

CR189-2026 Fiscal Analysis

Introduced: October 5, 2026

Fiscal Manager: Owen Kahn

Legislative Intent: This legislation endorses the application for a State Economic Development Assistance Authority and Fund loan of \$1.75 million for Saval Foods LLC, including a 10% matching grant from the Howard County Economic Development Authority.

ANALYSIS

Fiscal Impact:

This legislation will not have a fiscal impact for the County, but will require a matching grant from the Howard County Economic Development Authority (HCEDA). The Maryland Economic Development Assistance Authority and Fund (MEDAAF) Conditional Loan of \$1.75 million requires a 10% match from the County, which will be satisfied by a \$175,000 grant from HCEDA. HCEDA confirmed that the grant will be funded by the [Economic Development Incentive Fund](#) (EDI Fund) and will not require additional appropriation by the County.

The EDI fund consists of issuer fees for issuing or refinancing revenue bonds under the Maryland Economic Development Revenue Bond Act. For revenue bonds for initial financing, the amount of the fee is 0.125% of the principal balance of the bond, up to \$10 million. For revenue bonds refunding existing bonds, the fee is 0.25% of the principal balance.

[MEDAAF](#) is State run program to offer grants and loans to economic development initiatives. Recipients must be located in [priority funding areas](#) and use the funds for “business attraction and retention, infrastructure support, brownfield redevelopment, arts and entertainment districts, daycare, revolving loan funds and local strategic planning.” All of eastern Howard County, roughly aligning with the County’s planned service area, is an approved priority funding area.

The proposed recipient of this loan is Saval Foods, LLC, a foodservice distribution company which [recently announced a new headquarters facility](#) located at 8710 Robert Fulton Drive in Columbia Gateway. According to Saval Foods, the new headquarters will “retain its existing 391 full-time employees and create an additional 107 new full-time jobs in the state over the next four years.” The proposed use of the loan will be for “construction, furniture, fixtures, and tenant improvements.”

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

Budget Implications:

- This legislation will not affect the County's approved FY2027 operating budget. As fees are paid into the EDI Fund in FY2027, the EDA will have funding to finance these grants. An estimate for the FY2027 fund is not available, but according to the Administration, the EDI Fund "does not require a new appropriation. The match will be funded through the Economic Development Incentive Fund (EDI Fund), which has already been appropriated for matching grant requests." The [approved FY2027 County operating budget](#) indicates \$355,000 was committed in FY2026.

Other Notes:

- This is the third MEDAAF loan proposed in Howard County this year. The Council previously approved [CR50-2026](#) for a \$1 million loan for Feast & Fettle and [CR104-2026](#) for \$645,000 for First Source Electronics.
- According to the Administration, Saval Foods will be required to submit annual financial statements to the Maryland Department of Commerce and to the EDA. For the EDA matching funds, Saval Foods must also submit annual performance reports, including employment reports, to demonstrate compliance with the terms of the financing. These requirements are established in the loan and grant agreements prior to funding.