

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Purchase and Development Agreement with Wolgast Corporation and Wickes Park Homes

**Manager's Recommendation:**

I recommend that the Purchase and Development Agreement with Wolgast Corporation and Wickes Park Homes be approved and that the City Manager or his designee be authorized to execute all documents necessary. This Purchase and Development Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

**Justification:**

On December 5, 2005, the City of Saginaw entered into a Purchase and Development Agreement with Wolgast Corporation for property located in the 3200, 3300, 3400, 3500, and 3600 block of Douglass St. on the southeast side of the City. A Payment in Lieu of Taxes ("PILOT") ordinance was enacted at the same time. That Agreement has been amended a number of times due to the reduced scope of the project, and the changing nature of the state and federal tax incentives. In the interim, Wolgast Corporation has created Wickes Park Homes Limited Housing Association Partnership to develop this project. In December 2009, the city enacted a revised PILOT to reflect the reduced scope of the project and the newly created developer.

This proposed Purchase and Development Agreement would reflect the new ownership, the reduced scope of the project, and incorporate the various amendments that have been adopted in the intervening years. It would also provide an option for Wolgast Corporation, if circumstances permit, to acquire the balance of the property and construct the remaining houses in the original proposal.

**Council Action:**

Council\_\_\_\_\_ moved that the recommendation of the City Manager be approved.