



**Community Development Block Grant  
(CDBG) Program**

**2025 Annual Action Plan**

Prepared by:  
City of Bentonville

To be Submitted to:  
United States Department of Housing and Urban Development  
Little Rock Field Office

# **Executive Summary**

## **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

### **1. Introduction**

This section presents the 2025 Annual Action Plan, the third year of the Consolidated Plan 2023-2027. The 2025 Program Year runs from July 1, 2025, through June 30, 2026. The Annual Action Plan provides a summary of actions, activities, and programs that will take place during the Program Year 2025 to address the priority needs and specific objectives identified in the Consolidated Plan PY 2023-27. For the 2025 program year, the City of Bentonville will receive \$296,575 in Community Development Block Grant (CDBG) federal funds. The CDBG funding will be used to support activities which benefit very low, low and moderate-income persons. The CDBG funds will be used in conjunction with program income, carryover funds and other funding sources to complete programs and projects to further the goals and objectives of the Consolidated Plan. The Annual Action Plan presents the City's strategy for use of the CDBG funding to meet the objectives outlined in the Consolidated Plan for public services, public facilities and infrastructure improvements, and administration. The information will be presented in narrative form and table form in the Annual Action Plan. Finally, it states the manner in which the City of Bentonville intends to address other areas covered in the Consolidated Plan including barriers to affordable housing, coordination of resources, and program monitoring.

### **2. Summarize the objectives and outcomes identified in the Plan**

The goals of Bentonville Planning are to provide decent housing, a suitable living environment and expanded economic opportunities for the city's low to moderate income residents. Bentonville Planning strives to accomplish these goals by maximizing and utilizing available funding resources to conduct housing and community development activities that serve our economically disadvantaged residents. By addressing need and creating opportunities at the individual and neighborhood levels, Bentonville Planning hopes to improve the quality of life for all residents. These goals are further explained as follows:

- Providing decent housing means helping homeless persons obtain appropriate housing and assisting those at risk of homelessness; preserving affordable housing stock; increasing availability of permanent housing that is affordable to low and moderate-income persons without discrimination; and increasing supply of supportive housing.
- Providing a suitable living environment that entails improving safety and livability of neighborhoods; increasing access to quality facilities and services; and reducing isolation of income groups within an area through de-concentration of low-income housing opportunities.
- Expanding economic opportunities involves creating jobs that are accessible to low- and moderate-income persons; making mortgage financing available for low- and moderate-income persons at reasonable rates; providing access to credit for development activities that promote

long-term economic and social viability of the community; and empowering low-income persons to achieve self-sufficiency to reduce generational poverty in federally assisted and public housing.

These objectives are:

**Decent Housing** - Assisting homeless persons obtain affordable housing; assisting persons at risk of becoming homeless; retention of affordable housing stock; increasing the availability of affordable permanent housing in standard condition to low-income to moderate income families; particularly those of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability; increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS to live in dignity and independence); and providing affordable housing that is accessible to job opportunities.

**Providing a Suitable Living Environment** – The City will continue to improve the infrastructure in CDBG target neighborhoods determined to contain a significant population of low to moderate income households. In the past the City has used some of their CDBG funding for infrastructure improvements, including constructing and rebuilding sidewalks, and improving water sewer, and drainage to street standards in target low- income neighborhoods. The City will also assist public service agencies who serve the City's youth, seniors, special needs persons, veterans, persons and families in crisis and disabled persons who are deemed low to moderate-income. These services provide child- care assistance to enable parents to continue working, as well as other services requested that meet a very specific need of the low income. The City will also look to improve public facilities that will address the needs of the homeless, disabled, elderly, children, or low-income citizens.

**Expanding Economic Opportunities** - Availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; generational poverty in federally assisted housing and public housing. The three outcomes for these objectives are availability/accessibility, affordability, and sustainability.

### **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Past performance of the City of Bentonville's CDBG program indicates that the PY2025 Annual Action Plan must emphasize the timely expenditure of funds and renewed commitment to Bentonville's community partners. Due to the delay in initiating PY2023 and the CDBG program as a whole, PY2024 projects began in February 2025 and remain ongoing and will continue until those funds are properly expended.

A substantial amendment to the 2023-2027 Consolidated Plan was approved by HUD on May 6, 2025. This amendment included changes to the five-year goals of the City, cancellation of two 2023 projects, and the reallocation of those funds to a new public improvement project (sidewalk installation). Due to the timing of this substantial amendment, there are significant portion of PR2023 funds that have not been spent, as they have been reallocated to a project that is beginning in the 2025 calendar year.

In evaluating the past performance of the city's CDBG program, it is clear that there have been delays in spending down the annual allocation due to the timeline of project initiation and the substantial amendment process.

Learning from the City's program initiation the City will take steps to ensure that PY2025 will begin program spending quickly after the approval of the Annual Action Plan. Steps in place to ensure that it is successful are:

- Drafting Subrecipient Agreements during the AAP approval period so they can be executed once the 2025 allocation is signed.
- Attaining a budget adjustment for the CDBG program once the 2025 allocation is signed so that there are no delays due to City Council approval.
- Engaging with community partners throughout the process and capitalizing on the relationships made during the community engagement period for the 2025 AAP.
- Continuing multi-year projects such as the sidewalk installation project begun in PY2023.

Most importantly in evaluating past performance of the CDBG program is recognizing that, as a new program, the steps taken by the City in initiating the CDBG program as a whole will continue to benefit and inform the City's approach to the subsequent program years, including PY2025.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The City of Bentonville has a Citizen Participation Plan that details the public involvement process. CPP is available online at [bentonvillear.com](http://bentonvillear.com) and encourages review and public input as a continuous process.

The City uses many individuals and agencies in the development of the Annual Action Plan. Opportunities for resident input begin at the earliest stages of crafting the Annual Action Plan. The City hosts a public hearing to collect information on community priorities and to update the public on the status of the CDBG program as a whole and what goals the City currently has in the Consolidated Plan. All input received allows the City to analyze and measure to determine housing, facility, and service needs with an emphasis on low- and moderate-income residents, the elderly, disabled, and homelessness. Current resources in the City are considered in determining how to meet these needs as well as gaps that might not be met by other resources. A public hearing is held where the public is

invited to offer comments and identify housing and community needs. The City encourages the residents of Bentonville to provide input into the Consolidated and Annual Action Plans by attending the public hearings or sending in their comments electronically.

Once the plan is completed, another public hearing along with a notice will be published advising these plans are ready for review. The final plans will consider and/or implement concerns and suggestions from residents, public agencies, and other interested parties. Beginning with the inception of the CDBG program final review and approval to the Consolidated Plan and Annual Action Plans will be made by the Mayor of Bentonville and the Bentonville City Council. Public comment is available at these meetings in addition to the public hearings that are held through the drafting process and comment period.

The first public hearing to gather input on community priorities for the 2025 Annual Action Plan was held on February 12, 2025. The City reached out to its current subrecipient partners asking them to publicize the meeting to their program members and participants. A second meeting was held on June 4, 2025.

## **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

No comments were received during the initial comment opportunity at the first public meeting on February 12, 2025. At the second public meeting, on June 4, 2025, public comment was received that the city had a housing crisis and that more support was needed for lower income residents to access health needs. In light of that, the creation of the Annual Action Plan for 2025 relied on the feedback provided of community support needs, and comments previously submitted for the creation of the substantial amendment to Consolidated Plan, which emphasized the need for infrastructure, public facilities and affordable housing.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

No comments were excluded.

## **7. Summary**

The goal of the City of Bentonville in using their Community Development Block Grant funding is to improve the quality of life for low to moderate-income families, seniors, persons with special needs by funding public services that stabilize and enhance living conditions, and improve the living environment, safety and quality of life of low-moderate income residents through public improvements and investments.

Our outcomes will be measured by the number of persons and households served through each project.

In this Annual Action Plan, the City of Bentonville lays out its priorities for the 2025 Program Year beginning July 1, 2025. These priorities have remained consistent with the needs identified in the 2023-27 Consolidated Plan and the Consolidated Plan substantial amendment. The priorities are:

- Public Facilities and Improvements
- Public Services

Community needs and input have been collected in an ongoing process electronically and in public hearings.

## PR-05 Lead & Responsible Agencies – 91.200(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	BENTONVILLE	Bentonville Planning

Table 1 – Responsible Agencies

### Narrative (optional)

The Bentonville Planning Department is the lead agency for administering the CDBG Program, facilitated by the CDBG Administrator. The CDBG Administrator reports to the City's Planning Director. The CDBG Administrator is also responsible for administering the programs covered in the Annual Action Plan. This includes development, implementation, monitoring and activities reporting. The CDBG Administrator uses city staff, residents, community and neighborhood organizations, and nonprofits for their insight and expertise on housing, service, and facility projects.

The Planning Director and his staff evaluate all CDBG infrastructure projects. The CDBG Administrator also conducts meetings and public hearings to encourage public comments and to receive resident views to establish priorities.

### Consolidated Plan Public Contact Information

Taylor Allen  
Community and Economic Development Planner  
CDBG Administrator  
305 SW A Street  
Bentonville, AR 72712

(479) 271-3122  
tallen@bentonvillear.com

Shelli Kerr, Comprehensive Planning Manager, 479-271-3122, skerr@bentonvillear.com

Tyler Overstreet, Planning Director, 479-271-3122, toverstreet@bentonvillear.com

Stephanie Orman, Mayor, 479-271-5966, sorman@bentonvillear.com



## **AP-10 Consultation – 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

The CDBG Administrator meets with government officials, those who deal with housing and service areas, and with nonprofits that are active in this area. During this development period, the City was able to get resident input through comment periods, public hearings, and stakeholder meetings. These organizations consisted of representatives of nonprofits, fair housing providers, community-based organizations, service providers, educational institutions, and government agencies.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

During the development of the Consolidated Plan and subsequent Annual Action Plans, the City of Bentonville receives feedback and input from representatives of low-income advocacy groups, non-profits and service providers, homeless service providers, as well as other units of government through on-going yearlong feedback opportunities online through the CDBG Administrator, participation at public forums, etc. The City of Bentonville does not have public housing providers, so to ensure that there was good coordination with local organizations the CDBG Administrator sought out comment from local nonprofit organizations, especially those concerned with affordable housing, assistance to homeless populations, and childcare. The CDBG Administrator met with representatives of these organizations both in-person and virtually to consult on community needs, possible CDBG activities to serve low- moderate-income persons, and how the City of Bentonville policies impact service organizations and low- moderate-income residents.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The CDBG Administrator attended virtual community meetings hosted by the NWA Continuum of Care to discuss the 2025 Point in Time Count for the region. The CDBG Administrator spoke with the Executive Director of the NWA Continuum of Care to discuss the needs of chronically homeless populations such as veterans and the disabled. One particular challenge this year was the delay in data on the number of schoolchildren who were unhoused or in perilous housing situations (such as living with extended family members). One challenge for the 2025 Annual Action Plan is that the official Point in Time Count has not yet been released for 2025. A preliminary report on the Point in Time Count indicated that there are a total of 507 homeless persons in Northwest Arkansas, 259 of whom are unsheltered. This is a large increase from the Point in Time Count data from 2024, which reported 412 people experiencing homelessness. In addition to the preliminary Point in Time Count data, estimations on the number of homeless individuals have come from meeting with Bentonville Schools, which

monitors the number of homeless students, conversations with Board Members of the NWA Continuum of Care, and the Executive Director of the NWA Continuum of Care.

This consultation with the NWA Continuum of Care included discussions of how the City of Bentonville might partner with organizations addressing the needs of the homeless and what use CDBG funds might serve in the community through partnership with the NWA Continuum of Care or other organizations meeting the needs of the homeless community.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The City receives no ESG funds, but in the meeting with the Executive Director for the NWA Continuum of Care, a potential future partnership was discussed for the use of ESG funds to provide emergency rental support funding.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Northwest Arkansas Continuum of Care
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator met with the Executive Director of the NWA Continuum of Care to discuss the needs of chronically homeless populations such as veterans and the disabled. One area that the Executive Director has noticed increasing over the past year is the number of people who are newly homeless. The greatest increase in these numbers comes from elderly individuals and youth (ages 18-24). The issue of wage stagnation in the area was also discussed; while the median household income in the Fayetteville-Springdale-Rogers Metropolitan Statistical Area has increased to over \$100,000 in 2025, the Executive Director notes that individuals in lower income jobs are not seeing an increase in their wages, leading to the housing crisis that has been observed both by the NWA Continuum of Care as well as other community partners in Bentonville.</p> <p>This consultation with the NWA Continuum of Care included discussions of how the City of Bentonville might partner with organizations addressing the needs of the homeless and what use CDBG funds might serve in the community. The anticipated outcome of these meetings is the further advocacy for homeless populations in Bentonville, the importance of emergency shelter and transitional housing, and how Bentonville might provide CDBG funding for public services having to do with these high-risk populations.</p>

2	<b>Agency/Group/Organization</b>	BOYS AND GIRLS CLUB OF BENTON COUNTY
	<b>Agency/Group/Organization Type</b>	Services-Children Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The Boys and Girls Club of Benton County was consulted throughout the creation of the 2025 Annual Action Plan, as the organization is one of the City's subrecipients for the 2023 and 2024 program years. The CDBG Administrator reached out specifically regarding community needs that the BGC has seen, how Bentonville might address those needs and support the work of the BGC, and what challenges the BGC has faced as an organization. The feedback provided indicated that one of the primary issues was inflation, as many families enrolled in the BGC program have struggled to pay for all their associated costs of living, including food and childcare. Another issue seen by the BGC is the gap between opportunities that low-income families have in regard to educational assistance like tutoring, prep for exams and field trips. The last main issue identified was early childhood education; services at the BGC start at six years of age but before that age range there are not many resources in the area in spite of how vital early childhood education is in determining educational and health outcomes. Anticipated outcomes of this consultation are a renewed investment in the BGC program to try and alleviate the costs of childcare for families struggling with increased costs of living and more long-term program investment in early childhood education. In the future, the CDBG program could facilitate connections between different community organizations so that families in need can be better referred to resources. While funding for the 2025 program year is limited by the public services cap, the City will consider facilitating more public hearings where multiple community partners can come together.</p>

3	<b>Agency/Group/Organization</b>	HELEN WALTON CHILDREN'S ENRICHMENT CENTER
	<b>Agency/Group/Organization Type</b>	Services-Children
	<b>What section of the Plan was addressed by Consultation?</b>	Market Analysis Childcare
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator worked closely with the HWC through the development of the 2025 Annual Action Plan, as the HWC was a subrecipient for the 2023 and 2024 program years. The CDBG Administrator met specifically with the Director of Development to consult on community needs and priorities identified for the City of Bentonville as a whole and for HWC program participants. The feedback received was that a primary concern is the cost-of-living increases. The HWC serves families in need of transitional housing, offering tuition assistance for these families on a stepped scale so that those in need can access resources and build stability without losing supportive structures. It was discussed that the high price of housing was leading to more instability than before, including increased need for families at the federal poverty level to access housing programs. Increases in overall cost of living have also caused families at the HWC to request more support through their tuition program and seen an increase in use of the other support programs such as the HWC food pantry.</p> <p>It was not only the program participants that struggled in Bentonville's housing market, but also workers at the HWC that are being excluded from the city, moving further and further away from their work. The HWC expressed concern that they would face staff shortages due to the exclusionary housing market. Another need identified was more education in the community about available resources so that families in need could contact the HWC in times of crisis. An expected outcome of this consultation is investigating opportunities for community partners to come together to refer more households to the correct resources for their particular needs.</p>

4	<b>Agency/Group/Organization</b>	HAVENWOOD, INC.
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services - Victims
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Families with children Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The CDBG Administrator met with the Executive Director of Havenwood to discuss needs in the community and how CDBG funds might help community or organizational needs. The first topic of conversation was about the importance of affordable housing, as for Havenwood program participants (single mothers fleeing abuse or unstable living situations) the entry into unsupported living after graduation from the program was difficult as there was an affordability cliff within Bentonville that made attaining housing difficult. The need for some type of access to lower income residents to housing - rental or home ownership - was emphasized in that it was leading to program participants having to leave the area, including leaving jobs they attained while at Havenwood. Another aspect of community needs discussed was the difficulty in grant application and management for small nonprofits such as Havenwood, who may not have dedicated staff to grant management and reporting requirements, placing a large burden of bureaucracy on the reception of federal or state funds. It was also mentioned that this is a barrier for any program members trying to access public services, as they may have limited experience in navigating an application-heavy system. One final priority identified was the need for more mental health and abuse education in the community with private and public partners.

5	<b>Agency/Group/Organization</b>	Bentonville Schools
	<b>Agency/Group/Organization Type</b>	Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Families with children
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator spoke with the Director of Federal Programs for the Bentonville Schools regarding community needs and the number of homeless youths in the school district. The Director provided the number of homeless children that the school district had recorded and spoke about the needs that children had for stable housing. The Director also spoke about the difference in classification between HUD and the school district on what qualified a child as homeless, explaining that the larger numbers reported by the schools were in part due to the schools counting doubled-up households and those in hotels as part of their homeless numbers. During this meeting, the need for affordable housing was a top priority, with housing and rental costs increasing and driving more people into at-risk housing situations or out of the Bentonville community. The Director did mention that there were programs in place for aiding families with food insecurity, but that housing stability was a concern for student families as well as school employees.</p> <p>Other needs discussed are the pressing need for mental health support in the community, particularly for students and children who do not qualify for the AR Kids program. While there is a general shortage of mental health professionals in the area, there are also high costs of accessing care.</p> <p>Outcomes of this consultation include renewed focus on the need to partner with local organizations addressing homelessness that may not qualify for aid under the Continuum of Care guidelines for assistance. Another projected outcome is advocacy for more mental health support in Bentonville schools and in partner community organizations.</p>

6	<b>Agency/Group/Organization</b>	Micah 6:8 Initiative
	<b>Agency/Group/Organization Type</b>	Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator met with the Executive Director of the Micah 6:8 Initiative regarding community needs and the needs of the homeless population of Bentonville. The conversation centered on the need for homeless populations to have constructive uses of their time during the day, due to shelter limitations on when people could be in residence and how that might intersect poorly with job requirements. The Director spoke at length about the challenges in employment that homeless residents of Bentonville face while trying to attain stable housing, and the difficulties associated with shelter life (such as wait lists, stability, and hours of operation).</p> <p>Transportation was also identified as a high need, particularly public transportation options that could access areas in multiple cities, rather than being restricted to city limits. In a region such as Northwest Arkansas, low-income individuals may need to access community resources and support between cities (particularly between Bentonville and Rogers), and currently the most accessible option (Ozark Regional Transit) drops individuals at the Northwest Arkansas Community College if they are traveling between cities, creating long travel times and difficulty accessing supports.</p> <p>An anticipated outcome of this consultation is advocacy for the development of accessible regional transportation solutions, both within Bentonville and with neighboring cities.</p>



7	<b>Agency/Group/Organization</b>	Helping Hands
	<b>Agency/Group/Organization Type</b>	Services Regional Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator met with the Executive Director of Helping Hands to discuss community needs, both those which are long-standing and those that have escalated in importance over the past calendar year.</p> <p>In that meeting, the rising cost of housing was identified as the major cause of the cost-of-living crisis that residents of Bentonville are facing. Despite the development of more homes and residential areas, very few of them are accessible to lower income individuals, and for those who are housed, rent increases can require them to move outside of city limits, where costs may be cheaper.</p> <p>In addition to direct housing costs, the Executive Director also indicated that increases in utility prices have impacted both renters and homeowners and applied economic pressure to low-income residents.</p> <p>An anticipated outcome of this consultation is the continued advocacy for affordable housing solutions for the City of Bentonville and the adoption of policies that allow for both affordable new development and support current residents to remain in place.</p>
8	<b>Agency/Group/Organization</b>	For the Love NWA
	<b>Agency/Group/Organization Type</b>	Services Regional Organization

<b>What section of the Plan was addressed by Consultation?</b>	Market Analysis Community Needs
<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	<p>The CDBG Administrator spoke with the Executive Director of For the Love NWA, a nonprofit that exists to provide food to those in need, build community, and fight poverty. The most pressing needs identified in this conversation were the existence of food insecurity across multiple income levels, not only those considered traditionally impoverished, and how the rising cost of housing in Bentonville is exacerbating nation-wide cost of living problems being faced by LMI individuals.</p> <p>Other community difficulties identified in the consultation with For the Love were the barrier to information that many people who are newly in need of assistance face. When in crises, people may not be in the position to try to connect to many resources and groups that are dispersed throughout Bentonville and the region and can struggle with accessing support systems that are in place because there is no one central directory that people can use while in need. The other barrier to accessing supportive services is transportation, as some people and families in need cannot find reliable transportation within cities or between them.</p> <p>An anticipated outcome of this conversation is the emphasis on transportation system advocacy with local governments, both the City of Bentonville and our regional partners, to advance a focus on accessible transportation development.</p>

9	<b>Agency/Group/Organization</b>	Habitat for Humanity NWA
	<b>Agency/Group/Organization Type</b>	Services – Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment Market Assessment

<p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>The CDBG Administrator met with the Executive Director of Habitat for Humanity of Northwest Arkansas to discuss community needs and any difficulties that the organization has had in serving LMI individuals in Bentonville. In the consultation, housing needs were discussed as a main priority, as well as the effects of public transportation gaps in allowing LMI individuals to access work, school, and resources. One aspect of housing difficulty that Habitat for Humanity of NWA identified was the lack of flexibility in HUD guidelines that limit areas of potential housing development by Habitat for Humanity, particularly in areas such as maximum purchase price and market value. In a city such as Bentonville, where housing prices have continued to escalate at 16% year over year, program adjustments such as exemption status for high cost of living areas would allow more LMI individuals to access housing support.</p> <p>An additional aspect of community need discussed was the need for greater financial education and literacy among the population, particularly in those hoping to acquire housing.</p> <p>An anticipated outcome of this consultation is the advocacy to HUD for more program flexibility, and discussion with other community partners on educational opportunity development.</p>
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**Identify any Agency Types not consulted and provide rationale for not consulting**

No agencies were knowingly excluded from consultation.

### Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Northwest Arkansas Continuum of Care	The top priority of the Continuum of Care's plan is the prevention of homelessness and the service of homeless persons and households. This aligns with the City's strategic plan which includes homelessness services and the prioritization of housing access and stability.
Bentonville Community Plan	City of Bentonville	The Bentonville Community Plan is the official comprehensive plan for the City of Bentonville. The Plan serves as a roadmap for the community as it grows and changes over time. Identified in the Plan are key areas of focus for growth and development over the next 10 to 20 years. The City's CDBG Strategic Plan overlaps with the Community Plan by laying out investment strategies for low-moderate-income residents to ensure that they are not overlooked as the Community Plan is developed and carried out.

**Table 3 – Other local / regional / federal planning efforts**

### Narrative (optional)

## **AP-12 Participation – 91.105, 91.200(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal setting**

The City of Bentonville has a Citizen Participation Plan that details the public involvement process. The CPP is available online at [bentonvillear.com](http://bentonvillear.com) and encourages review and public input as a continuous process.

The City uses many individuals and agencies in the development of the Annual Action Plan. Resident participation starts with the development of the plan. All input received helps the City analyze and measure to determine housing, facility, and service needs with an emphasis on low- and moderate-income residents, the elderly, disabled, and homelessness. Then the resources that the City has are considered, as well as the programs and resources that community partners have that may help them to meet the needs discussed.

For the 2025 Annual Action Plan, there was an initial public hearing held on February 12 to discuss upcoming community priorities. Public notice was published in the local newspaper and online 15 days ahead of the meeting and notice was sent to community partners asking them to direct any interested members or beneficiaries to the meeting. A second meeting on the 2025 Annual Action Plan was held on June 4, following the release of Bentonville's HUD allocation and the adoption of the Substantial Amendment to the 2023-2027 Consolidated Plan. At the second meeting, a comment was submitted that there were unmet needs in the community, particularly in areas of affordable housing and community service support. A question was asked about potentially alleviating rising utility costs through CDBG funds, and the CDBG Administrator provided context that as the proposed utility vouchers would direct CDBG funds toward the city, the suggested project was ineligible.

The third public hearing will be held during the 30-day public comment period after the publication of the 2025 Annual Action Plan.

### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Residents of Bentonville	No response	No response	No response	
2	Public Meeting 1	Bentonville Residents	No response	No response	No response	

3	Public Meeting 2	Bentonville Residents	Three attendees	One comment submitted asking about community needs for housing and health support, specifically rental assistance, one question received about a potential voucher program for utility costs.	<p>Two comments were not accepted.</p> <p>The suggestion for a voucher program with CDBG funds alleviating utility costs was not accepted, as it would be ineligible to use CDBG funds to generate revenue for the city.</p> <p>The other comment not accepted was the suggestion for a direct rental assistance program, as direct tenant-based rental assistance is possible through CDBG-CV and in partnership with Housing Choice Vouchers. As Bentonville does not have a Public Housing Authority, this project</p>	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
					suggestion was ineligible.	

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c) (1,2)

#### Introduction

The primary source of funding for the CDBG program comes from HUD, with allocation amounts made available annually. Other sources of funding can include program income from the City's CDBG projects, unallocated funds from prior program years, or additional private, state and local funds. For the City of Bentonville, all CDBG resources are those that are made available through the HUD allocation or program income and unallocated yearly funds, if applicable. In preparing the 2025 Annual Action Plan, the City took into consideration how to best utilize the resources available.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	296,575	0	0	296,575	593,150	Expected remainder of ConPlan calculated by multiplying the 2205 allocation by the two years remaining in the grant period.

**Table 5 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

No additional resources are available; the 2025 annual allocation is the only funding source for the 2025 program year.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

No publicly owned land or property is available for use in this plan.

### **Discussion**

All funding for the 2025 program year comes from the annual allocation from HUD. There are no additional resources from previous years, nor are there funds available from private, state or local funds. Subrecipients may have additional funding sources available to them to contribute to individual projects, but those funds are not available to the City.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Facilities and Improvements	2023	2027	Public Facilities and Improvements	Census Tract Block Group 205.04	Low-Moderate Income Area Benefit, suitable living environment, public infrastructure, quality of life	CDBG: \$243,255	Successful continuation and initiation of public service improvement projects, contractor agreements for labor or professional services, completion of planning services for any multi-year projects.
2	Public Services	2023	2027	Public Services	City of Bentonville	Public Services	CDBG: \$43,320	Public service activities will be measured by a goal outcome of the number of people benefiting from Public Services funded by the City.
3	Administration	2023	2027	Administration	City of Bentonville	Administration	CDBG: \$10,000	Oversight of the CDBG program, successful advertising and promotion, and retention of professional services on an as-needed basis for program performance.

Table 6 – Goals Summary

## Goal Descriptions

1	<b>Goal Name</b>	Public Facilities and Improvements
	<b>Goal Description</b>	<p>Funding will be used for public facilities, infrastructure, and public improvements in low-moderate income areas within Bentonville.</p> <p>Projects will focus on creating a suitable living environment for residents of these target areas through the installation of public improvements such as sidewalks, tree planting, street improvements, and quality of life improvements such as parking facilities and parks. This is not an exhaustive list and only serves as examples of the types of projects that may be completed with CDBG funds under this goal.</p> <p>Outcome indicators will come in the form of the percentage of completion for any public improvement projects initiated in this program year.</p> <p>The public facilities and improvements projects will be administrated by the CDBG staff in the City's Planning Department, with collaboration with other city departments and contracted professional and labor services.</p>

<b>2</b>	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	<p>Public services remain a core component of Bentonville's five-year Consolidated Plan, and the 2025 Annual Action Plan reflects that commitment. The City will partner with local organizations to provide direct services to the public ranging from homeless outreach to childcare. Specifically, the public service goals include:</p> <p>Childcare - Provided by collaboration with the Benton County Boys and Girls Club, the Helen R Walton Children's Enrichment Center, and the Sunshine School CDBG funds will go toward offsetting program costs and scholarships for children and families in need, providing cost-free transportation to low-income children with disabilities or developments delays.</p> <p>Mental Health support – Provided by the Sheep Dog Impact Assistance organization, CDBG funds will be used to support the holiday meals program to provide low-income veterans and first responders with free food as well as information and resources on mental health needs and services, focusing particularly on PTSD and depression.</p> <p>Homeless Services - Partnering with the NWA Continuum of Care, CDBG funds will go toward homelessness outreach, resource coordination, emergency supplies, transitional housing support, and community educational services.</p>
<b>3</b>	<b>Goal Name</b>	Administration
	<b>Goal Description</b>	<p>Funding will be used to cover costs associated with administering the Community Development Block Grant Program. These costs include supplies, training, educational/promotional materials about the program, as well as advertisements required in the newspaper. Administration funds will be used to retain professional services including but not limited to environmental review consultants and the retention of an environmental review officer, program consultation and planning services.</p>

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The City of Bentonville makes funding allocation decisions based on subrecipient applications, available resources, priority goals and community needs identified during the 2025 Annual Action Plan development process. All the projects the City will conduct will benefit low-moderate-income residents of Bentonville. All projects are contingent on the receipt of CDBG funds for the 2025 Program Year.

#### Projects

#	Project Name
1	Public Improvements – Sidewalk Project
2	2025 Boys and Girls Club of Benton County
3	2025 Continuum of Care
4	2025 Helen Walton Children’s Enrichment Center
5	2025 Sheep Dog Impact Assistance
6	2025 Sunshine School
7	2025 Administration

**Table 7 - Project Information**

#### **Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

The top priorities funded by the 2025 Annual Action plan are public improvements, public service childcare programs, and public service homelessness programs.

These priorities were selected from the priority goals expressed in the 2023 Consolidated Plan substantial amendment approved in May 2025 and in the consultation process for the 2025 Annual Action Plan. The public improvements goal and sidewalk installation project are part of a multi-year project initiated in the 2023 Consolidated Plan and Annual Action Plan.

Public services were another long-term goal of the City, and the projects included in the 2025 Annual Action Plan reflect that. Public services in this plan can be roughly broken down into two categories: those addressing childcare needs and tuition, and those helping the homeless population of Bentonville. Out of low- moderate-income clientele of the CDBG program, children and the homeless are two categories of vulnerable persons. Rising costs of childcare in the region are apparent in Bentonville, and a lack of affordable childcare impacts the learning and growth opportunities for children but also places economic hardship on the families who need these programs to allow parents to work and flexibility in their schedules. Supporting tuition for childcare activities benefits whole families, particularly those in



precarious situations financially. The projects targeting the needs of Bentonville's homeless population are vital because they serve some of the most vulnerable populations within city limits. Connecting homeless persons to immediate resources in addition to providing support for job training and education performs a two-pronged approach to serving the needs of the homeless: addressing current needs and providing a route to a more stable future and hopefully rehousing them.

The largest obstacle in funding these projects is the limits on public service spending. In Bentonville, a higher cap on public service spending would allow more money to go to programs working directly with high needs populations that have active projects embedded in the community. If there were to be a higher public services cap, more money could go directly to benefiting low-income children and the homeless with our current partners or open up opportunities for more community organizations to partner with the city. Currently, applications for public service programs mean that the pool of funding available is lessened with every new project the city funds.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Public Improvements – Sidewalk Project
	<b>Target Area</b>	Census Tract Block Group 2 205.04
	<b>Goals Supported</b>	Public Facilities and Improvements
	<b>Needs Addressed</b>	Suitable Living Environment and Public Improvements
	<b>Funding</b>	\$243,255
	<b>Description</b>	Funds will be used to pay for the first phase of a sidewalk installation project in a low-moderate income target area, Census Block Tact Group 205.04. The site chosen for the sidewalk project is along the lower portion of SE C Street, connecting two blocks of a residential neighborhood and providing a safe walkway to all residents of the target area who travel through this neighborhood.
	<b>Target Date</b>	Funds will be used for the purchase of materials, labor, and professional planning and engineering services.
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	According to the LMI Block Group ACS Data, in Census Tract 205.04 there are 1,495 LMI residents. These residents may be distributed in different concentrations between households, but presuming a five-person per household trend, the planned sidewalk installation project would benefit 299 households.
	<b>Location Description</b>	The Census Tract 205.04 (geographic priority area one) is a primarily residential area bordering Bentonville's downtown.

	<b>Planned Activities</b>	<p>Planning and engineering costs for the project.</p> <p>Utility adjustments (water, sewer, and electric).</p> <p>Acquiring project materials (concrete pipe, precast junction boxes, road overlay and more).</p> <p>Installation of delineation and barriers for pedestrian and bike safety.</p> <p>Installation of a crosswalk.</p> <p>Ramp improvements at 14<sup>th</sup> Street, a major city roadway.</p>
<b>2</b>	<b>Project Name</b>	2025 Boys and Girls Club
	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	This project will provide scholarships for youth in low-to-moderate-income families living in Bentonville who need access to affordable, quality afterschool/summer programming.
	<b>Target Date</b>	6/1/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	20 individuals from low-to-moderate-income households.
	<b>Location Description</b>	2801 Walker Street Bentonville, AR 72712 is the address of Boys and Girls Club of Benton County (Bentonville Unit). Addresses of the families are not known at this time.
	<b>Planned Activities</b>	<p>Funding low-income scholarships for children and youth enrolled in the Boys and Girls Club of Benton County.</p> <p>These scholarships provide afterschool and summer care, enabling personal development, learning, and workforce flexibility for their households.</p>
<b>3</b>	<b>Project Name</b>	2025 Continuum of Care
	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Public Services

<b>Needs Addressed</b>	Public Services
<b>Funding</b>	CDBG: \$8,320
<b>Description</b>	<p>The NWA Continuum of Care will contract with Diva &amp; Dudes to do community outreach for this grant. When utilizing these funds, the outreach will focus on the individuals/families who are experiencing homelessness within the city limits of Bentonville. Outreach staff will connect with individuals through word of mouth, identification through area partners including the Salvation Army &amp; the Bentonville Police Department. Staff will connect in person or via the phone (if a number is given), fill out an intake to determine income (zero) and homelessness status. Outreach will also determine immediate needs and assist people in getting into some type of emergency shelter. Resources will be connected. Outreach will also complete the assessment to get individuals on the By-Name list and to connect them with coordinated entry for potential housing opportunities.</p> <p>Funding will also be paid for administrative expenses for Continuum of Care staff, which will be included in the 20% administrative cap calculation.</p>
<b>Target Date</b>	6/1/2026
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	75 Homeless individuals
<b>Location Description</b>	The outreach project will take cross across the city of Bentonville, to try and perform outreach to the highest number of eligible individuals.

	<b>Planned Activities</b>	Outreach staff will connect with individuals through word of mouth, identification through area partners including the Salvation Army & the Bentonville Police Department. Staff will connect in person or via the phone (if a number is given), fill out an intake to determine income (zero) and homelessness status. Outreach will also determine immediate needs and assist people in getting into some type of emergency shelter. Resources will be connected. Outreach will also complete the assessment to get individuals on the By-Name list and to connect them with coordinated entry for potential housing opportunities.
4	<b>Project Name</b>	2025 Helen Walton Children's Enrichment Center
	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	CDBG funding will allow Helen R. Walton Children Enrichment Center to provide accessible high-quality early childhood education, access to therapy, case management, and support services to mobilize the family to move out of poverty, creating a foundation for multi-generational change by impacting both the parent (or grandparent/guardian) and the young child.
	<b>Target Date</b>	6/1/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated four children will be recipients of tuition assistance.
	<b>Location Description</b>	309 NE J Street Bentonville, AR 72712 is the address of Helen R. Walton Children's Enrichment Center. Addresses of the families are not known at this time.
	<b>Planned Activities</b>	Funding the Helen Walton Children's Enrichment Center scholarships for low-income children, to aid in early childhood education, childcare for low-income residents and access to Helen Walton Children's Enrichment Center programs and activities.
	<b>Project Name</b>	2025 Sheep Dog Impact Assistance

5	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	\$5,000
	<b>Description</b>	Funding will support SDIA's holiday assistance program, where meals and gifts are combined with mental health resources and delivered as a support system to low-income veterans, military personnel, and first responders. CDBG funds will be used to support this program for Bentonville residents. CDBG funds will be used in collaboration with funding from other resources to provide for meals and meal distribution. The cost of the project total is estimated at \$41,000.
	<b>Target Date</b>	12/31/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	50 recipients from low to moderate income backgrounds, who are also veterans, military members, or first responders.
	<b>Location Description</b>	The project will take place across Bentonville, as it is a food delivery program.
	<b>Planned Activities</b>	Food and meal distribution.
6	<b>Project Name</b>	2025 Sunshine School
	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	\$10,000
	<b>Description</b>	This project will provide free transportation services to disabled children, allowing them to access resources, services, and medical care. The CDBG funding from Bentonville will be applied to vehicle maintenance and fuel costs.
	<b>Target Date</b>	6/1/2026

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	70 recipients, who will be children aged six weeks to six years of age who have disabilities or developmental delays.
	<b>Location Description</b>	Project will serve families across Bentonville.
	<b>Planned Activities</b>	Vehicle maintenance and fuel costs for transportation services.
7	<b>Project Name</b>	Administration
	<b>Target Area</b>	City of Bentonville
	<b>Goals Supported</b>	Administration
	<b>Needs Addressed</b>	Administration
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	Administrative costs associated with delivering Bentonville's CDBG program.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	No families will receive benefits from the Administration project, but all CDBG recipients will benefit from a well-run program.
	<b>Location Description</b>	City Hall, where the CDBG Administrator has an office, located at 305 SW A St, Bentonville, AR 72712
	<b>Planned Activities</b>	<p>The Administration project funding will be used to pay for marketing/promotional materials about each program/project being funded, display ads for future Action Plans, CAPER, and Consolidated Plans. It will also cover any membership fees, training fees, or operational costs associated with the CDBG Program.</p> <p>Administration funds will be used to retain professional services including but not limited to environmental review consultants and the retention of an environmental review officer, program consultation and planning services, such as the preparation for future Consolidated Plans, and eligible planning and administrative activities.</p>

## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The City of Bentonville is part of one of the fastest growing regions in America, Northwest Arkansas. Northwest Arkansas is home to three Fortune 500 companies: Walmart, Tyson Foods, and JB Hunt Trucking. It is also home to the University of Arkansas, a recognized research institution of academic excellence. Beaver Lake provides swimming, boating, kayaking/canoeing, fishing, water sports, and hunting amenities with 487 miles of shoreline. Northwest Arkansas is also home to the Ozark Mountains and is becoming a global destination for bike riding.

The City has a well-developed community, expanding employment opportunities, supporting new and existing businesses, and enhancing neighborhood vitality, however, providing affordable housing is still a major need for Bentonville across the city.

While census data revealed tracts with low-income residents, as an exception entitlement city the concentration of low-income residents was low overall. For this reason, it was decided that projects addressing the needs of low-income residents across the city as a whole would serve more households, while remaining open to residents in lower income areas as well.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
City of Bentonville	100

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The rationale for the priorities for allocating investments geographically is to meet the primary objective of the CDBG Program which is to benefit low-income and moderate-income residents per the Department of Urban and Housing Development's (HUD) standards. All activities funded will primarily benefit low- and moderate-income persons or household as a direct service or public improvements such as infrastructure and street improvements, creating a suitable living environment and increasing resident safety and quality of life.

Due to the nature of public improvement costs, the City's CDBG allocation is primarily targeted to Census Tract Block Group 205.04. This is due to project costs and funding limitations to undertake multiple public improvement projects across the city simultaneously. In future years, other geographic priorities will be considered in alignment with the geographic needs assessment made in the Consolidated Plan.

Funds allocated to the City of Bentonville as a whole are public service funds (capped at 15%) and



administrative funds (capped at 20%).

### **Discussion**

The City of Bentonville will allocate all funding not used for administrative expenses to our low- and moderate-income residents.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

Through the City's consultation and outreach process for PY2025, affordable housing was regularly identified as a top community need. There are many residents who are being pushed out of Bentonville by high housing and rental costs, which impacts persons across the low- moderate-income spectrum. The need for affordable housing was discussed as being equally important to our very low-income residents, such as the homeless and at-risk population as moderate earners such as teachers, public servants and service industry workers.

The challenges faced by Bentonville are not unique among Northwest Arkansas but may be more distilled here than in other cities due to the quick rate of economic and population growth, which increases housing demand at a rapid rate. This rate of growth has decreased the number of houses available to low- and moderate-income households, driving housing prices for even modest homes to highly competitive figures. One challenge identified during the consultation period was that housing rehabilitation projects are more difficult to carry out as market forces incentivize lower income households to sell their properties rather than rehabilitate and remain in residence in their homes.

Solutions for the affordable housing need that can be addressed by CDBG funds include alleviating other costs for households through public services, such as childcare program support.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	0

**Table 10 - One Year Goals for Affordable Housing by Support Type**

## **Discussion**

The City continues to work on zoning reforms and incentives to provide an easier process to get more units built. However, it is difficult to control the affordability of those built. The City will use Community Development Block Grant (CDBG) to support those agencies that help keep our low-income residents in structurally sound homes that are warm, safe, and dry.

For the needs of homeless persons, Bentonville is partnering with the NWA Continuum of Care which provides resources for housing access to persons and households without homes or in perilous housing circumstances, such as couch surfing. The restriction on CDBG public services limits the amount of financial support the City of Bentonville is able to offer the NWA Continuum of Care.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

There are no public housing facilities or a public housing office in the city limits of Bentonville. The City does not have current plans of seeking public housing within the jurisdiction.

A Community Development Corporation (CDC) is located within Bentonville. The CDC focuses on the HOME program and focuses on senior housing within the area. The CDC was formed in 1991 by the Bentonville / Bella Vista Chamber of Commerce. The City and the CDC are two separate entities, although the City is supportive of the work done by the CDC and of its mission.

### **Actions planned during the next year to address the needs of public housing**

Bentonville will support organizations serving the needs of the low- and moderate-income households within the city, including services such as childcare support, support for job training for the homeless to exit shelters into transitional housing and homelessness outreach to connect that population with needed resources.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Bentonville will perform community outreach educating residents on the importance of homeownership and the resources available to them, such as community programs that support home ownership such as the CDC located in Bentonville.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

There is no PHA in Bentonville.

### **Discussion**

While there is not a Public Housing Authority and the city does not currently plan on developing one, Bentonville will leverage CDBG funds to support the development of quality living environments and to connect residents to community resources that may benefit them.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City of Bentonville continues its partnership with the Northwest Arkansas Continuum of Care to address the needs of the homeless. The NWA Continuum of Care includes a Board of Directors from multiple backgrounds from social workers to local developers all seeking to end homelessness and assist at-risk and unhoused persons in Northwest Arkansas. The NWA Continuum of Care conducted the last Point in Time count in January 2025. While official data has not yet been released, preliminary numbers indicate that there are 507 people experiencing homelessness in Northwest Arkansas, including 259 who are unsheltered. This is a large increase from the figures released from the 2024 Point in Time Count, which listed the number of homeless persons at 412. This headcount provides specific information regarding the various services and programs, a listing of the number of beds available, and the number, reasons and costs involved in housing the homeless as well as placement of the homeless. Specific subpopulations targeted include individuals and families who are chronically homeless, individuals and families at risk of homelessness, veterans and their families, individuals and families who are experiencing domestic violence, individuals living with HIV/AIDS and unaccompanied youth 18 through 24 years old.

There are several organizations in this area that serve families or persons who are homeless or at risk of becoming homeless, two of which include the Bentonville School District which collects numbers on students experiencing homelessness. The rate of homeless students is higher than the figures included in the Point in Time Count because it includes individuals who are at-risk, such as in hotels or couch surfing, rather than just those who are street or shelter based. The City consulted with the Bentonville School District homelessness representative while constructing the 2025 Annual Action Plan to learn what the most pressing issues facing this population were.

Another organization the City consulted was the Micah Initiative, which works with the local Salvation Army shelter to provide education and training services to Bentonville's homeless population. This work seeks to lift individuals from street and shelter-based housing into transitional and then full-time housing.

Currently, the Continuum of Care provides emergency shelters, transitional shelters and safe havens in Northwest Arkansas to meet the needs of our homeless. The Continuum of Care provides leadership, coordination, planning, and mobilization of resources to make homelessness rare, brief and nonrecurring in Northwest Arkansas. They will provide homelessness prevention and diversion, emergency, transitional and rapid rehousing, permanent supportive housing, case management, supportive services, and emergency response. The Continuum of Care has adopted a Coordinated Entry and Assessment-Based Housing Referral System that will maximize the housing resources by matching people to housing based on needs. They will continue to locate and engage individuals living on the

streets and encourage them to accept services, treatment, and housing.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

One continuing program for the City's CDBG program is outreach to homeless persons, particularly unsheltered ones, and connecting them with resources and housing. This project is carried out in partnership with the NWA Continuum of Care as a subrecipient and acts as an on-the-ground effort to contact homeless persons and learn about their needs, collect information regarding their individual situation including causes of homelessness and potential health issues, and provide them with immediate supplies as well as long-term support resources.

**Addressing the emergency shelter and transitional housing needs of homeless persons**

There is continued need for emergency shelter and transitional housing support within Bentonville. The City does not receive emergency shelter grants, but the importance of aid to persons who are either unhoused or are in at-risk housing situations is clear. One goal of the City's partnership with the NWA Continuum of Care is to more completely understand and address the needs of homeless persons in the City's community.

For the 2025 Annual Action Plan, the NWA Continuum of Care continues to be a main partner in addressing homelessness, including those in need of emergency shelter. As a main regional force to help unhoused persons, the NWA Continuum of Care has applied for CDBG funds for needs assessments.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City of Bentonville does not have the expertise or staff support to fully address the needs of the homeless, which is why through the CDBG program the City will partner with local organizations who have the resources and experience to best help those in need. One critical way the City could better support organizations is to have more access to public services funding beyond the 15% cap.

In addition to financially supporting the organizations directly meeting the needs of the homeless, the City has a commitment to remaining informed on current data and homelessness issues such as

participating in the NWA Continuum of Care meetings, analyzing the Point in Time Count data, and engaging the Bentonville School District on their homelessness count for students and families who may not yet meet HUD's definition of homeless.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City is aware of how vital support structures are for at-risk individuals, particularly those discharged from service institutions or correctional facilities. Lacking a dedicated public service department for those needs, the City of Bentonville will continue to support the work of service organizations such as the Continuum of Care and the Micah Initiative that provide regional resource coordination and support for training and education. In the process of creating the 2025 Annual Action Plan and in carrying out the workplan laid out in the 2023-2027 Consolidated Plan, the City has remained supportive of its partner organizations and has tried to consider their needs while creating its yearly goals.

## **Discussion**

The City has partnered with many organizations seeking to address homelessness or those in transitional housing.

Chief among those organizations is the NWA Continuum of Care, the primary agency for addressing the needs of homeless populations. The mission of the Continuum of Care is to coordinate resources to build a collaborative system that addresses core issues of homelessness and poverty. The NWA Continuum of Care is designed to help individuals (including unaccompanied youth) and connect them with services that such persons need to move into transitional and permanent housing, with the eventual goal of long-term stability. Broadly, the program is designed to help communities as a whole and plan strategically regarding the needs of homeless populations and improve coordination with local organizations and nearby communities so that the programs offered by the Continuum of Care can be specific to the unique situations faced by cities such as Bentonville.

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

Barriers to affordable housing in Bentonville stem from a variety of sources, ranging from economic pressures driving low- moderate-income residents outside of city limits, lack of public investments in housing programs, lack of comprehensive public transportation systems connecting residents to job opportunities, focus on single family housing rather than multifamily units, the prevalence of housing utilized for investment rather than residency, and disparities in wealth between Bentonville's highest-earning populations and its lowest. Many of these barriers result from legislative policies, finance industry regulations and pre-existing socio-economic conditions of residents.

A particular barrier is the high rate of rental housing within Bentonville, with approximately 50% of the city's housing being comprised of renter-occupied homes. Rent prices can be volatile, reducing housing security. As an example, a market assessment by a private organization indicated that apartments priced at \$1,000 through \$1,500 make up the largest portion of the market at 49%, while those in the lowest price range of \$500 through \$700 are the lowest market share at 6%. According to this study, the average rent in Bentonville is \$1,275 per month, which means for a household to not be rent burdened (paying more than 30% monthly income in rent) that household would need to make a minimum of \$49,116 per year. At that rate, only residents with at least a moderate income would be able to afford the average rental housing.

Homeownership also faces particular challenges associated with affordability. That market study indicated that in 2025, average home prices listed in Bentonville increased past \$500,000 and are over 196% more expensive than the average home cost in Arkansas as a whole. In evaluating the housing market, the CDBG Administrator noted that many houses listed for sale were listed at much higher prices than their last recorded sale, particularly smaller and older homes located in now-competitive areas.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

In 2023 the City of Bentonville created a housing affordability workgroup to identify possible solutions to remediate barriers to affordable housing that were identified. The role of the housing work group was to conduct a review of housing needs, availability, and affordability in Bentonville by:

- a) Defining affordable housing, work force housing, and any distinctions between the two;
- b) Analyzing the cost, availability, and application requirements for affordable and work force housing, both existing and planned in the City; and
- c) Assessing the ways the City might have an effect on the availability, affordability, and application



requirements of affordable and work force housing.

Since then, the City has made regulatory and procedural changes. On April 9, 2024, the City adopted an ordinance establishing regulations that allow for cottage court developments. These have smaller lot sizes and smaller homes which help to reduce costs and streamline the development review process. On April 8, 2025, the City approved an amendment to the municipal code allowing for building permits to be issued prior to final plat approval (allowing early-builds), reducing the time and expenses of development and increasing housing supply to lower market prices. The City also approved the Future Land Use Map on February 12, 2025. During the public engagement period for the Future Land Use Map, feedback revealed affordable housing as a high priority. The Future Land Use Map plan includes several new land use categories that allow for higher density and mixed uses which will help to increase the variety and amount of housing supply.

**Discussion:**

Much work remains to be done, but it is clear that the path to affordable housing will come from a collaboration between city government, community advocacy organizations, private partners and civic input.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

Using the identified priorities determined within the 2023-27 Consolidated Plan and the 2025 Annual Action Plan, strategies will be implemented to meet underserved needs, reduce the cost burden placed on low- moderate-income residents, and enhance coordination between public and private organizations dedicated to serving low- moderate-income residents. The City will partner with other city agencies, regional and state agencies, fair housing advocates, service providers, lender, funders, and investors as needs for the CDBG program and the Bentonville community become apparent.

### **Actions planned to address obstacles to meeting underserved needs**

The largest obstacle to meeting underserved needs is the 15% cap on public services. Bentonville is an exception city, meaning that the distribution of its low- and moderate-income populations is not as concentrated as other municipalities. Even data from the last census cannot fully represent the rate at which Bentonville continues to grow, and high rates of housing turnover reduce the concentration of low- and moderate-income populations. This limits many traditional CDBG activities that rely on area-based efforts to benefit these populations, but Bentonville's growth does not mean that there is no community need for the CDBG program. Instead, the necessity of city-wide programs becomes more apparent than ever. Many such programs are already being carried out by community partners such as our subrecipients, and low- and moderate-income residents of Bentonville rely on those support systems.

The cap on public service spending reduces the efficacy of Bentonville's aid to low- and moderate-income persons and households, placing more burden on public service providers and increasing the cost burden on families attempting to access services.

Another obstacle is the shortage of renter-specific housing activities in the CDBG housing regulations. Though there are activities such as rental housing subsidies and rental income loss projects, activities directly benefiting renters are still limited in comparison to housing rehabilitation, housing modernization and home ownership projects. In a municipality that is 49% renter-occupied, traditional approaches to incentivize homeownership are less effective. The implementation of more renter-specific activities under the CDBG program as a whole would have a deeply positive impact on communities such as Bentonville.

To address these concerns, Bentonville will remain in communication with HUD providing program feedback, participating in national surveys such as the recent proposed rules change by HUD, and engage local public and private partners on what types of activities can be funded by CDBG so that

program finances are most effectively utilized.

### **Actions planned to foster and maintain affordable housing**

The City is taking action to foster new affordable rental and homeownership housing opportunities in Bentonville. The CDBG Administrator is working with the Planning Department and local public and private organizations to advocate for the development of affordable housing opportunities for the community through review process improvements and removing zoning barriers.

### **Actions planned to reduce lead-based paint hazards**

The City of Bentonville does not currently have its own housing rehabilitation program. We will work with our local organizations to ensure that any rehabilitation projects they pursue meet the State and Federal requirements, making houses lead safe.

### **Actions planned to reduce the number of poverty-level families**

Addressing the number of poverty-level families means a priority must be made to engage with low-moderate-income persons, including traditionally underserved communities such as immigrants, the elderly and those with disabilities.

Through the City's focus on public services, particularly those involving childcare, Bentonville will reduce the cost-burden families in poverty and ensure that parents can remain in the workforce. Childcare is one of the top rising costs nationally, and that is reflected in Bentonville as well. Providing support to public services conducting childcare aid means that costs are offset, and families do not have to make the choice between their children's safety and the potential of a lost income. Another area that Bentonville provides support through public services in the 2025 Annual Action Plan is its support for education and training opportunities for homeless individuals, providing them with a path out of poverty and economic improvement to become more stable in their living situations and personal circumstances.

### **Actions planned to develop institutional structure**

The City of Bentonville is the lead administrative agency for the CDBG Program. The Mayor, Finance Department, and CDBG Administrator provide fiscal and regulatory oversight of all CDBG funding sources and their federal grant. The Administrator is responsible for seeing that all reports are submitted timely. These reports include HUD 272, Federal Cash Transaction Report, HUD2516 and 2516, Contract and Subcontract Activity, HUD 471, the Semi-Annual Labor Standards Enforcement Report, and Section 3, Summary Report. The Section 3 is submitted with the Consolidated Annual Performance Review (CAPER) each year. The City of Bentonville also acts as the final authority for the appropriation of funds for Annual Action Plan activities following recommendations to the Bentonville City Council. Within each of the funding areas where the City is partnered with a nonprofit agency, all activities will

be completed and managed with those agencies involved.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

A variety of public and private agencies collaborated with while developing the City's 2025 Annual Action Plan. This involved speaking with organizations that had initially participated in the construction of the Consolidated Plan as well as seeking out new partnership opportunities. Internally, City Department Heads, the City Council, Planning Department staff and the Mayor each have the opportunity to comment on the development of the Annual Action Plan during the approval and funding process. On the whole, the importance of collaboration is clear: with limited resources to fully address the priorities that were identified in the consultation process, the City must strengthen and utilize different agencies to best serve residents in need. These partnerships must not be for a limited time while the Annual Action Plan is being developed but be part of a continual engagement process throughout the program year and for all the years to come. The goal of each year must be to build upon the framework of the years before it.

### **Discussion:**

The City of Bentonville has many needs facing its low- and moderate-income residents, from needed public services to affordable housing and childcare. The best route to serving these communities is to remain in close contact with residents and with public and private organizations dedicated to serving them. Given the limited City resources, partnerships are a core component of a successful CDBG program. Not only with subrecipients, but with a range of organizations that share a dedication to serving low- moderate-income families.

The City must also advocate federally with HUD for policy changes that account for a community that has a high percentage of renters and with such disparate low- and moderate-income populations. In an exception city such as Bentonville, the needs of lower income individuals are not lessened by their geographic distribution, if anything their needs are heightened by the disparity within the community. Bentonville must continue to advocate for whole-city solutions that can raise persons and households out of poverty and provide real opportunities for economic growth.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I) (1,2,4)

#### Introduction:

The City of Bentonville has no program income available, nor any section 108 loans.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	99.00%

For calculating the period of Overall Benefit, the three program years that will be considered are program years 2024, 2025 and 2026. The reason for selecting these years is that it provides time for the program to be initiated following the city's Substantial Amendment in the spring of 2025 and will more accurately reflect the benefit of the CDBG program over time.