

Notice of Public Hearing

Notice is hereby given that a public hearing will be held at the offices of the Arkansas Development Finance Authority (ADFA), 900 West Capital Building Suite 3101 , Little Rock, Arkansas 72201, at 10:00 a.m., Wednesday, May 19, 2010, to discuss policies and procedures regarding the Assisted Living Incentive Fund.

SUMMARY OF POLICIES AND PROCEDURES ASSISTED LIVING INCENTIVE FUND

The Department of Human Services (“DHS”) and the Arkansas Development Finance Authority (“ADFA”) executed a Memorandum of Understanding (“MOU”) on March 30, 2010, in which DHS made available to ADFA \$5,000,000 in DHS funds for use in developing, implementing, and administering an Assisted Living Incentive Fund (“ALIF”) to incentivize development of affordable Assisted Living housing in Arkansas. Policies and Procedures were implemented by DHS and ADFA relative to the MOU to set forth the terms and intended purposes of the ALIF. A summary of those policies and procedures is as follows:

- All ALIF resources must be used on affordable Assisted Living Level II developments located in the State of Arkansas.
- Applications containing certain specific documentation, including an approved Certificate of Need or Permit of Approval for Level II residents issued by the State of Arkansas and a current Market Study, must be filed with ADFA.
- All ALIF applicants will be required to successfully apply to ADFA for Low-Income Housing Tax Credits (“LIHTC”), HOME Funds or other ADFA housing programs and initiatives in conjunction with the requested ALIF funds.
- All ALIF-assisted housing must be made available to tenants whose income does not exceed 60% of area medium income for the area in which the Assisted Living development is located, must have affordable rents, and must have an approved minimum affordability period.
- ADFA will use certain selection criteria when reviewing and evaluating ALIF applications as enumerated in the Policies and Procedures.
- The ALIF will provide two (2) forms of financing assistance: forgivable loans and repayable loans.
- The maximum amount of ALIF funds available to any one affordable Assisted Living development shall be no more than \$500,000, and no allocation of ALIF funds may exceed \$12,500 per assisted living unit.
- All developments funded with ALIF funds will be periodically monitored for compliance requirements.

A comprehensive write-up of all recommended revisions may be obtained at www.arkansas.gov/adfa. Any persons interested may appear at the public hearing at 10:00 a.m. on the 19th day of May 2010, and be heard for or against.

All suggestions will be heard and considered. This hearing is being held pursuant to the requirements in the Arkansas Administrative Procedures Act.