

Haywood County “Toeprints”

January 16, 2021

Vol. #12 Issue #1 (Subject: Installment Finance Contract.)

www.haywoodtp.net

What’s Happening?

The purpose of this newsletter is to inform Haywood County Taxpayers of what transpires at the bi-monthly County Commission Meetings. This newsletter will be written from the perspective of a casual observer, myself. Any opinions expressed will be mine.

IX. Regular Agenda, Installment Financing Contract.

The January 19, 2021 County Commission agenda has an interesting item (#2) under Regular Agenda:

2. Request approval of Resolution of the Haywood County Board of Commissioners Authorizing the Negotiation of an Installment Financing Contract not to exceed \$2,000,000 and Providing for Certain Other Related Matters - Interim Finance Director Kristian Owen

<https://www.haywoodcountync.gov/AgendaCenter/ViewFile/Item/1741?fileID=4278>

What is this?

In short, this Resolution authorizes the County to borrow up to \$2 Million “in order to pay the capital costs of construction, renovation and improvement of a school administration building”, presumably the County Owned Annex II building. WTF?

We need to go back and refresh ourselves, reviewing Toeprints, Vol. #7, Issue #9.

<https://www.haywoodtp.net/pubTP/T160506.pdf>

[Reprinted section from that issue.]

Lease between County and School Administration.

It was brought to my attention that a piece of paper, about 20 years old, existed that the County was responsible for providing a home for the School Administration. On a whim, I asked, in a hand written note, if Anne Garrett knew anything about this. She said “Sure, I have it on my desk. Come over and get a copy.” What the ??? I did, then made two (2) copies (one for Terry Ramey, and the second delivered to the law office of Mark Melrose), and posted it on www.haywoodtp.net.

<http://haywoodtp.net/pubII/160324CountySchoolBuildingLease.pdf>

The lease originated on September, 1980 and automatically renews every 10 years, unless terminated. It has never been terminated. It states:

... It is therefore agreed by and between the parties that if for any reason the Haywood County Commissioners should, at a later date, terminate this Contract, or cannot for any reason furnish and provide that portion of the Hospital Building hereinafter referred as an office for Lessee, then and in that event, Lessor will promptly furnish and provide Lessee with comparable quarters within the Town of Waynesville (or elsewhere as agreed upon by both parties) with due regard to the requirements of Lessee as to square footage, type of construction, and design suitable to meet the needs and requirements of Lessee; in other words, “equal” offices. ...”

What the [Expletive Deleted!]? **Swanger** and **David Francis** are yanking the rug out from under the School Administration by selling off the Hospital for low-income housing. See:

<http://haywoodnc.net/downloads/commissioners/agmin2016/0502/a14.pdf>

Animosity between **Swanger** (the ex-FBI guy who believes he is the boss of everyone) and **Garrett** has been long standing and well documented. I first became aware of this at a county commission Budget Work Session, when **Anne Garrett** requested a budget increase one year, and Swanger lambasted her, telling her that is what the Funding Formula was for.

[Editor’s Note: Why is **Anne Garrett’s** name in bold, and why didn’t she ask for a budget increase this year, especially after the School Board closed CES? We will get to that.]

Swanger’s “public” effort to sell the Old Hospital to Landmark Developers has been relatively recent, from about the first of this year, but as we shall see from the lawsuit, Tracy Hardgrove had estimated it would take one and a half Million to make the move. But wait! Tracy Hardgrove had left the building back late last year, about the time I had my run-in with this character **Randy Siske**: See <http://haywoodtp.net/pubII/151211FrancisFarmVideo.pdf>

The point is, everyone seemed to know that **Swanger** was forcing **Garrett** and the School Administration between a rock and a hard place.



(Swanger, the boss of everything. File Photo, Mountaineer)

Anne Garrett certainly knew about the Lease, yet they were developing contingencies about costs analysis of moving from the Old Hospital to CES. Why couldn't **Garrett** do anything? Who knows why the Lease was not brought out in a very public way. Where was **Chuck Francis** in all of this.

Well, I have some questions...

- Why isn't the county honoring the 1980 Lease Agreement, which says if the county throws them out of the Old Hospital Building, they have to provide an equivalent location?
- Why did the School Administration have to move themselves from the Old Hospital Building to CES?
- The Annex II building is only about half the square footage that the School Administration was occupying in the old Hospital Building. Is the county going to make good on the original Lease Agreement?
- Why is the county charging the School Administration \$300,000 for the installation of an elevator in the ANNEX II building?
- It appears that the county is using the Annex II building as collateral for this Installment Financing Contract. What if there is a default? Do Haywood County Taxpayers lose this building?

- The School Board authorized the School Administration to request borrowing \$1 Million for this renovation. Why is this resolution authorizing \$2 Million? Does the county know something we don't, or do they intend to use the extra \$1 Million for something else?
- Evidently, this is how it works:
"The county is not going to finance it for us (School Administration). They are going to borrow money on our behalf. In the meantime, the county intends to front the money needed to start the project and then pay themselves back once the loan is approved. School systems can not borrow money on their own. The county must secure the loan on our behalf."
- How is the county going to pay themselves back?
- Will this whole convoluted scheme result in a tax rate increase for Haywood County Taxpayers?
- Who thought of this convoluted scheme in the first place?
 - **David Francis?**
 - **James Weaver "Kirk" Kirkpatrick the III?**
 - **Frank Queen?**
 - **Bryant Morehead?**
 - **Julie Davis?**
 - **and yes, Mark Swanger?**

The simplest method to handle this whole mess is to simply honor the original Lease Agreement, and put the School Administration in an equivalent location.

The School Administration is currently occupying CES. To me, this is like the Taj Mahal, compared to what they have been occupying in the old Hospital Building. It's hard for me to reconcile having to move people to cramped office space in the Annex II building.

[**Editors Note:** I had requested multiple times to have **Kris Boyd** offer a tour of that building. He has always refused.]

Legend: If any name is in **bold**, it can't be a good thing.

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Si vis pacem, para bellum