

COUNCIL OF THE CITY OF ABERDEEN
Ordinance No. 26-O-05

Date Introduced: July 13, 2026

Sponsored by: Council President Adam Hiob and Councilman Darin Wassum

Public Hearing: July 27, 2026

Amendments Adopted:

Date Adopted:

Date Effective:

AN ORDINANCE concerning

THE ABERDEEN DOWNTOWN REVITALIZATION FUND

FOR the purpose of creating The Aberdeen Downtown Revitalization Fund.

* * * * *

EXPLANATORY STATEMENT: MD. CODE ANN., LOCAL GOV'T ART. §5-202(1) and (2) provides that the City Council may adopt ordinances to assure the good government of the municipality and protect and preserve the municipality's property and privileges; MD. CODE ANN., LOCAL GOV'T ART. §5-205(a)(1) and (b)(1) provides that the City Council may provide for the control and management of its finances and spend money for any public purpose and to affect the safety, health and general welfare of the municipality and its occupants; Chap. C, §II(2) permits the City of Aberdeen to acquire real property for any public purpose; and Chapter C, §V(14)(ss) of the City of Aberdeen Charter empowers the City Council to create programs, rules and regulations designed to promote sound economic development and to stimulate healthful employment. The Mayor and City Council have identified the general area between Aberdeen Proving Ground and the CSX Rail Line from Warren Street, to the South and Maryland Route 22 to the North as in need of economic redevelopment and particular properties within this defined area as distressed properties which jeopardize attempts to revitalize the area, decrease the overall property values and thus fiscal impact to the City of Aberdeen. The Mayor and City Council have determined that the best course of action is to create The Aberdeen Revitalization Fund as an enterprise fund for the purposes of acquiring real property in this defined area, rent City owned properties to new or start-up businesses with a path to local ownership and provide a sustainable, repeatable model for economic and employment growth in the defined area.

1 **BY** adding
2 Chapter 486. The Aberdeen Downtown Revitalization Fund
3 Code of the City of Aberdeen (2010 Edition as amended)
4

EXPLANATION:
<i>Italics</i> indicate matter added to existing law. ((Double Parenthesis)) indicate matter deleted from existing law. <u>Underlining</u> indicates amendments to bill. Strike-Out indicates matter stricken from bill by amendment or deleted from the law by amendment. * * * indicates existing unmodified text omitted from Ordinance. Bold text within Appendix A, Tables 1-3, and Exhibits 1-3, indicate new matter added to existing law.

5

6 **SECTION 1. BE IT ENACTED BY THE COUNCIL OF THE CITY**
7 **OF ABERDEEN**, that Chapter 486. THE ABERDEEN DOWNTOWN
8 REVITALIZATION FUND is added, to read as follows:
9

10 **Chapter 486. THE ABERDEEN DOWNTOWN REVITALIZATION FUND**

11

12 **Article I, General Provisions**

13

14 § 486-1 **Establishment.**

15

16 A. A fund titled, “The Aberdeen Downtown Revitalization Fund” is hereby
17 established for the purpose of acquiring, renting, renovating and disposing
18 of distressed real property in the hereinafter defined geographic area, for
19 collection of rental income and other income from any real property
20 acquired and pay any renovation expenses for the distressed properties to
21 make them marketable to new or start-up businesses. The Fund shall be
22 accounted for in accordance with generally accepted accounting principles
23 as applicable to enterprise funds.
24

25 B. The Mayor and City Council of the City of Aberdeen shall be the Trustees
26 of The Aberdeen Downtown Revitalization Fund.
27

28 **Article II, Geographic Area for Revitalization**

29

30 § 486-2 **Geographic Area Defined.**

31

32 A. The Fund’s resources shall only be used for distressed real properties
33 located between Aberdeen Proving Grounds and the CSX Rail Line, south
34 to Warren Street and North to Maryland Route 22 which are zoned for

commercial or business uses. The Fund shall not be utilized for the acquisition of any residential property in the geographic area.

Article III, Assets of the Fund

§ 486-3 Assets of the Fund.

- A. The Fund shall be funded with cash from the General Fund, as approved by the City Council, upon delivery of a Promissory Note signed by the Mayor in this principal amount, bearing interest rate of THREE PERCENT (3%) per annum payable to the General Fund, payable in monthly installments of principal and interest, amortized over a period of twenty (20) years with a balloon repayment upon sale of the last distressed real property.
- B. All real property interests acquired utilizing cash from the Fund shall be assets of the Fund.
- C. All revenues, from whatever source derived, including, but not limited to, grants, rental payments and sales proceeds, from or for the properties commonly known as 18, 20 and 22 Howard Street and any after acquired properties shall be revenue of the Fund.
- D. Cash assets of the Fund may be invested only in obligations of the United States or the State of Maryland or an interest-bearing account of financial institutions insured by the United States or the State of Maryland, and all income derived from such investments shall be added to said Fund and shall be used for no other purpose except as expressly provided herein.

Article IV, Debts and Expenses of the Fund

§ 486-4 Debts and Expenses of the Fund.

- A. All payments towards debts incurred by the Fund shall be paid with cash assets of the Fund and not of the General Fund.
- B. All legitimately incurred expenses, including, but not limited to, all settlement costs of acquisition of distress real properties and renovation expenses shall be paid by the Fund and not the General Fund.

SECTION 2. BE IT FURTHER ENACTED BY THE COUNCIL OF THE CITY OF ABERDEEN, if any provision of this Ordinance shall be held violative of any applicable law or unenforceable for any reason or *ultra vires*, the invalidity or unenforceability of any such provision shall not invalidate or render unenforceable any other provision hereof, which shall remain in full force and effect.

1
2
3
4
5

**SECTION 3. BE IT FURTHER ENACTED BY THE COUNCIL OF
THE CITY OF ABERDEEN,** that this Ordinance shall become effective at the
expiration of twenty (20) calendar days following adoption.

COUNCIL OF THE CITY OF ABERDEEN

Patrick L. McGrady, Mayor

Adam M. Hiob, Council President

William H. Montgomery, III, Councilman

Tandra A. Ridgley, Councilwoman

Darin M. Wassum, Councilman

ATTEST:

SEAL:

Elizabeth G. Ward, City Clerk

Date _____