

Provincetown Year-Round Rental Housing Trust Board of Trustees

Minutes: February 16, 2017 EXECUTIVE SESSION

Caucus Hall, Town Hall, 260 Commercial Street, Provincetown

4:05 p.m.

YRRT Members Present: Tom Donegan, Kevin Mooney, Chris Mathieson

Board of Selectmen: Raphael Richter, Cheryl Andrews, Tom Donegan, Erik Yingling [4:08]

Staff: Town Manager David Panagore, Community Housing Specialist Michelle Jarusiewicz, KP Law John Giorgio

Tom Donegan MOVE that The Year-Round Rental Trust Board of Trustees vote to go into Executive Session with the Board of Selectmen pursuant to MGL c30A, Section 21(a), Clause 6 for the purposes of: Clause 6 – To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body, and the Chair so declares, Harbor Hill's Condominium and Timeshare Resort and to reconvene in open session thereafter; second Chris Mathieson.

Roll call vote:	Chris Mathieson	aye
	Kevin Mooney	aye
	Tom Donegan	aye

Approved 3-0.

Cheryl Andrews MOVE that The Board of Selectmen vote to go into Executive Session with the Year Round Rental Trust pursuant to MGL c30A, Section 21(a), Clause 6 for the purposes of: Clause 6 – To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body, and the Chair so declares, Harbor Hill's Condominium and Timeshare Resort and not to convene in open session thereafter; second Tom Donegan.

Roll call vote:	Cheryl Andrews	aye
	Raphael Richter	aye
	Tom Donegan	aye

Approved 3-0.

Moved from open session to executive session at 4:05 pm.

Counsel Walter Paulekas joined by phone at 4:05 pm

Town Counsel John Giorgio discussed the current ongoing process including what happens if we are successful at the live auction; the need to submit additional funds; Town's ability to access the bond market; and requirement letter.

Municipal Finance Director Josee Cardinal Young joins meeting at 4:11 pm.

Discussion of who should be present on 27th along with Counsel; and who has the authority. Discussion of posting meeting for YRRT but decided that could be messy. They only need the individual with authority and the document in hand with evidence of authority. The process is quick. Need to know how high they can bid. A sealed bid is required to get into the auction and the top two proceed. The process is under the authority of the federal judge. Tomorrow influences next week, if second bidder doesn't put down money tomorrow, not in. Attorney Paulekas pointed out that bankruptcy court is different; it could get thrown back to start over. If put a deposit down, probably bid higher. Discussion about what happens if only one at hearing; can't bid against ourselves, could put appraisal into evidence. Town will probably be notified of who puts in money tomorrow.

Discussion about the letters and number of timeshares out there and the Lemonjuice option to return it to timeshare. Questions about whether the Trustee can change the rules mid-way? Can we challenge it? Attorney Paulekas indicated that no, have to live with it.

Discussion about the use of brokers or not and the financial impact of about \$100,000. There is someone bidding that knows the local market as close to Town's bid. There are 2 aggressive bids with serious competition.

The Town has a claim against the estate for back taxes. John Giorgio is the counsel for the claim and represents the Town. Walter Paulekas represents the YRRT. Walter Paulekas and David Hill appointed Special Counsel for bankruptcy proceedings. Any communication with the Harbor Hill Trustee goes through him. Need to limit communication including town gossip. One off color comment could end in court. John Giorgio pointed that Warren Agin disclosed his personal friendship at Lex Best and conversation with him. Walter said that soliciting bids is fine but if insider info; then could lose his job. Walter said that everyone should refrain from social media and to consider this active litigation. Giorgio recommended conferring the broadest possible authority. Walter stated that usually give more than needed. Outline bid strategy including how much can move up, in what increments, how high, and phone call point.

Tom Donegan asked if could introduce a co-buyer? Walter said after win the auction. Giorgio reminded members of 30B requirements for acquisitions and disposal of property. Discussion about what votes are needed, authority, and open meeting law.

Cheryl Andrews MOVE that The Board of Selectmen vote to adjourn from Executive Session;

Erik Yingling second

Roll call vote:	Cheryl Andrews	aye
	Tom Donegan	aye
	Raphael Richter	aye
	Erik Yingling	aye

Approved 4-0.

Tom Donegan MOVE that The Year-Round Rental Trust Board of Trustees vote to adjourn from Executive Session and reconvene in open session; Chris Mathieson second

Roll call vote:	Chris Mathieson	aye
	Kevin Mooney	aye
	Tom Donegan	aye

Approved 3-0.

Adjourned from executive session at 5:00 pm into regular session.

Minutes by: Community Housing Specialist Michelle Jarusiewicz