TESTIMONY for SB565 to the Senate Finance and Revenue Committee

My name is Barbara Kerr. In 1977, I started a business in a 1910s storefront building on North Albina Avenue in Portland, that my partner, Jim Kelly, had purchased for a thousand dollars. It was in the process of being condemned.

The business we started in the 900-square-foot first floor was Rejuvenation House Parts Co., later changed to Rejuvenation, Inc. We sold salvaged building parts for people repairing, restoring, or sensitively renovating their homes and buildings, mainly in the Portland metro area.

As we moved into manufacturing period lighting to fill the need for light fixtures that had been removed over the years to 'modernize' or that were scrapped for the War effort in the 1940s, customers then came down from Seattle and all around Oregon.

After several years, we started selling mail order and our catalogues were requested nationwide and beyond. We manufactured lighting for movie stars such as Harrison Ford and for Goldie Hawn's house in Aspen; as well as the Shiseido cosmetics factory in Japan. When the White House electrician called with an order for one hundred light fixtures for the library stacks in the War Library of the Old Executive Office Building next door to the White House, our crew wrote their names in the canopies (the part of the light fixture that goes up against the ceiling). Our crew were hired locally, including new immigrants. Many had young families and just entry-level skills. It meant a lot to them to know that the light fixtures that they built individually were installed in one of the most important buildings in our nation's capital.

Of course, by this time we had long outgrown our little storefront and its basement workshop. But we didn't add on or tear down to expand. We bought a much larger early 1900s commercial building up the street and then another existing commercial building across the street for our manufacturing plant. After fourteen years, I sold my half of the business. My partner expanded the store again into yet another old commercial building, the Oregon Flower Growers building on SE Grand and the manufacturing into a 1930s building on NW Nicolai. Since then satellite stores have been established in Seattle, Berkeley, Palo Alto, and Los Angeles, in old commercial buildings.

From that small, old storefront building saved from condemnation, a multi-million dollar business grew, always nurtured by the historic buildings it occupied, until in 2011 the business was sold to Williams and Sonoma. But the influence of what that storefront had started did not stop there. It continues on in the many architectural/old house parts supply businesses that were spawned from Rejuvenation.

I have no idea how much economic development, jobs and money, that Rejuvenation and its follow-up businesses have brought to Portland and Oregon, but I do know that without old commercial buildings we and they could not have grown as we did, or maybe not even started. Real estate prices have soared and I cry to think of how many of our old storefronts we are losing in the epidemic of demolitions we are experiencing. We need the legislature to support saving our old commercial buildings, not just for their history but for our economic development.

Old buildings have enabled many Oregonians to grow companies and careers. Because we did not have the capital expenditure of building new, the only money we borrowed to start Rejuvenation was \$2500 from my mother's credit union. We could start small and grow by making better long-range decisions rather than having to do what it took to make the next month's loan payment or rent.

Businesses investing in their own equity rather than paying the higher rents or mortgages of newly-constructed buildings have more stability.

From the taxpayer's point of view, the results of money being spent on supporting bricks and mortar preservation is still there for the community even if that business moves on.

But the investment of supporting the preservation and reuse of our historic buildings goes beyond the brick and mortar walls, beyond spawning small businesses that are the backbone of our economy. They build community. Old buildings come with an identity. They help people identify the businesses that they house. The company that occupies it becomes a steward of the building's part in the history of the community. In the case of a neglected building being considered an eyesore, neighbors who feel it should be torn down have an even greater appreciation when it has been restored. This can be a ready-made source of the people's trust in that business. It's a mutually beneficial relationship. A building's history ties the business to the community and the community to the business. That's good for the community and it's good for business.

Preservation and reuse of our historically significant structures, is even more than saving our history. They, and even the buildings like the ones that Rejuvenation has grown from, are daily proof of our cities' and State's longevity and they are an irreplaceable necessity for small business.

Supporting the preservation of old buildings provides stability for the business owner, for our communities, and for our economy. What better return on investment can you ask for?

Thank you,

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