN	ADFA ADMINISTRATION 2025	Open				\$1,904,955.27	\$0.00	0.0%
							\$10,081,926.40	\$1,772,685.75	
<b>TOTAL HOME</b>							<b>\$32,518,585.40</b>	<b>\$18,537,678.79</b>	

**NHTF**  
**Activities Report**

**STATUS OF NHTF ACTIVITIES - IDIS**

5/1/2026

**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	2/1/2026	8/6/2024	4	72	\$605,000.00	\$544,500.00	90.0%	
14922	2024	NC	LORAIN 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	3/17/2026	6/27/2025	5	61	\$1,000,000.00	\$886,500.00	88.7%	
15011	2023	NC	WALNUT COMMONS (NHTF)	Open	3/24/2026	7/21/2025	4	60	\$754,000.00	\$481,112.87	63.8%	
							36	313	\$5,509,000.00	\$4,911,112.85		

**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	SF-425 Filing Deadline
13894	2020	NC	PATRIOT PARK (NHTF)	2018	9/12/2023	9/12/2025	1/10/2026	9/12/2026	9/2/2020	Extended to 6/30/2026	POTENTIAL TO BE BLOCKED IN IDIS	4/29/2026	74%	CONSTRUCTION	Filed with Exception for 13894
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	LORAIN PARK OF LOWELL (NHTF)	2022	8/29/2027	8/29/2029	12/27/2029	8/29/2030	8/19/2024	8/19/2028		4/28/2026	95%	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		4/15/2026	48%	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		4/28/2026	38%	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	5/6/2026	11/23/2021	\$412,310.90	\$71,043.07	17%	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	\$301,732.55	\$0.00	0%	12/17/2029	
15042	2024	ADMIN	ADFA NHTF ADMIN 2024	Open		4/6/2025	\$311,525.51	\$0.00	0%	12/17/2029	
							\$1,783,016.47	\$71,043.07			
<b>TOTAL NHTF</b>							<b>\$7,292,016.47</b>	<b>\$4,982,155.92</b>			

**HOME - ARP**  
**Activities Report**

**HOME-ARP**

Organization	Proposed Use	Status	Non Profit Operating Assistance Funding	Disbursed 1 Year	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	Completed	\$300,000.00	\$150,000.00	\$150,000.00	100%	\$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 Developmentally Disabled, Inc (AEDD)	Operating Expense Assistance	Completed	\$300,000.00	\$150,000.00	\$150,000.00	100%	\$150,000	\$37,500.00	\$75,000.00	\$112,500.00	\$150,000.00
Legal Aid of Arkansas	Operating Expense Assistance	Completed	\$300,000.00	\$150,000.00	\$150,000.00	100%	\$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	Completed	\$300,000.00	\$150,000.00	\$150,000.00	100%	\$150,000	\$37,500.00	\$75,000.00	\$112,500.00	\$150,000.00
			<b>\$1,598,448.00</b>	<b>\$776,549.00</b>	<b>\$821,899.00</b>	100%	<b>\$821,899</b>	<b>\$205,474.75</b>	<b>\$410,949.50</b>	<b>\$616,424.25</b>	<b>\$821,899.00</b>

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	\$213,608.99	81%	\$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	Completed	\$300,000.00	\$30,000.00	\$242,052.58	100%	\$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	\$78,776.06	80%	\$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	Completed	\$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	\$714,238.78	93%	\$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
			<b>\$6,746,927.00</b>	<b>\$588,616.00</b>	<b>\$3,963,530.04</b>	81%	<b>\$2,430,351.48</b>	<b>\$1,833,885.75</b>	<b>\$3,667,771.50</b>	<b>\$5,426,657.25</b>	<b>\$7,335,543.00</b>

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	\$ 5,587,106.23	\$5,028,395.61	\$558,710.62		79.82%	95%		
Next Step Day Room Inc	Non-Congregate Shelter	Application Approved by Board	\$ 3,696,295.23	\$ -		\$0.00		0.00%			
Arkansas Enterprises for the Developmentally Disabled, Inc (AEDD)	Non-Congregate Shelter	Final Cost Certification	\$ 4,618,543.00	\$ 3,519,178.00	\$3,167,260.20	\$351,917.80		76.20%	75%		
Our House Inc	Non-Congregate Shelter	Final Cost Certification	\$ 3,772,485.00	\$ 1,220,653.07	\$1,098,587.76	\$122,065.31		32.36%	65%		
<b>NOFA for NCS Applications: Pending</b>			<b>\$ 19,087,323.23</b>	<b>\$ 10,326,937.30</b>	<b>\$9,294,243.57</b>	<b>\$1,032,693.73</b>		<b>54%</b>			
										<b>*Report as of April 30, 2026</b>	

**HOME - ARP NCS**  
**Activities Report**

**STATUS OF HOME-ARP NCS ACTIVITIES - IDIS**

5/1/20026

**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	\$5,028,395.60	72%
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	\$1,098,587.77	29%
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	\$506,262.90	33%
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	\$1,262,685.01	82%
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	\$1,043,806.79	68%
									\$15,391,028.00	\$8,939,738.07	58%

\$2,812,754.70

**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		3/26/2026	95%	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		5/1/2026	70%	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		5/1/2026	78%	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		5/4/2026	100%	Final
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		3/26/2026	70%	Construction

**HOME-ARP FUNDS AVAILABLE - IDIS**

									Committed Amount	Drawn Amount				
<b>HOME-ARP</b>							<b>FUNDING TOTALS</b>		\$15,391,028.00	\$8,939,738.07				
	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 - 2024-2025 Award Expended

					Approved Disbursement								
Organization	Program Funding	Status	Awarded Funding	ADMIN Max Allowed 1%	2023 Funds	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	\$1,890.95	\$4,183.29	42%	\$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	\$128,033.14	\$146,559.48	50%	\$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	\$17,600.64	\$25,050.74	99%	\$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	\$341,086.67	\$563,009.05	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	\$32,988.42	\$40,632.04	80%	\$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	\$8,475.03	\$11,325.82	71%	\$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	\$66,976.60	83%	\$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	\$74,261.14	\$84,494.83	94%	\$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	\$44,728.19	\$60,313.02	48%	\$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	\$63,487.86	\$72,344.54	100%	\$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	\$21,368.68	\$28,312.67	63%	\$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	\$52,030.00	\$52,030.00	87%	\$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	\$48,492.50	\$73,536.60	74%	\$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	\$29,113.06	\$29,113.06	79%	\$0.00	\$36,300.00	\$0.00	\$0.00	\$350.00
Micah68 Initiative	ESG	Notice to Proceed	\$142,000.00	\$0.00	\$0.00	\$79,717.99	\$79,717.99	56%	\$0.00	\$90,000.00	\$25,000.00	\$25,000.00	\$2,000.00
Peace at Home Family Shelter	ESG	Notice to Proceed	\$31,800.00	\$300.00	\$9,696.78	\$20,591.01	\$30,287.79	95%	\$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	\$350.00	\$3,144.88	\$17,066.31	\$20,211.19	56%	\$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	\$63,385.01	\$83,891.20	83%	\$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	\$72,812.60	\$98,500.90	100%	\$0.00	\$97,580.00	\$0.00	\$0.00	\$0.00
Harrison House of Hope	ESG	Completed	\$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
<b>Totals</b>			<b>\$2,315,971.70</b>	<b>\$12,811.30</b>	<b>\$402,652.84</b>	<b>\$1,145,890.28</b>	<b>\$1,571,262.72</b>	<b>67.84%</b>	<b>\$76,000.00</b>	<b>\$1,535,645.40</b>	<b>\$350,300.00</b>	<b>\$278,350.00</b>	<b>\$62,865.00</b>
2023 Funding: \$ 598,695.48									Report as of April 30, 2026				
2024 Funding: \$ 2,296,487.00													

ADMIN 2024 Award Expended		Total
	2023	2024
ADFA	\$44,902.15	\$128,618.58
Subgrantees	\$0.00	\$6,016.64
		\$173,520.73

**CDBG-DR Activities Report  
and  
ESG Funds Available**

**STATUS OF CDBG-DR ACTIVITIES - IDIS**

<b>4/1/2026</b>	<b>ALLOCATIONS</b>	
<b>ANNUAL ALLOCATION</b>	<b>2019</b>	<b>2025</b>
	\$8,940,000.00	\$59,048,000.00
<b>ACTIVITIES</b>		
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
<b>DRGR</b>			<b>FUNDING TOTALS</b>	\$0.00	\$0.00
	Grant Year	Available to Subgrant			
<i>Pending</i>	2019	\$8,493,000.00	<i>Available for Projects</i>	Less Board Approvals Not Yet Committed	<b>Available to Commit</b>
				\$0.00	\$8,493,000.00
<i>Pending</i>	2025	\$56,095,600.00	<i>Available for Projects</i>	Less Board Approvals Not Yet Committed	<b>Available to Commit</b>
				\$0.00	\$56,095,600.00

**ESG FUNDS AVAILABLE - IDIS**

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

**NHTF and HOME  
Funds Available**

NHTF FUNDS AVAILABLE - IDIS						
5/1/2026					Committed Amount	Drawn Amount
NHTF			FUNDING TOTALS		\$7,292,016.47	\$4,982,155.92
AVAILABLE TO COMMIT						
	Grant Year	Available to Subgrant				
EN	2025	\$2,701,133.42				
	2024	\$2,698,519.14	BABA Active			
PI	2025	\$132,399.70				
	2024	\$15,507.56	BABA Active			
IU	2025	\$493,010.00	BABA Active			
		\$6,040,569.82	Available for Projects			
					Less Board Approvals Not Yet Committed	Final NHTF Available to Commit
					\$4,428,631.00	\$2,542,362.00
					Pending Applications 2026 - NHTF	
					\$2,542,362.00	
HOME FUNDS AVAILABLE - IDIS						
HOME			FUNDING TOTALS		\$32,518,585.40	\$18,537,678.79
AVAILABLE TO COMMIT						
	Grant Year	Available to Subgrant				
EN	2025	\$6,788,703.17				
	2024	\$6,644,757.00				
	2023	\$7,935,228.75				
	2022	\$10,089,308.95				
	2021	\$390.98				
PI	2025	\$10,752,795.81				
	2024	\$5,820,157.50				
	2023	\$5,021,877.35				
	2022	\$1,953,883.19				
HP	2025	\$27,977.63				
	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			
		\$56,538,213.59	Available for Projects			
		-\$1,738,930.00	Less TBRA Not Yet Funded Tenant Data			
					Less Board Approvals Not Yet Committed	Available to Commit
					\$21,647,139.00	\$33,152,144.59
CR	2025	\$1,357,740.63				
	2024	\$1,328,951.40				
	2023	\$1,587,045.75				
		\$4,273,737.78	Available for CHDO Projects			
					Less Board Approvals Not Yet Committed	Available for CHDO Commitments
					\$0.00	\$4,273,737.78
		\$59,073,021.37	Available for ALL HOME Projects			
						Final HOME Available to Commit
						\$37,425,882.37
					Pending Applications 2026 (TBRA/MF HOUSING)	
					\$15,847,406.00	

**TAB 12**

MINUTES:  
AUDIT COMMITTEE  
October 16, 2025

ARKANSAS DEVELOPMENT FINANCE AUTHORITY  
ADFA BOARD - AUDIT COMMITTEE  
OCTOBER 16, 2025  
RED APPLE INN, 305 CLUB ROAD  
QUINDELL CONFERENCE ROOM  
HEBER SPRINGS, AR

**ADFA Board Audit Committee Members Present:** Denise Sweat ,Committee Chair; 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 Audit Committee Members Absent:** Kirkley Thomas.

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

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

**ADFA Board Members Absent:** Dr. Lee Lane; Katelyn Martin; Hugh McDonald, Cabinet Secretary of Department of Commerce; Seth Mims; and George O'Connor.

**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.

**Call to Order:** Ms. Sweat called the meeting to order at approximately 10:09 AM.

**Audit Committee:**

**Minutes:** Ms. Sweat presented the Audit Committee minutes from the August 21, 2025 meeting. There being no corrections or changes, Ms. Sweat entertained a motion to approve of the minutes as presented.

Mr. Burleson made a motion to approve the Audit Committee minutes from the August 21, 2025 meeting.

Mr. McVey seconded the motion. The motion passed.

**Presentations: Fiscal Year 2025 Audit Drafts:** The Audit Drafts for Fiscal year 2025 were prepared by Frost, PLLC and presented by Frost representatives, Mr. Brian Ettehad, and Mr. Daniel Meador.

For guidance, Ms. Sweat stated that each audit would need to receive a separate vote.

- **Arkansas Development Finance Authority (ADFA):** Mr. Ettehad stated that overall the ADFA audit was a clean audit, and an outline of Frost's responsibilities as the auditors were in the Opinion letter, along with ADFA's managerial staff's responsibilities to maintain internal control and sound accounting policies.

Mr. Ettehad stated a clean opinion was the highest level of assurance that could be given in conjunction with any sort of audit.

Mr. Ettehad noted there were a couple of standards that were adopted this year, one of those standards related to how entities have to calculate compensated absences which added about \$577,000 in additional expense, to which he additionally noted is not categorically noticeable when there is a billion dollar balance sheet. The second standard, GASB 102, which is related to risk disclosures, required additional language on concentrations and risks. Additionally, with the instrumentality having gone into effect on July 1st, there was some language that noted the evolving role that ADFA has within the state.

In terms of overall changes, Mr. Ettehad stated in the last twelve or fifteen months, ADFA had issued quite a few new bonds, primarily part of the Single Family Mortgage Revenue Bonds program, which added more leverage to the Balance Sheet.

Mr. Ettehad stated that due to the amount of federal funding ADFA received, it was one of the few organizations in the state that was subject to Single Audit Requirement, which is essentially a compliance audit rather than a financial statement audit. Frost did most of their testing using the 2024 Compliance Supplement as the 2025 version had not been released and with the government shutdown it is uncertain when it will be released. Frost was unable to issue their Final Opinion without the updated guidance related to the audit period.

After additional discussion between Board members and ADFA Staff, Chairman Smith entertained a motion to table the Fiscal Year 2025 Arkansas Development Finance Authority Discussion Draft.

Mr. Burleson made a motion to table the Fiscal Year 2025 Arkansas Development Finance Authority audit until which time Frost can provide final opinion on compliance.

Mr. McVey seconded the motion. The motion passed.

**- Construction Assistance Revolving Loan Fund Program:** Ms. Sweat stated the presented Construction Assistance Revolving Loan Fund Program audit was a Discussion Draft and inquired if it had a similar situation as the ADFA audit.

Mr. Ettehad responded that Frost was prepared to issue a clean unqualified opinion. There were no errors or issues, but this program did not have employees or OPEB. However, the situation was similar due to the Single Audit Compliance, and a Final Opinion could not be provided without the guidance of the 2025 Compliance Supplement.

Mr. Burleson made a motion to table the Fiscal Year 2025 Construction Assistance Revolving Loan Fund Program audit until which time Frost can provide the final opinion.

Mr. McVey seconded the motion. The motion passed.

**- Safe Drinking Water Revolving Loan Program:** Ms. Sweat stated the presented Safe Drinking Water Revolving Loan Fund Program audit was Discussion Draft if it had a similar situation as the two previous Discussion Drafts.

Mr. Ettehad responded that there were similar circumstances and again, Frost planned to issue an unqualified opinion; there were no concerns with management integrity, it was a clean audit, but without the guidance of the 2025 Compliance Supplement Frost could not issue the final opinion.

Mr. Burleson made a motion to table the Fiscal Year 2025 Safe Drinking Water Revolving Loan Fund Program audit until which time Frost can provide the final opinion.

Mr. McVey seconded the motion. The motion passed.

**Adjournment:** Being no further discussion or comments, Ms. Sweat concluded the Audit Committee and yielded the floor to Chairman Smith.

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

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Denise Sweat, Audit Committee Chair

MINUTES:  
AUDIT COMMITTEE  
December 4, 2025

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

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

**ADFA Board Audit Committee Members Present Via Phone or Video:** Denise Sweat, Committee Chair; and Kirkley Thomas

**ADFA Board Members Present** Carey Smith, Chairman; and Jon Chadwell.

**ADFA Board Members Present Via Phone or Video:** Rod Coleman; and Seth Mims.

**ADFA Board Members Absent:** Katelyn Martin; Hugh McDonald, Cabinet Secretary of Department of Commerce; George O'Connor; 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:** Ms. Sweat called the meeting to order at approximately 10:04 AM.

**Audit Committee:**

**Minutes:** Ms. Sweat noted the Audit Committee was added to the Committee meeting after the original agenda and materials had been distributed to the Board and asked whether the minutes from the October 16, 2025 meeting were being provided as a separate handout.

Chairman Smith responded that the minutes had been mistakenly omitted and would be tabled until the next Audit Committee meeting, when both the October and December Audit Committee minutes would be presented.

**Opening Discussion:** Chairman Smith requested that Ms. Summitt provide a summary of events in the Audit Committee the October 16, 2025 meeting.

Ms. Summitt reported that in October ADFA was waiting on the federal government to release final regulations for single-audit compliance, which had been delayed due to the federal government shutdown. As a result, the Audit Committee decided to postpone approval of the audits until an official opinion was received from Frost, PLLC.

Ms. Summitt reminded the Committee that each audit would require a separate vote and that Mr. Ettehad and Mr. Meador from Frost, PLLC were in attendance via Zoom to answer any questions.

**Presentations: Fiscal Year 2025 Audit Drafts:** Ms. Sweat noted that the Committee would progress with the audits and yielded the floor to Mr. Ettehad.

Mr. Ettehad stated that the final regulations were received in late November and that he had gone back to review the audits to check for any changes from the tentative regulations that were discussed in the October meeting and though the final opinion had not been released, the audits that were provided to the Board were substantially complete.

Mr. Ettehad continued that he would circulate the representation letters to management following the meeting and ultimately anticipated that the final opinion would be signed off on December 5th, 2025 and issued in its final form.

Mr. Ettehad revisited the discussion from the October meeting and stated that Frost, PLLC had issued an unqualified opinion, which is the highest level of assurance that can be provided. Mr. Ettehad noted that historically, ADFA had received clean

opinions in the past, but emphasized that not every organization achieves this outcome.

Mr. Ettehad noted there were no material weaknesses or significant deficiencies that needed to be communicated in writing and though internal processes are not tested during this audit, a general understanding is needed and there were no deficiencies identified.

Mr. Ettehad reported that as part of Single Audit the HOME program was tested and was about two-thirds of the expenditures that ADFA had for the year.

Mr. Ettehad offered to answer questions; the Committee had none.

- **Arkansas Development Finance Authority (ADFA):** Mr. Ettehad reported that in terms of the Arkansas Development Finance Authority audit; it received a clean opinion. There were no deficiencies or material weaknesses to disclose verbally or in writing. There was nothing that warranted further discussion.

Ms. Sweat entertained a motion to accept the audit of the Arkansas Development Finance Authority.

Mr. Thomas made a motion to accept the audit as presented.

Mr. McVey seconded the motion. The motion passed.

- **Construction Assistance Revolving Loan Fund Program:** Mr. Ettehad reported in terms of Construction Assistance Revolving Loan Fund Program audit there were no major changes from the October presentation. Mr. Ettehad confirmed that a clean unqualified opinion was issued, there were no deficiencies or materials weaknesses to disclose, and the financial statements have been submitted to the Department of Finance and Administration (DF&A). Mr. Ettehad noted that while there may have been some minor wording adjustments, the financial figures remain unchanged. Mr. Ettehad stated there were no compliance related matters.

Ms. Sweat entertained a motion to accept the audit of the Construction Assistance Revolving Loan Fund Program.

Mr. Thomas made a motion to accept the audit as presented.

Mr. Burleson seconded the motion. The motion passed.

- **Safe Drinking Water Revolving Loan Program:** Mr. Ettehad stated that a clean unqualified opinion had been issued for the Safe Drinking Water Revolving Loan Program; there were no material weaknesses or deficiencies to disclose, and no

compliance matters identified. Mr. Ettehad reported there have been no changes to the audit since the October presentation.

There being no other questions from Committee or Board members, Ms. Sweat entertained a motion to accept the audit of the Safe Drinking Water Revolving Loan Program.

Mr. McVey made a motion to accept the audit as presented.

Mr. Thomas seconded the motion. The motion passed.

**Adjournment:** With no further discussion or comments, Ms. Sweat concluded the Audit Committee at approximately 10:16 AM and yielded the floor to Chairman Smith.

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

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Denise Sweat, Audit Committee Chair

MINUTES:  
AUDIT COMMITTEE  
April 16, 2026

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY**  
**ADFA BOARD - AUDIT COMMITTEE**  
APRIL 16, 2026  
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY  
CENTRAL HIGH/OLD MILL MEETING ROOM  
LITTLE ROCK, AR

**ADFA Board Audit Committee Members Present:** Denise Sweat, Committee Chair; Alan McVey (Designee, Jim Hudson, Secretary, Department of Finance and Administration); Kirkley Thomas; and Kenneth Burleson (Designee, John Thurston, Treasurer, Office of Treasurer of State of Arkansas).

**ADFA Board Members Present:** Jon Chadwell; Rod Coleman; Katelyn Martin; and Carey Smith.

**ADFA Board Appointees Present:** Dr. Martin Eggenesperger; Andy Goodman; and Russ Martin.

**ADFA Board Members Absent:** Hugh McDonald, Cabinet Secretary of Department of Commerce.

**ADFA Staff Present:** Robert "Ro" Arrington, President, Arkansas Development Finance Authority; John Blackwell, Director of Tax Credits; Jake Bleed, General Counsel; Lori Brockway, Federal Programs Manager; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, Chief Financial Officer; Ginger Burton Duncan, Director of Single Family Outreach; Paula Farthing, Loan Servicing Manager; Tracy Green Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Catrina Ingram, Compliance Assistant Manager; Hope Lewis, Controller; Drew Rogers, Attorney Specialist; Derrick Rose, Director of Communication; Megan Summitt, Internal Auditor; Julia Virahovskaya, Accountant; Tammy White, Compliance Manager; and Tony Williams, Director, Arkansas Student Loan Authority.

**Others Present:** Casey Kleinhenz, Community Development of NWA; Ted Fellman and Cheryl Schluterman, Raymond James; Traci Williams, Rockwell Housing Solutions, LLC.; and Nona McVay, The McVay Firm, PLLC.

**Call to Order:** Ms. Sweat called the meeting to order at approximately 11:48 AM.

**Audit Committee:**

**Minutes:** Ms. Sweat presented the minutes from the December 4, 2025, meeting and asked if anyone had any questions or comments.

Mr. Smith noted the Audit Committee meeting minutes did not include October 16, 2025, minutes as was stated on page two.

After brief discussion, Ms. Sweat moved to table the minutes until all sets could be presented for an accurate record.

Mr. Burleson seconded the motion. The motion passed.

**Review: Annual State Bank Exam - Bond Guaranty Program:** Ms. Summitt stated the State Bank Examiners reviewed 100% of the portfolio. She noted a minor issue during the review, as some financial reports from outside banks had been temporarily unavailable due to the 2025 federal shutdown. However, those financials were later provided before the completion of the review.

Ms. Summitt stated there were no issues and it was a clean audit. Ms. Summitt further stated that Mr. Cathey, who administered the Bond Guaranty Program, was available for questions regarding the examination and/or the Program as a whole.

Mr. Cathey added a summary of the events associated with the previously absent financial statements, which had been provided during the review, and he thanked staff for their continued support in maintaining the necessary files.

After some discussion, Ms. Sweat entertained a motion to accept the Annual State Bank Exam of the Bond Guaranty Program.

Mr. McVey made a motion to accept the Annual State Bank Exam.

Mr. Burleson seconded the motion. The motion passed.

**Review: Audit Program Update:** Ms. Summitt stated the update was a response to a request and served as a review of the past year, including various projects and reports that she had been working on.

For the benefit of the new appointees, Mr. Arrington added that the internal auditor did not report to the President of ADFA, but rather to the Board.

No action needed.

**Adjournment:** Ms. Sweat concluded the Audit Committee at approximately 12:01 PM.

Minutes approved and signed on this 16th day of April 2026.

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Denise Sweat, Audit Committee Chair

**TAB 13**

REPORT OF THE INTERNAL AUDIT

OF

Start Smart Program

BY

Arkansas Development Finance Authority (ADFA)

May 5, 2026



May 5, 2026

The Audit Committee  
Of the Board of Directors  
Of the Arkansas Development Finance Authority

We have completed our examination of the STARTSMART Program of the Arkansas Development Finance Authority (ADFA). The examination was made for the purpose of evaluating the internal controls and reviewing compliance with the associated policies and procedures to provide reasonable assurance that the Program is being properly administered.

The results of the audit work performed are included in the following pages.



Megan Summitt  
Arkansas Development Finance Authority  
Internal Audit

## **Background**

At the demise of the Federal ADDI program Mr. Arrington and Ms. Cunningham collaborated to introduce a new program to assist first time home buyers in purchasing their first home. In April 2024 the Start Smart program funded by federal bonds was implemented. The Start Smart First-Time Homebuyer Loan Program by ADFA uses IRS tax-exempt mortgage revenue bonds to bring savings on first time home buyers home purchase. By passing on these savings to first-time homebuyers, ADFA provides below-market interest rates and lower monthly payments, making homeownership more affordable and accessible. This program can also be combined with ADFA's Down Payment Assistance second mortgage to further make home purchasing achievable. The loans made available are FHA, VA, RD, and Freddie Mac Conventional/HFA Advantage. Loan Terms are set at a 30-year fixed rate with no prepayment penalty. Mr. Arrington reviews and adjusts the loans rates daily. This program is offered to first time home buyers as well as non-first-time home buyers that live in one of the 30 federally targeted counties.

## **Year 2026 and Forward**

In the coming year, ADFA's single-family homeownership division will focus on expanding access to affordable homeownership across Arkansas through its Start Smart First-Time Homebuyer Program and accompanying Down Payment Assistance (DPA) offering. Key objectives include growing our lender network participation and loan volume in underserved counties, increasing awareness of down payment assistance availability as the primary driver of program participation, and executing a targeted digital marketing campaign to reach prospective first-time buyers in underserved communities.

ADFA will also prioritize lender and loan officer education to ensure consistent program delivery statewide, monitor performance metrics including loan volume and county coverage, and continue directing eligible homebuyers to [homeloans.arkansas.gov](http://homeloans.arkansas.gov) to connect with participating lenders. — all in support of ADFA's mission to expand affordable homeownership opportunities for Arkansans.

## **Scope**

The scope of the review was May 1, 2024, through April 2025 with additional review of non-performing loans into April 2026. The review also included any significant changes which may have occurred after the completion of the fieldwork. Interviews with agency personnel and examination of all pertinent records were conducted to meet the above stated purpose. The Internal Audit department conducted a background interview for the program,

Our work was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that we plan and perform our audit to obtain reasonable assurance that the objectives of the audit engagement are achieved. We believe that our audit provides a reasonable basis for the conclusion stated in the report.

## **Findings and Recommendations**

### ADFA Website in regard to the START SMART Program

ADFA has recently updated the agency's entire website, and the following improvements were noted.

Clear and simple navigation to each of the Homeownership programs available to applicants and lenders.

The contact information for the ADFA Single Family team has been maintained and updated as necessary.

The START SMART fillable forms and documentation have been updated as of 12/18/2024 and are clearly labelled.

When looking for the program guidelines for the START SMART program they were located under the Lender Resources tab.

It is recommended that there be a link under each home ownership program that takes them to the program guidelines under the lender resources tab for ease of access.

#### ***Management Response:***

***Discussed with the public relations director who maintains the website. The goal of the website and program tabs is to guide them to our qualified lenders. This is why only a link to find our qualified lenders is on the STARTSMART tab. The guidelines are strictly for the lenders at this point.***

***However, on the home ownership front page ADFA has a video for first-time homebuyers that walks them through the first steps they need to take with each available option.***

### Underwriting Review Process

There were 642 loans approved within the audit window. Forty-eight loans were reviewed, the sample being 4 loans per month during the audit scope.

The review encompassed the entire underwriting process.

The following consistent issues were noted.

- Applicant names were not consistent through all documentation including the name affidavit at times.
- Documentation received were not reviewed for correct signatures and dates on a consistent basis. This includes not acceptable/ verified electronic signatures
- 3 Lenders did not have signed agreements with ADFA.
- The timing of current paystubs and AUS findings was not consistent with the 30-day requirement.

Within the audit review the Single-Family has undergone a complete underwriter team replacement. It was noted that the income calculation as well as the initial underwriting checklists has become more consistent and clearly documented, which is a substantial improvement.

There is already a double review in place but due to these observations it does not seem to be implemented correctly. This could be due to several reasons the most common being that there is “tick the box” type of review happening rather than a meaningful control. It could also be due to staff fatigue with an excessive workload.

It is recommended that team rotate reviewers to avoid complacency. A more detailed standardized checklist may be helpful in this process as well as investing in team training underlying the importance of correct and consistent underwriting and reviewing.

**Management Response:**

**The reviewers are currently rotating between pre-closing and post-closing reviews. Management will discuss findings with staff to become more diligent in reviewing the files.**

**Risk of Non-Performing Loans**

Within the 12-month scope of 641 loans there was a 2.7% Loan repurchase rate. The majority of these non-performing borrowers made 2 payments or less defaulting within the first year of their loan. This results in ADFA repurchasing the loans creating potential operational costs and at worst reputational damage should this repurchase rate start increasing over time.

It is recommended that ADFA make available an ongoing financial education platform that provides tips and tools for borrowers. Possibly some short form videos for financial literacy training include repayment schedules, cost of borrowing, and consequences of default. This would allow for easy access for any potential home buyer.

This is recommended with the objective of proactively helping these first-time home buyers to manage cash flow issues and expectations before they result in a default that would negatively affect their credit going forward in life.

***Management Response:***

***Management will discuss providing a link to some homebuyer education courses and/or HUD approved counselors to our website giving potential borrowers the option to educate themselves, therefore setting them up for successful homeownership.***

Service Organization Control (SOC) reports for subservice organizations

There were no SOC Reports from ServiSolutions/Alabama Housing and MITAS on file.

ServiSolutions serves as a critical database for tracking mortgage servicing, their internal control over system integrity directly impacts ADFA's compliance and risk. This report provides evidence that Servicing Solutions is meeting security and operational standards necessary for your organization's compliance as well as verifying that their controls for tracking loans and handling data are operating effectively.

MITAS houses our loans, accounting, housing, and application information for ADFA and the START SMART program. MITAS tracks multiple layers of financing for both agency funding and subordinate financing which enables ADFA the ability to share data with lenders and other programs within ADFA. MITAS implements cloud hosting, which provides access over the Internet to application programs (software) and related services.

It should be noted that the Statement on Standards for Attestation Engagements no. 18 (SSAE 18), which is a Generally Accepted Auditing Standard produced and published by the American Institute of Certified Public Accountants Auditing Standards Board, does require that the service organization monitor the subservice organizations. If a SOC report of a subservice organization is reviewed by the service organization as a part of its monitoring activities, it is acceptable for the user organization to request a copy of the SOC report of the subservice organization.

It is recommended that ADFA request the SOC reports from the servicers of MITAS and ServiSolutions/Alabama Housing as well as any appropriate subservice organizations

***Management Response:***

***The internal auditor is in the process of contacting and acquiring the SOC reports from these entities.***  
***-M. Summitt***