CITY OF MANISTEE PLANNING COMMISSION WORKSESSION

NOTES OF SEPTEMBER 21, 2006

The City of Manistee Planning Commission met in a worksession on Thursday, September 21, 2006 at 6:00 p.m. in the Council Chambers, City Hall, 70 Maple Street, Manistee, Michigan.

Members Present: Tamara Buswinka, Dave Crockett, Ray Fortier, Harlo Haines, Tony Slawinski and Roger Yoder

Members Absent: Maureen Barry, Ben Bifoss and Greg Ferguson

Others Present: Kay Wickstrom (Narconon), Per Wickstron (Narconon), Lee Trucks (DDA), Dave Carlson (DDA), Jon Rose (Community Development Director) and Denise Blakeslee (Planning & Zoning) and others

Worksession began at 6:03 pm.

WORKSESSION ITEMS

Narconon Stone Hawk

The Public Hearing for this request has been notice for Thursday, October 5, 2006 at 7:00 p.m. The notice included that the Planning Commission was holding a worksession on September 21, 2006 at 6:00 p.m. and the public was welcome to attend but public comment was reserved for the Public Hearing.

Representatives from Narconon Stone Hawk spoke of their request for a Special Use Permit for a Drug Education and Rehabilitation Facility. They refer to the people who go for treatment as students because they are taught how to live without drugs and alcohol.

They have provided a Demographics Study and Wage Scale (attached).

They have also been conducting a survey of people in the community and around the site preliminary answers to questions were reviewed (copy attached).

They also spoke of meeting with the residents of Horizon Point the facility located across the street from the proposed Rehabilitation Center and will be compiling their remarks they said the response was 75% in favor with 25% opposed. The main concern that was noted was security. They provide 24 hour security staff at the facility. They lock the building at 11:00 p.m. for the night and have motion sensor lights, alarms and cameras on all of the exits.
Discussion included the following:

- **Medical Personnel**
  - Registered nurse will be at the facility on staff 24/7
  - Two physicians will be on site 2 times a week and on call
- **One licensed Psychologist**
- **Adult facility must be 18 years or older** (average age of student is 35 years of age, their youngest student has been 18 and their oldest student has been 71)
- **Supervision** - their clients always have a staff person with them if they are outside the facility and they are monitored by staff while inside the facility.
- **Students are not allowed to have a vehicle.**
- **Visitation is on Sundays between 1:00 - 6:00 p.m.**
- **Proposed layout of facility**
  - Basement - Course rooms
  - First Floor - Administration
  - Second Floor - Women
  - Third Floor - Men
- **Capacity, do not like to exceed 100 clients** (allows individual attention and provides a good staff/student ratio)
- **Students come from all over the country**
- **33% of their students at their two other facilities are from Michigan**
  - They have had 15 students from Manistee County in their program
  - They market mostly in the five States around Michigan
- **Private pay** - they do not bill insurance company, individuals can bill themselves
- **Cost is $27,000 for the program**
- **Will provide 12 scholarships annually to residents in Manistee County**
- **Work with local Mental Health Agencies**
- **Have a drug dog at the facility “Buster”**
- **Eight Step program**

Review of Site Plan included:

- **Parking lot** (42 spaces will need resurfacing and striping)
- **Lighting** will meet requirements for night sky, parking lights will be turned off at 11:00 p.m. when facility is shut down for the night, will have motion lights outside of the facility for security purposes
- **Building** has 48,000 sq feet including the basement
- **Plans** are to restore the building using a Historical theme (refinish woodwork and marble floors)
Zoning Issues:

The City of Manistee Zoning Ordinance does not define a Drug Education and Rehabilitation Facility. The proposed use is similar to an Education Facility and Nursing Home or Convalescent Home (previous use).

The Zoning Administrator is asking the Planning Commission to make a determination if this request falls under Section 1886 of the Zoning Ordinance which reads:

SECTION 1886 USES SIMILAR TO USES PERMITTED AS SPECIAL LAND USES

A. Definition. Uses that have characteristics similar to specifically cited Special Uses in terms of trip generation and type of traffic, parking and circulation, utility demands, environmental impacts, physical space needs, clientele and other off-site impacts.

B. Regulations and Conditions.
1. The Planning Commission upon the recommendation of the Zoning Administrator shall make a determination of whether a proposed use is similar to one or more uses permitted by Special Use permit. In preparing such a recommendation, the Zoning Administrator shall evaluate the proposed use in terms of the potential generation of traffic, congestion, noise, odors, dust, litter and similar impacts. In addition, the proposed use shall be evaluated to determine the degree to which it may support or conflict with other uses in the vicinity.

2. The Planning Commission shall determine whether or not a proposed Special Use is similar to other permitted Special Uses, and may require of the applicant further information to demonstrate such similarity.

3. Upon a finding of such similarity, the Planning Commission may establish any regulations and conditions necessary to protect the health, well being, safety, and economy of the City and its residents.

Consensus of the Commissioners in attendance was that they felt the use was similar to both an Education Facility and Nursing Home or Convalescent Home (previous use). While the new Zoning Ordinance R-3 Residential Zoning District requires that both of these Special Uses front on a Key Street they Previous use of a Nursing Home could exempt the requirement as a continuation of a previous use.

Staff was directed to take the Regulations for both Section 1837 Educational Facility and Section 1862 Nursing Home or Convalescent Home and combine them into one list that excluded the requirement of fronting on and being accessed from a key street segment from the list.

Page 3 of 5
Signage:

Staff asked the Planning Commission to establish a requirement for signage if they were to approve the request. This request was made because of the following Sign Standards

- **Type 2, Residential and Recreational Commercial (Nursing and Convalescent Home)**
  - In the R-3 Zoning District is allowed 4 sq. ft. of Cumulative Sign Area
  - Wall or Ground Sign - External Lighting

- **Type 4, Institutional (Education Facility)**
  - In the R-3 Zoning District is allowed 32 sq. ft. of Cumulative Sign Area
  - Wall, Window, Ground, or Marquee Sign - External or Internal Lighting

Planning Commissioners were asked if they considered a conflict for Tony Slawinski who prepared a survey that was included in the first site plan (but has since been removed). Mr. Slawinski has been retired for several years and no longer works as a surveyor. The Planning Commission did not see where there was any issue of compensation and did not feel that there was a conflict.

Harlo Haines was excused from the worksession at 7:30 p.m.

**D.D.A. Presentation - Vertical Zoning Discussion**

Lee Trucks, D.D.A. Representative spoke to the Planning Commission about Vertical Zoning for the Central Business District. Discussion included:

- Certain business are not conducive to retail areas.
- Possible change to ordinance to encourage retail on first floor
- Discussed vacancies on River Street

Mr. Trucks and Mr. Carlson will work with the Ordinance Re-Write Committee to review the concerns of the D.D.A. and make a report to the Planning Commission.

**Other**

**Correspondence to Planning Commissioners**

Denise Blakeslee asked how the Planning Commission wanted correspondence that was addressed to them and mailed to City Hall handled. Commissioners in attendance Tamara Buswinka, Dave Crockett, Ray Fortier, Tony Slawinski and Roger Yoder gave Denise Blakeslee permission to open and distribute all correspondence that is received in their name at City Hall.
Planning Commissioners not in attendance, Maureen Barry, Ben Bifoss, Greg Ferguson, and Harlo Haines will be asked for permission to open correspondence.

**Joint Planning Finding Common Ground Workshop**

Commissioners were reminded of the Workshop next Thursday, September 28th. Copies of the Agenda will be mailed on Friday also.

**ADJOURN**

The Worksession adjourned at approximately 7:58 p.m.

Respectfully Submitted

[Signature]

Denise J. Blakesee, Recording Secretary
Demographics were completed compiling the information collected in biannual retrospective studies as required by the State of Michigan. This data reflects the period of January 2003 (when Stone Hawk first opened) to March 2006.

A total of 743 individuals entered the program with a total of 579 completions (graduates) by March 30, 2006. Of the 164 that did not complete, the following is their accountability:

15 did not qualify after entry
28 left on medical LOA and did not return
27 were suspended for breach of student rules
59 were not ready to end the cycle of addiction and left
35 re-entered the program but had not completed by June 2003

OF THE TOTAL 743 INDIVIDUALS, THE OVERALL RESULTS ARE AS FOLLOWS:

GENDER:

535 Males (72%)  208 Females (28%)

AVERAGE LENGTH OF STAY:

126 days  Males
137 days  Females

PRIMARY DRUG OF CHOICE:

- Alcohol  (27%)  201
- Crystal Meth  (11%)  82
- Heroin  (16%)  119
- Crack/Cocaine  (25%)  186
- Methamphetamines  (5%)  37
- Methadone  (6%)  45
- Marijuana  (1%)  7
- Oxycotin  (5%)  37
- Other including Xanex  (4%)  30
- Cross Addicted (1 or more of the above drug)  89%  661
COMPLETION OF THE PROGRAM:
579 Graduates  (77.93%)

ETHNIC BACKGROUND:
Caucasian  76%
Native American  3%
African American  6%
Asian  2%
Mexican  7%
Other  6%

AGE AT FIRST USE:
7 – 10 years of age  (5%)  37
11 – 13 years of age  (14%)  104
14 – 17 years of age  (68%)  505
18 and older years  (13%)  97

CURRENT AGE (At admission to program):
18 – 21 years of age  (14%)  104
22 – 25 years of age  (18%)  135
26 – 30 years of age  (7%)  52
31 – 35 years of age  (19%)  141
36 – 40 years of age  (16%)  119
41 – 45 years of age  (15%)  111
Over 45 years of age  (11%)  82

# OF PRIOR ATTEMPTS AT REHAB:
First time in rehab  (8 %)  59
1 – 3 prior programs  (28%)  208
4 – 6 prior programs  (34%)  253
7 – 10 prior programs  (21%)  156
More than 10 programs  (9%)  67

LEGAL PROBLEMS:
YES  (62%)
NO  (38%)

What is meant by legal problems, are matters associated with addiction – drunk driving, possession, paraphernalia charges.
EDUCATION:

8th – 11th grade education (19%) 141
HS Graduate (41%) 305
GED (9 %) 67
1 – 3 years College (24%) 178
College Graduate (7 %) 52

GEOGRAPHICAL ORIGIN:

East Coast: (22%) 163
Mid-West: (52%) 386
West Coast: (12%) 89
South: (13%) 97
Out of Country: (1%) 7

MICHIGAN: (33%) 127
(33% of those from the mid-west were actually from the state of Michigan. Of the 127 individuals who entered the program, 93 completed (73%).)
# Proposed Manistee Wage Scale 2007

The wages outlines below will be based on the individuals experience, training and prior experience with Narconon if any. This wage scale does not guarantee an individual will automatically start at the wage designated below as starting wages will coincide with experience. This Wage Scale is designed to provide indication of what is to be expected with regard to employment opportunities in Manistee. The salaries and wages stated below are the same wages paid to employees in Battle Creek and Albion.

## Position

<table>
<thead>
<tr>
<th>Position</th>
<th>Hours</th>
<th>Rate</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Medical Biller x 1</td>
<td>2080</td>
<td>$11.00</td>
<td>22,800</td>
</tr>
<tr>
<td>Registered Nurse x 6</td>
<td>12,480</td>
<td>$23.50</td>
<td>293,280</td>
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<tr>
<td>Registered Nurse x 3 (PT)</td>
<td>3,120</td>
<td>$23.50</td>
<td>73,320</td>
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<tr>
<td>LPN x 3</td>
<td>6,240</td>
<td>$18.00</td>
<td>112,320</td>
</tr>
<tr>
<td>LPN x 3 (PT)</td>
<td>3,120</td>
<td>$18.00</td>
<td>56,160</td>
</tr>
<tr>
<td>Security Officer x 9</td>
<td>18,720</td>
<td>$9.00</td>
<td>168,480</td>
</tr>
<tr>
<td>Security Officer x 3 (PT)</td>
<td>3,120</td>
<td>$9.00</td>
<td>28,080</td>
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<tr>
<td>Cooks x 4</td>
<td>8,320</td>
<td>$10.00</td>
<td>83,200</td>
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<tr>
<td>Kitchen Manager x 1</td>
<td></td>
<td>Salary</td>
<td>33,800</td>
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<td></td>
<td></td>
<td>$650.00</td>
<td>33,800</td>
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<tr>
<td>Dishwashers x 3</td>
<td>6,240</td>
<td>$7.50</td>
<td>46,800</td>
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<td>Prep Cooks x 2</td>
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<td>$8.00</td>
<td>33,280</td>
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<tr>
<td>Estates Manager x 1</td>
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<td>Salary</td>
<td>31,200</td>
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<td>Estate Workers x 2</td>
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<td>$8.00</td>
<td>33,280</td>
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<td>Houskeeping x 1</td>
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<td>$7.50</td>
<td>15,600</td>
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<tr>
<td>Receptionist x 2</td>
<td>4,160</td>
<td>$8.00</td>
<td>33,280</td>
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<tr>
<td>Intake Counselor x 2</td>
<td></td>
<td>Salary</td>
<td>46,800</td>
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<tr>
<td></td>
<td></td>
<td>$450.00</td>
<td>46,800</td>
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<td>Transport Drivers x 3</td>
<td>6,240</td>
<td>$8.00</td>
<td>49,920</td>
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<tr>
<td>W/D Specialist x 9</td>
<td>18,720</td>
<td>$9.00</td>
<td>168,480</td>
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<tr>
<td>Administrative Secretary</td>
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<td>Salary</td>
<td>31,200</td>
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<td></td>
<td></td>
<td>$600.00</td>
<td>31,200</td>
</tr>
<tr>
<td>Assistant Director</td>
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<td>Salary</td>
<td>52,000</td>
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<td></td>
<td></td>
<td>$1,000.00</td>
<td>52,000</td>
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<tr>
<td>Sauna Supervisor x 2</td>
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<td>Salary</td>
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<tr>
<td></td>
<td></td>
<td>$750.00</td>
<td>78,000</td>
</tr>
<tr>
<td>Course Room Supervisor x 2</td>
<td></td>
<td>Salary</td>
<td>78,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$750.00</td>
<td>78,000</td>
</tr>
</tbody>
</table>
1. What do you think are the major problems in your community today?
5. What do you consider unacceptable?

- Teenagers running wild
- Disrespectfulness
- Drugs
- Alcohol Abuse
6. Do you consider drugs and alcohol to be a problem in our community and society today?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. What would you like to see done about the problem?
8. How important do you think information about drug education is on a scale from 1-5?
9. Do you know anyone (friend, family, co-worker, neighbor) who has or has had a problem with alcohol and or drugs?
10. If a Rehabilitation Center was to open in your community would you be in support of it?

[Diagram showing responses: Yes or No, with Yes being shaded in.

Section 1
12. If a rehab center was to open in your community, what issues would you like to see addressed?

<table>
<thead>
<tr>
<th>Everything</th>
<th>Drug Education</th>
<th>No answer</th>
<th>Financial Assistance</th>
</tr>
</thead>
</table>

Question 12
THE IMPACT OF NARCONON STONE HAWK’S CURRENT OPERATIONS AND PLANNED EXPANSION

Introduction and Background:

In January of 2006, a study was conducted (as of year ending 2005) of the economic impact of Narconon Stone Hawk’s, the largest drug rehabilitation operation in the State of Michigan. An overwhelming demand for its highly successful residential drug rehabilitation program and Narconon’s desire to provide its clients with world class facilities, led to its expansion. The founders and operators of Stone Hawk, believe that the quality of service provided is of priority. Therefore, staff to student ratio is kept to a comfortable level vs overcrowding and lack of individual needs being met.

The purpose of the study was to quantify the economic impact on the regions surrounding the Stone Hawk operations. The regional impact analysis was predicated on an initial operating level of a staff of 100 employees serving a base of 105 students (average daily count) as of year end, as Stone Hawk’s clients are known, at the Battle Creek facility.

This study was prepared, analyzing the impact of the current level of operation in Battle Creek, as well as ambitious expansion plans that were slated to be put in place over the next several years. The specific plans included a special medical detoxification facility, training center to train health care professionals on how to deliver and administer the Narconon program, Drug Education and a total of five (5) capacity facilities (one of which would be used for the First Step program and one for ethnic groups with focus on their cultural beliefs and customs) throughout the state.

Since that time, a detailed financial analysis has been conducted with the conclusion that the most efficient way to provide these facilities would be to acquire already existing facilities located throughout the State (such as hotels, nursing homes, hospitals) that have sat vacant due to economical hardship and/or being “closed out” by larger corporations and/or more modern facilities. The current owners of these facilities have concluded that it is uneconomical to operate their existing facilities. The acquisition and renovation of these facilities would be the most cost-effective solution to Stone Hawk’s expansion.

These plans will require an ambitious construction program stretching out through 2008. During that time, over $3,000,000.00 will be spent on renovating the current facility and future facilities, to bring them up to the high standards required by the professional nature of its mission.

- Over $800,000.00 was spent in 2002 on the Battle Creek facility in construction and renovation alone, excluding the actual purchase price, and annually, disburse an additional $300,000.00 on maintenance and upgrading. These monies were spent locally providing a boost to the economy and the production of jobs. Once
the construction was completed, there was and remains to be, an additional boost to the regional economy from the increased local spending on goods and services by Stone Hawk, the additional staff that are required by each facility, and the increased number of visitors to name a few.

- The purchase of the former Trillium Hospital in Albion, Michigan (purchased in September 2005) includes similar renovation and construction, with an approximate $800,000.00 disbursed locally, excluding the actual purchase price, with annual maintenance and upgrading estimated at around $300,000.00. This facility is scheduled to open April 1, 2006.

At the time of this study, there were 140 students at the center in Battle Creek, surpassing it's comfort level and approaching potential affects on the quality of services, yet overflowing due to the high demand for services. The expansion of the Albion facility will represent an essential part of Stone Hawk's expansion plans, in order to meet the growing popularity of its programs.

Before turning to the analysis of the current Stone Hawk operations and expansion plans, it is worth while to briefly review some of the projections and compare them with actual results.

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Number of Students</td>
<td>100</td>
<td>210</td>
<td>311</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>53</td>
<td>80</td>
<td>120</td>
</tr>
<tr>
<td>Total SH Gross</td>
<td>3,052,598.</td>
<td>5,135,022.</td>
<td>8,325,212.</td>
</tr>
<tr>
<td>Total SH Salaries</td>
<td>896,687.</td>
<td>1,909,264.</td>
<td>2,855,789.</td>
</tr>
<tr>
<td>Total Disbursements</td>
<td>1,798,615.</td>
<td>2,640,502.</td>
<td>4,908,589.</td>
</tr>
</tbody>
</table>

As can be seen, the projections contained in the study have turned out to be very accurate in terms of the number of students and too low in the number of employees, as well as the most important items that determine the impact of Stone Hawk on the region’s economy – the direct regional spending by Stone Hawk and the salaries received by Stone Hawk employees.

Summary of Narconon Stone Hawk’s Current Operations and Planned Facility Expansion through 2008:

A total of 311 students entering the program in 2005 were cared for by the 120 staff. The analysis of the Battle Creek facility’s economic impact assumes that the capacity level of 120 students had been reached by year end. Thus, the only increase in spending at the facility was through general inflation.

A second facility in Albion represents the major avenue for the expansion of Stone Hawk’s highly successful residential drug rehabilitation program. Current plans
are for a student population of 100 beds (at each center) maximum and that will be reached by early next year (2007). The facility would employ a staff of 70 people in Albion, including those who would attend to the students’ needs, as well as administrative staff and technical staff. It should be noted that the spending of the students, staff, visitors and others would be concentrated in the Battle Creek and Albion areas, as well as any other geographical area of the state other facilities are placed, maximizing both the city’s sales tax receipts and the economic impact on local business.

There are two major conduits through which the economic impact of Stone Hawk’s operations make itself felt. The first is through the organization’s direct spending for local goods and services. At current operation levels for 2005, this spending amounted to over $4.9 million in the regional area. With the addition of the Albion facility, this figure is expected to total over $8.0 million by 2008. This is all new money that is injected into the regional areas, coming primarily from student fees originating outside the areas.

The second major conduit for the economic impact is the spending of the students and permanent staff members who work at both sites, along with visitors to the facilities. At the present level of operations, student, staff and visitors spending will result in additional annual estimated amount of almost $1.2 million in the regional area in 2005. By 2008, the aggregate spending is expected to grow to over $2.5 million, with the addition of Albion.

However, the aggregate economic impact of an organization such as Stone Hawk is much more than just the total amount that it and its employees, students, visitors, and other guests spend in the area. It also encompasses the impact of this money as it gets spent and re-spent in the local area, in effect rippling out through the community. In order to capture this ripple effect, it is necessary to use a technique such as regional multiplier analysis.

**Impact of Stone Hawk's Operation on Area Spending for Goods and Services:**

The estimated impact of Stone Hawk’s own spending and that of its staff, students and visitors over the 3 year planning horizon is of extreme benefit to the region.

Note that the direct spending of over $5.0 million by Stone Hawk and its staff, students and visitors in 2005 is not the full measure of the organizations impact. As this spending gets re-spent by its recipients, producing the “ripple” effect described earlier, its regional impact is multiplied. The specific multiplier used to produce the induced additional spending above was generated by the regional multiplier system described in the Appendix. The $4.9 million in direct spending in 2005 generates additional millions of dollars in the region, bringing the total area spending to over $8 million this year. As direct spending grows over the three year period, the induced spending increases at the same rate, resulting in a total boost to area sales of over $12 million by 2008.
Narconon Stone Hawk’s Impact on Area Employment in the 2006 – 2008 Period

As was the case with the impact on Stone Hawk’s spending on area sales, the actual number of employees on the organizations payroll is only part of the regional employment history. The increased area sales caused by Stone Hawk’s spending and the induced ripple effect result in increased area employment.

The total jobs that are currently generated by Stone Hawk’s operations amount to 1.8 percent of total area employment in Calhoun County as of July 2005, the last period for which actual data are available. With the Albion facility, that is expected to increase as Albion is also in Calhoun County. In order to get a better idea of the total impact of Stone Hawk’s operations, the July unemployment rate for Calhoun County is 6.3 percent. Had Stone Hawk not been in operation, the unemployment rate for the county would have been over 2 percentage points higher. Even if all the current Stone Hawk employees moved out of the area, so that they would not be counted in the unemployment totals, the county unemployment rate would be almost a full percentage rate higher.

Narconon Stone Hawk’s Impact on Area Income:

Increased area employment obviously leads to increased area income.

As can be seen, Stone Hawk’s total operations in 2006 will add over $6.0 million to the Calhoun County area income. By 2008, the added amount is expected to total over $10.0 million.

The Impact of the Battle Creek Facility on City and County Tax Revenues:

Some concern has been expressed at the potential negative impact of Narconon Stone Hawk’s acquisition of the Battle Creek and Albion facility on both city and county tax revenues. This concern stems from the loss of two revenue streams that the city had previously received when these operations were in place. When the Battle Creek and Albion facilities were purchased, prior tax years had been brought current and paid by seller. The TIA Corporation, a for profit corporation and owner of the facility, currently pays running at an annual rate estimated at $53,000.00 in property tax. Our analysis indicates that there will be no net loss in tax revenues to the area governments due to the acquisition of these facilities.

The City of Battle Creek and Albion will gain a considerable amount of revenue from retail sales generated by the spending of the students, staff and visitors. We estimate that these extra tax revenues would amount to $54,000 in 2006, growing to over $70,000 in 2008, easily exceed the amount of property tax currently paid to the county. Admittedly, there would be a diversion of the revenue stream from the county to the city, but the overall region would be much better off with the economic activity generated by the facilities.
Summary:

The significance of Narconon Stone Hawk’s total operations to the economy of Calhoun County is imperative. It shows the percentage of the county’s economic activity that is accounted for by Narconon Stone Hawk. The area sales and income numbers used in this calculation are from the Census Bureau County Business Pattern Data for 2002, the last year for which data are available. The employment numbers are the latest US Bureau of Labor Statistics for July 2005.

Stone Hawk’s operations in 2005 accounted for between 1.8 and 2.2 percent of the county’s economic activity, depending on the measure used.

The importance of the Albion facility to the continued growth of Stone Hawk’s beneficial impact on the areas economy, which shows the growth in the economic impact of Stone Hawk’s current operations, versus the growth.

Note that, without the acquisition of the Albion facility, the impact of Stone Hawk’s operation on the area economy would show only slight growth over the next three years. However, with the acquisition, the economic impact of Stone Hawk’s operations and its importance to the region will continue to grow, adding much needed economic diversification and stability to the region.
APPENDIX

Methodology Used in the Narconon Stone Hawk Study

Narconon Stone Hawk’s economic impact on the surrounding area is twofold – the direct impact of the spending on goods and services in the local economy by the organization, its employees, the client students, visitors and trainees; and the indirect or induced effect of this spending rippling through the economy, producing new jobs and aiding local merchants. Regional multiplier analysis is the most widely accepted way to measure this impact.

The regional analysis methodology used in this study is that of the IMPLAN (Impact analysis for PLANning) system developed by the US Department of Agriculture Forest Service. The IMPLAN system has been commercialized by the Minnesota Implan Group (MIG, Inc. a Stillwater, Minnesota Consulting company. By using Implan, an analyst can develop a set of multipliers for local area spending, income and employment. These multipliers can then be used to translate the spending of an organization, its employees, and its clients into the total regional economic activity that is generated by this spending.

One significant advantage of the MIG version of the IMPLAN system is that it can be applied to areas as small as a single county, or even a postal Zip Code area within a county. The current study analyzes the impact of Stone Hawk’s operations on Calhoun County, with specific attention to the City of Battle Creek, since that is the site of the first center.

Regional multiplier analysis focuses on the short-term economic impact of changes due to organizations’ activities in a local area – as such, it can be criticized for ignoring the long-term adjustments that can and usually do take place. For instance, the economic activity created by a large organization increasing its local area spending might tend to crowd out other alternative activities in the long run, activities which might have benefitted the area’s economy just as much. However, history does not reveal its alternatives, and there are many more cases in which a high level of economic activity attracts even more activity, rather than crowding. In the case of rehabilitation centers, it is unlikely a region would experience any activity that crowd out alternative activities. The next result is regional growth and expansion, rather than the zero sum game of crowding out.
NARCONON STONE HAWK

STUDENT RULES OF CONDUCT

THE NARCONON STAFF MEMBERS ARE HERE TO HELP YOU BECOME DRUG FREE. THE STUDENT RULES OF CONDUCT ARE ESTABLISHED FOR YOUR BENEFIT AND OTHERS AT THE CENTER. VIOLATIONS OF ANY OF THE STUDENT RULES OF CONDUCT MAY RESULT IN SUSPENSION OR DISMISSAL FROM THE PROGRAM. BY SIGNING THE AGREEMENT, YOU ARE STATING YOU AGREE TO ABIDE BY THE RULES AS THEY ARE WRITTEN.

1. This is your new home for the next several months. Safeguard it – keep it looking presentable – take care of things and help others to do the same.

2. Your room must be kept clean at all times – this is your immediate living space. You will share this with others – treat each other with respect.

3. Your bed must be made every morning.

4. All students will be required to participate in a morning chore immediately after roll call. This will take approximately 20 minutes. Roll call is at 8:45 a.m. in the cafeteria. Your Student I/C will assist you in assigning you a chore. On Saturday mornings you will have a cleaning station assigned to you – again get with the Student I/C for assignment. We as a group are responsible for keeping our building clean. Your station may be sweeping a center area, or washing windows, etc. Whatever your station is, it is important that we keep the facility looking nice.

5. No threats or acts of violence will be tolerated toward staff, students, the public or any living thing. Such acts will result in immediate suspension or even dismissal from the program.

6. Damages to the facility or facility property will not be tolerated. Damages will result in your financial responsibility. Damages resulting from acts of violence will result in immediate suspension or even dismissal from the program.

7. It will be grounds for immediate dismissal and potential prosecution to buy, sell, or possess drugs in the center or on its grounds. It will be grounds for immediate dismissal to buy, sell or possess alcohol in the center or on its grounds.

8. All medications must be approved by the physician on staff here at Narconon Stone Hawk and if approved, they need to be kept by the nurse and administered by the nurse. This includes aspirin and such, and all non-prescribed medications. This also includes any medications you bring with you.
9. You will not be allowed to have toiletries such as mouthwash, perfume, etc. that contain alcohol. Aerosol sprays will be monitored.

10. You may be drug tested from time to time throughout your program. This is done on a random status. You will be responsible financially for any tests that must be sent to the lab as a result of a positive result on the premises, if you question the validity.

11. There will be no over-night leave of absence. Students may not leave the grounds for any purpose unless accompanied by a staff member. In case of a family emergency, staff may approve a leave after complete review and clarification of the emergency. Anyone leaving without prior approval will face suspension.

12. If you leave the program for any reason without approval, it may be allowed through the Executive Council for you to return and make up damages to the group by way of an ethics cycle before re-entry. If you leave and realize that you need to come back, your terminal for re-entry is the Ethics Officer.

13. If you leave prior to completing the program for reasons of suspension, dismissal or against medical advice, the Ethics Officer is your only terminal to the center. You will have no further contact with students, trainees or other staff.

14. All students are subject to room searches when deemed necessary.

15. All students are subject to (body and clothing) searches if it is suspected they are carrying drugs on their person.

16. No food, drinks, or dishes are allowed in student rooms at any time. Packages from home containing homemade goods or unwrapped or seal broken foods, will be confiscated. At no time is food to be allowed to be brought into the center without prior approval from PSS and the Executive Director.

17. Men's dorm areas consist of the 2nd floor and into the upper units of the 2nd floor and 3rd floor. The women's dorm area is on the third floor. At no time are students allowed to be in the dorm areas or lounges of the opposite sex. Males can not go to the women's rooms and women can not go to the men's rooms. There are NO exceptions to this rule.

18. Students are not to be any more than friends. If at anytime staff see that the line of friendship is being crossed, we reserve the right to install a non-communication order and/or a separation order. Violation of this could result in an ethics cycle or suspension. You are here to get off drugs and alcohol. You are here to change old behaviors.

19. You must dress appropriately at all times. If you question something being appropriate, ask a staff for assistance. If it is inappropriate, you will be asked to change. Skimpy clothing, see-through clothing, provocative or suggestive clothing, symbols that
represent drugs/alcohol or use of, t-shirts with negative or suggestive sayings, etc., are not appropriate.

20. You are required to follow the posted schedules for study, sauna, work assignments, etc. Do not be late.

21. Having proper rest and nutrition are critical to your success of the program. Curfews have been set and you must follow them. Monday through Friday you are required to be in your room at 11:30 p.m. and lights out at 12:00 a.m. On Saturday, curfew is 12:45 a.m. with lights out at 1:15 a.m. Please respect your room mates who may have gone to bed earlier and are sleeping.

22. Music in your rooms must be limited to a walkman and not disruptive to others in your room. Again, respect others. Having a radio can be inconsiderate of others taste in music and can be disturbing if someone is trying to sleep. Radio and stereo music that is not confined to individual listening, are allowed in common areas only.

23. You are expected to be up and ready in the morning for breakfast which is served between 8:00 a.m. and 8:45 a.m. Roll call is taken at 8:45 a.m. in the cafeteria. Be present and on time. The smoke room is off limits during roll call. On Sunday, roll call is at 10:00 a.m. in the cafeteria.

24. There is absolutely NO SMOKING in your rooms. Such a violation will result in financial fines of $50.00 each offense. Three such offenses could result in heavy ethics cycle or suspension. There are designated areas for smoking. You may smoke in these areas only. Please use the ashtrays in these areas – do not throw butts outside. BE CONSIDERATE of those that don’t smoke. Being allowed to smoke in facilities these days is a privilege – do not abuse it.

25. After curfew if you cannot sleep, you may leave your room to your respective lounge for a cigarette. You will not be allowed to watch TV then or socialize with others. No more than 2 students will be allowed in the lounge area after curfew for a cigarette. If you are up and see 2 students in the lounge, please return to your room and check back in a few minutes. If you are in the lounge smoking, return to your room promptly so others may use the lounge if necessary.

26. Room checks will be done after curfew by entry of security to assure all are properly accounted for and there are no violations of the rules.

27. Until you reach the sauna part of the program, you can only use the phone through PSS.

28. The phones in your respective lounges are for out going calls only. You can obtain calling cards from PSS. This includes the pay phones.
29. Phone calls are to be limited to 15 minutes so others may use the phone too. Phone calls from or to students who have been suspended or left prior to completion of the program is prohibited. The phones in each lounge and the pay phone are available until 11:00 p.m. on weekdays and 12:00 midnight on Saturday.

30. Students may not enter the living quarters of staff for any reason.

31. Noise control is essential to respect for others not only in the center, but around the neighborhood as well. Loud noise and music echo off the lake. Outdoor radios must be turned off by 10:00 p.m. on weekdays and 11:00 p.m. on Saturdays only. Music with obscene lyrics and vulgar language will be confiscated and returned to you upon leaving.

32. No gambling or betting of any kind is tolerated.

33. Students are not permitted off the grounds without a staff member – this includes the roads and parking areas.

34. Please control your language – excessive swearing is all part of old behavior and is not appreciated by many. At graduations on Friday evenings, we often have families and guests – using the “F” word is not appreciated nor will be tolerated. You can express your meaning in other words. Often times we have guests for graduation ceremonies, and also small children. Use of foul language at this time will absolutely not be tolerated and could results in an ethics cycle.

35. Conversations about drugs or past drug history is not allowed. This is part of your past now and can be very restimulating.

36. The main lobby is off limits unless you have a medical condition that would warrant you needing to use the elevator in between floors. The outside of the front of the facility is off limits.

37. If you have outgoing mail, put it in PSS out mail box. Incoming mail will be handled by security and distributed at 9:00 p.m. You will be required to open all mail in front of security and any packages or envelopes containing items other than letters, will be searched.

38. After completion of the sauna program, you will at some point move into ethics standing as an upstat student. Once upstat, you will obtain the privilege of having visitors. Visitation is on Sundays only from 1:00 p.m. to 6:00 p.m. Visitors must be limited to immediate family unless prior approval is obtained by the Ethics Officer who will discuss the request with the Senior Staff. At no time are these visitors allowed in your room or rooms of others nor are they allowed tours of the facility where sessions are in process (sauna area, course rooms, etc.) Originate your visitor approvals in the PSS office by Thursday of that week. Remember, if you get approved for a visit and do not follow through with your part of the program and keeping your ethics in, you will lose the visitation. There are no visitations allowed prior to reaching this status.
39. You may not have any cash on your person at any time. All monies, valuables, credit cards, wallets, etc. will be stored for you in the security office.
40. At no time will weapons be allowed in the center.
41. NO LITTERING. Trash receptacles are available in and outside the building. Use them.
42. You are responsible for your own laundry. This includes your own bedding and linens. Laundry facilities are provided for you. When using the washer and dryers, you are responsible for cleaning them out after each use — empty lint traps, clean up spilled detergent and fabric softner — use trash cans to dispose of clean up and waste.
43. The recreation room is yours to use — it too must be kept clean. Do not put foot prints or pool stick marks on the walls.
44. Borrowing or loaning money amongst students is not allowed. If this is done, Narconon Stone Hawk is not responsible for money not returned. The same goes for personal belongings such as clothes, CD’s, jewelry, etc.
45. Theft of any kind will result on immediate dismissal.
46. You are financially responsible for any damage created by you of Stone Hawk property.
47. There will be no swimming unless a staff member is present and only at posted times. The same is with skating on the ice during winter months.

SEASONAL RECREATION:

SUMMER —

a. Swimming is allowed only with a staff member present; you will not have swimming privileges if you are in the sauna portion of the program; you will not have swimming privileges if you are on ethics. You can not swim past the buoy line. There can be no horse play in the water. See posted swimming rules as posted in PSS and Ethics.
b. Bonfires will be allowed on Saturday evenings weather permitting and only if enough staff are present to supervise. We must have 1 staff member present for every 5 students at the bonfire. You will be expected to stay around the fire unless you are going back to the center. At no time is a student allowed near the water after dark.
c. Volley ball is available and a great way of enjoying summer activity and exercise. Those that are on Book One or the sauna, are not permitted to participate in this sport until completion.

WINTER —

a. Skating on the lake is available after the ice becomes a minimum of 6 inches thick. Estates will monitor this and prepare a rink. Staff must be present during this activity.
b. Ice fishing is not allowed. We are not allowed on the neighbors property for this activity or any other.
c. Sledding will be provided at appropriate times – never go off on your own to go sledding.

48. Boating will be allowed for upstats only and with a staff member present and at the helm.

49. Bon fires down on the beach are permitted if requested in advance as an activity and only if 1 staff member for each 5 students attending is available. Bon fires will be permitted as above on Saturday’s only through the months of June, July and August.

50. Students are not allowed off the back patio after dark. No one is allowed near the water after dark.

51. You must attend all roll calls regardless of upstat, visitor day, etc.

52. ROLL CALL is a must even if you are upstat. Even if you are an upstat taking Sunday off. Missed roll calls could result in an ethics cycle. Roll call Monday through Saturday is 8:45 a.m. YOU MUST BE PRESENT – Sunday Roll Call is 10:00 a.m.

53. Upstat list will be posted on PSS door – check to see if you are on the list – never assume. On Sunday there are upstat activities outside the facility. If you wish to participate, then you must sign up on Sunday before noon.

54. Upstat is a privilege and is an on-going behavior on your behalf. If your ethics are out, your upstat privileges may be suspended.

55. While in the Course Room or Sauna program, if you need to leave the room for any reason, you must obtain a pass from the Course Supervisor or Sauna I/C or you will be escorted back by the Student Control Officer. If you do not comply, you will be sent to the Ethics Officer.

56. You must have a pass to see the Nurse during session hours. Nursing hours are posted. If you need an appointment, sign up on the nurses office door. In the event of an emergency, the nurse will be notified and brought to you. You are not allowed to the withdrawal area for any reason. After session hours, notify security or student control for assists, vitamin packs or if you need the nurse for medical attention.

57. Students are not allowed behind the serving lines of the kitchen and food area. At times students may be assigned kitchen duties but must be cleared via the Physician, Executive Director, Case Supervisor and Ethics Department.

58. All shopping lists need to be turned in to PSS before noon on Monday – no exceptions. Cigarettes and phone cards can be purchased from PSS during posted hours. You will not allowed to order food or beverages on your shopping list nor toiletries with alcohol in them. Shopping foods may consist of only those foods that are individually wrapped when purchased. Foods such as fruits, meat, chips, bags of chocolate, etc. are foods that can spoil and/or attract unwanted bugs such as flies and ants.
59. The administration area is off limits. When routing out of the program you may need to see certain staff. Appointments are set through PSS or Reception.

60. The Executive Director maintains an open door policy for staff and students. She enjoys hearing your wins as well as being available to discuss problem situations. Students having difficulties are to work through proper terminals before approaching an appointment with the Executive Director.

61. All visitors must sign in and obtain a Visitor pass while on the premises.

62. We do provide transportation to Church on Sunday (First Wesleyan). Student will gather in the Lobby by 10:30 a.m. to leave. You must sign up at PSS for attending church. You may attend Church throughout your program. If you are in an ethics cycle, you must obtain approval from the Ethics Officer. While we do not wish to deny a person their spirituality, if your conduct is such that it would not be in the best interest of the group going to church, the EO has the authority to deny you this privilege. While arriving at Church – the group MUST stay together. While in the service, if you must use the restroom, notify a staff member with you and return promptly.

63. Old behaviors are what we are here to eliminate. Keeping ethics in is essential to running a good program. This includes knowing something is wrong and reporting it. If you know of unethical behavior taking place, directly or indirectly it will affect your program.

64. You will have a twin throughout your program 0 helping each other keep ethics in is part of your program. You will help your twin through the rough times as well as enjoy the good times. If your twin is partaking in unethical behavior, it is your responsible to report it to the Ethics Officer. If you know of something and do not take responsibility by reporting it, you may share the same consequences for being out ethics as your twin.

COURSE ROOM HOURS:

Monday thru Thursday: 10:00 a.m. – 9:00 p.m.
Friday: 10:00 a.m. – 6:00 p.m.
Saturday: 1:00 p.m. – 9:00 p.m.
Sunday: 1:00 p.m. – 6:00 p.m.

SAUNA HOURS:

Monday thru Saturday: 10:00 a.m. – 3:00 p.m.
Sunday: 10:00 a.m. to completion (allowing those attending church to enter sauna at 1:00 p.m.)
DINING ROOM HOURS:

Breakfast: 8:00 a.m. – 8:45 a.m.
Lunch: 12:00 noon – 1:00 p.m.
Dinner: 6:00 p.m. – 7:00 p.m.
Sunday Brunch: 10:30 a.m. – 1:00 p.m.
I have been given a copy of these rules of conduct to keep with me for any future reference.

I have read the Student Rules of Narconon Stone Hawk and agree to abide by these rules. I understand that I may be suspended or even dismissed from the program for violation of these rules.

_________________________________________  Date___________________
Student Signature

_________________________________________  Date___________________
Witness