

**ECONOMIC DEVELOPMENT GRANT APPLICATION COVER PAGE**

Title of Project: Purchasing the Klamath Falls Gems

Funds Requested: 10000

Organization Applying: Klamath Collegiate Baseball Co.

Contact Person: Joseph O'Connor

Phone Number: 5418918153

Email Address: oconnjos@gmail.com

Mailing Address: 20100 Cheyne Rd. Klamath Falls, OR 97603

Web Site Address: \_\_\_\_\_

Brief Description of Project: The purchase and expansion of the Klamath Falls Gems collegiate baseball team.

The undersigned, as proposer, declares that he/she has carefully examined the requirements of the Klamath County Economic Development Grant Application packet and agrees, if the application is funded, that proposer will enter into an agreement with Klamath County to furnish the services as specified, in accordance with the grant application attached.

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_

If the applicant is requesting funds on behalf of another organization, the application must be approved by that organization.

Signature of Organization \_\_\_\_\_ Date \_\_\_\_\_

1. Name of prospective grant applicant: Klamath Collegiate Baseball Co.

2. Applicant type:  Nonprofit corporation  Tribe  
 Public body  Private business  
 Other \_\_\_\_\_

3. Name of project: Purchase of the Klamath Falls Gems

(Use a brief descriptive title to allow for easy identification of the project).

4. Contact person for this project:

Name: Joe O'Connor

Position: Owner

Organization: Klamath Collegiate Baseball Co.

Telephone: 5418918153

Mailing address: 20100 Cheyne Rd. Klamath Falls, OR 97603

E-mail: oconnjos@gmail.com

5. Project objectives (more than one objective may apply):

Job creation or retention  Education and training  Marketing and promotion  
 Building Capacity  Economic Development Infrastructure  Other (explain) \_\_\_\_\_

6. Describe the grant project briefly.

(Brevity is the soul of wit! Also provide a project schedule.)

The Klamath Falls Gems were in the process of potentially closing the teams doors. In order to retain the team I made an offer to purchase and it was accepted. The Grant money will be used to revitalize the team prescence in the Klamath Falls Community. While using local businesses and products, the intention is to expand the Gems following and create a community source of family entertainment.

7. Explain the source of funds for this grant project and complete the budget form:

(A detailed budget is not required; in the box below provide a general financial description. Identify how this project would be modified if only partial funding from the County is obtained.)

First years capital investment is estimated at \$25,000. Operating expenses for the year 2017 is approximately \$60,000. Expected return on the \$85,000 is roughly \$250,000. With this being a personal investment, the grant provides an increased ability to market the team, reach out to the community and secure player contracts. Our estimated increase in ticket sales and extended revenue due to the grant is \$100,000. Without the grant money marketing would be limited which would effect our ability to retain quality players, that would in turn reduce fan base and limit community involmnet.

8. Explain what exactly the project funds (and especially the county funds) will actually pay for and complete the budget form:

(A detailed budget is not required; in the box below provide a general financial description. Identify how this project would be modified if only partial funding from the County is obtained.)

The project funds are going toward the purchase, marketing and development of the Klamath Falls Gems. Specifically, the county funds will be used to offset the expense of Capital investment. This includes uniform replacement, technology upgrades and replacement, as well payment towards the purchase itself. The current player development and marketing budget is \$20,000. The additional \$10,000 will increase these bugets by 33% if I can move the funds over from capital investment.

9. Identify the specific economic development benefits from the project:

(Reference to economic development objectives in section 5).

The Klamath Falls Gems have been providing a source of positive entertainment for roughly 500 fans per game at \$210,000 in seasonal revenue since 2011. Kiger Stadium has a max capacity of over 2,800 fans, with potential revenue of \$1.2 million. Expanded marketing closes the gap towards maximizing potential. The Gems have unique potential to utilize local businesses and their products and services for game day concessions and merchandise sales. Our lease with Kiger Stadium allows us to take advantage of joint advertisement with local businesses to increase ticket sales and knowledge of local product availability. Kiger Stadium is one of two remaining all wood stadiums in North America. Combined with a high level collegiate baseball program, Kiger offers a unique baseball experience, that if effectively marketed would be a great tourist draw for Klamath County.

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10. Identify how this project is consistent with regional or local economic development plans:

<http://www.scoedd.org/docs/2013%20CEDS%20Final.pdf>

It increases entertainment and tourism which will have an immense effect on Klamath County's ability to market itself. Providing more desirable local events and a sense of community will encourage positive economic expansion. The team provides strong mentorship to younger members of the community and gives them something to aspire towards. Klamath County is a strong baseball community and the presence of the Gems team and their involvement in youth programs is paramount to building a stronger community. Our internship programs will provide an avenue to retain local high level college graduates and give them a place to enhance their real-world business experience. The above listed combined with the increased taxable revenue provides Klamath County with a local business that it needs in order to grow in other economic areas.

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11. Describe the prospective applicant's experience in administering and/or delivering similar types of projects:

In 2008 I co-founded Modoc Meat LLC. With a \$65,000 loan I built a distribution company based on moving local protein products to restaurants all over the Pacific NW. In our first year we generated revenue of \$250,000. I learned how to effectively market products and how to grow the importance of community in my clients. I was tasked with making clients feel as though they were a part of the product itself in order to maintain the relationships. I have the same goals for the Gems team. By encouraging the community to feel as though they are a part of the team we can secure a place in Klamath Falls for a long time to come.

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12. Describe how the prospective applicant's intends to publically acknowledge the assistance received from the County:

[\(At a minimum, the applicant will provide a press release to local media\).](#)

One of the sources of revenue for the Gems team is through sponsorship. If the grant is received I would give the County a sponsorship spot in our broadcasts, PA announcements as well as hang a banner in appreciation with the rest of the sponsorship banners.

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This grant application and associated cover page, budget form and letters of support are due no later than September 15, 2016 at 2pm.

Economic Development Advisory Committee may request additional information.

**Klamath County Economic Development Grant Application  
Project Budget**

<b>INCOME</b>	Committed	Pending	Total	Actual	Comments/Explanations
County Grant Request		10,000			
Cash Revenues - self	18,900				personal investment
Player fees	24,000				30 players pay \$800.00
Sponsorship (included in purchase)	26,000				sponsors uner contract
Total Cash Revenues	78,900	-	-	-	
In-Kind Revenues: Source:					
Source:					
Source:					
Total In-Kind Revenues	-	-	-	-	
Total Revenue	-	-	-	-	
<b>EXPENSES</b>					
Cash Expenses - Personnel costs					
Travel costs	20,900				for road games
Materials and supplies	18,000				uniforms, technology upgra
Professional services	5000				
Stadium Rent	15,000	-	-	-	Kiger lease agreement
Marketing	10,000				materials and services
Labor	10,000.00				staffing Kiger for home gar
Other:					
Total Cash Expenses	78,900	-	-	-	
In-Kind Expenses Labor					
Other:					
Other:					
Other:					
Other:					
Other:					
Total In-Kind Expenses		-	-	-	
Total Expenses	78,900	-	-	-	
Net Income<Expense>	78,900	-	-	-	

**NOTES**

**Be as specific as possible; provide explanation to help clarify budget items  
Use the "Actual" column when preparing your final report; submit this form with the final report  
Use additional space or lines if necessary to provide complete information  
Value all volunteer labor at \$12.50 per hour for in-kind revenues and expenses.**

**Klamath County Economic Development Grant Application  
Project Budget**

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September 13, 2016

To Whom It May Concern:

This letter is in support of Joe O'Conner and his interest in keeping semi-pro baseball in Klamath Falls by investing in and saving the Klamath Falls Gems. KCEDA sees economic value in continuing the tradition of having this level of baseball to continue as part of the economic diversity of Klamath County. By keeping a team such as the Gems in Klamath Falls, the economic community is stimulated by additional visitors into the basin that will frequent local establishments such as restaurants and hotels at the very minimum. Any grant money that can help Mr. O'Conner with this endeavor would be money well invested in the economic landscape of Klamath County, now and into the future.

Regards,

A handwritten signature in blue ink, appearing to read "Rick Abel", is written in a cursive style.

Rick Abel

Klamath County Economic Development Association

Business Development & Retention/Expansion Manager

September 15<sup>th</sup>, 2016

To whom it may concern,

During the 2016 Gems season my son was a dedicated bat boy. Spending many evenings on the field and in the dugout, my son took on a new respect and sense of responsibility to baseball. The one on one interaction between my son and the Gems players provided him with passion and an even stronger desire to continue playing ball. Having a team such as the Gems in Klamath Falls provides mentorship to the up and coming boys in the community and gives them something to strive for. Not only does it allow for fundamental growth, it encourages teamwork, dedication, and an avenue to make dreams a reality. Coach O'Connor played an essential role in making this possible. He went above and beyond to ensure the bat boys were always included and well trained. I have undoubted faith that Joe O'Connor can and will build a program that will reach out and inspire the youth of Klamath Falls and their families.

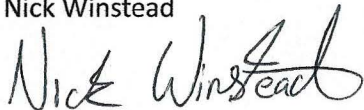
Sincerely,

Brianna Schwenk  
409 NW 25<sup>th</sup> St.  
Redmond Oregon, 97765  
971.246.1181

To Whom It May Concern:

I worked with the Klamath Falls Gems last year and saw the tremendous potential the Gems had as a Klamath Falls institution. Unfortunately the Gems did not harness the opportunity at hand. Joe O'Conner, who was a volunteer assistant with the Gems last year, saw the same potential that I did and will seize the golden chance that he has with the Gems. Mr. O'Conner is an accomplished businessman with an unparalleled passion for baseball—the perfect combination to take over the Gems. Mr. O'Conner understands that the city of Klamath Falls deserves a hands on owner who will devote the time necessary to the task at hand. Moreover, Mr. O'Conner has the business acumen and relationships within the community to ensure that this venture will be successful for all parties involved. It was readily apparent to me that Mr. O'Conner is a devoted member of the Klamath Falls community, even in my short time in the area. Given the necessary means I have no doubt that Mr. O'Conner can turn the Gems into the pride of Klamath Falls, creating revenue and jobs for the citizens of Klamath County in the process.

Nick Winstead

A handwritten signature in black ink that reads "Nick Winstead". The signature is written in a cursive style with a large, stylized "N" and "W".