



ALARF: MCG

(P316222)

Category	General Government	Date Last Modified	01/05/26
SubCategory	Other General Government	Administering Agency	Management and Budget
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Land	12,532	2,484	10,048	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	12,532	2,484	10,048								

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Revolving Fund: G.O. Bonds	12,532	2,484	10,048	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	12,532	2,484	10,048								

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 27 Request	-	Year First Appropriation	FY62
Appropriation FY 28 Request	-	Last FY's Cost Estimate	12,532
Cumulative Appropriation	12,532		
Expenditure / Encumbrances	2,484		
Unencumbered Balance	10,048		

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. Waiting for construction plans to begin to start the acquisition process eliminates choice and forces acceptance of a less desirable and accessible site. ALARF 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, ALARF 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 the project and to maintain the balance in the ALARF. 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. The cumulative appropriation is the amount of the ALARF,

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 County Council encourages the County Executive to acquire more sites and to acquire sites earlier than previously assumed. The County 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 Capital Improvements Program (CIP) for acquisition. If more sites are acquired, the existing balance may not be sufficient, and the County Council encourages the County 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, Office of Management and Budget, Department of Finance, and Other County Departments.