



Klamath County. — Klamath Crimson Rose (KCR) Construction Project

To: Oregon Legislators - 2023 Oregon Legislative Session

Re: **Oregon Lottery Fund request for Klamath Crimson Rose - KCR Construction Project**

Klamath County's Request: **\$4.5** million in Oregon Lottery funds to complete the Klamath Crimson Rose (KCR) Residential Treatment Construction Project.

The KCR Construction Project is already underway. Project grading and site development began during summer 2022. Next, the project will demolish Oregon's oldest juvenile detention building and replace it with a new residential treatment home and education center for KCR clients.

Oregon's Investment: In 2017, the Oregon Legislature awarded **\$1** million in Lottery funds. In 2021, the Legislature awarded **\$12** million in lottery funds, subject to the DAS 2023 Lottery Bond sale. Klamath County delivered a **\$1** million match to bring the project budget to **\$14** million.

Inflation's effects: The project was redesigned in 2020 and reduced by **20%**. In 2020, the budget was sufficient to build the reduced design, but significant inflation over the two-year period of 2020 - 2022 inflated capital project development costs by **28%**.

What is KCR? A Klamath County program, KCR is a residential treatment and educational program for teen clients from the Oregon Youth Authority (OYA). KCR provides intensive drug treatment, behavioral health counseling, and enhanced educational services to OYA clients.

The goal of KCR is intensive behavioral treatment to prepare clients to return to community placement instead of commitment to OYA's youth correctional system.

KCR removes youth from the pipeline to corrections.

Legislative request: Due to high levels of inflation, Klamath County requests Legislative support for an additional Lottery Bond award of **\$4.5** million to complete the construction project.

The Klamath County Board of County Commissioners submitted a 2023-25 Capital Funding Request for **\$4.5** million to the Oregon Legislature for the 2023 Session. Please support the request.