



March 18, 2025

To: Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development
From: BuildUp Oregon
Re: **Support SB 5024, Funding for Oregon Business Development Department**

Co-Chairs Woods and Gomberg and members of the Committee,

BuildUp Oregon is a coalition of four Community Development Financial Institutions (CDFIs) selected by Oregon Housing and Community Services (OHCS) to simultaneously address the affordable housing and child care shortages throughout Oregon by providing funding and technical assistance to child care facilities co-located with affordable housing. We currently have 28 projects in our pipeline and will be making our first awards this spring. In fact, when we recently provided written testimony in support of the Department of Early Learning and Care's budget we shared we had 26 projects in our pipeline – since then, we've become aware of more interest in the program.

BuildUp Oregon supports SB 5024. Business Oregon's Child Care Infrastructure Program provides grant funding for planning projects, minor renovation and repairs, new construction or major renovation, and property acquisition. Demand for these funds is high, with \$280 million requested by child care providers in the first round. Housing developers partnered with child care providers in our OHCS Co-Location pipeline are also seeking funding through Business Oregon's Child Care Infrastructure Program and need to leverage funds from both programs to make the child care centers in their affordable housing projects feasible.

Business Oregon is one of multiple state agencies with interrelated and mutually supportive programs through which the Oregon legislature invests in young children and their families. While there is understandable pressure to fund visible crises like addiction and homelessness, we urge the legislature to also invest in the foundational and upstream supports that we know help young children grow into healthy, thriving adults. Business Oregon's funding for brick-and-mortar infrastructure allows child care providers to create and maintain safe and modern facilities and provide vital early interventions that contribute to the long-term stability of Oregonians and our economy. Every county in Oregon is a child care desert for infant and toddler care and the cost for the needed infrastructure to address the state's child care shortage is estimated in the billions. Continued investment in child care workforce development, facilities, and subsidies are needed to ensure that families have access to quality, affordable childcare. As you consider SB 5024 and other funding requests related to childcare, BuildUp Oregon asks that you take into consideration the need for investments in each of these interdependent areas.

We support the Governor's request of \$30 million in lottery bonds for the Child Care Infrastructure Program, reflected in SB 5024, and we encourage the Committee to look at child care holistically bearing in mind the importance of DELC's subsidy programs and

OHCS's co-location program, which we look forward to discussing with you at a future hearing.

Thank you for the opportunity to provide input.

Rachel Langford
Early Care and Education Program Manager
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