



Housing is Where Jobs Sleep at Night

Response to the Build Canada
Homes Market Sounding Guide

Introduction

As the national voice for professional urban, community, and land-use planners, the Canadian Institute of Planners (CIP) represents nearly 10,000 diverse planning professionals and has supported Canada's planning community since 1919. Our members practice in communities of every size across the country, offering unique, on-the-ground expertise that can strengthen the Build Canada Homes (BCH) program.

Now more than ever, planning matters. Planning influences where we live, how we move, how we work, and the overall health and well-being of our communities, cities, and regions. Planners are at the forefront of the pressing challenges facing our country and are forward-thinkers who can provide solutions to help communities thrive today and in the decades ahead.

While some may suggest there are tensions among the following recommendations, for example, between streamlining processes to accelerate timelines and setting more stringent standards for climate resilience and healthy communities, these are largely false dichotomies. Like you, we believe it's possible to build faster, better, and smarter.

Planners are uniquely equipped to design better processes and develop new tools that address bottlenecks and reduce duplication in the short term, while also establishing high standards to future-proof our communities. It is the planner's role to ensure that a broad range of objectives (e.g. affordability; livability; resiliency; and efficiency) are achieved together.

CIP is therefore pleased to provide feedback on the Build Canada Homes Market Sounding Guide.

Build Affordable Housing at Scale

Professional planners recognize that Canada's housing supply crisis requires a holistic, multifaceted approach to unlocking housing of all types. While we acknowledge the government's efforts to address supply through a variety of initiatives, we strongly believe the federal government must focus its lands and resources on the most difficult housing to deliver—non-market and supportive housing. We are encouraged that this will be the primary focus for BCH, including financial support for affordable housing builders and providers.

CIP also supports the inclusion of financial tools for the development of supportive and transitional housing with wraparound services (e.g., mental health and addiction treatment, social work, and homelessness supports) at scale. These will serve Canada's most vulnerable populations, including those who are unhoused. At the same time, appropriate mechanisms must be in place to ensure long-term affordability of all housing units constructed through this program and funding.

In addition to non-market and supportive housing, modernizing rental housing finance and tax policy is critical. Rental housing is referenced only once in the BCH Market Sounding Guide, despite the fact that Canada urgently needs more rental units. Developers, non-profits, and individuals face significant financial and tax barriers to building or reinvesting in rental housing. Canada requires bold, modern financing tools to support both market and non-profit rental sectors, alongside policies that boost productivity, household incomes, and affordable housing options for renters and aspiring homeowners.

Recommendations

To modernize rental financing and tax policy:

- Establishing a Build Canada Homes Bond and Tax Credit
- Modernizing social finance regulations and reducing tax burdens that hinder affordability
- Providing funds for provincial rent supplements (e.g., a revamped Canada Housing Benefit)
- Extending 40-year amortization options to all new rental housing projects
- Allowing property owners to defer Capital Gains Tax when reinvesting in new rental housing
- Encouraging reinvestment in both non-profit and market rental development
- Reinstating tax breaks for developers of Multi-Unit Residential Buildings (MURBs) to accelerate small-scale infill rental housing
- Aligning with municipal zoning changes to enable 4–6 storey rental housing
- Extending property tax grants to rental housing across the country
- Addressing operating cost inflation that drives annual rent increases

Build Smarter: Modernization of Home Construction

We are encouraged to see modern building science and technologies included as a BCH priority. As with all innovations, significant seed funding is needed to scale up manufacturing methods such as pre-fabricated and modular housing and to expand Canada's Housing Design Catalogue. Federal investment in these approaches will not only expand housing stock but also improve quality control, create jobs, reduce environmental impacts, and position Canada as a global leader in sustainable construction.

Pre-fabricated and modular housing has particularly high potential to reduce costs and accelerate delivery for higher-density forms such as multiplexes and laneway homes. However, Canada currently lacks sufficient domestic manufacturing capacity and regulatory consistency.

Recommendations

- De-risking and scaling modular/pre-fabricated construction through strategic investment in domestic manufacturing and pilot projects in major urban centres
- Funding national education and industry development programs to train workers and project managers and expand domestic supply chains
- Supporting export-ready pre-fabricated housing systems to generate employment, tax revenue, and global leadership in sustainable housing innovation

Federal funding must support the full ecosystem needed for these technologies—including materials, programs, machinery, incentives, and a skilled workforce—to ensure effective adoption at scale.

Streamline Processes and Regulations

CIP supports BCH's aim to streamline systems, including a "single window development process." Planners are well-positioned to reduce delays and red tape while ensuring sustainable outcomes.

To meet housing targets, Canada must move from a regulatory-heavy approach toward one that enables construction at speed and scale. The National Building Code, in particular, has become increasingly complex.

Recommendations

- Reviewing and modernizing the National Building Code to enhance affordability, speed, and modular compatibility without compromising safety

- Including requirements for wildfire and flood protection in new developments
- Simplifying federal building codes, environmental reviews, and duplicative regulations in coordination with provinces/territories and municipalities
- Creating federal incentives for jurisdictions that streamline permitting and approvals, particularly for modular and pre-approved housing at scale
- Developing a central repository of local plans, zoning adjustments, and code assessments to reduce duplication of effort

Regulatory streamlining must balance speed with environmental, social, and economic sustainability. Equally important, BCH should provide multi-year stability—both in funding and in program requirements—to ensure consistency and predictability.

Other Recommendations

Build Complete Communities

Building housing without appropriate infrastructure and amenities risks producing incomplete, unsustainable communities. This includes both hard infrastructure (e.g., roads, wastewater, parks, and green spaces) and soft infrastructure (e.g., health care, schools, and community supports). While BCH references “building strong, resilient communities,” this principle must be central to all new development and densification.

Planners can accelerate timelines while ensuring alignment with health, equity, and climate resilience goals.

Recommendations

Introducing a Healthy Communities Bonus for municipalities that:

- Co-locates housing with health and social services and community hubs
- Expands green space and active transportation networks
- Integrates health, equity, and climate resilience into planning
- Creates a Community Infrastructure Grant Program linking housing delivery to:
 - Parks, green space, and active transportation
 - Indigenous-led public spaces
 - Social infrastructure (e.g., health care, settlement services)
 - Climate resilience projects (e.g., fire-smart initiatives, stormwater management)
- Requiring Health and Equity Impact Assessments (HEIAs) for federally supported housing, using scalable, tiered approaches based on existing models
- Developing a Federal Well-Being Housing Framework aligned with Canada’s Quality-of-Life Framework to ensure housing investments support health, equity, cohesion, and climate resilience

Consider Climate

BCH must prioritize climate-adaptive models and considerations to ensure communities remain resilient for decades. Federal housing investments should not be located in high-risk flood or wildfire zones.

We support BCH's proposed use of low-carbon, net-zero, and climate-resilient approaches and recommend establishing consistent minimum sustainability requirements across Canada. Higher baseline standards will reduce the need for costly retrofits or rebuilds and ensure resilient housing in a changing climate.

Retaining and upgrading existing affordable housing is also critical. Investments should prioritize climate retrofits for older stock, ensuring resilience and lowering utility and insurance costs for residents.

Scale Urban Indigenous-Led Housing to Advance Equity & Reconciliation

Canada's housing crisis disproportionately impacts Indigenous Peoples, especially those living off-reserve. In 2021, over 171,000 Indigenous households were in core housing need—6.5% of the total, despite representing only 5% of the population. Without urgent action, these inequities will deepen.

CIP supports BCH's commitment to engaging Indigenous governments and partners and urges further action.

Recommendations

- Embedding an Indigenous-led approach that leverages existing Indigenous non-profits, networks, and housing infrastructure.
- Developing distinct urban, rural, and northern Indigenous housing strategies, co-designed with Indigenous leadership, to reflect the specific needs of diverse Indigenous populations.

Greater Engagement of Planners

We were surprised that planners were not identified as key stakeholders in developing BCH. Planning principles must inform every stage—from program design and project assessment to consultation, implementation, and evaluation.

Greater involvement of planners at both the federal and municipal level would help identify regulatory barriers and streamline delivery.

Planners are uniquely positioned to assess and enable project efficiency, long-term sustainability, climate resiliency, and community well-being. However, many jurisdictions, especially small, remote, and Indigenous communities, lack access to professional planning resources, limiting their ability to meet program criteria.

Recommendations:

- Establishing an external planning advisory service (in partnership with CIP) to provide cost-efficient planning support to under-resourced communities and assist federal departments with program design, implementation, and evaluation
- Creating a National Planners Youth Corps overseen by senior mentors, potentially as part of the advisory service, to deploy emerging professionals to communities in need of planning support

Housing is Where Jobs Sleep at Night

We applaud the government for prioritizing housing as a driver of economic growth and prosperity. Planners recognize that affordable housing is essential to unlocking local and regional development. Sound community planning ensures not only that housing needs are met, but also that infrastructure and services are in place to sustain healthy, thriving communities.

CIP has offered a series of recommendations to help deliver BCH and Canada's broader housing strategy more effectively. We embrace the scale and speed at which Build Canada Homes aspires to deliver for Canadians, and our members stand ready to ensure these investments reflect distinct community needs, sustainability, and long-term resilience.



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