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**JOHN W. FOUST**  
DRANESVILLE DISTRICT SUPERVISOR

**Board Matter**  
**Chairman McKay and Supervisor John Foust**  
**December 6, 2022**

**American Rescue Plan Act Funds and Affordable Housing**

**Mr. Chairman:** As the Board is aware, on August 2, 2022, we directed the County Executive to make a recommendation concerning committing additional funds under the State and Local Fiscal Recovery Funds component of the American Rescue Plan Act (ARPA). In a memorandum dated November 4, 2022, the County Executive subsequently recommended that the Board allocate \$15 million in additional ARPA funds for affordable housing development, for a total investment to date of \$45 million from ARPA.

As the County Executive noted in his memorandum, there is a robust current pipeline of affordable housing development projects which clearly demonstrates the need for significant capital funding in the coming years. That pipeline, in furtherance of our goal to produce 10,000 additional homes affordable at 60 percent or less of the Area Median Income (AMI), would be an effective use of the recommended one-time ARPA resources.

I also believe that we need to continue to identify opportunities to utilize other one-time funds for affordable housing development. One such potential resource is the County's General Fund Pandemic Reserve. This reserve was established soon after the onset of the pandemic to provide a resource for the County to be able to quickly respond to emerging needs. However, given the strategic and successful use of federal and state stimulus dollars, we have not needed to utilize most of this reserve. Per the County Executive's memo to the Board dated November 18, 2022, an unallocated balance of over \$21 million remains. Based on the current trajectory of the pandemic, the one-time nature of this reserve, and an existing balance remaining in the County's ARPA allocation for other priorities, I believe that this reserve may be a useful resource for affordable housing. It is also important to note that since these are local funds, these dollars would provide maximum flexibility for Housing staff as they make resourcing decisions for affordable housing development.

**Therefore, Mr. Chairman, I move** that the Board direct the County Executive to:

1. Allocate \$15 million in State and Local Fiscal Recovery Funds from the American Rescue Plan Act for affordable housing development; and
2. Evaluate the potential use of a portion of the County's General Fund Pandemic Reserve to further the Board's affordable housing goals and make a recommendation to the Board as part of the upcoming *FY 2023 Third Quarter Review* budget process.