

Umatilla County

Department of Land Use Planning



DIRECTOR
TAMRA MABBOTT

LAND USE
PLANNING,
ZONING AND
PERMITTING

CODE
ENFORCEMENT

SOLID WASTE
COMMITTEE

SMOKE
MANAGEMENT

GIS AND MAPPING

RURAL ADDRESSING

LIAISON, NATURAL
RESOURCES &
ENVIRONMENT

MEMO

TO: Umatilla County Board of Commissioners

FROM: Brandon Seitz, Assistant Planner BS

DATE: October 6, 2016

CC: Doug Olson, County Counsel
Tamra Mabbott, Planning Director

RE: October 12, 2016, Board of Commissioners Land Use Hearing
Appeal of Conditional Use Request #C-1264-16

The Umatilla County Board of Commissioners Land Use Hearing held on September 28, 2016, was continued to October 12, 2016. The hearing was an appeal of the Planning Commission's decision to approve Conditional Use Permit #C-1264-16. Approval was for operation of a drug and alcohol treatment facility, convalescent home, for a maximum of 15 patients. The Board requested the applicant, Rodney Rainey, submit a written business plan and site plan. The applicant submitted the requested items on October 5, 2016 (see attached).

The next step by the Board of Commissioners would be to accept the business and site plans into the record prior to commencing deliberation and making a final land use decision.

Attachments

- The Power House Residential Drug Treatment Center Business Plan
- Site Plan

The Power House Residential Drug Treatment Center

32405 Diagonal Rd. Hermiston, Oregon

97838

WWW.PowerhouseTreatment.com

Business Plan

The Company is structured as a corporation

Currently operating in the professional and technical services sector.

Executive Summary

Owner/Pres/Sec Rodney J Rainey

Management

Melissa Homan CADC II Director/Intake Coordinator.

Kieth Walker CADC II Clinical Supervisor

Dr. Joel Rice Medical Director

Company History

The Power House began accepting clients in January of 2014. Within a few months we were up to full capacity (15) and have remained at full capacity since. We now have a waiting list of

around 70 clients waiting for an opening for treatment. We have treated over 230 clients to date.

Goals and Objectives

It is our goal to not just treat our clients with the same practices and techniques, but to constantly improve our treatment and the atmosphere in which we treat, for more successful and lasting results. Because of the increasing need for treatment in Oregon we have decided to open another treatment center. Staying with the same size 15 beds. The comfortable family atmosphere is important to treatment.

The Product

Our product is Education and Training. We teach our clients how to take the facts and techniques and use them to control their lives and combat addiction.

The Market

Our focus is on people in need of professional treatment for alcohol and drug addiction in the State of Oregon.

The Competition

Most of our competitors have been in business in Oregon for years, some for decades, most are Non-Profit organizations, Most are 2 to 3 times larger, most are Co-Ed.

Revenue and Pricing

We accept Private Pay / Private insurance / OHP. Most of our clients are covered under the Oregon Health Plan.

Pricing for Treatment is regulated By Medicaid through OHP and dispersed through CCO's (Coordinated Care Organizations)

We bill or are contracted to bill with:

Moda Health

GOBI

Willamette Valley Health

Trillium

All Care

DMAP

The scheduled fee for Treatment is \$100.00 to \$120.00 per/day per client.

NEW FACILITY START UP EXPENSES

Property Lease \$ 4,700.00 per month

Professional Liability Ins and

Premise and Contents ins \$ 4,594.00 per year

Workmans comp ins. Deposit \$ 3,416.00

Utilities

Power \$ 0 deposit

Internet. TV, Phone \$ 98.00 per month

Garbage \$ 78.00

Office Furniture \$ 600.00

Office Equipment \$1000.00

Office Supplies \$300,00

Class room furniture \$1,500.00

Dinning area furniture	\$1,200.00
Kitchen equipment	\$1,300.00
Food Supplys	\$1,000.00
Bed room Furniture & bedding	\$4,400.00
Maintenance Equip (lawn Mower etc).	\$500.00

TOTAL START UP EXPENSE **\$20,586**

AVERAGE MONTHLY EXPENSES

LEASE	\$4,700
PAYROLL	\$27,000.00
FOOD	\$3,000.00
OFFICE SUPPLYS/COMPUTER APPS etc.	\$500.00
HOUSE KEEPING	\$500.00
PROFESSIONAL & PROPERTY INSURANCE	\$ 574.00
UTILITIES	\$ 800.00
MISC. EXPENSES	\$1000.00

TOTAL AVERAGE MONTHLY EXPENSES **\$38,074.00**



Willamette Family

ADMINISTRATIVE OFFICES
149 WEST 12TH AVENUE EUGENE, OR 97401
TEL (541) 344-0031 FAX (541) 684-4156
WWW.WFTS.ORG
Addiction and Mental Health Treatment Services

October 13, 2015

To Whom It May Concern:

I have been working with Buckley Detox for eight years. In those years we have tried to help individuals battle their addiction issues. In today's society we see the growing need for residential treatment centers and the shrinking capacity to meet those needs. Individuals at this level starting from day one, need a treatment facility that cares about the person and not the numbers.

I was fortunate enough about sixteen months ago to hear of the Power House. I began contacting them and sending them a good number of my clients on my case load. I will tell you this, I remember sending a client who has been through four to five residential treatment centers and through our detox facility ten or eleven times. Three months later I was told I had a visitor. I walked to the front of the facility there was the client I had sent to Power House. He was clean ninety plus days and doing well, and is still continuing on in his recovery today.

I soon began networking with Melisa Homan for our detox clients. She has helped coordinate transportation for clients to and from the program, help facilitate a smooth transition back into society and been available for clients to show that herself and the Power House care about the individual's success. I cannot stress the confidence I have in the Power house nor can I make you understand how it feels time and time again to have my clients return and thank me for sending them to the Power House. I became a drug and alcohol counselor to feel like I can make a difference in someone's life and to this date I have been told from returning clients that just graduated Power House that

WOMEN'S TREATMENT CENTER
887 Chastina Avenue
Eugene, OR 97402
TEL (541) 343-2993
FAX (541) 343-2338

MEN'S TREATMENT CENTER
1420 Green Acres Road
Eugene, OR 97408
TEL (541) 338-9098
FAX (541) 338-9240

BUCKLEY CENTER
608 West 4th Avenue
Eugene, OR 97402
TEL (541) 343-8512
FAX (541) 302-1717

DUI SERVICES
1168 Olive Street
Eugene, OR 97401
TEL (541) 484-8274
FAX (541) 484-5021

COTTAGE GROVE OUTPATIENT SERVICES
1450 Birch Avenue
Collage Grove, OR 97424
TEL (541) 767-9958
FAX (541) 767-0377

SPRINGFIELD OUTPATIENT SERVICES
4739 Main Street, Ste 5
Springfield, OR 97478
TEL (541) 746-4508
FAX (541) 728-2467

ADMISSION / OUTPATIENT SERVICES
149 West 12th Avenue
Eugene, OR 97401
TEL (541) 344-0031
FAX (541) 344-0772

NO. 205 P. 2

OCT. 13, 2015 11:05AM WFTS BUCKLEY



Willamette Family

ADMINISTRATIVE OFFICES
149 WEST 12TH AVENUE EUGENE, OR 97401
TEL (541) 344-0031 FAX (541) 694-4156
WWW.WFTS.ORG

Addiction and Mental Health Treatment Services

this is exactly what they are doing there. Individuals have said how wonderful the staff, food, groups, overall compassion, as well as the tolerance and understanding this facility demonstrates.

In this day with all the new drugs that are coming into our communities such as krokodil, bath salts, and Flakka the demand for residential treatment will only get worse. So will the ability to place those addicts that still suffer, and have the right to those kinds of services. I asked myself this question what if my son came to me and reported that he has a substance abuse issue? I would first like to have a place for him to go for treatment, and next I would see if they had a bed at the Power House. In my opinion this is one of the more client orientated programs around focusing on the individual and not the bottom line.

Warm regards,

Will Zoellner, CADCI 1
Sub-Acute Case Manager
Willamette Family/Buckley Detox & Sobering Services
605 West 4th Avenue
Eugene, OR 97402
541-343-6512 x106
WilliamZ@WFTS.org

WOMEN'S TREATMENT CENTER
667 Cheshire Avenue
Eugene, OR 97402
TEL (541) 343-2996
FAX (541) 343-2398

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Eugene, OR 97408
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P. 3

NO. 205

WFTS BUCKLEY

OCT. 13, 2015 11:05AM

Powerhouse Treatment Center

Fri 11/27/2015 8:29 PM

From: strobeln@yahoo.com**To:** marcher@powerhousetreatment.com

To Whom It May Concern:

My name is Nicholas Strobel, and I am proud to say I am a recent graduate from The Powerhouse. To fill you in on a little of my back story, I am a 36 year old single father of three children. I have been using Methamphetamine intravenously since I was 14 years old. I have been in and out of jails, institutions, and prison. I am a convicted felon with 9 felonies, charges ranging from seat belt tickets, attempting to elude peace officer in a vehicle and drug possession charges. I thought that life without the rush I got from doing a shot of meth was impossible to achieve. From the moment I walked into the front door and was asked to empty my pockets and put my possessions in the office so that the staff of the Powerhouse could search for contraband or any other unnecessary items that may have been in my luggage until the moment my graduation date came, I felt nothing but welcome, loved, and hopeful that I could actually be the man people could respect, a father my children could not only count on but also look up to. The staff is understanding and knowledgeable of the disease aspect of addiction. Clients are actually involved in the forming of their treatment plan, and have an opportunity to show responsibility through mentoring, facilitating groups and being pro social and proactive through real life situations with people. I have learned so much about my true self. I now know how to deal with, talk about, and express my feelings without violence, yelling, or cussing. There is a time out for men group that has a wide variety of helpful tools involving assertive statements and problem resolution techniques that are so simple and helpful that I am really shocked that I have never heard about them in the 4 or 5 other treatment centers from my past. The approach that: Melissa, Candise, Mandy, KC, and Keith use is the most effective and beneficial approach I have had the opportunity to experience. I showed up to the Powerhouse full of shame, terror, guilt, and self hatred. I left there a man that can look in the mirror, at my children, and the woman I love in the eyes and not feel empty and hopeless. That is the greatest, most exhilarating feeling I could ever hope to feel. Life is made of choices not chances, sink or swim, live or die. The opportunity I had to come to the middle of nowhere, into a house with 14 other men that I never saw before in my life, saved my life. Without the Powerhouse I would no doubt be so wrapped up in destroying my own life and all the lives of the people that love me that I would never have come to realize I am a good person and no matter what happens, I never have to live like that again.

Thank You For Your Time
And Consideration

Nicholas Strobel
4069412273

Sent from my iPhone

On Nov 26, 2015 11:38 AM, "Jesse Hines" <5150jessehines@gmail.com> wrote:

...The unique diversity n community ran treatment center, thatThe Power House offers, helped me see the change that needed to be in my life.

I had been in other treatment facilities before. The difference wasn't just in the love and compassion that these counselors have but, was also in how it functioned as a whole, as a community! Allowing students to hold accountability out of love n support for one another. Simply put, we all have the answers in us, we just need help seeing n pulling it out of one another. ..."You can never reach your greatest potential in life, without having healthy relationships."

...Today I am clean n sober, n have gained custody of my children, became a funtional member in society, let go of my past, learned to forgive others n myself, and now I walk around with a humble thankfulness and a huge smile! :)

With no excuses, cause today i can live clean!

Thank You Power House!

Jesse Hines

COMMERCIAL REAL ESTATE LEASE WITH OPTION TO PURCHASE

Date:

LANDLORD: QL Investments, LLC.
PO Box 928
Hermiston, OR 97838
Kevin J Gray (Managing Member)

TENANT: The Powerhouse Drug Treatment Center, Inc.
32405 Diagonal Rd
Hermiston, OR 97838
Rodney J Rainey (President)

Landlord leases to Tenant and Tenant leases from Landlord the following described Property and Building(s) located thereon (The "Property") subject to the Option Agreement herein on the terms and conditions stated:

PREMISES: Landlord, in consideration of the lease payments provided in this lease, leases to Tenant House located at 32755 W Walls Road, Hermiston, OR 97838, includes Doublewide mobile home, 4.75 acres, and all buildings and fixtures on property.

TERM: The lease term will begin on September 1, 2016 Through August 31, 2021. The term of the lease shall be 5 years, with (2) Two (10) Ten Year options for renewal. Renewal will be automatic if option to purchase is not exercised.

DEPOSIT: No deposit (\$0.00) is required.

LEASE PAYMENTS: Tenant shall pay to the Landlord monthly installments in the amount of \$4,700.00, payable in advance on the Fifth business day of each month for a total lease payment of \$282,000.00. Lease payment shall be made to Landlord in person, or at PO Box 928, Hermiston, Or 97838. Lease payment will be prorated at closing if option to purchase is exercised.

POSSESSION: Tenant shall be entitled to possession on the first day of the term of the Lease.

USE OF PREMISES: Tenant may use the Premises only for The purpose of a State Approved Drug Treatment Center. The Premises may be used for any other purpose only with prior written permission of Landlord, which shall not be unreasonably withheld.

STORAGE: Tenant shall be entitled to store inventory and Items of personal property in all of the property. Landlord shall not be liable for loss of, or damage to such Items.

PROPERTY INSURANCE: Tenant shall maintain Property and liability insurance (minimum \$1,000,00.00) at the Tenants expense to cover replacement cost, and hold Landlord not responsible for any liability claims. Tenant shall name Landlord and Old West Federal Credit Union, or successors as the loss payee.

MAINTENANCE AND REPAIRS: Tenant shall have the responsibility to maintain the Premises in good repair at all times during the term of the lease. All repairs are the sole responsibility of the Tenant. Normal wear and tear is acceptable.

UTILITIES: Tenant shall be responsible for all utilities and services.

(1)

TAXES: REAL ESTATE TAXES: Landlord shall pay all Real Estate Taxes and Assessments.

PERSONAL TAXES: Tenant shall pay all personal taxes and other charges which may be levied against the Premises and which are attributable to Tenants use of the Premises.

EMINENT DOMAIN: If the whole or any part of the leased premises shall be taken by eminent domain, the term of this lease shall terminate from the date title vests in the governmental authority. Tenant shall have no claim against Landlord for the value of any unexpired term of this lease. No part of any award shall belong to Tenant.

DEFAULTS: Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound.

ACCESS BY LANDLORD: Landlord shall have access to property at all times as needed.

COMPLIANCE WITH REGULATIONS: Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters.

ARBITRATION: Any controversy or claim relating to this contract, including the construction of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association.

SUBORDINATION OF LEASE: This lease is subordinate to any mortgage that now exists, or may be given later by Landlord, with respect to the Premises.

RELATIONSHIP OF PARTIES: Landlord and tenant shall not be considered or deemed to be joint venturers or partners and neither shall have the power to bind or obligate the other except as set forth herein.

ASSIGNABILITY/SUBLETTING: Tenant may assign or sublease the mobile home for staff housing, or to a Tenant approved by Landlord. Pasture may also be subleased with approval of Landlord.

OPTION TO PURCHASE: Tenant, upon satisfactory performance of this lease, shall have the option to purchase the real property described herein for a purchase price of \$330,000.00. Tenant may purchase after a term of at least (3) three years of satisfactory lease obligation if Tenant pays any and all early payoff fees to the Mortgage Lien holder.

CLOSING AND SETTLEMENT: Tenant agrees that closing costs in their entirety, including and points, fees, and other charges required by the third-party lender, shall be the sole responsibility of Tenant. The only expense related to closing costs apportioned to Landlord shall be the pro-rated share of the ad valorem taxes due at the time of closing, for which Landlord is solely responsible.

REASSIGNMENT OF LEASE: Landlord shall be entitled to sell or reassign this entire lease providing the terms and conditions of the lease remain the same or benefit the Tenant.

GOVERNING LAW: This lease shall be construed in accordance with the laws of the State of Oregon

ENTIRE AGREEMENT/AMENDMENT: This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY: If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions of this Lease shall continue to be valid and enforceable. If a court finds that any provision of

(2)

this Lease to be invalid and unenforceable, but that by limiting such provision, it would become valid and enforceable, the such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER: The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this lease.

BINDING EFFECT: The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns

SIGNATURES AND NOTICE: This lease shall be signed by the following parties. No notice under this lease shall be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, and addressed to the parties below.

LANDLORD



DATE: 7/20/16

QL Investments, LLC.
Kevin J Gray (Managing Member)

TENANT



DATE: 7-20-16

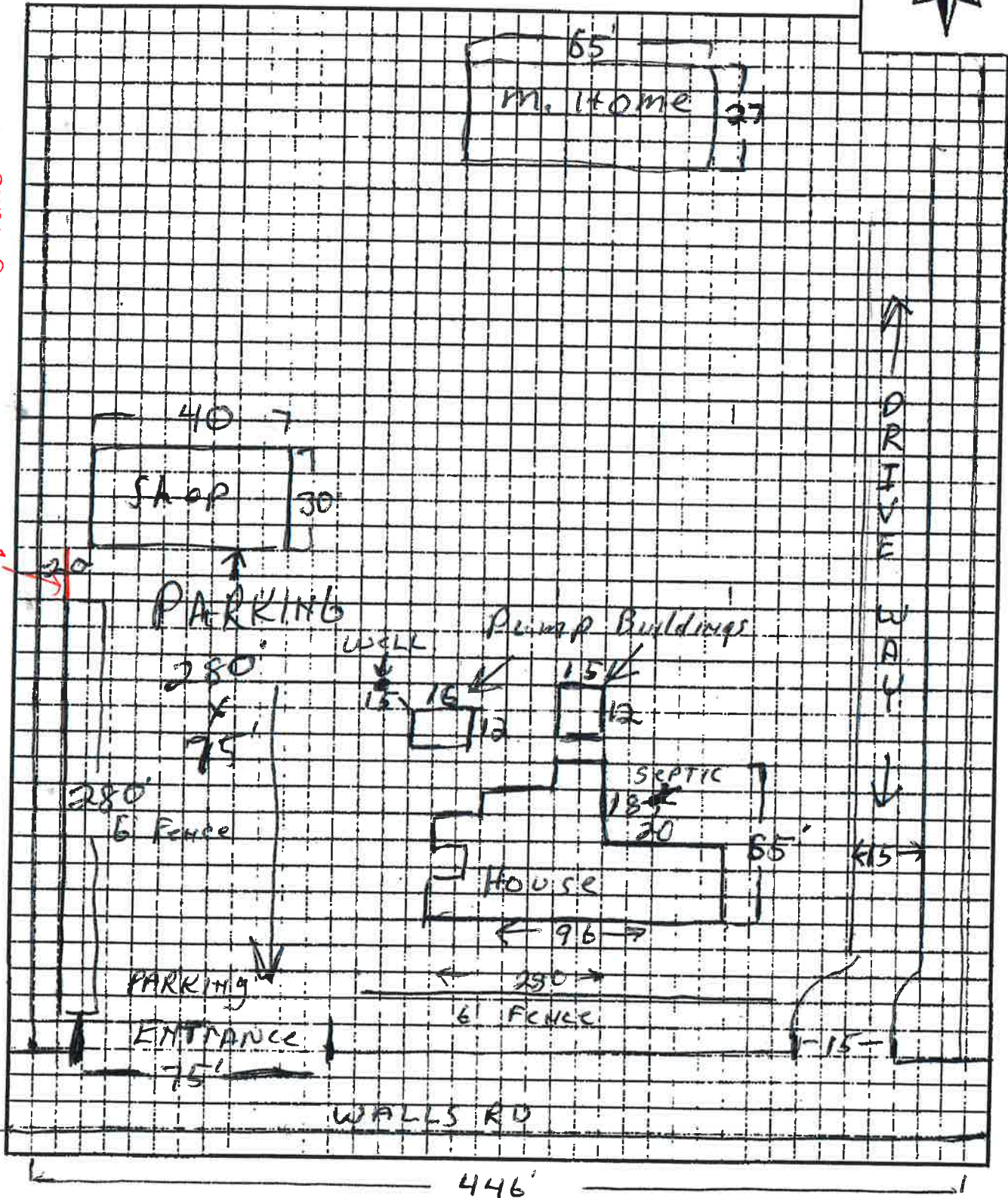
The Powerhouse Drug Treatment Center, Inc.
Rodney J Rainey (President)

Exhibit B, "Site Plan"

Please include the details listed under item (c) found in Section 4 (on preceding page)



43' required extension of existing fence



446'