

**AGREEMENT  
BETWEEN THE CITY OF FERNDALE  
AND THE FERNDALE DOWNTOWN DEVELOPMENT AUTHORITY**

THIS AGREEMENT is entered into as of July 1, 2024, by and between the City of Ferndale, a Michigan municipal corporation ("Ferndale"), and the Ferndale Downtown Development Authority, a downtown development authority authorized by Public Act 57 of 2018 ("DDA") collectively referred to as PARTIES.

**RECITALS**

- A. The PARTIES are municipal entities duly organized and validly existing under the laws of the State of Michigan and authorized under the Michigan Constitution and the statutes of the State of Michigan.
- B. Ferndale has its principal offices at its property at 300 East Nine Mile Road, Ferndale Michigan 48220 ("Property") and currently has certain excess space at the Property.
- C. Ferndale has certain capabilities including financial services including audit, payroll and account payable services and technology capabilities including helpdesk support, software licensing, phone, network and internet technology and support ("Services") located at the Property.
- D. DDA is interested in using certain space at the Property and utilizing Ferndale's Services in connection with its performance of plans and tasks authorized under Public Act 57 of 2018.
- E. The PARTIES desire to enter into an Agreement for use of the Property and utilization of Services and to define the Parties legal relationships and responsibilities;

NOW, THEREFORE, it is mutually agreed by and between the PARTIES as follows:

1. LICENSE.

a. Ferndale shall license to DDA space within its Property and shall provide Services to DDA. The space to be licensed to DDA shall be approximately 425 square feet and shall be identified on Exhibit A, which shall be attached and incorporated by reference. This licensed space shall not be considered an interest in real estate and shall be subject to Ferndale terminating this license at any time, with or without cause, upon fourteen days written notice.

b. Ferndale agrees to make available to DDA certain Services including audit, payroll and account payable services and technology capabilities including helpdesk support, software licensing, phone, network and internet technology and support which it has available. This obligation shall not require Ferndale to acquire, hire, contract, purchase or lease any additional staff, equipment or software but shall only allow DDA to utilize such Services which Ferndale already has acquired or purchased. DDA shall not have right or claim to any Service which Ferndale does not possess or utilize. Services shall be selected and provided by Ferndale in its sole discretion.

c. Ferndale agrees to cover cost of utilities for the space as a part of this Agreement.

d. Ferndale agrees to make use of shared spaces such as conference rooms and Council Chambers at the Property in accordance with Ferndale's reservation protocols.

2. TERM.

The term of this Agreement shall be from July 1, 2024 thru June 30, 2025. Upon mutual agreement of the Parties in writing, this Agreement may be extended for additional one-year periods.

3. INVOICES AND PAYMENTS.

a. On the execution of this Agreement and before the first day of each subsequent quarter in which the Property and Services are provided to DDA, DDA shall pay to Ferndale the amount \$7,700 dollars which amount represents a monthly amount of \$2,567 dollars and an annual amount of \$30,800 dollars for the use of both the Property and Services.

b. Building fees are calculated as follows:

Lease rate: \$25 SF/YR

Square footage: 425 SF

- Annual lease fees: \$10,625
- Monthly lease fees: \$885.42

c. Technology fees are calculated as follows:

Percentage of City of Ferndale Technology Provider: 2%

- Annual technology fee: \$7,800
- Monthly technology fee: \$650

d. City service fees are calculated as follows:

BS&A licensing and maintenance fee percentage: 5%

Granicus licensing fee percentage: 5%

Personnel percentage: 3%

- Annual city service fee: \$10,500
- Monthly city service fee: \$1,031

WAIVER.

Ferndale makes no warranties, express or implied, including, without limitation, the condition of the Property or Services. Ferndale shall not be responsible or liable to DDA and DDA waives any claim for any loss, delay, or damage of any kind resulting from defects in the Property or Services.

6. ASSIGNMENT.

The Parties shall not assign, sublet, transfer, or otherwise substitute their interests in this Agreement, or any of their rights or obligations under this Agreement, without the prior written consent of all other Parties.

7. INSURANCE.

The DDA is covered under the City's existing insurance policy administered by the Michigan Municipal Risk Management Association (MMRMA). During the term of this Agreement, each party will keep in force, at its own expense, insurance it determines, in its sole discretion, is appropriate for its operations not covered under the City's insurance policy.

8. INDEMNIFICATION.

Each Party shall be solely responsible for its own acts and those of its employees and officers under this Agreement. No Party shall be responsible or liable for consequential damages to another Party arising out of use of the Property or Services. No other rights of indemnity or contribution shall exist between the parties in law or equity.

9. NOTICES.

All written notices under this Agreement shall be mailed to the addresses indicated below:

To City of Ferndale:	Joseph Gacioch, City Manager 300 E. Nine Mile Road Ferndale, Michigan 48220
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To Ferndale Downtown Development Authority:	Jennifer Beeker Downtown Development Authority Executive Director 300 E. Nine Mile Road Ferndale, Michigan 48220
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10. TERMINATION.

Any Party may terminate this Agreement for any reason by giving thirty (30) days prior written notice to all other Parties.

11. MISCELLANEOUS.

a. Compliance with Law. The Parties shall comply with all laws, state or federal and all ordinances, rules and regulations.

b. Governing Law. The laws of the state of Michigan shall govern this Agreement. In the event any legal action is commenced regarding this Agreement, venue shall be in Oakland County.

c. Attorneys' Fees. If legal action is commenced to enforce or to declare the effect of any provision of this Agreement, the prevailing party shall be awarded attorneys' fees and costs incurred by such party in the action.

d. Entire Agreement. This document comprises the entire and integrated agreement of the parties concerning the lease of the Property and supersedes all prior negotiations, representations, or agreements, either written or oral. Any amendments to this document shall be effective only if in writing and signed by all parties.

e. Severability. If any term, provision, covenant or condition of this Agreement is held by a court to be invalid, void or unenforceable, the rest of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed on the day and year first above written.

City of Ferndale

By: \_\_\_\_\_

Title: \_\_\_\_\_

Ferndale Downtown Development Authority

By: \_\_\_\_\_

Title: \_\_\_\_\_

## **Exhibit A**

Diagram of space to be licensed to Ferndale DDA

