

**Council Resolution 104-2026 Fiscal Analysis**

**Introduced:** June 1, 2026

**Fiscal Manager:** Melinda Massey

**Legislative Intent:** The purpose of this resolution is to endorse financial assistance provided by the Maryland Department of Commerce and the Howard County Economic Development Authority for an economic development project in Howard County. First Source Electronics (FSE), an electronics contract manufacturer, will be located at 6725 Business Parkway, Elkridge Howard County, Maryland.

**ANALYSIS**

**Background:**

The project consists of a \$645,000 Maryland Economic Development Assistance Authority (HCEDA) and Maryland Economic Development Fund (MEDAAF) Conditional Loan to First Source Electronics for the acquisition of furniture, fixtures, software, prototyping parts, tooling, equipment, tenant improvements, and related costs.

**Fiscal Impact/Budget Implications:** The fiscal impact on the Howard County General Fund is neutral. While MEDAAF program requires a local jurisdiction match of 10% of the State’s contribution, this obligation will be met through existing non-General Fund resources managed by HCEDA.

<b>Funding Source for First Source Electronics</b>	<b>Amount</b>	<b>Contribution Type</b>
<b>State of Maryland:</b> (MEDAAF)	\$645,000	Conditional Loan
<b>Howard County Government:</b> (HCEDA)	\$64,500	Training Grant Match (10%) Economic Development Incentive Fund (Revenue Bonds)
<b>Total Investment</b>	<b>\$705,500.00</b>	

**Potential Economic Benefits:** The project should generate indirect economic benefits through business expansion, capital investment, workforce development, and potential future growth in the County's commercial tax base. According to the Administration, “any improvements on property may increase the assessed value of the property generating additional county property tax revenue. Additionally, any Howard County residents hired by First Source Electronics will generate local income tax revenue.”

**Monitoring and Default:** Once the loan funds have been distributed, HCEDA's Business Finance team works in coordination with the Maryland Department of Commerce to monitor their use (including any issues related to default and reporting).

**Other Notes:**

n/a