

TOWN OF HAYMARKET, VA  
Chartered in 1799  
County of Prince William

**DRAFT**

TOWN COUNCIL MEETING  
April 22, 2003

MAYOR  
John R. Kapp

COUNCIL

James Shepard, Vice Mayor  
David Taylor-PD Liaison  
Shelia Jarboe  
Robert Miller-ARB Liaison-Absent  
Lynda Farr  
Michelle Neal-Heard

Mayor Kapp called the meeting to order at 7:32p.m.

To discuss the letter of intent from Creston Owen. Creston would not agree to one of the changes. Mr. Owen would not put us as the first note holder. Jarboe asks how much we are holding. Taylor says he must have misunderstood when Creston said he was bringing cash down payment of One Million Dollars. Taylor was under the assumption that he was going to leave the balance of \$500,000 as the only note. Taylor says there is not way we can be put in the position of not having us as the first deed of trust. This is the taxpayer's investment; Taylor will not jeopardize the taxpayer's money in that way. Farr mentions the taxpayers are not even happy about us taking the note period. Farr mentions that he obviously doesn't have the money. Taylor says if it's a deal breaker then it's a deal breaker. Mayor mentions that he doesn't believe the note would ever default. Arledge asks if Mr. Owens is going to be personally liable for this note. Arledge mentions that may make the town people happier. Jarboe says that she isn't comfortable with us doing any financing. Taylor says that we are going from landlords to banker, and that none of us are qualified to make these decisions. Taylor reminds that Owens has a strong offer, but that Owens must come back to us with a counter offer. Arledge says that if Owens defaults and the property is foreclosed on then bidding would take place. Then the decision would be made how much we would bid on the property. Taylor asks if we went with the deal as it stands, if the bank puts it to auction, and they make a bid, would it be up to us to make a bid to keep it higher. So in essence we would be there to guarantee the bank gets their money. Arledge reminds that was not what Owens said when he was here, he made us understand this would be a cash deal. Taylor says that he is not willing to restructure the deal for him. If he wants to pursue the property, he needs to come back to us. Jarboe says it is not a bad idea to re-advertise. Taylor says we need to get a management company together at the next meeting. Taylor says we need to refinance the loan. Mayor says unfortunately we cannot afford a management company. Taylor says if we refinance the loan we should be able to afford a management company. Mayor says if we don't get a management company council needs to step in and help with the management of the property, he cannot do it all. Shepard asks if anyone knows of any management companies. Mayor states we should not get Stutz property management. Jarboe states that Ms. Leonard should not be involved also. Arledge states that

there is no legal conflict of interest. Mayor states perception is not good. Jarboe has a property management company at her work. Taylor states there has been some interest in joint ventures. Asks Arledge if that would be possible. Arledge thinks that could be done. Taylor says he guesses we're back to square one on this. Jarboe asks if anyone has seen the ad? She tells council that it was listed in the "new homes for sale section", and was told this by Nancy Bailey. All the ad read was that it was 2 buildings and gave the acreage, no information as to the owner, etc. Taylor says someone should fix it up and get it back in the paper. Mayor spoke with Owens on the phone. He would like a couple of council members to meet with him, he will extend the letter of intent until then. Motion to enter into executive session. *See attached...*

Shepard motions, Jarboe seconds.  
Motions carries by 5/0

Taylor motions to come out of executive session, seconded by Jarboe  
Motion carries by 5/0

RESPECTFULLY SUBMITTED:

APPROVED:

Jennifer Preli, Town Clerk

John R. Kapp, Mayor