Council Bill 18-2026 Fiscal Analysis
Introduced: March 2, 2026
Fiscal Manager: Melinda Massey

Legislative Intent: The purpose of this legislation is to approve a 40-year lease agreement between Howard County (the "County") and Preservation Maryland, Inc. for the rehabilitation and adaptive reuse of the historic Howard County Jail. Pursuant to Section 612 of the Howard County Charter, Council approval is required for the agreements extending into future fiscal years.

ANALYSIS

Fiscal Impact:

Passage of this Council Bill provides the legislative authorization for Howard County to enter into a 40-year lease agreement, inclusive of annual renewals, with Preservation Maryland for the 0.299-acre site identified as Parcel 243.

The primary intent of this agreement is to facilitate the restoration, rehabilitation, and long-term revitalization of the historic Howard County Jail building. Under the terms of the lease, both parties are financially responsible for:

Improvement Area	Preservation Maryland (Tenant)	The County (Landlord)
Building Structure	Walls, Roof, Ceilings, Windows, and Doors	
Mechanical & Utility	HVAC, Plumbing, Electrical, and Security Systems	
Service Cost	All utilities (Water, Power, HVAC, Internet/Phone)	
Internal Care	Lighting, Common Areas, and Restrooms	
Grounds, Exterior, & Seasonal		Grass, Landscaping (Exhibit C), Parking lots, and Snow removal

According to the Administration, the County is currently responsible for landscaping and snow removal of the property through its annual operating budget from Department of General Services. These costs are not expected to materially increase following the renovation and reactivation of the Jail. While the County has assumed responsibilities for the ground, exterior, and seasonal maintenance, the Administration has stated that the exact impact on debt capacity cannot be fully determined at this time, as the final project scope and engineering requirements remain under development. The Administration has provided three years of actual expenditure for which the County is responsible (See below—awaiting validation from Administration).

FY24 to FY26-year-to-date February						
(Rounded to the nearest dollar)						
Cost Center	**Internal Order**	**GL Description**	**FY2024**	**FY2025**	**FY2026-to-February**	**Grand Total**
3130000000	600000000299	512100 Electricity	$1,602	$1,858		$3,459
3130000000	600000000299	512200 Water & Sewage	$800	$1,067		$1,867
3130000000 Total			***$2,402***	***$2,925***		***$5,326***
3133000000	600000000300	511500 Ind & Inst Eq Maint.	$266	$647		$913
3133000000 Total			***$266***	***$647***		***$913***
3300000000	600000003866	512100 Electricity			$1,370	$1,370
3300000000	600000003866	512200 Water & Sewage			$533	$533
3300000000 Total					***$1,904***	***$1,904***
3320000000	600000003867	511500 Ind & Inst Eq Maint.			$4	$4
3320000000 Total					***$4***	***$4***
Grand Total			**$2,668**	**$3,571**	**$1,907**	**$8,146**

The Administration has also clarified that the County's financial exposure is strictly limited to the previously identified exterior site improvements. Under the terms of the agreement, Preservation Maryland bears the full responsibility and risk for securing the capital necessary for the building's interior renovation. **Should the tenant fail to obtain the required grant funding or private investment, the County would not assume any additional financial obligation to subsidize or complete the restoration of the structure.**

Under the terms, Preservation Maryland will pay the County rent of $1.00 per fiscal year.