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## Wallowa County Health District lays groundwork for new \$5.4 million residential center for seniors

Written by Katy Nesbitt, The Observer June 01, 2010 01:12 pm

ENTERPRISE — The Wallowa Valley Health Care District is in the early planning stages of a new residential care center that will replace the Wallowa Valley Care Center in Enterprise. The total projected cost is \$5.4 million. The estimated cost for the 32-unit center includes land purchase, construction, landscaping and all interior needs including computers and other office supplies. It also covers soft costs including design, developer and loan fees.

The district has hired Marathon Development of Bellevue, Wash., to assist with the preliminary work necessary for the new residential care center.

Marathon has extensive experience building senior communities, said Ted Johnson, president of Marathon Development. Recently, the company began an assisted living and memory care center project in Astoria.

"Besides knowledge of building care centers, Marathon is familiar with state regulations," said Dave Harman, CEO of the Wallowa Valley Health District.

Harman said Marathon had glowing recommendations when he called for references.

A contract with the state would be in hand before the district went ahead with the project, Harman said. Marathon's feasibility study should be completed by September.

Board member Nick Lunde said that he thought hiring Marathon was a good idea to relieve the hospital staff of the "day-today, nitty gritty burden" of planning a building project.

Marathon will also assist in securing funding, Johnson said. The intent is that in the revenue-versus-costs scenario, the center will stand on its own, he said.

Johnson said that Oregon is progressive in health care and housing for the elderly.

"The care center will be more residential in feel, yet provide for care needs," Johnson said. "We want to offer competitive rates while providing excellent care."

Marathon, through grants, hopes to offset the cost of the new construction. Johnson said he plans to access capital for the project in the form of grants for the design, permitting and structure of the new care center.

"Timing is quite good," Johnson said of starting a building project. "It's a good time to find financing options. The materials markets are favorable and construction is competitive."

Once the building site is determined, Johnson said, preliminary numbers need to be firmed up and Marathon needs to have conversations with the state. The next step will be hiring an architect and civil engineer.

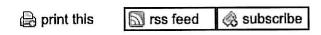
Depending on the findings of the feasibility study, the project will be put out to bid. This should provide jobs for local contractors and laborers.

The district is also looking into building a medical office building, providing office space for doctors, mental health, physical therapy, optometry, retail space and facilities for visiting specialists, Harman said.

The preliminary drawings were for a 24,000-square-foot building, but it may be decreased, Harman said, to about 18,000 square feet.

Next week, a presentation will be made to the local doctors. "Then we need to decide who is paying for it and how we build it," Harman said.

"This project is as important as the residential care facility." If the district decides to go ahead with the medical office building project, both it and the care facility could be under construction at the same time.



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