ALARF: MCG -- No. 316222

Category	General Government	Date Last Modified	January 07, 2008
Subcategory	Other General Government	Required Adequate Public Facility	No
Administering Agency	Management and Budget	Relocation Impact	None
Planning Area	Countywide	Status	On-going

EXPENDITURE SCHEDULE ($000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	31,762	0	7,762	24,000	4,000	4,000	4,000	4,000	4,000	4,000	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	**31,762**	**0**	**7,762**	**24,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	*

FUNDING SCHEDULE ($000)

Revolving Fund - G.O. Bonds	31,762	0	7,762	24,000	4,000	4,000	4,000	4,000	4,000	4,000	0
Total	**31,762**	**0**	**7,762**	**24,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**0**

DESCRIPTION

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 libraries, fire stations, and similar facilities to be secured before development eliminates choice and forces acceptance of a less accessible or desirable 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 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. A number of such reimbursements are scheduled in this 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. In the event the County Executive proceeds with advance land acquisition in years before those shown on project description forms, consultation with Council would be useful. 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 are expenditures associated with special appropriations, not to be reimbursed. The nonreimbursable amounts are considered sunk costs. Expenditures portrayed above in FY09-14 are for fiscal planning purposes only and represent land acquisition not shown on applicable individual CIP project description forms in order to preserve confidentiality of estimates and negotiations with landowners. 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 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.

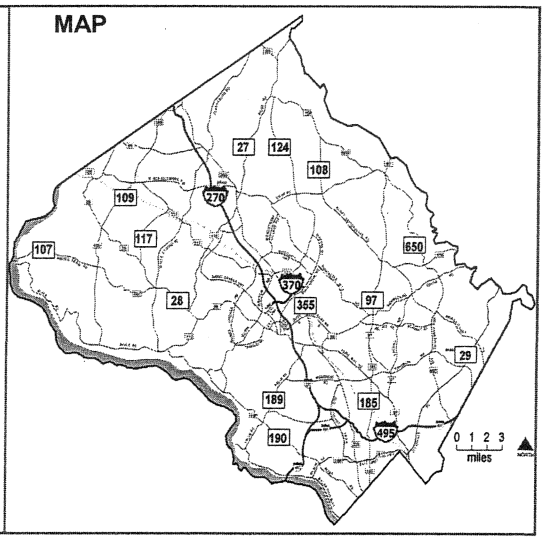
OTHER DISCLOSURES

- * Expenditures will continue indefinitely.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY62	($000)
First Cost Estimate Current Scope	FY88	28,341
Last FY's Cost Estimate		31,762
Appropriation Request	FY09	0
Appropriation Request Est.	FY10	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		7,762
Expenditures / Encumbrances		2
Unencumbered Balance		7,760
Partial Closeout Thru	FY06	234
New Partial Closeout	FY07	0
Total Partial Closeout		234

COORDINATION

Department of Public Works and Transportation
Other Departments
Office of Management and Budget
Department of Finance

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