

United States Senate
WASHINGTON, DC 20510-0309

January 28, 2026

The Honorable Donald Trump
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Trump:

Housing costs have reached a breaking point for too many families in Arizona and across the country. You promised to lower costs “on day one,”¹ but instead of easing the financial burden Americans are facing, the Trump Administration has made the situation worse. Housing, insurance, utilities, and construction costs are rising.² A year into your second term, your Administration’s policies have increased the price of building materials, destabilized affordable housing programs, and cut funding to help the homeless, while doing nothing to bring down rents and mortgages. In a fast-growing state like Arizona, where population growth and limited supply already make housing expensive and hard to find, your Administration is placing even more pressure on families who are trying to afford a safe place to call home.

Arizonans continue to struggle with a long-term trend of higher home prices and rents rising much faster than incomes. Renters in the Phoenix metropolitan area pay about \$1,849 per month in rent,³ while a Phoenix resident earns only \$67,500 per year on average.⁴ This means many families spend over 30 percent of their income on housing and have trouble making ends meet each month.⁵ Renters in Tucson are facing similar pressures. Their average monthly rent is about \$1,565,⁶ still a high percentage of many working-class households’ monthly incomes.

It’s not just renters facing higher costs, but aspiring homeowners as well—Arizona’s typical home value has increased 17.7 percent since 2020. These pressures leave many first-time home buyers priced out of the housing market and contribute to an overall cost of living that is now

¹ Wallace, Akicia. CNN. “Trump inflation price promises.” CNN.com, January 28, 2025. <https://www.cnn.com/2025/01/28/economy/trump-inflation-price-promises>.

² U.S. Bureau of Labor Statistics. “Consumer Price Index — September 2025.” News Release, U.S. Department of Labor, September 2025. <https://www.bls.gov/news.release/cpi.nr0.htm>

³ Zillow Research, *Phoenix, AZ Rental Market Trends* (accessed December 2025), <https://www.zillow.com/rental-manager/market-trends/phoenix-az/>.

⁴ U.S. Bureau of Labor Statistics, *Occupational Employment and Wages in Phoenix-Mesa-Chandler, AZ* (May 2024). https://www.bls.gov/regions/west/news-release/occupationalemploymentandwages_phoenix.htm.

⁵ Harvard Joint Center for Housing Studies, *New Report Shows Housing Costs Strain Owners and Renters Alike; Millions Priced Out of Homeownership* (press release, June 20, 2024), <https://www.jchs.harvard.edu/press-releases/new-report-shows-housing-costs-strain-owners-and-renters-alike-millions-priced-out#:~:text=%E2%80%9CRents%20have%20been%20rising%20faster,increasing%20the%20cost%20of%20homeownership>.

⁶ Zillow Research, *Tucson, AZ Rental Market Trends* (accessed December 2025), <https://www.zillow.com/rental-manager/market-trends/phoenix-az/>.

higher than the national average.⁷ Across the country, incomes have grown much more slowly than home prices. Since 1985, median household income has increased 255 percent, while median home prices surged by more than 415 percent, making it harder for many Americans to afford a home.⁸ These costs impact where families can afford to live, their ability to build wealth passed down to their kids, and even the length and cost of their commute.

The cost of maintaining a home has also increased. Homeowners insurance premiums are skyrocketing, particularly in regions facing heightened wildfire, drought, or extreme heat risk. Homeowners in high-risk areas now pay significantly more for insurance, and many are struggling to find affordable coverage at all.⁹ In Arizona, premiums have increased at some of the fastest rates in the country, creating new barriers for first-time buyers and adding strain for existing homeowners.¹⁰ And utility costs are still high. Electricity rates in Arizona have gone up in recent years, and despite your repeated claims that energy prices are falling, families have not seen relief in their monthly bills.

Your Administration's policies are directly contributing to these high costs. The tariffs you have implemented, including increased tariffs on steel, aluminum, and lumber, and a global tariff on all imports entering the U.S. have directly caused the price of essential building materials and home appliances to increase. Tariffs increase costs throughout the construction supply chain, making it more expensive to build new houses and slowing down the rate of construction.¹¹ Arizona needs to build more homes to meet demand, and when construction costs go up, the results are clear: fewer homes get built, projects take longer, and home prices go up.

Additionally, your fiscal year 2026 budget proposal doubled down on policy priorities that keep putting pressure on housing affordability. You called for cutting the U.S. Department of Housing and Urban Development's budget by roughly 44 percent, significantly impacting or completely eliminating core programs that many Arizonans depend on to keep a roof over their head.¹² Cuts to rental assistance, affordable housing development programs, and community development grants would significantly weaken these supports at a time when more people need them because of high housing costs. Local governments and nonprofit organizations do not have the resources

⁷ Arizona State University, “*Arizona Cost of Living Above National Average for First Time*,” August 8, 2025, <https://news.asu.edu/20250808-local-national-and-global-affairs-arizona-cost-living-above-national-average-1st-time#:~:text=Alison%20Cook%2DDavis%2C%20Morrison's%20director,the%20national%20average%20as%20well>.

⁸ Visual Capitalist, *Why U.S. Homes Feel Pricier: House Prices vs. Income (1985–2025)* (2025), <https://www.visualcapitalist.com/why-u-s-homes-feel-pricier-house-prices-vs-income-1985-2025/>.

⁹ Michael Copley, Lauren Sommer, Rebecca Hersher & Sanidhya Sharma, *It's harder to get home insurance. That's changing communities across the U.S.*, OPB (Nov. 12, 2025), <https://www.npr.org/2025/11/12/nx-s1-5546754/climate-home-insurance-cop30-prices-expensive-disasters>.

¹⁰ AZCentral, “*Arizona Homeowners Getting Slammed by Spike in Insurance Costs*,” April 2, 2025, <https://www.azcentral.com/story/money/business/consumers/2025/04/02/arizona-homeowners-getting-slammed-by-spike-in-insurance-costs/82763062007/>.

¹¹ Brookings Institution, *Recent Tariffs Threaten Residential Construction* (May 1, 2025), <https://www.brookings.edu/articles/recent-tariffs-threaten-residential-construction/>.

¹² Kim Johnson, *Trump Administration Releases Additional Details of FY26 Budget Request Slashing HUD Rental and Homelessness Assistance Programs – Take Action!*, National Low Income Housing Coalition (June 2, 2025), <https://nlihc.org/resource/trump-administration-releases-additional-details-fy26-budget-request-slashing-hud-rental>

or capacity to absorb these severe cuts. If you continue your efforts to slash federal housing programs, you will further slow new housing construction, reduce access to affordable housing, and push more families to the brink of housing insecurity.

We need commonsense policies that put the American people first. This starts with getting the bipartisan ROAD to Housing Act across the finish line. This bill passed the Senate with unanimous support last year and will make historic progress in addressing the affordable housing crisis. It modernizes how the federal government supports families, renters, and homeowners by increasing housing supply, cutting red tape that drives up costs, and promoting local solutions to address shortages and homelessness. I urge you to call on House Republicans to finish the work we started in the Senate and swiftly pass this essential legislation.

Making sure housing is affordable for young people is critical, and I was glad to see your interest in tackling America's housing affordability crisis by going after hedge funds and other institutional investors that own and control large parts of the housing market, driving up both rents and purchase prices for single-family homes. I introduced legislation to do just this last year – the HOPE for Homeownership Act puts a stop to Wall Street's control of the single-family housing market so more working families can afford a place of their own. With your support, we can get this done.

Arizona families deserve better. They need an administration that is truly committed to lowering housing costs and strengthening the programs that are proven to work. I urge you to start by ending these tariffs that are jacking up the cost of building new homes. Next, advocate for a budget that reflects the scale of the housing affordability crisis and provides federal support and the full range of tools that communities rely on. Then, prioritize stability within HUD's programs so that local governments, housing authorities, and service providers can plan responsibly and meet the needs of families across Arizona. Finally, work with Congress to get the ROAD to Housing Act across the finish line and pass legislation going after hedge funds for buying up housing and driving up rents. I'm ready to work with you and anyone in your administration or in Congress to lower the cost of housing so that hardworking Americans can put a roof over their head.

Thank you for your attention to this urgent matter.

Sincerely,



Mark Kelly
United States Senator

CC: The Honorable Scott Turner, Secretary of Housing and Urban Development