

**RESOLUTION
OF THE
FERNDALE DOWNTOWN DEVELOPMENT AUTHORITY**

WHEREAS, the following resolution was approved at a public meeting held at the Ferndale Downtown Development Authority Board of Directors special meeting on January 22, 2010, at the Ferndale DDA Office, 149 W. Nine Mile Rd., Ferndale, Michigan 48220 at 8 AM. Present were Ferndale DDA Board of Directors, including

WHEREAS, the revitalization of Downtown Ferndale over the last 10 years has helped to dramatically increase city property values in both residential and commercial areas by over 29% despite the State and national economic conditions.

Surveys conducted by the Ferndale DDA and City of Ferndale have proven that new residents move to Ferndale because of Downtown Ferndale.

The current parking deficit of 483 spaces in the evening and 115 in the daytime in Downtown Ferndale based on business uses in the DDA area, documented by research conducted by parking consultants Rich & Associates, has a city-wide impact on the City of Ferndale's quality of life, safety, economic development and property values.

The parking study of 2006 conducted by Rich & Associates previously indicated that there was a shortage of parking at that time, provided for recommendations to improve the entire parking system, and the parking supply matrix was updated by Rich & Associates in December 2009.

The parking site analysis of the Withington parking lot conducted by Rich & Associates in 2007, and the parking site analysis of the City Hall parking lot conducted by Carl Walker, Inc. in 2009, developed site plans for parking structures for both sites.

The development of a parking structure and other available options to meet the demand for parking now and for the future will positively impact the entire City of Ferndale as follows:

- Improve the quality of life, safety and property values of the residential areas surrounding the DDA;
- Encourage and allow for the ability to bring new development and businesses to the DDA;
- Prevent the loss of revitalization, development, and business growth or expansion in the DDA;
- Provide consumers with convenient and sufficient parking options that helps sustain and grow our local businesses;
- Encourage and allow for the ability of densification for Downtown Ferndale, meeting one of the goals of the City of Ferndale's Master Plan;

- Encourage and provide sufficient parking for mixed-use developments with Class A and B office space and residential housing as indicated in the DDA's Downtown Development Plan of 2008 and Market Analysis of 2005;
- Increase city-wide property value sustainability and growth showing the symbiotic relationship of the City and all of its assets by having a strong core downtown area;
- Provide additional revenue through the Auto Parking Fund generated by the metered spaces in the Central Business District which funds, services and maintains public parking lots throughout the entire City of Ferndale in areas such as the public parks, Hilton/East Nine Mile corridor and the Central Business District of the DDA area.

The City of Ferndale is projecting a deficit of \$3 million by FYE 2011 due to State Revenue Sharing loss and economic conditions that will impact city services.

The City of Ferndale must prioritize capital improvement projects and continue to provide quality city services to stimulate private reinvestment in the City.

The Ferndale DDA received four percent of city property taxes collected by the City of Ferndale in FYE 2009 as regulated by the DDA Tax Increment Financing Plan of 1981, as amended in 1992 and 1997, for the revitalization of Downtown Ferndale and projects outlined in the TIF Plan.

The Ferndale DDA does not own property, public land nor public parking lots.

The City of Ferndale owns public land including all public parking lots and on-street parking in the City of Ferndale.

The Ferndale DDA TIF and operational levy funds as audited by the City of Ferndale for FYE 2009 were \$497,142 and insufficient to finance for a parking structure independently on an annual basis.

The Auto Parking Fund of the City of Ferndale as audited by the City of Ferndale for FYE 2009 was \$564,006 and insufficient to finance a parking structure independently on an annual basis.

NOW THEREFORE LET IT BE RESOLVED AND HEREBY PROCLAIMED BY THE BOARD OF DIRECTORS OF THE FERNDALE DOWNTOWN DEVELOPMENT AUTHORITY THAT:

The City of Ferndale and Auto Parking Fund must address the parking deficit and parking management system to protect and sustain businesses in Downtown Ferndale, as well as improve quality of life and support economic growth for the entire City of Ferndale.

City services are the first priority of our community, and the City of Ferndale must take immediate action and postpone any other new bondable capital improvement project until it plans for and resolves the parking deficit in Downtown Ferndale by providing for a minimum of an additional 343 net new parking spaces in Downtown Ferndale.

The Ferndale DDA recommends that the City of Ferndale commits its financial resources towards the bond debt of constructing a parking structure in Downtown Ferndale by FYE 2011 to reduce the overall annual bond debt service so that the Auto Parking Fund can sustain the cost annually.

City of Ferndale must redirect all parking ticket revenue to the Auto Parking Fund.

Public parking lots will not be sold or developed by the City, unless the City or developer plans to replace the current public parking in that lot either on the site or within 500 feet of the site.

Specifically, City of Ferndale will not develop or sell to a developer the Withington Parking Lot or the City Hall Parking Lot for development unless it incorporates a parking structure to help meet Downtown Ferndale's minimum parking demand.

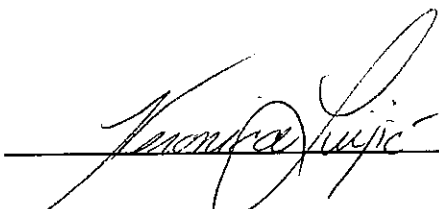
The Ferndale DDA recommends that the City of Ferndale adopt a payment-in-lieu of policy for intensification of use in the Central Business District, set an annual fee based on current economics of developing parking and direct all payment-in-lieu of fees to the Auto Parking Fund to help fund and provide for more parking in the CBD.

The Ferndale DDA recommends contracting with a professional consulting firm within 90 days to finalize the analysis stage by providing a pro forma based on current City finances, final selection of site based on former studies that will assist the City in securing financing to construct plans for developing a parking structure as outlined in the parking studies.

The Ferndale DDA recommends that Ferndale City Council adopt this resolution.

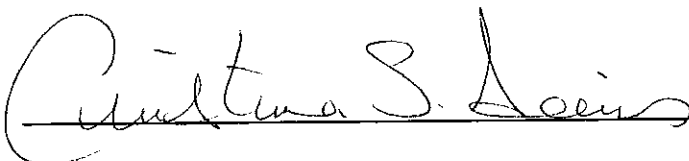
PASSED, APPROVED, AND ADOPTED THIS 22ND date of January 2010.

Signed by as authorized by the DDA Board of Directors



Veronica Lujic, Chairman of Board

Attested by:



Cristina Sheppard-Decius, CMSM, Executive Director