

ICE Raids Hit Homebuilding, Passive House Outperforms Codes, and Old Homes Make a Comeback

Hi, I'm Ronan and you're watching This Week's Sustainable Building News. Hope you had a great Labor Day weekend. We rounded up the news and trends taking us into fall, so let's get into it.

Immigration enforcement is having a real impact on home construction in some parts of the country. HousingWire reports that ICE arrests climbed from about 32,500 in May to nearly 50,000 in July, and builders in several markets say the effects are reaching their job sites. In parts of Texas, Florida, West Virginia, Idaho, Georgia, and Pennsylvania, builders report shrinking labor pools, delayed construction, and rising subcontractor costs. An Austin builder said framing labor costs have jumped 25 to 50 percent, adding roughly \$2,000 to \$5,000 per home. And it isn't only undocumented workers.

HousingWire reports that some workers legally authorized to work are also staying away from job sites because they fear being stopped or detained. The impact isn't uniform nationwide, and large public builders generally say labor remains manageable. But smaller builders operating in heavily affected markets have less room to absorb delays, higher labor costs, longer construction loans, and missed closings.

https://www.housingwire.com/articles/ice-enforcement-labor-costs/?utm_source=chatgpt.com

The Associated Press reports that Austin has more than 4,500 vacant affordable units, representing a vacancy rate of nearly 16 percent. So what's going on? Many affordable housing programs target households earning around 50 to 60 percent of area median income. But people earning 30 percent or less can still find those rents completely out of reach. Austin illustrates the disconnect. The city had set a goal of producing 20,000 homes for extremely low-income residents, but by 2024 had completed only 543. And similar problems are showing up in places including Denver and Portland. The issue isn't simply whether America has enough housing labeled "affordable." It's whether we're producing housing at prices that actually match the incomes of the people who need it.

<https://apnews.com/article/affordable-housing-shortage-poorest-us-80fab2a0fb645e4d629b0ef7e3c2b496>

A federal judge has temporarily blocked HUD from dramatically changing how it distributes funding to organizations that fight housing discrimination. Congress provides HUD about \$56 million a year for these programs, typically spread across more than 100 smaller grants. But this year, HUD proposed awarding \$46 million to just five

organizations while changing eligibility requirements in a way that fair housing groups said would exclude many existing recipients. HUD argued the overhaul would modernize the program and make funding more competitive. But a judge ruled that the agency had not adequately justified the sweeping changes and ordered HUD to distribute the money under last year's rules. The ruling is temporary while the lawsuit continues, but for now, funding for local fair housing enforcement organizations remains intact.

https://www.inman.com/2026/08/27/hud-fair-housing/?utm_source=hotsheet&utm_term=&utm_medium=email&utm_campaign=HotSheet_20260827

New research out this week makes a compelling case for Passive House. The Passive House Network commissioned RDH Building Science to compare Passive House standards with commonly used energy codes for multifamily buildings across U.S. climate zones. And the difference was substantial. In the modeled scenarios, Passive House buildings were up to 4.5 times more energy efficient than buildings designed to standard codes. Researchers compared several Passive House standards with IECC 2021 and ASHRAE 2016 and 2019. Passive House models consistently came in at or near 13 kBtu per square foot per year in total energy use intensity. The conventional code models ranged from 29 to 57. And here's why that matters beyond lower utility bills. As electricity demand grows from data centers, electrification, and other new loads, reducing the amount of energy buildings need in the first place can take pressure off an already strained grid. The Passive House Network says the findings also strengthen the case for allowing Passive House to serve as an alternative compliance pathway for building codes, incentive programs, and performance requirements.

<https://www.prweb.com/releases/new-research-highlights-passive-house-as-up-to-4-5-times-more-efficient-than-standard-codes-302870528.html>

Schneider Electric has some advice for cutting home energy bills. Stop obsessing over the lights. The company points out that lighting represents only a small fraction of household energy use, while heating and cooling alone account for nearly half. So where should homeowners focus? Schneider offers three high-impact moves: 1: Know your utility rate plan. If your rates vary by time of day, shift things like EV charging and large appliances to cheaper, off-peak hours. 2: Upgrade your heating controls. Smart, multi-zone controls can reduce wasted energy by heating only the spaces that need it, when they need it. 3: Automate your energy use. A home energy management system can coordinate heating, appliances, EV charging, solar and batteries to use electricity when it's cheapest and most efficient. The takeaway? Don't just use less energy. Get smarter about when and where you use it.

<https://blog.se.com/homes/2026/07/29/energy-to-personal-space-what-is-the-main-concern-in-our-homes/?>

We usually talk about urban trees as a way to fight heat and climate change. But a growing body of research suggests we should also think of them as health infrastructure. Researchers tracking Chicago neighborhoods found that each year-to-year percentage increase in tree canopy was associated with roughly a 10 percent reduction in mortality, although the researchers caution that the study does not prove trees caused the decline. Now, doctors in the U.S., Canada, and elsewhere are issuing “nature prescriptions,” recommending that patients spend structured time walking, gardening, or simply being outdoors. Research has linked these interventions with lower blood pressure, improvements in anxiety and depression, and increased physical activity. One analysis found participants averaged nearly 900 additional steps per day. Builders and developers should be reading these prescriptions, too, and designing them into the communities they create. That means preserving mature trees, protecting existing canopy, and intentionally providing parks, walking paths, community gardens, biodiversity, and accessible green spaces. That’s especially important because another recent study found 73 percent of 33 U.S. cities were losing greenery, often in neighborhoods already among the hottest. If doctors are prescribing nature for better health, maybe builders and developers should start helping to fill the prescription.

<https://earth.org/nature-as-medicine-redesigning-urban-green-spaces-for-nature-based-healthcare/>

https://agupubs.onlinelibrary.wiley.com/doi/10.1029/2025GH001651?campaign_id=54&emc=edit_clim_20260818&instance_id=180543&nl=climate-forward®i_id=89362075&segment_id=224957&user_id=5dd64e77c3908027223fa23c2899006d

Here’s an interesting housing trend: Old houses may be having a moment. Realtor.com’s hottest ZIP codes of 2026 are dominated by established suburbs, where the median home was built in 1970. Buyers appear willing to choose older homes for their character, space, and established neighborhoods. And there’s some anecdotal evidence of the same thing happening in Dallas. Candy’s Dirt reports that younger buyers are showing increased interest in the city’s historic homes. One local real estate agent says she’s seeing younger architecture buffs specifically looking at these properties and interested in preserving them. The story highlights a 1923 Turtle Creek mansion that has had just three owners in more than a century and was carefully updated over the years without sacrificing its original architecture. Put the two stories together, and there may be a bigger opportunity here for sustainable building. Instead of tearing down older homes, keep the character and upgrade the performance: insulation and air sealing, high-performance windows, heat pumps, efficient water heating,

healthier materials, and even solar and storage. The sustainable home of the future doesn't necessarily have to be new. Sometimes it may be a great old house that performs like a new one.

<https://www.bhg.com/hottest-zip-codes-2026-12057045>

<https://candysdirt.com/2026/09/06/this-turtle-creek-mansion-proves-historic-homes-are-hot-again/>

And now for our COGNITION Hot Take of the Week. Americans are staying in their homes longer, the average U.S. home is now more than 40 years old, and remodeling is booming. But here's the opportunity: homeowners don't just want newer kitchens and bathrooms. They're willing to invest in making their homes more efficient and environmentally friendly. New COGNITION Smart Data finds more than 40 percent of homeowners are very or extremely conscious of the environmental impact of their remodeling projects. And when asked what system they would upgrade first during a major remodel, 48.5 percent chose energy upgrades such as solar, energy-efficient appliances, battery storage, or electrification. HVAC came next at 27.2 percent. That's a pretty clear market signal. For remodelers, contractors, and manufacturers, green building isn't just an environmental story. It's a revenue opportunity. Homeowners are already spending money on their aging homes. The question is whether you're offering them the high-performance upgrades they increasingly want.

<https://www.greenbuildermedia.com/blog/revenue-opportunity-homeowners-are-willing-to-pay-for-more-environmentally-friendly-remodeling>

And we'll wrap up with our Editor's Product Pick of the Week: Hardie fiber cement siding. We're using it on Green Builder Media's VISION House Asheville, where resilience is a major part of the design following the devastation Hurricane Helene brought to western North Carolina. Hardie fiber cement products are noncombustible, FEMA Class 5 flood-damage resistant, and resistant to damage from moisture, hail, and pests. They're also Engineered for Climate, meaning the products are formulated for the conditions and risks of different regions. At VISION House Asheville, that matters. The home has to contend with North Carolina's humidity and moisture as well as risks from severe storms, flooding, and wildfire. The project will use both Hardie Artisan Lap Siding and Hardie Panel Siding, combining that resilience with an exterior designed to complement the surrounding landscape.

And that's our show. Please subscribe, like, and share, and I'll see you next week.

