

May 13, 2015

Ways and Means Subcommittee on Capital Construction  
900 Court Street  
Salem, Oregon 97304

RE: HB 5005, Relating to the lottery bond funding of HB 3526

Dear Ways and Means Subcommittee on Capital Construction,

On behalf of the Klamath Falls Downtown Association, I would like to urge you to support HB 5005, relating to the lottery bond funding of 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, myself and many other dedicated business and property owners 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. Our unemployment rate is higher than the state average, and the percentage of our population that lives below the poverty level is also significantly higher than most communities in Oregon.

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 beautifying our downtown to increase its vibrancy. These efforts are well received; however they cannot fully detract from the empty and decaying buildings that reside on nearly every block in our 13 block Main Street.

Please consider supporting HB-5005 relating to the lottery bond funding of HB 3526. Rural communities such as ours could benefit greatly from this initiative.

Sincerely,

Kendall Bell, President  
Klamath Falls Downtown Association