

March 22, 2023

Senate Committee on Housing and Development
900 Court Street NE
Salem, OR 97301

RE: Support for SB 979 – Collocating Child Care with Affordable Housing

Chair Jama, Vice-Chair Anderson, Members of the Committee,

Metro supports SB 979, which would expand the current exemption from prevailing wage requirements to apply to the affordable housing portion of mixed-use projects when a commercial space is limited to a collocated childcare facility.

According to the Center for American Progress, 60% of people in Oregon live in a childcare desert. While our state has taken steps and made critical investments to address the childcare crisis in the last two years, without continued innovation to increase childcare infrastructure—this will continue to have a devastating economic impact on those who are already financially vulnerable. Our economy is dependent on equitable access to childcare. Like roads and bridges, affordable, high-quality childcare is necessary infrastructure. Parents need affordable childcare that provides a peace of mind that their children are safe and cared for. Employers need their employees to have access to reliable, affordable childcare so they can return to work.

SB 979 would be a game changer and allow affordable housing developers balance two priorities for the communities they are serving, housing and reliable childcare. During the public hearing, the committee heard from many childcare providers and affordable housing developers in the Portland Metropolitan region on the need for a bill like SB 979. As you may know, in 2018, Metro voters approved an over \$650 million affordable housing bond with the goal of creating homes for approximately 12,000 people through the creation of 3,900 affordable homes. Many affordable housing developers receiving Metro bond funds have considered adding services like childcare, but that would have increased costs to their projects as it no longer exempts the affordable housing portions of the projects from prevailing wage. For example, a recent BOLI determination increased the cost of Metro's 74th and Glisan affordable housing project by 10% and it's been a struggle to cover the increased funding gap.

We urge your support on SB 979.

Sincerely,

Jenna Jones
State and Regional Affairs Advisor
Metro