

ARKANSAS DEVELOPMENT FINANCE AUTHORITY (395)
2009-11 BIENNIUM - LEGISLATIVE RECOMMENDATION

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Arkansas Development Finance Authority is a body public and politic as corporate, with corporate succession. The Authority is authorized and empowered to issue revenue bonds and various other debt instruments for the purpose of financing qualified agricultural business enterprises, capital improvement facilities, educational facilities, health care facilities, housing developments and industrial enterprises. Bonds and other debt instruments issued by the Authority are special obligations of the Authority payable solely from and secured by a first lien on proceeds, moneys, revenues, rights, interests and collections' pledged therefore under the resolutions authorizing the particular issues.

TOTAL BIENNIAL BUDGET

The total budget for the Arkansas Development Finance Authority is \$200,472,879 the first year and \$200,554,439 the second year of the biennium.

FUNDING SOURCE

The budget is funded with 85% federal dollars and 15% cash funding from revenues generated by ADFA programs.

II) CHANGES/APPROPRIATIONS

The operations appropriation, funded with federal and bond proceeds has:

1. Change level increase of \$23,000 each year in capital outlay to replace one existing vehicle each year.
2. Increased appropriation of \$2,079,415 each year in federal HUD HOME Program to compensate for an increase in HOME fund applications and eligible developments.
3. Change level increase of \$129,000 each year in operating expenses and capital outlay for moving expenses and rent payments
4. Change level increase of \$19,600,000 each year for a Neighborhood Stabilization Program (federal housing program).
5. Change level increase of \$152,250,000 each year due to an increase in the HUD HOME Program and Low Income Housing Tax Credits.
6. Also included is a reallocation of \$20,600 each year from the conference and travel line item to the operating expenses line item to account for a rise in office rent, membership dues to national associations and fuel.

III) ADDITIONAL POSITIONS:

Total positions for FY 2007-2009: 62

Total positions for FY 2009-2011: 62

Increase/(Decrease):0

IV) SPECIAL LANGUAGE

1. Carry forward provision for the HUD Home Program item **deleted**.
2. Funds disbursed from the HUD Home Program line item shall be in accordance with the State of Arkansas Consolidated Plan and federal HUD Home Program regulations.