



March 22, 2023

Senate Committee on Housing and Development
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

RE: City of Beaverton Supports SB 979 with the -1 amendment

Dear Chair Jama, Vice-chair Anderson and Members of the Committee:

The City of Beaverton appreciates the opportunity to share its support for SB 979 with the -1 amendment. This amended bill will allow childcare facilities for low-income families to be co-located with affordable housing developments. This kind of creative outside-the-box thinking is exactly the kind of partnership that cities need to make meaningful progress in our shared ambitious housing goals.

Beaverton, in partnership with Metro's Housing Bond and nonprofits such as REACH Community Development, recently added The Mary Ann to downtown Beaverton, with 54 affordable homes, many being family sized. On the ground floor, there is a community meeting space that might have been very suitable for a childcare facility, but under current law that would have triggered prevailing wage on the affordable housing portion of the building.

The Mary Ann had a very complex set of funding sources to provide those family units. It would not have been possible to pay prevailing wage on this affordable housing building without reducing the number of homes in the development. The hard construction costs for The Mary Ann were \$16.8 million, including materials, labor, and contractors, and it was estimated that that prevailing wages on the entire project would have increased hard construction costs by \$2.18 million.

As the mayor, I am constantly placed in situations where our values directly compete against each other. In this case, childcare and housing needs. SB 979 with the -1 amendment is a very narrow exception to address a very big problem so that everyone wins.

Although we have held a Town Hall in the community space, having a basically vacant ground floor area is very challenging when our goal is a walkable, livable, vibrant Downtown, *and* we desperately need child care options in Beaverton. We just opened applications for our new Childcare Startup and Expansion Program to create new and expand existing childcare facilities in the city.

I wish SB 979 with the -1 amendment had been in place for The Mary Ann, but two other Beaverton affordable housing projects are in predevelopment, one of which will be affordable senior housing. SB 979 with the -1 amendment will make the potential of pairing childcare with seniors a wonderful possibility.

I am a living example of government intervention, I benefited from head start that set me on my lifelong learning path because my single mom fought hard for me to access this government program. I am constantly reminded that government can and should prioritize the needs of our low-income families. Government can do hard things, together.

The City of Beaverton urges your support of SB 979 with the -1 amendment.

Sincerely,

A handwritten signature in black ink that reads "L Beaty". The signature is written in a cursive, flowing style.

Lacey Beaty
Mayor