

**TRADITIONAL TOURISM GRANT APPLICATION COVER PAGE**

Title of Project: Spence Mountain Trail Project  
Funds Requested: \$25,000  
Organization Applying: Klamath Trails Alliance  
Contact Person: Drew Honzel  
Phone Number: 503-929-4561  
Email Address: dhonzel@mac.com  
Mailing Address: P.O. Box 347, Klamath Falls, OR 97601  
Web Site Address: www.klamathtrails.org

**Brief Description:**

Klamath Trails Alliance is seeking grant funding to professionally build trails and complete a trailhead at Spence Mountain. Trails are being designed to attract mountain bikers but will also accommodate all types of non-motorized trail users. Construction is planned to start October 2015 and be completed by June 2016.

Attachments:

Budget  
Spence Master Plan Map  
(3) Letters of Support

The undersigned, as proposer, declares that he/she has carefully examined the requirements of the Klamath County Tourism 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 9/30/15

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

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

## 1. Project Description

Type of Project: Infrastructure  
Use of Funds: Professionally Build Trail & Trailhead  
Target Market: Destination Mountain Biking

Klamath Trails Alliance was formed as a 501(c)(3) non-profit in 2012 to lead the charge in non-motorized recreational trail development, maintenance and advocacy. We are a membership-based organization with over 100 members comprised of hikers, runners, cyclists and outdoor enthusiasts.

The Spence Mountain Trail Project involves a phased development of a 50-mile trail system on a beautiful 7,400-acre private parcel of land. The property is only 15 miles from Klamath Falls (Doak Mountain Summit/Hwy 140) offering easy access to community amenities. Trails will be purpose built for mountain biking but are well used by other groups such as trail runners, hikers and even cross-country skiing and snowshoeing in the winter.

Phase 1 completed in November 2014 by Dirt Mechanics, a professional trail building contractor from Bend Oregon, produced the first three miles of trail. As an experienced trail builder Dirt Mechanics demonstrated their ability to design and build a trail system that provides a high quality experience while minimizing environmental impact.

Phase 2 started earlier this year adding two more miles for a total of 5 miles. Dirt Mechanics plans to start work again in October 2015 and can complete 8 more miles of trail depending on availability of funds and weather. The end product of this phase will be a 13-mile loop encircling Spence Mountain.

Other aspects of this phase include construction of a trailhead, highway signage and a recently completed master plan.

Currently KTA has \$47,100 in our capital account, \$7,000 remaining from our previous tourism grant with an additional \$25,500 committed from Sky Lakes Medical Center. Klamath County's Tourism Grant will be used to help defray the cost of the trailhead and completion of the 13-mile loop (see budget).

The business case to build more trails includes the following - more than 1 in 5 Americans, 16 and over, mountain bike (over 50 million people total); there are 1.5 times more mountain bikers than golfers in America; the Dean Runyan Study, commissioned by Travel Oregon in 2012, identified \$400 million spent for bike related travel in Oregon, and Southern Oregon accounted for \$38.5 million; the average length of stay for destination mountain bike travel is 3.4 nights.

In order to attract mountain bike tourism you need a trail network of at least 15-20 miles. The tourism grant will provide a significant boost towards this goal but realistically the tourism benefit will come in 2017 when the trail network approaches 20 miles.

**2. How many out of county visitors do you expect to attract to the project? How will you track the number of out of county visitors versus the number of locals?**

We estimate 250 overnight visitor stays by 2017 after completion of 20 miles of trail in phase three. Out of town visitor stays should increase each year as our trail network grows and the word gets out.

We plan to track visitors by installing a simple trail survey tool at our Kiosk as well as working with our hotel/motel partners and registration information from trail events.

**3. How are you planning on extending the out of county visitor's length of stay? How will you encourage early arrival and late departure? How will you track the number of extra days?**

The easiest way to increase visitor's length of stay will be to keep adding trail mileage. Once we build Spence out to approximately 20 miles an intermediate rider can enjoy a solid 4 hour ride or the better part of a day when adding in travel time and food stops. Events such as trail races or mountain bike races will also encourage early arrival to checkout the venue before the event.

Another way to attract multi-day tourist will be through development of itineraries showcasing other great outdoor recreational opportunities such as our new Zip Line, Crater Lake National Park and local hiking trails.

Extra days will be tracked through our trail survey tool and hotel rate codes from events.

**4. Describe your organization/project management team. How are these individuals qualified to lead this project?**

Currently we have an eight-member team overseeing the Spence Mountain Trail Project. Qualifications of the team include project management, construction management, engineering, event-organization, trail construction, bicycle store operations and trail running/mountain biking race participants.

Drew Honzel – prior General Manager, Columbia Forest Products  
Ed Beverly – prior Superintendent, Amuchastegui Builders  
King Burgett – prior Plant Engineer, Columbia Forest Products  
Josh Nelson – Owner, Asana Yoga & Sole  
Grant Weidenbach – Recreation Manager, BLM  
Eric Andrews – Owner, EcoSolar & Electric  
Zach Gilmour – Manager, Hutch's Bicycles  
Adam Burwell – Engineer, Jeld-Wen

**5. Describe your team's experience in operating past or similar projects.**

The team successfully completed the first phase of the Spence Mountain project last year. Key elements in the project included: securing landowner approval and developing a trail use agreement; securing \$50,000 in private grant funds; raising \$25,000 from the community; approval from ODOT for highway approach; approval



**9. Describe specifically how you will market the project to out of county visitors.**

Building brand awareness that Klamath offer's great mountain biking will attract vacationers that currently drive right by us on Hwy 97 on their way to Bend and Oakridge. Long-range plans involve earning IMBA's (International Mountain Biking Association) Ride Center Designation. With this designation Klamath would be promoted internationally as one of the "best places to mountain bike". Short-term plans include the following:

- a) Earned Media – partner with Discover Klamath to promote Spence Mountain in an article or itinerary. Target an article in at least one specialty running or mountain biking publication.
- b) Workshops – attend Travel Oregon's Bike Tourism workshop in Bend to spread the word about our new "purpose built" mountain biking venue at Spence.
- c) Internet Marketing - post trail maps, pictures and videos on prominent mapping websites such as IMBA's MTBProject, Pinkbike's TrailForks, Travel Oregon's RideOregonRide as well as Discover Klamath's new website called RideKlamathRide.
- d) Tour Operators - we have already attracted attention from Cog Wild, one of Bend Oregon's premier mountain bike tour companies. Cog Wild brought a group down to Spence this summer and this is what they had to say:

*"Klamath Falls! Check out these rad trails on Spence Mountain built by Dirt Mechanics for the Klamath Falls Alliance. We were very excited to go check them out, and now spread the word. K Falls is on its way to being a new mountain bike destination!!"*

- e) Organize Events - Spence will provide an excellent venue for competitive trail running and mountain bike races once the system gets built out to 20 miles or more. Event marketing channels include Oregon Bicycle Racing Association (OBRA) as well as Ultra Sign-Up used by the trail running segment.

**10. How will you measure attendance in drawing out of county visitors to the project? Examples: Hotel Rate Code, Ticket Sales, Trail Counts (Be Specific).**

We plan to install a manual survey form at our Kiosk this fall asking users basic questions like (1) Type of trail activity (2) Local or Visitor (3) If visitor, where are you from and how many nights are you staying in Klamath?

From an event standpoint we'll be able to track these visitors through ticket sales.

**11. If your project is already underway, explain how this award will increase your likelihood of success.**

The goal is to reach 20 miles of trail in order to attract overnight stays. Continued investment in the Spence Trail Project will enable us to reach our goal quicker.

**12. Describe any in-kind, barter, volunteer labor or discounted services you expect to receive in support of this project. Volunteer labor hours will be valued at \$10.00 per hour for purposes of completing the budget form.**

KTA has been overwhelmed by the community support for this project. Oregon Department of Forestry donated land and cleared an area for our trailhead. Rhine-Cross Engineering provided engineering services for the trailhead as gift-in-kind. Adkins Engineering discounted their services by 30% for the highway approach. Last year 30 volunteers worked an entire day to hand-build the first ¼ mile of trail. Two weeks later, 25 volunteers worked four hours to groom the newly built machine trail.

Through September 2015 we have accumulated approximately 573 volunteer hours and expect another 150 volunteer hours by end of 2015.

**13. List your potential sponsors and partners and how they contribute to the event or project.**

**Financial Sponsors** – EcoSolar & Electric, Linkville Lopers, Great Basin Insurance, Windermere Realty, Isler of Klamath Falls, Rodeo's Pizza, Hutch's Bicycles, Tucker, Tucker & Gailis Dental Group, Asana Yoga & Sole, Jeld-Wen Foundation and Sky Lakes Foundation, Sky Lakes Medical Center.

**Gift-in-Kind Sponsors** – Rhine-Cross Engineering, Adkin's Consulting Engineering, Oregon Department of Forestry, Running Y Ranch Resort, Base Camp Brewing.

**Partners** – JWTR (landowner), Dirt Mechanics (professional trail builder), Discover Klamath (marketing), IMBA (education and training).

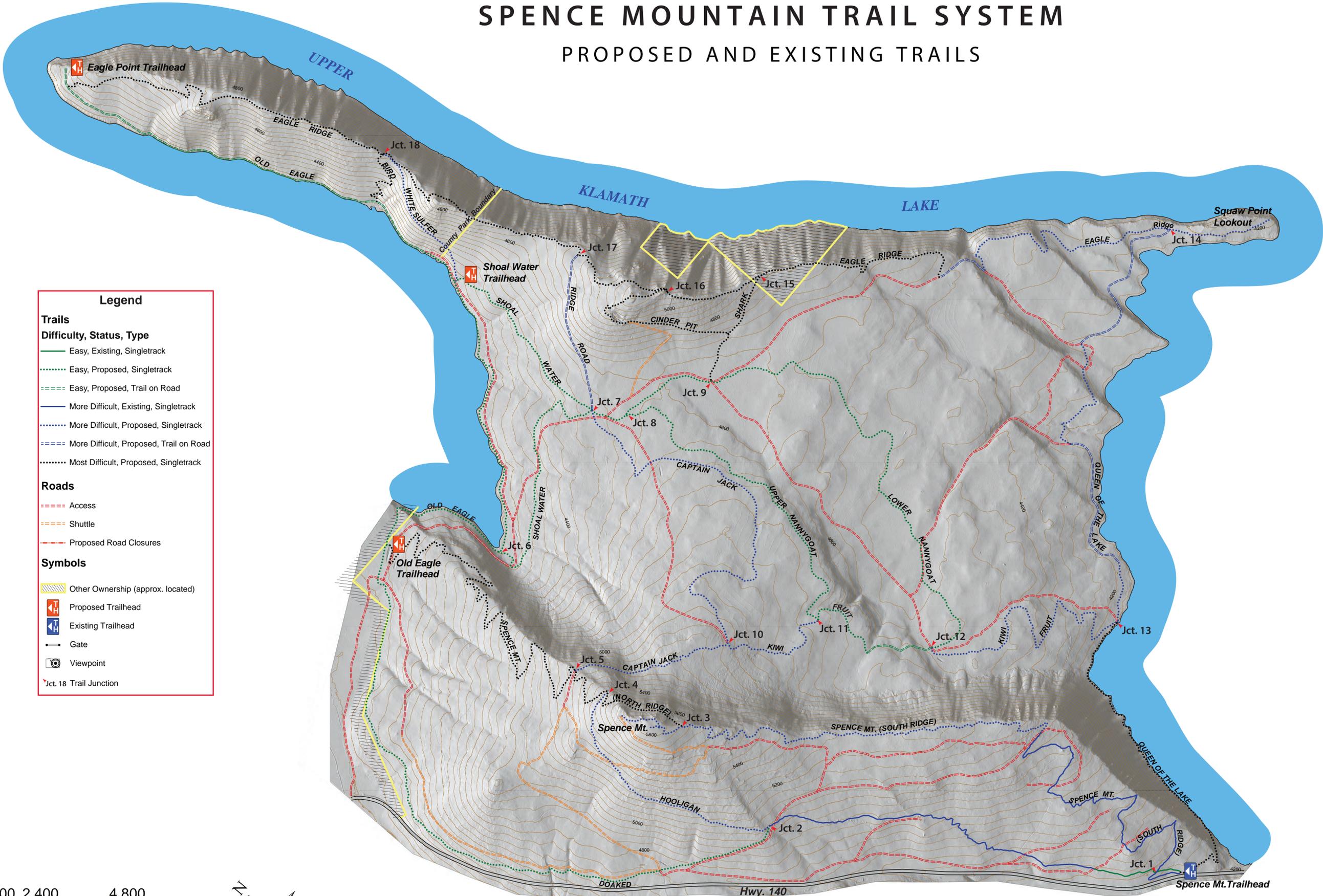
Financially, we raised \$25,000 from 65 individuals, businesses and foundations. Most recently, Sky Lakes Medical Center committed another \$25,500 towards Spence Mountain.

**14. If this is an annual event or ongoing project, identify your marketing network and how it contributes to or enhances your success.**

Travel Oregon and Discover Klamath have specific strategies around bike tourism so promoting Spence is aligned with their direction. Second, Internet marketing channels are user based so good online reviews will help sell the experience. Third, event organization will eventually bring notable athletes to Klamath that will help add to Spence Mountain's reputation as a great trail system.

# SPENCE MOUNTAIN TRAIL SYSTEM

## PROPOSED AND EXISTING TRAILS



**Legend**

**Trails**  
**Difficulty, Status, Type**

- Easy, Existing, Singletrack
- ⋯ Easy, Proposed, Singletrack
- - - Easy, Proposed, Trail on Road
- More Difficult, Existing, Singletrack
- ⋯ More Difficult, Proposed, Singletrack
- - - More Difficult, Proposed, Trail on Road
- ⋯ Most Difficult, Proposed, Singletrack

**Roads**

- - - Access
- - - Shuttle
- - - Proposed Road Closures

**Symbols**

- ▨ Other Ownership (approx. located)
- 📍 Proposed Trailhead
- 📍 Existing Trailhead
- ➡ Gate
- 📷 Viewpoint
- 📍 Jct. 18 Trail Junction



1 inch = 1,200 feet



KLAMATH TRAILS ALLIANCE

Spence Mountain Trail Budget for 2015			
	Budget	Actual	BALANCE
Funds Available:	As of 4/1/15	Paid	As of 9/10/15
Current Bank Balance	\$55,772		\$47,101
Tourism Grant	\$35,000		\$7,000
Sky Lakes Donation (committed)	\$25,500		\$25,500
** New Tourism Grant - \$25,000	\$25,000		\$25,000
<b>Total Funds Available</b>	<b>\$141,272</b>	<b>-\$36,671</b>	<b>\$104,601</b>
**Note: Budget Assumes Tourism Grant is Awarded			
Expenses:	Paid		
Master Plan Update	\$2,650	\$2,650	\$0
Trail Head			
Engineering	\$3,000	\$4,226	\$0
Gravel Parking Area	\$12,000		\$12,000
Approach off Hwy (culvert, grade and gravel)	\$10,000		\$10,000
Miscellaneous Kiosk	\$1,000	\$691	\$309
Trail Construction (10 Miles)			
Trail Layout (\$750/mile x 10 miles)	\$7,500		\$7,500
Large Tourism Grant (\$10,464/mile x 3.35 miles)	\$35,000	\$23,548	\$11,452
New Tourism Grant (\$10,464 x 2.40 miles)	\$25,000		\$25,000
Non-Grant Funded (\$7,850/mile x 4.25 miles)	\$33,363	\$5,000	\$28,363
Tool Purchase	\$470	\$400	\$70
Contingency @ 7%	\$9,066	\$156	\$8,910
<b>Total Expenses</b>	<b>\$139,048</b>	<b>\$36,671</b>	<b>\$103,602</b>
<b>Difference:</b>	<b>\$2,224</b>		<b>\$999</b>



Dear Tourism Grant Committee Members;

I am writing to express my strong support of the proposed expansion of the Spence Mountain Trail Project as proposed by the Klamath Trails Alliance. As a board member of Discover Klamath, I believe that this proposal will attract additional tourists to Klamath County and support a key element of Discover Klamath's plans for tourism development, as well as support economic development in Klamath County.

Discover Klamath's strategic plan calls for the organization to assist in the development of Klamath County's bicycle-related tourism infrastructure and to promote Klamath County as a destination for bicycle tourism. As part of that plan, we intend to seek designation as an International Mountain Biking Association (IMBA) ride center. Included in the criteria for designation is the availability of an extensive network of professionally-built and maintained single-track trails. The development of the Spence Mountain trail system would be a significant contribution towards meeting those criteria. Discover Klamath will use the IMBA designation in its marketing to attract bicycle tourists to the area.

The Spence Mountain trail system will also contribute to tourists staying longer in Klamath County. Spence Mountain complements the trail system at Moore Park, and when developed will persuade some visitors to stay an additional day so that they can ride both areas. It will also present an alternative ride for bicyclists here for another event, such as Car Free Days at Crater Lake or one of the century rides (Crater Lake, CASA, Art of Survival) in the basin.

At the same time, expanding Spence Mountain would contribute to economic development by making our area more attractive to those interested in outdoor sports. During my twenty years as a professor at Oregon Tech, we have increasingly drawn students from other parts of Oregon, many of the basis of the recreational opportunities available here. That applies to the faculty and staff we recruit as well. Development of Spence Mountain will make it easier for use to recruit people to Oregon Tech, and to keep them in the community, particularly students after they have graduated.

For all of these reasons, I urge you to approve the funding requested by the Klamath Trails Alliance. Thank you for your time and attention.

  
Mark Clark  
Professor of History, OIT



Klamath Falls Downtown Association  
P.O. Box 372 • Klamath Falls, Oregon 97601

September 24, 2015

Dear Tourism Grant Selection Committee,

On behalf of the Klamath Falls Downtown Association, I would like to offer this letter of support for the Spence Mountain Trail Project. This effort to bring more trails to our area not only increases our Quality of Life, but is essential to bringing some of the Bike Tourism dollars that are being spent in Oregon to our area.

As an organization dedicated to the Revitalization of our Downtown, we recognize the importance of bringing outside dollars to our area in order to improve the economic conditions in our community. We agree that an improved trail system is a big part of that economic puzzle going forward.

The partnerships such as Sky Lakes, JWTR, Jeld Wen and IMBA are impressive. Equally impressive is the long list of volunteers and sponsors that have put in so many hours to make this project successful. Although the Blue Zone project is not an official partner at this time, it is evident that they will be big supporters of this project.

We hope you will consider offering the requested Grant to the Klamath Trails Alliance for their Spence Mountain Trail Project.

Sincerely,

Kendall Bell

Klamath Falls Downtown Association

*"There is no power greater than a community discovering what it cares for"*

*Margaret Wheatley*



**Klamath Falls Store**  
808 Klamath Ave.  
Klamath Falls, OR 97601  
541-850-2453  
[klamath@hutchsbicycles.com](mailto:klamath@hutchsbicycles.com)

Klamath Trails Alliance,  
P.O. Box 347  
Klamath Falls, OR 97601

Ref: Letter of Support – KTA's Tourism Grant Request

Dear Klamath Trails Alliance,

On behalf of Hutch's Bicycles I would like to offer this letter of support for KTA's Large Tourism Grant Request for their Spence Mountain Trial Project. This project is an exciting new addition to our growing cycling community. It not only gives users more variety and more mileage of trails, it gives them a taste of professionally built trails. This is the kind of thing that Klamath Falls needs to not only draw out of town people, but to make them stay.

We have already seen a dramatic increase in not only new riders, but also in the frequency of seasoned riders giving our store business. It is clear to me that the hype of just the short trail that has already been built has increased the activity of our community. Growth of this trail into a trail network would certainly continue to grow this community in a healthy and prosperous way.

The Spence Mountain Trail Project also offers something else much of the rest of the mountain bike facilities in the area have overlooked. It will foster progression and improvement by offering areas for everybody from beginner to advanced mountain bikers. This is a key component in making this area a destination for people to ride.

This trail system is being designed and built by one of the best. Paul Thomasberg has over 20 years of experience working with the Centrail Oregon Trail Alliance building trails. He has proven that fun, fast and sustainable trails can be turned into tourism dollars. Paul puts every bit of passion into the trails he builds, ensuring that we end up with an amazing trail system.

It should go without saying that Hutch's Bicycles supports all efforts that the KTA has done and will do to improve the mountain bike infrastructure in the Klamath Falls area. We see a direct benefit from these improvements and hope to see them continue.

Thank You,

A handwritten signature in black ink, appearing to read "Jim Lewis", written in a cursive style.

Jim Lewis