

To: House Early Childhood & Human Services Committee  
From: Dana Hepper, Children's Institute  
Date: Thursday, February 27, 2025  
Re: HB 3560 – By right zoning for child care centers in residential zones

Chair Hartman, Vice Chairs Scharf & Nguyen, and members of the Committee,

My name is Dana Hepper, and I am the Director of Policy & Advocacy for Children's Institute. Our mission is to make Oregon the best place to be a kid. Thank you for the opportunity to testify in support of HB 3560.

**Child care is essential community infrastructure** – like roads and bridges, public schools and parks. Our communities need child care to thrive.

Despite the essential nature of child care, **most families live in communities that are child care deserts.** The actual physical infrastructure for child care is one critical component for addressing Oregon's severe shortages of child care. This is where HB 3560 comes in.

**HB 3560 aligns with one of the recommendations coming out of the HB 2727 (2023) workgroup** that the Committee heard about on February 18. The Department of Land Conservation and Development convened a year-long workgroup to bring together child care providers, local zoning, permitting, and building code experts, and relevant state agencies to understand how local government regulations were impacting child care specifically. The workgroup identified 11 priority recommendations.

**Recommendation #6 from the workgroup's report is to "permit child care centers by right in residential zones."** This is what HB 3560 does – with sideboards. Specifically, the legislation would allow child care centers in

residential zones when they are co-located with an allowed institutional use – including a civic center, public recreational center, public park, place of worship, school, college or library. It would also allow co-location with high-density housing, like an apartment complex, with 12 or more units per acre. This recommendation was elevated because zoning barriers were identified as a significant first barrier to finding a viable child care space.

***I want to be clear about what zoning means for child care providers.*** When a child care provider is seeking a location, the whether child care is allowed in the zone is a first test to identify a viable space. In many communities, the answer to whether a child care would be allowed in a given zone is “maybe.” So – how do you find out if the zone will work? Well, first you have to gain site control – by signing and beginning to pay a lease or purchasing the property... Without knowing whether you will be able to use the property for your intended use. Then you start a conditional use process with your local jurisdiction, including notifying neighbors, hosting public hearings, conducting a variety of analyses. All of this is to find out whether you can use the space as child care. This process often takes 6 months or more and often costs \$20,000 or more. For child care providers, who have very limited access to resources, many cannot afford to do this once, let alone multiple times (which would be needed if the process resulted in not being able to use the space.) This is not theoretical – this is based on many experiences we have heard from child care providers, including one you’ll hear today.

The second thing this bill does is just move existing child care zoning statute out of the child care section of the ORS into the zoning statute – in an effort to improve implementation. This is responsive to gaps in implementation that were confirmed during the HB 2727 work.

Finally, I would like to speak to a -2 amendment that is being worked on and a question we have heard from a city about how transportation impact reviews may be impacted by this legislation.

**In the -2 amendment, you will see two adjustments to the existing bill:**

- The Department of Land Conservation & Development has identified some technical changes that will make the legislation more clear for implementation. Most of that is reflected in the current -1, but there is a suggestion to further clarify language related to co-location with apartment complexes.
- We also seek to add preschool recorded programs, school-age recorded programs, and coop preschools to be included in this statute, as these type of programs are often co-located in community institutions, meet an important need for some families, and may have very little capacity to navigate complicated and costly conditional use permitting processes.

One question we have heard is how HB 3560 would impact the ability of local jurisdictions to conduct transportation impact analyses, for example with regard to pick up and drop off plans and safety. Clearly, ensuring children and families arrive and leave child care safely is essential. This legislation actually does not preclude localities from requiring transportation impact studies – as long as they are also required for other uses in the same zone. These studies could take place during a site review instead of a conditional use permit process.

It was a transportation and impact study requirement that caused the closure of my own daughter's preschool 10 years ago. Her half-day, recorded preschool was moving into a neighborhood church location. They needed to

convert 3 parking spaces in the church parking lot to expand the play yard. They were told by the local jurisdiction that this request triggered a transportation impact study that would cost the preschool \$15,000. They did not have that much money, and the school closed. So I do hope transportation studies are triggered judiciously.

In closing, we have sought balance in both the HB 2727 process and in the drafting of HB 3560 in front of you today. Thoughtfulness in land use matters. Child care access matters. **HB 3560 seeks balance with a modest expansion of viable locations that can be used for child care, and we urge your support.**