

**Office of the County Auditor**  
**Auditor’s Analysis**

**Council Bill No. 50-2025**

Introduced: June 2, 2025

Auditor: Rebecca Gold

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Fiscal Impact:

We estimate that this legislation will result in total County expenses of \$407,372 over the 18-month term of the lease amendment.

<b>Fiscal Year</b>	<b>Base Rent</b>	<b>Operating Exp<sup>1</sup></b>	<b>Total</b>
2026 (9 months)	\$ 174,220	\$ 27,452	\$ 201,672
2027 (9 months)	177,700	28,000	205,700
<b>Total</b>	<b>\$ 351,920</b>	<b>\$ 55,452</b>	<b>\$ 407,372</b>

The Real Estate Services Division estimated that pass-through operating expenses at 9770 Patuxent Woods will be \$4.34 per square foot for Fiscal Year (FY) 2025. Using this estimate and a three percent escalation rate, we calculate that the operating expenses for FY 2026 and FY 2027 will be \$4.47 and \$4.60 per square foot, respectively.

The proposed starting base rent for this lease amendment (\$28.37 per square foot) is a three percent increase over the current base rent (\$27.54 per square foot), which aligns with the U.S. Bureau of Labor Statistics inflation rate for the Columbia area. The current base rent was established as part of the rent schedule in the lease agreement with LSOP 3 MD 3 LLC in Council Bill (CB) 19-2015<sup>2</sup>.

The landlord will be responsible for the costs of providing HVAC maintenance, electricity, and custodial services. We do not anticipate any direct cost expenses to the County resulting from this lease amendment.

Purpose:

CB 50-2025 proposes that the County enter an 18-month lease extension with P Portfolio Owner, LLC, for 8,188 square feet of office space located at 9770 Patuxent Woods Drive in Columbia.

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<sup>1</sup> Operating Expenses assume an annual escalation rate of 3.0 percent, based on current MD inflation rates:

[https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex\\_-baltimore.htm](https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex_-baltimore.htm)

<sup>2</sup> <https://apps.howardcountymd.gov/olis/LegislationDetail?legislationId=1382&legislationNumber=CB19-2015>

This amended lease agreement will allow the Board of Elections' office to remain at its current location through March 31, 2027.

Other Comments:

The Chief of the Real Estate Services Division confirmed that lease expenses for 9770 Patuxent Woods Drive were included in the Board of Elections' FY 2026 budget request. The 18-month lease amendment does not include an early termination option.

This legislation is related to CB 49-2025<sup>3</sup>. The County's Real Estate Advisor (Chartwell Enterprises, LLC) will be conducting a market search in FY 2026 to locate a consolidated space for the Board of Elections' office and warehouse spaces.

The County will not be responsible for payment of any commission to Chartwell Enterprises, LLC, in relation to this lease amendment. Any such fees will be paid by the landlord in accordance with the terms of a separate commission agreement between the landlord and broker.

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<sup>3</sup> <https://apps.howardcountymd.gov/olis/LegislationDetail?legislationId=13805&legislationNumber=CB49-2025>