

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

April 15, 2024

The Honorable Lloyd J. Austin III  
Secretary of Defense  
1000 Defense Pentagon  
Washington, D.C. 20301-1000

Dear Secretary Austin,

Protecting the security, operational readiness, and safety of communities surrounding military installations is a key concern. However, in exercising its responsibility to protect installations and their surrounding environment, the Department must exercise judgement and weigh the potential harms from nearby development against the benefits of increased density and the Administration's goal of increasing the supply of affordable housing. This letter respectfully requests information regarding the Department of Defense's decision to oppose Arizona HB 2570, the Arizona Starter Homes Act.

In March 2023, Rear Admiral Brad Rosen, Commander of the Navy Region Southwest, wrote to Governor Katie Hobbs opposing HB 2570. The legislation in question prevented the enforcement of minimum lot sizes, or minimum home sizes for first time homebuyers, and would apply to urban areas with more than 70,000 residents. Critically, the bill explicitly did not supersede applicable building codes, fire codes, or health and safety regulations.<sup>1</sup> In its letter of opposition, the Department of the Navy cited concerns including the need to reduce density to address accident risk and noise impacts.<sup>2</sup>

Congress fully shares the Department's interest in ensuring the safety of communities adjacent to military facilities and to support the long-term mission sustainability and economic health of military facilities. Further, we recognize the challenges which encroachment by development can pose to training and testing.<sup>3</sup> However, Congress has a responsibility to conduct oversight of any federal agency which weighs in on matters of housing affordability.

This question is particularly critical considering the critical shortage of affordable housing. The administration has identified a shortage of between 1.5 to 3.8 million homes as a key driver of increasing housing costs, which

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<sup>1</sup> Biasiucci, L. (2024, January 17). Arizona HB2570: 2024: Fifty-sixth Legislature 2nd Regular. LegiScan. <https://legiscan.com/AZ/text/HB2570/id/2937254>

<sup>2</sup> Letter from Rear Admiral Bradley N. Rosen, Department of the Navy (Commander Navy Region Southwest), to Governor Katie Hobbs, State of Arizona (March 15, 2023) (online at [https://mcusercontent.com/44a5186aac69c13c570fca36a/files/bb17d25c-4dd2-2010-0af0-bb53c9cc5e7b/DoD\\_Oppose\\_HB2570.pdf](https://mcusercontent.com/44a5186aac69c13c570fca36a/files/bb17d25c-4dd2-2010-0af0-bb53c9cc5e7b/DoD_Oppose_HB2570.pdf))

<sup>3</sup> United States Government Accountability Office. (2016, November 14). Defense Infrastructure: DOD Efforts to Prevent and Mitigate Encroachment at Its Installations. United States Government Accountability Office, Report to Congressional Committees. <https://www.gao.gov/assets/690/681360.pdf>

are a burden on too many Americans.<sup>4</sup> The shortage of affordable housing is estimated to cost approximately \$2 trillion each year due to lower wages and productivity.<sup>5</sup>

In establishing the White House Council on Eliminating Regulatory Barriers to Affordable Housing, the Administration identified barriers such as “overly restrictive zoning and growth management controls” and “unreasonable maximum-density allowances” as key factors driving this shortage.<sup>6</sup> President Biden called for the creation of 2 million affordable homes in his 2024 State of the Union address, and has worked to increase incentives for states and localities to remove regulatory barriers to housing production.<sup>7</sup>

We further note that housing affordability has been repeatedly identified as a barrier to servicemember recruitment and retention, and, as a result, as a threat to military readiness. 58% of servicemembers rely on Base Allowance for Housing (BAH) payments to obtain housing in local markets.<sup>8</sup> However, amid rapid rent increase fueled by unbalanced supply and demand, these payments have been inadequate.<sup>9</sup>

While we appreciate that you and the Department of Defense have recognized the burden that this has imposed on military families, and you have taken actions to mitigate the impact, increases to the BAH inherently compete with other budgetary priorities and cannot be a long-term solution to a structural housing shortage.<sup>10</sup> Further, the Department does not appear to consider questions of affordability, even in relation to the direct impact on military personnel, as it considers incompatible land use.<sup>11</sup>

While noting the importance of increasing housing supply, and the importance of addressing unnecessary regulatory barriers to home construction, I do not take a position on the merits of the specific Arizona reform bill. However, press reporting has raised concerns that the Department’s stated concern regarding encroachment are not justified by the bill’s purpose to increase density within already urban environments, noting that “the bill “wouldn’t open any new areas around military bases for residential development.”<sup>12</sup>

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<sup>4</sup> Increasing the Supply of Affordable Housing: Economic Insights and Federal Policy Solutions. The White House. (2024, March 21). <https://www.whitehouse.gov/wp-content/uploads/2024/03/ERP-2024-CHAPTER-4.pdf>

<sup>5</sup> The Problem. National Low Income Housing Coalition. (n.d.). <https://nlihc.org/explore-issues/why-we-care/problem>

<sup>6</sup> Executive Office of the President. (2018, June 28). Establishing a White House Council on Eliminating Regulatory Barriers to Affordable Housing. The Federal Register. <https://www.federalregister.gov/documents/2019/06/28/2019-14016/establishing-a-white-house-council-on-eliminating-regulatory-barriers-to-affordable-housing>

<sup>7</sup> The United States Government. (2024b, March 8). Remarks of President Joe Biden -- State of the Union Address as Prepared for Delivery. The White House. <https://www.whitehouse.gov/briefing-room/speeches-remarks/2024/03/07/remarks-of-president-joe-biden-state-of-the-union-address-as-prepared-for-delivery-2/>; The United States Government. (2022, May 16). President Biden Announces New Actions to Ease the Burden of Housing Costs. The White House. <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/16/president-biden-announces-new-actions-to-ease-the-burden-of-housing-costs/>

<sup>8</sup> Tilghman, A. (2023, September 25). Military housing - CRS reports. Congressional Research Service. <https://crsreports.congress.gov/product/pdf/R/R47728>

<sup>9</sup> Rico, R. J. (2022, August 21). Military Families’ Housing Benefits Lag as Rents Explode. Military Times. <https://www.militarytimes.com/pay-benefits/2022/08/21/military-families-housing-benefits-lag-as-rents-explode/>

<sup>10</sup> DOD Announces Immediate and Long-Term Actions to Help Strengthen the Economic Security and Stability of Service Members and Their Families. U.S. Department of Defense. (2022, September 22). <https://www.defense.gov/News/Releases/Release/Article/3167769/dod-announces-immediate-and-long-term-actions-to-help-strengthen-the-economic-s/>

<sup>11</sup> United States Government Accountability Office. (2016, November 14). Defense Infrastructure: DOD Efforts to Prevent and Mitigate Encroachment at Its Installations. United States Government Accountability Office, Report to Congressional Committees. <https://www.gao.gov/assets/690/681360.pdf>

<sup>12</sup> Demsus, J. (2024, March 29). Why Did the U.S. Navy Kill Arizona’s Housing Bill? The Atlantic. <https://www.theatlantic.com/ideas/archive/2024/03/arizona-starter-homes-act-nimby/677898/>

Further, it is not clear that the Department's concern that reducing lot sizes would inherently undermine Graduated Density Concepts currently in use by the Department of Defense and local municipalities is justified, given that the bill does not supersede applicable building codes, fire codes, or health and safety regulations.<sup>13</sup>

I therefore request that you provide the following information no later than May 31, 2024:

1. What criteria does the Department use to determine which forms of development may represent harmful encroachment at military facilities?
2. At what level within the Department are land use recommendations decided? What review mechanisms exist for decisions which may be taken at the regional or local level?
3. What documents or analysis did the Department rely on to justify the decision to oppose the Arizona Starter Homes Act?
4. In deciding to oppose the bill, what consultations, meetings or other outreach was conducted at the state or local level in Arizona?
5. Does the military recognize or weigh benefits of increasing housing supply, either for military readiness or for neighboring communities, when advising partners on land use policies?
6. When did the bill come to the attention of the Department of Defense, and when was the decision to oppose it taken?

Thank you for your continued care and concern for our servicemembers and for your service to the defense of our nation.

Sincerely,



Robert Garcia  
MEMBER OF CONGRESS

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<sup>13</sup> Letter from Rear Admiral Bradley N. Rosen, Department of the Navy (Commander Navy Region Southwest), to Governor Katie Hobbs, State of Arizona (March 15, 2023) (online at [https://mcusercontent.com/44a5186aac69c13c570fca36a/files/bb17d25c-4dd2-2010-0af0-bb53c9cc5e7b/DoD\\_Oppose\\_HB2570.pdf](https://mcusercontent.com/44a5186aac69c13c570fca36a/files/bb17d25c-4dd2-2010-0af0-bb53c9cc5e7b/DoD_Oppose_HB2570.pdf)); Biasiucci, L. (2024, January 17). Arizona HB2570: 2024: Fifty-sixth Legislature 2nd Regular. LegiScan. <https://legiscan.com/AZ/text/HB2570/id/2937254>