DEPARTMENT OF THE AIR FORCE STATEMENT TO THE HOUSE ARMED SERVICES READINESS SUBCOMMITTEE UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: STATE OF DOD HOUSING AND AGING INFRASTRUCTURE

STATEMENT OF:

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NOT FOR PUBLICATION UNTIL RELEASED BY THE COMMITTEE ON ARMED SERVICES UNITED STATES HOUSE OF REPRESENTATIVES

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Introduction

Chairman Waltz, Ranking Member Garamendi, and distinguished members of the subcommittee, thank you for the opportunity to discuss the Department of the Air Force's (DAF) dormitory, housing, and infrastructure programs, and for your continued leadership and dedicated support for our Airmen, Guardians, and their families.

Ensuring high quality of life for our service members and their families is a fundamental responsibility of the Department. In addition to serving as power projection platforms, DAF installations are living communities for our Airmen, Guardians, and their families. As we face an increasingly complex security environment, it is our duty to provide communities that are safe and comfortable to live in. As a former Air Force Officer, I've had the honor of raising a family on DAF installations, to include residing in both government and privatized housing. I have witnessed first-hand how housing can impact the quality of life of our personnel, and its corresponding impacts on the readiness our force.

Since my confirmation in March of 2023, I have taken immediate action to accelerate housing initiatives across our installations. My first action was to visit directly with our Airmen, Guardians, and their families. I have hosted over 40 focus groups at DAF installations, including our most junior servicemembers and their families. Visiting dozens of installations, both at CONUS and overseas locations, I have personally inspected their homes and garnered direct feedback from our brave Airmen and Guardians. My next action comprised of implementing a plan consisting of investments and detailed oversight designed to accelerate quality of life improvements in housing.

Dormitories

The DAF plan includes \$1.1B in Facilities Sustainment, Restoration and Modernization (FSRM) investments in permanent party dorms from Fiscal Year (FY) 22 through future FYs and is on track to meet the FY22 NDAA requirements for permanent party dorms. This is nearly triple the investment over the previous five years ending FY21 and is the largest dorm investment in over a decade. Further, we have exceeded OSD performance goals for the condition of dorms since the inception of the metric in FY13. Pending passage of appropriations, the DAF plans to execute 31 projects at 23 installations in FY24.

The DAF's overall strategy focuses on restoring and modernizing dorms in their existing configurations with FSRM funds and addressing capacity shortfalls and facility recapitalization with Military Construction (MILCON) funds. The DAF Dormitory Master Plan (DMP) guides this effort by providing the comprehensive forecasts, estimates, and recommendations required to strategically execute dormitory projects both when and where we need them the most.

Facilities Sustainment, Restoration and Modernization

The DAF unaccompanied housing (UH) inventory includes over 57,000 permanent party and over 48,000 training beds. As of today, 99.3% of permanent party beds were assessed as "adequate" against OSD standards, thereby exceeding the OSD goal of 90%. Despite this relatively positive condition rating, we recognize that 35% of our dorms are ready for repairs or replacement of major systems. We will continue to use the DMP process to identify critical work areas and apply FSRM funds to address the remaining 35%.

The DAF plans to invest \$1.1 billion from FY22 through future FYs to address facility and living conditions within our permanent party dorms. This is in line with Congressional guidance and reflects nearly a threefold increase over the previous five years. In FYs 2022 and

2023, we invested \$341 million into 67 projects across the DAF, and plan to invest a further \$216 million into 31 projects in FY24. These projects include room renovations, HVAC repairs, roof repairs, etc. We plan to make additional investments in permanent party dorms in upcoming FYs with FSRM funds made available to the DAF.

Training dorms are another key component of our military service members' growth and development. Currently our analytics show that 100% of training dorms assess as "adequate" with only 15% ready for some level of repair. The DAF executed 4 projects for \$39M in FY23 and we are planning to fund 5 projects for \$37M in FY24. Additionally, the DAF is leading the way by replacing the first of five failing Military Service dormitories at the Medical Education and Training Campus (METC) located on Joint Base San Antonio (JBSA). The project will also be the DAF's Net Zero pilot project using Other Transaction Authority, as required by the FY22 NDAA. Investments are scheduled to begin in future FYs.

Military Construction

The DAF uses MILCON to address UH deficits or replace dorms which need to be recapitalized and MILCON planning and design funds to prepare additional projects for funding. The FY24 budget request includes a \$50M dorm at Royal Air Force (RAF) Lakenheath in the United Kingdom.

Command Empowerment

Installation leadership involvement and daily engagement at the unit level has been crucial for the success of our dorm program. Our commanders and enlisted leaders are committed to ensuring junior personnel reside in safe, adequate, and well-maintained facilities. The DAF has implemented an Airmen Dorm Leader (ADL) program that has resulted in numerous best practices and key successes at our installations. Managers, Superintendents, and

designated ADLs are critical to managing daily operations of permanent party dorms and ensure servicemember issues are addressed efficiently. ADL responsibilities include reporting discrepancies to the Military Housing Office Manager, inspecting dorms every month to identify repairs and addressing conditions that might pose a health or safety concern.

GAO Report on Military Barracks Condition

In September 2023, the Government Accountability Office (GAO) published a report on the condition and quality of Department of Defense barracks. The GAO visited two DAF installations, Joint Base Andrews, MD and JBSA, TX. The DAF remains committed to addressing the 31 recommendations provided by the GAO and has made significant progress toward addressing the five recommendations directed at the DAF. We are nearly complete with updating our barracks assignment policy and will ensure senior leaders have awareness of dormitory MILCON requirements at an enterprise level moving forward. We are also updating our policies to ensure dormitories reflect DoD guidance on health, safety, and privacy and are reevaluating our barracks manager positions. Additionally, we are supporting OSD and our sister Services on addressing recommendations GAO made for the DoD enterprise at-large.

Privatized Family Housing

The DAF Military Housing Privatization Initiative (MHPI) inventory contains over 52,000 privatized end state unit homes spanning 31 projects across 63 installations. The Quality of Life of our Airmen, Guardians, and their families living in privatized family housing is a leadership imperative. The DAF continues to implement a rigorous oversight program and we are seeing gains in all areas – to include holding project owners accountable through coordinated

watch lists, performance improvement plans, and incorporating tenant feedback into performance incentive evaluations. For example:

- Project owners at Barksdale AFB and Keesler AFB completed community action plans to address issues with resident feedback, maintenance, operations, and commander evaluations.
- Project owners were held accountable for \$58M in costs to address mold remediation at
 Keesler AFB. As of 14 Dec 2023, 569 units have been completed; with 456 units planned
 for continuing remediation efforts.
- DAF incorporated the Tenant Satisfaction Surveys (TSS) results into performance incentive fee (PIF) agreements at 59 installations. As a result of this effort, the DAF is increasing accountability of project owners at installations that have low TSS scores.
- DAF leveraged NDAA provisions to enforce 606 payments to address life health safety projects: \$31M in 2023 and an estimated \$33.3M in 2024.

DAF Infrastructure

Our installations are facing increasingly extreme conditions and growing threats from potential adversaries.

The DAF's 2019 Infrastructure Investment Strategy (I2S) kickstarted efforts to restore readiness of our power projection platforms by guiding investment decisions at the enterprise and installation level. We are taking the lessons learned from the I2S and building an action plan to ensure our infrastructure is ready for the mission today and in the future.

Our MILCON and FSRM programs, though independent, serve as the foundation of sustainable and ready DAF installations. Our MILCON program, which was authorized for \$3.1 billion in FY24, supports the National Defense Strategy's investment priorities by focusing on

our pacing competitor in the Indo-Pacific theater, the acute threat posed by Russia, as well as new weapon system bed downs to ensure we can compete in the future. It also recapitalizes facilities that have outlived their useable life or no longer meet mission requirements. Through our FSRM program, which was authorized for \$5.46 billion in FY24, we repair, modernize and sustain existing infrastructure with increased emphasis on quality-of-life projects (i.e. dormitories, child development centers) and our operational and training infrastructure.

The DAF's current installation portfolio (179 installations, 69K facilities, 183M square yards of airfield pavement) is too large and expensive to maintain in the current budgetary environment. We are scaling up our demolition program almost fivefold to \$136 million per year over the next five years, to dispose of old, excess, or severely degraded infrastructure. But demolition alone is not sufficient. The DAF is pursuing innovative approaches to infrastructure management, such as privatization, third party investments, and community partnerships, to reduce the DAF's financial liability. We have already seen success through our existing partnerships and plan to expand these efforts in the future. A highlight of these partnerships is the joint effort between Spokane County and Fairchild AFB that culminated in the construction of a regional law enforcement training center. The County built the facility that will host both local law enforcement and Fairchild AFB security forces training, as well as housing Fairchild's Combat Arms Training unit where Airmen will train and qualify.

We are also innovating new ways of improving the resiliency of our installations through utility privatization. To date, the DAF has privatized 25% of our utility systems and plans to reinvigorate the program, looking at the viability, costs, and benefits of additional systems at several bases.

Community partnerships continue to be actively pursued. For example, Cannon Air Force Base has a projected a deficit in unaccompanied housing facilities and the DAF is working multiple lines of effort, including an off-base apartment lease and an Intergovernmental Support Agreement (IGSA) with Eastern New Mexico University (ENMU), both agreements concluded in October 2023. Further, collaboration with the Oklahoma Department of Commerce, City of Altus, Chamber of Commerce resulted in the community building 135 new housing units near Altus Air Force Base sized and priced affordably for military personnel. The city is also engineering its own development providing land, streets, and utilities with a developer in place to build 112 rental townhomes. These are examples of how the DAF is leveraging all available tools and authorities to collaborate with community partners on solutions.

Innovation is also pervasive throughout our construction programs, and the \$3 billion rebuild of Tyndall AFB, Florida following the devastating effects of Hurricane Michael in 2018 is a prime example. It is being rebuilt as an Installation of the Future (IoTF). IoTF for Tyndall incorporates lessons learned from the storm, appropriate South Florida hurricane design standards and sea level rise projections, installation planning best practices to maximize efficiency and quality of life for residents and visitors, and input from innovation working groups. The final result will be resilient, efficient, and innovative to serve as a model for future construction.

The DAF will continue to identify and pursue innovative and collaborative solutions to ensure our Airmen, Guardians, and their families have the safe and sustainable infrastructure needed to prevail in Great Power Competition.

Conclusion

The DAF will not compromise on unit readiness and quality of life for our Airmen, Guardians, and their families. Our efforts to improve and transform our facilities will continue to boost morale and incentivize talent retention as we enhance our power projection with a combat credible force. We continue to use the DMP to strategically invest MILCON and FSRM dollars into our dormitories. We are ensuring the chain of command is empowered and accountable to guarantee all Service members are living in safe conditions. Finally, we are holding privatized housing project owners accountable through a rigorous oversight program when they don't meet standards.

We look forward to working with you in our efforts to achieve sustained improvement aimed at addressing quality of life issues impacting our Airmen, Guardians, and their families. Thank you for your continued support.