

August 23, 2018

## **Civil suit seeks to shift site of social services building**

### **Sidebar – Social services not an economic stimulus**

KLAMATH FALLS – Noting it is their civic obligation and moral responsibility, Sky Lakes Medical Center board members are seeking a judicial declaration that the State of Oregon failed to follow the law in selecting Timbermill Shores as the proposed site of a new social services building.

The Oregon Human Services and Administrative Services departments in the spring decided to contract with Rubicon Investments, of Corvallis and Medford, to construct a social services building on Timbermill Shores along Lake Ewauna. State law requires that, prior to making that decision, the state must make a finding that doing so was consistent with local zoning and planning. The civil suit filed today in Klamath County Circuit Court by Sky Lakes alleges that did not occur.

“As owner of a local business, I absolutely want to see the area revitalized,” said John Bell, owner of Bell’s Hardware and chairman of the 10-member Sky Lakes board, which unanimously agreed to file the suit. “But I don’t want ‘growth at any cost.’ A larger presence of social services staff will not be a draw for new commerce or more retail stores downtown.

“Consolidating multiple social services from one part of downtown, where they’ve been for decades already, to another part of downtown is not the way to attract commercial development that will help our community thrive,” he added.

Paul Stewart, Sky Lakes President and Chief Executive Officer, noted Sky Lakes is the largest employer in the region. “Sky Lakes is a significant economic asset and, as such, we believe it is our civic obligation to help the community grow and grow in accordance with local laws,” he said.

Board member Jean Philips believes putting a social services project where the community has specifically said there should be a mix of retail, commercial and residential development is “disrespectful.”

“Zoning decisions are the ‘voice of the people’ saying what they want their community to look like,” she said. “Ignoring those decisions disrespects the will of the entire community.

“It is our moral responsibility to honor those voices and those zoning decisions and not allow the state to ignore the law by proceeding with siting the social services building there.”

Holly Montjoy, M.D., a family practice physician on the Sky Lakes board, said a robust downtown corridor plays a vital role in recruiting health care providers to the region.

“Economic development and the quality of life in our downtown are crucial to our ability to recruit and retain health care providers. I also favor revitalizing downtown for all the folks in Klamath County and do not feel the current social services project meets that goal.”

Stewart was emphatic: “We welcome new development in order for our community to flourish. It is not the intent of the suit to stop the building or stop the investments it represents.

“We also believe that for our community to attract and grow new business, we need to appropriately plan and zone for that growth to occur in the best locations. Many of us in Klamath Falls believe locating the social services building at the Klamath Community Services Campus on South Sixth would be great, but we are not opposed to seeing the building go on any alternative properly zoned locations,” he said, emphasizing “properly zoned.”

Klamath Community Services Campus, an 18-acre site along South Sixth Street near a Klamath Open Door clinic and Klamath Family Head Start, includes Sky Lakes Outpatient Care Management offices, non-emergent medical transportation services, and the new three-building Klamath Gospel Mission. Plans are underway to include other services on the campus.

“We look forward to Rubicon’s involvement with the development,” Stewart said. “However, we believe this social services project, just as any other building project, must be consistent with local zoning requirements and state law.”

The Sky Lakes board fully supports construction of a new Department of Human Services building, Bell noted. “But it must be at a location that is properly zoned and appropriate to the building’s function.”

A decision on the suit is expected in the fall.

About Sky Lakes: Sky Lakes Medical Center is a community-owned, internationally accredited acute-care hospital licensed for 176 beds. The Sky Lakes family also includes the award-winning Sky Lakes Cancer Treatment Center and Cascades East Family Medicine Residency.

Sky Lakes is proud to be part of the Blue Zones Project in Klamath Falls and honored to be a part of making our community a healthier place to live. We're pleased to continue to provide investments and leadership that will help make this possible.

## **SIDEBAR**

### **Research: Social services not an economic stimulus**

Research indicates that social services typically do not stimulate economic development in the neighborhood where they are located.

Economist Andrew Biggs cites research from the Urban Land Institute finding that planners should avoid locating social services in areas where they hope to stimulate retail development. "It's not true that 'any development is better than no development,'" Biggs said. "That's why we have zoning laws to ensure that neighborhood enterprises are compatible and work together for both social and economic development."

Businesses and individuals in the downtown corridor indicated they overwhelmingly oppose siting a social services building at Timbermill Shores.

"The Klamath Falls Downtown Association has not adopted a formal position regarding this project," said Darin Rutledge, Executive Director of the Association, "but a recent informal poll of the downtown community showed that nearly 78 percent of those responding are opposed to locating the social services at Timbermill Shores."

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