

Warren County

Area's largest Y plans \$7.7M expansion

Lebanon YMCA has 19,000 members and 600 employees.

By [Lawrence Budd](#) - Staff Writer

LEBANON —

The Warren County Port Authority voted Friday to issue \$8.8 million in bonds, a move expected to save the YMCA in Lebanon about \$800,000 on money borrowed to pay for renovations and to refinance old debt.

The port board voted unanimously to issue the bonds for the Ralph J. Stolle Countryside YMCA to finance about \$7.7 million in improvements, including a new entrance, more parking, a “discovery zone” for children in child care and larger facilities for gymnastics and other programs.

The Y, thought to be among the largest in the country, also plans to fold in about \$1.1 million in old debt, taking the total principal to \$8.8 million, officials said.

“The YMCA is a valued a community institution,” said Martin Russell, director of the port authority and department of economic development in Warren County.

The bonds pay 3.5 percent interest, about 0.75 percent less than if they had been issued privately, resulting in the anticipated savings on interest — from \$4.3 to \$3.5 million — over the 20-year repayment term, Russell said.

“We really appreciate the friendly interest rate,” Y board member Larry Hollingshead said after the port board vote. “We’re going to do some really nice things.”

Largely in response to member surveys, Hollingshead said the Y would improve access and facilities to the Y’s main complex on Deerfield Road in Lebanon, while studying the addition of a community room.

The Y lists more than 19,000 paying members and 613 employees, as well as more than 2,200 members receiving assistance from the nonprofit organization. It features multiple gymnasiums, pools in and outdoors, two indoor running tracks, large exercise and gymnastics areas and an indoor sports field, as well as child care and senior citizen facilities, outdoor hiking trails and tennis courts.

At the end of 2013, the Y reported net assets of almost \$19.7 million — up from almost \$18.8 million in 2012 — and \$4.9 million a year in member fees. It also operates a Y in Landen, in southern Warren County, and manages a facility at the Otterbein retirement campus, south of Lebanon.

The bond debt will be repaid from a capital improvement fund supplemented annually from existing member fees, Hollingshead added. “It won’t be paid through additional member fees.”

The port authority will be paid \$22,000 for issuing the bonds, according to lawyer Caleb Bell.

“The credit risk is actually on the bank that is buying this,” Russell said of LCNB Bank, headquartered in Lebanon.

“We are the conduit,” he said, adding the Y will not be subject to prevailing wage laws on the project, due to the bonds to be issued by the port authority for the project.

Earlier Friday, Russell mentioned the project briefly during a presentation by the Dayton Development Coalition in Warren County on a long list of development [projects involving for-profit enterprises assisted by the port authority](#), including [the Miami Valley Gaming racino](#) and business expansions in Warren and Preble counties.

“We’re also in the nonprofit space,” he said.

The transaction is scheduled to close June 13.