



April 16, 2015

Rep: Caddy McKeown, Chair
House Transportation and Economic Development Committee
900 Court Street
Salem, Oregon 97304

RE: HB 3526, Oregon Main Street Revitalization Grant Program

Dear Chair McKeown and members of the Committee,

On behalf of the Klamath Falls Downtown Association, I would like to urge you to support HB 3526. My interest in revitalizing our downtown started when I began running a gift shop that was started by my husband's grandparents nearly 75 years ago on Main Street. In 2008, many dedicated business and property owners, including myself, recognized the need to solidify our revitalization efforts as we faced the end of our Urban Renewal District. The Urban Renewal District succeeded in raising the property values downtown as a result of their capital improvements including lamp poles, trees, geothermal sidewalks, streetscapes etc., but it wasn't enough to prevent the decay that we have seen in some key neglected and empty buildings in our downtown core.

Klamath Falls' recession has been deeper and more prolonged than most other areas of the state. There simply is not the private and public money to put into these buildings to preserve them in a way that does them justice. The funding gap for these projects is significant.

A matching grant that this bill would provide could be the catalyst that stimulates more private investment, job creation through construction, and business expansion and retention that will come along with that. If done right, it might even inspire new concepts such as "Art Spaces" to attract the creative community or offer nontraditional college students a new and attractive living opportunity.

One key component the Downtown Association has identified as a way to revitalize our downtown is to redevelop the upper levels of our historic buildings into living spaces. The amount of Main Street business that can be supported by increasing the density of the residential population is impressive and would be very welcome by our struggling locally owned businesses. Again the funding gap for this kind of development is significant.

Our local Economic Development Association, KCEDA and our newly established Entrepreneurial Incubator and business accelerator, Klamath IDEA, both recognize that quite possibly growing our economy from within by supporting business expansion and retention might have a higher success rate than recruiting a large industry to our area. The revitalization of our downtown can be a key piece to that Economic Development puzzle. Newly renovated buildings can provide not only new desirable spaces for this expansion and retention to happen, but will make it more attractive for those companies who might consider locating here.

Downtowns are often the reflection of how a community sees itself and how visitors perceive the area. A vibrant downtown can itself be something that attracts newcomers. We have had a population decline, most likely due to the poorer economy here. We would like to reverse that trend by making this community the desirable place that it once was.

The Klamath Falls Downtown Association has been tirelessly working to create successful events, offer educational workshops and beautify our downtown to increase its vibrancy. These efforts are well received, however they can not fully detract from the empty and decaying buildings that reside on nearly every block in our 13 block Main Street.

Please consider supporting HB-3526. Rural communities such as ours could benefit greatly from this initiative.

Sincerely,

Kendall Bell, President
Klamath Falls Downtown Association



The Egyptian Revival Style Building was erected in 1929. It has recently been condemned due to severe structural damage after years of neglect. This is an example of an empty and crumbling eye sore that will remain unless significant public or private investment occurs. It is estimated that it would take \$300,000 just to demolish the building. This is what anchors the east end of our Main Street.

Opposite the Egyptian building, also anchoring the east end of our Main Street, is the Lake Hotel Building. Constructed in 1906 it is one of the oldest buildings on Main. It has had various uses but most recently it has been a storage building needing much repair. Its neglected appearance is an eye sore detracting from all the beautification projects that we are attempting to do.





Arcade front

The Arcade Hotel, built in 1920, is a Chicago School Style building with incredible features. It has also been vacant and neglected for long enough that it would be difficult to renovate without a large capital investment. It would be great to renovate the ground floor for retail or a restaurant, with contemporary urban lofts in the upper levels.



Arcade back



The Montgomery Ward Building, built in 1929 anchors the west end of our Main Street. It has considerable historic significance in Klamath Falls. Unfortunately it has also been neglected over the years due to lack of funding. It would also need significant investment to return it to its previous glory.