

DLC Liquor Warehouse -- No. 850900

Category
Subcategory
Administering Agency
Planning Area

General Government
County Offices and Other Improvements
General Services
North Central Transit Corridor

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

November 05, 2008
No
None.
Planning Stage

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	1,438	0	0	1,438	335	1,103	0	0	0	0	0
Land	25,000	0	0	25,000	25,000	0	0	0	0	0	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	26,438	0	0	26,438	25,335	1,103	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Revenue Bonds: Liquor Fund	26,438	0	0	26,438	25,335	1,103	0	0	0	0	0
Total	26,438	0	0	26,438	25,335	1,103	0	0	0	0	0

DESCRIPTION

This project is part of the Smart Growth Initiative Program described in Project No. 360902 and provides for land, planning and design of the relocation and planned expansion of the existing Liquor Control warehouse located on Crabbs Branch Way, into the 200,000 square foot Finmarc building on Shady Grove Road in Gaithersburg. The project provides for the consolidation of all Department of Liquor Control functions including all administrative functions, and liquor and wine, and packaged beer storage space.

JUSTIFICATION

The Shady Grove Sector Plan has identified county owned properties on east and west side of Crabbs Branch Way, including the current Department of Liquor Control (DLC) warehouse for future transit oriented development. Relocation of the current Liquor warehouse is also necessary to implement the County Executive's Smart Growth Initiative. The Department of Liquor Control needs a larger warehouse with air-conditioned space. It is currently occupying leased space and the existing warehouse, when combined are inadequate for its needs. Various beer manufacturers require their beer to be stored at specific temperatures. The existing warehouse cannot meet these temperature requirements. The warehouse is also used for storing other temperature-sensitive products, including wine. The existing warehouse is the designated work place for permanent, full-time County employees. It is currently the only County non-air-conditioned worksite.

In order to implement the County's Shady Grove Sector Plan which would capitalize on the existing investment in mass transit by creating a transit-oriented development community, the County Service Park must be relocated. Relocation of the facilities at the County Service Park will enable the County to realize both the transit oriented development intended for the area and to address unmet needs.

Plans and studies for this project include: Program of Requirements (POR), Department of Liquor Control, "Temperature Control Warehouse Expansion", June 13, 2003; M-NCPPC Shady Grove Sector Plan, approved by the Montgomery County Council, January 2006, adopted by the M-NCPPC, March 15, 2006; "Montgomery County Property Use Study Updated Briefing to County Council", April 29, 2008 (based on Staubach Reports); "Montgomery County Smart Growth Initiative Update to County Council", September 23, 2008.

OTHER

The project provides for land acquisition costs and the design phase only. Final construction costs will be determined during the design development stage.

A pedestrian impact analysis will be completed for this project during the design phase.

FISCAL NOTE

The total project is expected to cost approximately \$47 million. The Department of Liquor Control Fund will finance the cost of this project.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY09	(\$000)
First Cost Estimate	FY09	26,438
Current Scope		0
Last FY's Cost Estimate		0
Appropriation Request	FY09	0
Appropriation Request Est.	FY10	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditures / Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY06	0
New Partial Closeout	FY07	0
Total Partial Closeout		0

COORDINATION

Department of General Services
Department of Liquor Control
Maryland-National Capital Park and Planning Commission
Department of Permitting Services
Department of Finance
Department of Technology Services
Office of Management and Budget
Washington Suburban Sanitary Commission

MAP

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Temperature Controlled Liquor Warehouse -- No. 850500

Category
Subcategory
Administering Agency
Planning Area

General Government
County Offices and Other Improvements
General Services
Rockville

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

October 27, 2008
No
None.
Final Design Stage

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	165	165	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	100	100	0	0	0	0	0	0	0	0	0
Construction	511	511	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	776	776	0	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Revenue Bonds: Liquor Fund	776	776	0	0	0	0	0	0	0	0	0
Total	776	776	0	0	0	0	0	0	0	0	0

DESCRIPTION

A new liquor warehouse facility (No. 850900) is proposed as part of the implementation of the Smart Growth Initiative Program (No. 360906). The project described below will be closed out.

The project provides for an additional 50,000 square feet of support function, liquor/wine, and packaged beer storage space to the existing building, expansion of the truck parking area, and provision of air-conditioning for the existing warehouse facility. The new packaged beer storage space will comply with mandated supplier facility requirements.

JUSTIFICATION

Various beer manufacturers require their beer to be stored at specific temperatures. The existing warehouse cannot meet these temperature requirements. The warehouse is also used for storing other temperature-sensitive products, including wine. The existing warehouse is the designated work place for permanent, full-time County employees. It is currently the only County non-air-conditioned worksite.

Program of Requirements (POR) and "Temperature Control Warehouse Expansion" study is completed.

OTHER

The location and schedule of this project has been proposed to change by the County Executive as part of his comprehensive Property Use Initiative. The project scope, cost estimates, and schedule will be amended with the completion of a detailed implementation and financing plan for the Property Use Initiative.

FISCAL NOTE

The Department of Liquor Control will finance the cost of this project.

OTHER DISCLOSURES

- A pedestrian impact analysis has been completed for this project.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY05	(\$000)
First Cost Estimate	FY05	7,348
Current Scope		7,348
Last FY's Cost Estimate		7,348
Appropriation Request	FY09	0
Appropriation Request Est.	FY10	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditures / Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY06	0
New Partial Closeout	FY07	0
Total Partial Closeout		0

COORDINATION

Department of General Services
Department of Liquor Control
Maryland-National Capital Park and Planning Commission
Department of Permitting Services
Department of Finance
Department of Technology Services
Office of Management and Budget
Washington Suburban Sanitary Commission

MAP

See Map on Next Page

Resolution No. _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

Subject: To amend Resolution No. 16-676 of the County Council for Montgomery County, Maryland, adopted on July 29, 2008 regarding the issuance of revenue bonds, to add authority to borrow an additional \$60 million in order to finance or refinance the costs of (a) certain facilities for the Department of Liquor Control and (b) certain transportation projects; and, except as amended hereby, fully ratifying and confirming Resolution No. 16-676.

Background

1. Resolution No. 16-676, adopted by the County Council for Montgomery County, Maryland (the "County Council") on July 29, 2008, authorized Montgomery County, Maryland (the "County") to issue its revenue bonds (the "Bonds"), in a principal amount not to exceed Seventy-Eight Million Dollars (\$78,000,000). The Bonds are to be issued pursuant to and in accordance with Sections 5(P)(2) and 5(P)(3) of Article 25A of the Annotated Code of Maryland (2005 Replacement Volume and 2007 Supplement) and Sections 20-47 through 20-54 of Chapter 20 of the Montgomery County Code (2004 Edition, as amended), to finance and refinance the costs of certain capital projects for the Montgomery County Department of Liquor Control (the "Department") and certain transportation projects, all as more fully described in Resolution No. 16-676.

2. The County has determined that it is advisable and in the public interest to (a) relocate the existing warehouse and support functions of the Department on Crabbs Branch Way, as more fully described on Exhibit A attached hereto (the "DLC Warehouse Project"), and (b) participate in the funding of a transportation project relating to the Bethesda Metro Station, as previously approved as Project #500929, as further described in the County's Approved FY09-14 Capital Improvements Program (the "Bethesda Metro Station South Entrance Project").

3. The County has determined that it is advisable and in the public interest to add the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project to the list of projects that may be financed and refinanced with the proceeds of the Bonds.

4. The County has determined that financing and refinancing the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project will require the issuance of Bonds in a principal amount not to exceed Sixty Million Dollars (\$60,000,000), in addition to the amount authorized to be issued by Resolution No. 16-676.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

Section 1. The County hereby finds and determines that:

- a. The DLC Warehouse Project is a "project" within the meaning of the Revenue Bond Act.
- b. The Bethesda Metro Station South Entrance Project is a "project" within the meaning of the Revenue Bond Act.
- c. It is advisable and in the public interest to complete the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project.
- d. It is advisable and in the public interest to finance or refinance the costs of the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project through the issuance, sale and delivery of the Bonds.

Section 2. Resolution No. 16-676 is hereby amended as follows:

1. As used in Resolution No. 16-676, the term "Projects" shall include the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project.

2. Section 2 of Resolution No. 16-676 is deleted in its entirety and the following is substituted in its place: "The County hereby authorizes the issuance, sale and delivery of the Bonds in a principal amount not to exceed One Hundred Thirty-Eight Million Dollars (\$138,000,000). The Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act."

3. Section 7 of Resolution No. 16-676 is deleted in its entirety and the following is substituted in its place: "It is hereby acknowledged that the Bonds may be issued initially in either a fixed or variable interest rate mode. It is hereby further acknowledged that it may be in the best interests of the County at some future date to convert the Bonds from a variable interest rate to a fixed interest rate. To accommodate such conversion, the County hereby authorizes the issuance, sale and delivery of additional bonds (the "Additional Bonds") for the sole and exclusive purpose of refinancing the Bonds; provided, that in no event shall the aggregate principal amount of Bonds and Additional Bonds outstanding at any one time exceed One Hundred Thirty-

Eight Million Dollars (\$138,000,000). The Additional Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act and of this Resolution, as if such Additional Bonds were Bonds.”

Section 3. Except as specifically amended by this Resolution, Resolution No. 16-676 is hereby fully ratified and confirmed.

Section 4. This Resolution shall take effect upon its adoption.

Michael J. Knapp, President
Montgomery County Council

Date _____

This is a correct copy of Council action.

Linda M. Lauer
Clerk of the Council

EXHIBIT A

DLC Warehouse Project

This project is part of the Smart Growth Initiative, CIP No. 360902, and provides for the land, and planning and design of the relocation of the existing Liquor Control warehouse located on Crabbs Branch Way, into the 200,000 square foot Finmarc building on Shady Grove Road in Gaithersburg,

The project provides for the consolidation of all Department of Liquor Control functions including all administrative functions, liquor and wine, and packaged beer storage space.

The Shady Grove Sector Plan identified County owned properties on the east and west side of Crabbs Branch Way, including the current Department of Liquor Control warehouse for future transit oriented development. Relocation of the current warehouse is also necessary to implement the County Executive's Smart Growth Initiative. The Department of Liquor Control needs a larger warehouse with air-conditioned space.

Resolution No.: 16-676

Introduced: July 29, 2008

Adopted: July 29, 2008

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: To authorize Montgomery County, Maryland, pursuant to and in accordance with Chapter 20 of the Montgomery County Code (2004 Edition, as amended) to issue its revenue bonds in a principal amount not to exceed \$78,000,000 in order to finance or refinance the costs of (a) certain facilities for the Department of Liquor Control and (b) certain transportation projects; to make certain findings with respect to the issuance of such bonds and the construction of such facilities and projects; to provide that the bonds shall be sold on a competitive basis; to provide that the County Executive and other County officials shall take all necessary, proper or expedient action to effect the issuance, sale and delivery of the bonds; and generally to provide for and determine various matters in connection with the bonds.

Background

1. Pursuant to the provisions of Title 15 of Article 2B of the Annotated Code of Maryland (2005 Replacement Volume and 2007 Supplement), there has been established the Montgomery County Department of Liquor Control (the "Department") to operate facilities for the wholesale and retail distribution of alcoholic beverages in Montgomery County, Maryland (the "County").
2. Pursuant to the provisions of Chapter 49 of the Montgomery County Code (2004 Edition, as amended), the County conducts and supervises the planning, design, and construction of transportation facilities in the public right-of-way.
3. Sections 5(P)(2) and 5(P)(3) of Article 25A of the Annotated Code of Maryland (2005 Replacement Volume and 2007 Supplement) and Sections 20-47 through 20-54 of Chapter 20 of the Montgomery County Code (2004 Edition, as amended) (collectively, the "Revenue Bond Act") authorize the issuance from time to time of revenue bonds or other obligations of the County, payable as to principal, interest, and premium, if any, only from the funds or revenues received from or in connection with any project, all or part of which is financed from the proceeds of revenue bonds or other obligations.

4. The County has determined that it is advisable and in the public interest to (a) design, construct and equip the Southlawn Warehouse for the use of the Department, as previously approved in the Department's operating budget (collectively, the "DLC Projects"), and (b) participate in the funding of certain transportation projects to be undertaken by the State of Maryland and the Washington Metropolitan Area Transit Authority, as previously approved as Projects #500722 and #500552, each as further described in the County's Approved FY09-14 Capital Improvements Program (collectively, the "Transportation Projects" and, together with the DLC Projects, the "Projects").
5. The County has determined that it is advisable and in the public interest to issue and sell its revenue bonds (the "Bonds") as "revenue bonds" (as defined in the Revenue Bond Act) to finance or refinance the "costs of the project" (as defined in the Revenue Bond Act) of the Projects, each of which constitutes a "project" within the meaning of the Revenue Bond Act.
6. The Director of Finance of the County has recommended that the Bonds be sold on a competitive basis to the bidder offering the lowest true interest cost to the County.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

Section 1. The County hereby finds and determines that:

- a. Each of the DLC Projects is a "project" within the meaning of the Revenue Bond Act.
- b. Each of the Transportation Projects is a "project" within the meaning of the Revenue Bond Act.
- c. It is advisable and in the public interest to complete the Projects.
- d. It is advisable and in the public interest to finance or refinance the costs of the Projects through the issuance, sale and delivery of the Bonds.

Section 2. The County hereby authorizes the issuance, sale and delivery of the Bonds in a principal amount not to exceed Seventy-eight Million Dollars (\$78,000,000). The Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act.

Section 3. The Bonds shall not constitute a pledge of the full faith and credit and unlimited taxing power of the County.

Section 4. The County hereby covenants that the timely payment of the principal of and interest on the Bonds issued to finance or refinance the Projects shall be secured equally and ratably by the net revenues of the Department (the "Net Revenues") without priority by reason of number or time of sale or delivery; and the Net Revenues are hereby irrevocably pledged to the timely payment of both principal, premium (if any) and interest on the Bonds issued to finance the Projects as set forth in executive orders of the County Executive passed subsequent to the adoption of this Resolution.

Section 5. The Bonds may be sold at private negotiated sale or at public competitive sale, as determined by the County Executive in his sole and absolute discretion, by executive order or otherwise. The County Executive is hereby authorized to select underwriters and dealers with respect to the Bonds in such manner as he, in his sole and absolute discretion, by executive order or otherwise, deems to be in the best interest of the County. The County Executive is hereby authorized to cause to be prepared and distributed a preliminary official statement and a final official statement respecting the Bonds. The Bonds shall be designated, dated, bear interest at such rate or rates, be in such denominations, be payable at such times and at such places, mature in such amounts and on such dates, be subject to prepayment prior to their maturity, and be executed and sealed in such manner as the County Executive, in his sole and absolute discretion, shall determine, by executive order or otherwise. The County Executive may determine, by executive order or otherwise, in his sole and absolute discretion, to issue the Bonds in one or more series from time to time in an aggregate principal amount not to exceed the amount authorized by this Resolution.

Section 6. The County Executive may, by executive order or otherwise, approve the form and provisions of, execute and deliver the Bonds, and specify, prescribe, determine, provide for, approve, execute and deliver (where applicable) such other matters, details, forms, documents, or procedures, including (without limitation), bond purchase agreements, lines of credit, liquidity facilities, bond insurance agreements and trust agreements, as are necessary, proper or expedient to consummate the authorization, sale, security, issuance, delivery or payment of or for the Bonds, including (without limitation) prescription of covenants relating to the operation of the Department.

Section 7. It is hereby acknowledged that the Bonds may be issued initially in a variable interest rate mode. It is hereby further acknowledged that it may be in the best interests of the County at some future date to convert the Bonds from a variable interest rate to a fixed interest rate. To accommodate such conversion, the County hereby authorizes the issuance, sale and delivery of additional bonds (the "Additional Bonds") for the sole and exclusive purpose of refinancing the Bonds; provided, that in no event shall the aggregate principal amount of Bonds and Additional Bonds outstanding at any one time exceed Seven-eight Million Dollars (\$78,000,000). The Additional Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act and of this Resolution, as if such Additional Bonds were Bonds.

