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Dear Chair and Members of the Committee,

I am writing in support of Oregon Senate Bill 1566 and to highlight its importance for projects like the Ashland Attainable Housing Project, a mission-driven affordable housing initiative that includes co-located early childhood education. SB 1566 recognizes that housing stability and access to childcare are deeply connected.

For working families, educators, and essential workers, the ability to live affordably near high-quality childcare is critical to economic stability, workforce participation, and community resilience.

However, integrating childcare into affordable housing presents real barriers when prevailing wage requirements increase the cost of construction to a level that is untenable. These costs are difficult to absorb within already-constrained affordable housing budgets and can prevent otherwise viable, family-serving projects from moving forward.

The State of Oregon has acknowledged this challenge through targeted programs such as the Build-Up Oregon grant, which actively supports the co-location of childcare and affordable housing. The Ashland Attainable Housing Project has been awarded this grant, demonstrating strong alignment with state priorities. Yet even with this investment, the project may still struggle to pencil due to the increased construction and labor costs associated with integrated commercial space for the use of licensed child care.

SB 1566 would help address this remaining gap, providing critical support to ensure that state-aligned, community-serving projects can move from vision to reality.

Thank you for your leadership and for considering policies that support integrated housing and childcare solutions across Oregon.

Sincerely,

A handwritten signature in black ink, appearing to read "Krista Palmer".

Krista Palmer
Executive Director, Sunstone Housing Collaborative