

FRANKLIN COUNTY MENTAL HEALTH CLINIC

Change in financing could save \$120K

Clinic expansion costs drastically reduced

By SONIA AHUJA
Herald Staff Writer

An expansion at the Franklin County Mental Health Clinic may cost less than expected.

County commissioners Wednesday decided to change how they'll finance the expansion and that could save at least \$120,000 in interest, an adviser to the county said.

As a result, commissioners unanimously agreed to use a financing technique known as certificates of participation instead of issuing industrial revenue bonds for the addition on Eisenhower Road, Ottawa.

The life of the certificates would be 20 years.

The vote reverses a move by the county Sept. 26 in which commissioners indicated their intent to issue industrial revenue bonds up to \$1.6 million.

Kirkpatrick Pettis, the underwriter for the issuance of debt to finance the

expansion, advised the county commissioners and county mental health officials that "there may be interest cost savings by financing the Facility Addition through certificates of participation," according to the resolution.

Industrial revenue bonds are at least one-half-percentage point greater than certificates of participation, Director of the Franklin County Mental Health Clinic Diane Drake told commissioners at Wednesday's meeting.

The clinic will learn by late December

See CHANGE, Page 3

CHANGE: Saved money could be used for more improvements

(Continued from Page 1)

whether it will receive a \$400,000 state grant for which it applied earlier this year.

Also, the clinic could receive up to \$220,000 in state tax credits. Individuals who donate money to the clinic can receive a deduction of up to 70 percent in state taxes and a deduction of up to 30 percent in federal taxes for the 2005-2006 tax year, Drake said.

Although the county intends to issue the certificates, Mental Health would

repay it through its revenues.

The money would be used to expand the Mental Health's clinic at 2537 Eisenhower Road and make improvements at its facility at 15th and Cedar streets in Ottawa, Drake said.

The Eisenhower facility would be expanded by about 150 percent, county mental health officials said earlier this year.

Outpatient services and emergency health programs would be moved to Eisenhower, they said.

The parking area at the Eisenhower

facility also would be expanded, and a severe storm shelter added to the clinic.

The clinic's services have seen a sharp increase in the number of patients.

Drake said the clinic has served 4,412 more patients so far this year compared with the number served by the same time in 2004.

The project is expected to be completed in Jan. 2007, she said.

Herald Staff writer Sonia Ahuja can be reached at sahuja@ottawaherald.com