



## Other General Government

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### ADVANCE LAND ACQUISITION REVOLVING FUND

The Advance Land Acquisition Revolving Fund (ALARF) was established to support the implementation of capital project and facility programs in the County. Acquisition of land in advance of actual construction saves money in the face of rising land prices and enables suitable locations for facilities to be secured before development eliminates choice and forces acceptance of a less accessible or desirable site. ALARF-MCG is used to purchase land for various public facilities which are either approved in the capital program or which appear in adopted area master plans.

### DEPARTMENT OF GENERAL SERVICES - ABS RETAIL STORE REFRESH

The Alcohol Beverage Services (ABS) level of effort project is intended to provide a structured process to ensure that all retail store locations are modernized and updated to provide customers with a friendlier shopping experience in well merchandised stores that offer choice, convenience, and knowledgeable staff. Further project updates will be provided in March in coordination with the County Executive's Recommended Operating Budget.

### HIGHLIGHTS

- Provides revolving funding for land purchases.
- Purchase property to provide for future space needs of currently leased space.
- Modernize and update Alcohol Beverage Services' 20 retail store locations to provide customers with a friendlier and safer shopping experience.

### CAPITAL PROGRAM REVIEW

The ALARF project totals \$12.5 million. The ABS Retail Store Refresh project totals \$15.1 million.

### PROGRAM CONTACTS

Contact Katherine Bryant Higgins of the Office of Management and Budget at 240.777.2764 for more information regarding this department's capital and operating budgets; Justine Jones of the Office of Management and Budget at 240.777.2627 for more information regarding the Alcohol Beverage Services Retail Store Refresh project; and Veronica Jaua of the Office of Management and Budget at 240.777.2782 for more information regarding the ALARF project.



# ABS Retail Store Refresh

(P852101)

Category	General Government	Date Last Modified	01/11/24
SubCategory	Other General Government	Administering Agency	Alcohol Beverage Services
Planning Area	Countywide	Status	Preliminary Design Stage

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	3,066	3,066	-	-	-	-	-	-	-	-	-
Construction	12,077	-	4,066	8,011	1,783	1,213	2,144	2,200	671	-	-
TOTAL EXPENDITURES	15,143	3,066	4,066	8,011	1,783	1,213	2,144	2,200	671	-	-

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Contributions	838	478	360	-	-	-	-	-	-	-	-
Current Revenue: Liquor	14,305	2,588	3,706	8,011	1,783	1,213	2,144	2,200	671	-	-
TOTAL FUNDING SOURCES	15,143	3,066	4,066	8,011	1,783	1,213	2,144	2,200	671	-	-

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	1,783	Year First Appropriation	FY21
Appropriation FY 26 Request	1,213	Last FY's Cost Estimate	15,143
Cumulative Appropriation	7,132		
Expenditure / Encumbrances	3,194		
Unencumbered Balance	3,938		

## PROJECT DESCRIPTION

This level of effort project is intended to provide a structured process to ensure that all Alcohol Beverage Services (ABS) retail store locations are modernized and updated to provide customers with a friendlier shopping experience in well merchandised stores that offer choice, convenience, and knowledgeable staff. Once a retail store has been refreshed, it could offer tasting rooms, growler stations, wider shopping aisles, pairing dinners, other special events, and a more aesthetically pleasing and safer shopping experience. Flooring, painting, shelving, updating restrooms, and work identified for major building systems (including the roof, mechanical/heating, ventilation, and air conditioning (HVAC), and windows) will be included to "freshen up" the retail stores and ensure working and efficient operating systems.

## ESTIMATED SCHEDULE

ABS started remodeling stores in FY20 within the operating budget, with four refurbishment projects at the Darnestown, Cabin John, Montrose, and Wheaton retail store locations. The remodel schedule will align with lease expirations with stores being remodeled in the

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year in which their lease is negotiated for renewal with the understanding that all stores will be evaluated and refurbished prior to the end of the CIP project. ABS identifies the stores to be refreshed approximately 18 months before planning and design work begins.

## PROJECT JUSTIFICATION

This project is a vital piece of ABS's Five-Year Financial Plan to increase its transfer to the County. Further, this project will give ABS the ability to leverage external funding that will eliminate the need to use debt financing or tax dollars. Many of the retail stores have not been updated for 20 years. Ensuring that ABS is able to execute its multi-year plan to renovate/upgrade its 20 outdated retail stores is key to providing better service to its clientele. This project will also allow ABS to leverage contributions from landlords who will match, and in some cases, exceed the investment ABS will make in each store remodel - an investment the landlords will not commit to without the County funding appropriation.



# ALARF: MCG

(P316222)

Category	General Government	Date Last Modified	01/12/24
SubCategory	Other General Government	Administering Agency	Management and Budget
Planning Area	Countywide	Status	Ongoing

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Land	12,532	-	12,532	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	12,532	-	12,532	-	-	-	-	-	-	-	-

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Revolving Fund: G.O. Bonds	12,532	-	12,532	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	12,532	-	12,532	-	-	-	-	-	-	-	-

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	-	Year First Appropriation	FY62
Appropriation FY 26 Request	-	Last FY's Cost Estimate	12,532
Cumulative Appropriation	12,532		
Expenditure / Encumbrances	-		
Unencumbered Balance	12,532		

## PROJECT DESCRIPTION

The Advance Land Acquisition Revolving Fund (ALARF) was established to support the implementation of capital projects and facility programs in the County. Acquisition of land in advance of actual construction saves money in the inevitability of rising land prices and enables suitable locations for libraries, fire stations, and similar facilities to be secured before development begins. By waiting for actual construction plans begin to start the acquisition process eliminates choice and forces acceptance of a less desirable and accessible site. The revolving fund works in the following way: the unencumbered revolving appropriation balance in the fund is used to purchase land for various public facilities which are either approved in the capital program or which appear in adopted area master plans. Later, the revolving fund is reimbursed by appropriations to the specific facility project accounts; then, the associated expenditures are transferred from the ALARF project to the facility project, thereby freeing up the appropriation for future expenditures. The reimbursement is desirable for accounting purposes in order to make the cost of the site clearly a part of the total cost of a specific project. Reimbursement also maintains the balance in the revolving fund. As needed, reimbursements are scheduled in the capital program. Cost estimates are not given for possible acquisitions since any estimates would be speculative. Immediately prior to initiating acquisition proceedings on any site, independent professional appraisals are prepared. When projected land costs appear to be considerably greater than anticipated, consultation with the County Council is useful. Consultation with County Council is useful in the event the County Executive proceeds with advance land acquisition in years before those are shown on project description forms.

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The cumulative appropriation is the amount of the revolving fund, as well as certain special appropriations to this project as described below. Costs shown for prior years include the land acquisition reimbursable to the fund and other charges incurred in site selection, such as appraisal, legal costs, and other required actions. Also displayed, as appropriate, are expenditures associated with special appropriations, not to be reimbursed. The nonreimbursable amounts are considered sunk costs. ALARF acquisitions are typically reimbursed by appropriations from projects with various revenue sources.

## OTHER

Expenditures to buy land using ALARF appropriations made after October 5, 1998, must be reimbursed to the revolving fund. If the County does not intend to reimburse the fund, then the land cannot be purchased from the fund's appropriation and must be purchased in a separate project. This restriction does not apply to land already purchased. To ensure that the County does not lose the opportunity to acquire sites for future projects, the Council encourages the Executive to acquire more sites and to acquire sites earlier than previously assumed. The Council also urges the County Executive to work with Maryland-National Capital Park and Planning Commission staff to review future facility needs in master plans and department strategic plans to identify sites beyond those for projects in facility planning and the current CIP for acquisition. If more sites are acquired, the existing balance may not be sufficient, and the Council encourages the Executive to recommend a supplemental appropriation if necessary.

## FISCAL NOTE

Expenditures and resources for Silver Spring ALARF (as part of the Silver Spring Redevelopment Project) previously shown here have been closed out.

## DISCLOSURES

Expenditures will continue indefinitely.

## COORDINATION

Department of General Services, Other County Departments, Office of Management and Budget, Department of Finance