

To: bchengagement-mobilisationmc@infc.gc.ca

August 29, 2025

RE: Build Canada Homes: Market Sounding Guide

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions in the Greater Toronto and Hamilton Area. As experienced investors in low carbon housing development, we focus on scalable opportunities and proven technologies. We have a track-record of catalytic housing sector investments across multiple sub-sectors including prefabrication ([Assembly Corp](#)), sustainable housing development funds ([One Planet Living Real Estate Fund](#)), and housing project finance ([Green Condo Loan program](#)).

Thank you for the opportunity to provide feedback on the market sounding guide for the Build Canada Homes (BCH) program. We appreciate the federal government's efforts to engage stakeholders early in the process and to ensure the program design reflects the realities of the housing market and what Canada needs to meet the moment.

Set a robust national building performance standard

Climate change is accelerating impacts to Canadians' health, safety, and prosperity. Moreover, Canada's plan for meeting its legally binding climate targets under the Canadian Net-Zero Emissions Accountability Act is predicated on transitioning all home construction to net-zero by 2030. In this context, it is critical that BCH exclusively support housing built to the highest tiers of the National Model Building Code (NMBC) or approved equivalents. This will result in low-carbon housing and support long-term affordability through reduced energy costs and avoided future retrofit costs. Such a requirement will also futureproof the nascent prefabricated housing industry and minimize interprovincial trade barriers as each province progresses at its own pace to the highest tiers of the NMBC. Standardization is vital for successful prefabrication, and it must be a core component of any investment.

We recommend:

- Mandating that all housing projects supported by BCH be built to the highest tiers of the NMBC or an approved equivalent standard, such as Passive House or Toronto Green Standard Tier 2+. This is also consistent with the recommendations of the federally appointed [Canada Electricity Advisory Council](#).
- Incentivize harmonization in standards and approval processes among provinces and municipalities. Examples include the use and recognition of CSA A277 certification and

rapid permitting for pre-approved repeatable designs. This will avoid costly delays from overlapping and duplicative assessments and reviews.

The key goals of BCH are to support affordable housing and the modernization of the home construction industry in Canada. To achieve these goals, it is critical that BCH supports housing that is energy efficient and low-carbon (both operating and embodied). A failure to do so will result in unnecessarily high home energy costs while exacerbating interprovincial trade barriers. Building to the highest tiers of the NMBC will encourage a modernized homebuilding industry that automatically meets or exceeds codes and standards from coast to coast to coast.

Create financing to support industrialization of housing construction

We applaud the flexible approach to financing BCH is proposing and the plan to support market participants with various forms of capital, as well as the focus on derisking investments to mobilize private capital. This will help bolster Canadian financial institutions to begin investing in the establishment and scaling of businesses that provide prefabricated and off-site housing. The Building Canada Homes model can support the acceleration of a robust modern building sector in several strategic ways.

We recommend:

- Consider how to best support SMEs, given that nearly [69% of construction businesses](#) have less than 5 employees. The current focus on ‘the degree of housing outcomes the project delivers’ may unintentionally skew benefits towards larger projects and not this majority of smaller businesses.
- Develop fit-for-purpose financing facilities specifically designed to provide the working capital necessary to build prefabricated housing before it reaches the construction site. This will enable lenders to become less risk averse over time, support modern building technologies, and allow BCH to redeploy capital to other initiatives.

While the resources available to BCH are significant, achieving housing objectives will require more private than public capital, especially for market (versus affordable) housing. Loan guarantees for companies involved in off-site construction is an excellent mechanism for using public funds to mobilize and ‘crowd in’ private investment in this space.

We hope these recommendations help strengthen the Build Canada Homes program in ways that will support Canadians from coast to coast. As a member of the Canadian Industrialized Construction Coalition, we also support their recommendations in their brief.

With thoughtful design and collaboration, this program has the potential to expand access to affordable, sustainable housing while creating stronger, more resilient communities. We welcome the opportunity to stay engaged as the program evolves.

Sincerely,

Bryan Purcell,
VP Policy & Programs, The Atmospheric Fund

About The Atmospheric Fund

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. We are experienced leaders and collaborate with stakeholders in the private, public, and non-profit sectors who have ideas and opportunities for reducing carbon emissions. Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies, and running programs. We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.