

Research Insight



Barriers to Housing Affordability in Land Use Planning Systems: What we heard from a Cross-Canada Roundtable Series

Research Objective

CMHC ordered this qualitative research project to explore the main barriers to affordable housing in planning systems. This study was conducted by a consultant, and CMHC did not participate in the round tables to avoid influencing the discussions. In this study, participants talked about “affordable housing” broadly, meaning different forms of attainable housing. This work looks at these barriers from the regional point of view of experienced professionals across the affordable housing sector and is a representation of the views of the participants, and not a comprehensive evaluation of the themes discussed. A research advisory committee including professional planners, housing organizations and affordable housing researchers guided this work.

Key Findings Summary

The most discussed common barriers to affordable housing in land use planning systems across all the roundtables are NIMBYism (**Not In My Back Yard**); zoning; infill policies; housing needs assessments/data; and development costs.

Different territorial and provincial regulations along with unique municipal programs and policies create distinct regional conditions, even with common land use planning factors.

These results are aligned with the results from the recent CMHC and Statistics Canada’s [Municipal Land Use and Regulation Survey](#)¹. Initial findings indicate that more residential land use regulations are linked with lower housing affordability.

¹ [https://www.cmhc-schl.gc.ca/blog/2023/approval-delays-linked-lower-housing-affordability#:~:text=The%20Municipal%20Land%20Use%20and,Greater%20Toronto%20Area%20\(100\)](https://www.cmhc-schl.gc.ca/blog/2023/approval-delays-linked-lower-housing-affordability#:~:text=The%20Municipal%20Land%20Use%20and,Greater%20Toronto%20Area%20(100))

Context

There is an urgent need to increase the housing supply in Canada. CMHC [research](#)² shows that new housing supply must grow faster over the next decade to make housing more affordable in Canada. Supply is dependent on how we build, where we build, and how we can use the land.

The CMHC report [Examining escalating house prices in large Canadian metropolitan centres](#)³ recognized that the planning systems may be an important factor in slowing down supply. Across Canada, more attention is given to land use planning systems as a key element of housing supply, especially affordable housing. This research offers insight to support the development of strategies to speed up the supply of affordable housing.

Key Findings

The following key barriers were the top factors identified during the discussions at the regional roundtables. Elements outside of land use planning systems were included as part of the natural discussions to reflect the full conversation and accurate context. CMHC did not participate in the roundtables to remain objective and accurately represent participant experiences and opinions.

Barrier 1: Community opposition/NIMBYism

NIMBYism is a practice used by the public to oppose certain housing types through municipal processes. This practice can influence whether projects move forward even if the projects are in line with policy.

NIMBYism often reinforces exclusionary zoning, which prevents denser development in areas with mostly single-detached homes. This is a lost opportunity, particularly in well-serviced areas that can handle more development.

Suggested solutions from roundtable participants:

- Promote collaboration and early engagement with the public. Build relationships to share clear and consistent messaging, especially with people who are usually left out of discussions.
- One participant suggested removing certain housing types from public consultation processes to prevent any discriminatory responses.

Barrier 2: Exclusionary zoning practices

In most municipalities, zoning bylaws allow single-detached dwellings as of right across residential zones, but limit other housing forms (e.g., multiplexes, apartments, missing middle), tenures (e.g., rental), and types (e.g., supportive and transitional housing).

Suggested solutions from roundtable participants:

- Enable the creation of new affordable housing through broad “blanket” zoning policies and pre-zoning land. Increasing mixed-use zones may support the move away from single-family dwellings and reduce opposition to duplexes.
- Reduce mandatory parking requirements can positively impact affordable housing*.

*See “related reading” section below for research called “Impact of minimum parking requirements for multi-family residential buildings on housing affordability and sustainability”

² <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-research/research-reports/accelerate-supply/housing-shortages-canada-updating-how-much-we-need-by-2030>

³ <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-research/research-reports/housing-finance/examining-escalating-house-prices-in-large-canadian-metropolitan-centres>

Barrier 3: Infill policies and the missing middle: Preserving and increasing existing affordable housing options

The “missing middle” includes medium-density housing types that are currently underrepresented. This situation usually applies to areas between tall buildings in a city’s core and neighbourhoods of mostly semi-detached and single-detached homes in the suburbs. It also refers to housing forms and density with affordable price points. Infill policies can encourage the demolition of existing, more affordable housing to replace it with new, more expensive construction, typically high-rises or single-detached homes.

Suggested solutions from roundtable participants:

- Both private and non-profit sector providers could benefit from initiatives to maintain existing affordable housing stock, often found in denser or “middle” urban areas.
- Non-profit acquisition is a good way to keep affordability in denser neighbourhoods, but non-profits need help to acquire “missing middle” stock.
- Create and actively enforce municipal and community income- and household size-based targets.

Barrier 4: Data gaps and misalignment between supply and need

Missing or inconsistently designed **Housing Needs Assessments** prevent accurate assessment and comparison of housing outcomes across jurisdictions. There is concern about policies and programs being developed without accurate housing needs data. Issues around data gaps and misalignment between supply and need were raised in nine of the ten roundtable sessions.

Suggested solutions from roundtable participants:

- Several participants emphasized the need for targeted efforts to understand the specific needs of rural communities and to develop databases to track affordable units.
- Participants also highlighted the need for municipalities to set specific housing development targets based on established needs.
- All levels of government could support improving the availability and frequency of data on the housing market, and current and projected housing needs.

Barrier 5: Development costs

Development costs include permits, rezoning processes, construction costs, skilled labour, cost of land, and conditions for site development, such as environmental assessments and geotechnical reports. Issues around development costs came up in all ten roundtable sessions.

Suggested solutions from roundtable participants:

- With the rising cost of land across Canada, there is an opportunity for all levels of government to provide surplus lands for affordable housing developments.
- Waiving development-related charges for affordable housing development.
- Participants identified the need for better coordination across municipal departments and agencies (i.e., conservation authorities) and between municipal and provincial governments to align processes and program requirements efficiently.
- Dedicated teams and supports to help non-profits through the planning systems.

Regional distinctions

Northern Canada

It is worth noting that the three Canadian territories and Northern Quebec are facing unique planning challenges different from each other and from the provinces (see the related sections in the Compendium Report for further reading).

- In the Northwest Territories and Nunavik, participants mentioned the lack of housing options for the staff of major employers. In Nunavut, participants talked about the need to provide culturally appropriate homes for Inuit households.
- Participants noted challenges around attracting skilled labour to the territories and the long distances contractors must travel between communities. A participant from the Northwest Territories also mentioned that public procurement processes can also add to overall costs.
- Some challenges experienced in Nunavut and the Northwest Territories are due to materials being subject to time-sensitive supply routes that limit availability and increase logistical costs.
- Indigenous communities face disproportionate effects of the housing shortage, including poor living conditions and limited mobility.

Southern Canada

While all the provincial regional reports noted common barriers, like development costs and community opposition, there were still regional differences:

- The Atlantic Canada session heard that there is a lack of housing and planning professionals across the region.
- Some Ontario session participants said that the current planning system lacks consistency, enforceable language, and does not address affordable housing for low- and moderate-income households.
- The Quebec session discussed challenges with servicing and infrastructure capacity. More affordable housing requires greater water and sewage capacity, which puts pressure on housing in general, raises prices, and calls for careful planning.
- Alberta participants agreed that property taxes are a barrier for non-profit housing providers, and there was strong support for property tax exemptions.

A note about British Columbia: British Columbia was not included in the roundtables due to existing relevant work. The Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability released a thorough report called “Opening doors: unlocking housing supply for affordability” and the findings were included in the compendium report.

British Columbia’s report made 23 recommendations under five broad calls to action. Planning-related actions included :

- **creating a planning framework that encourages housing,**
- **reforming fees on property development,**
- **and expanding the supply of community and affordable housing.**

Also, while outside the scope of land use planning systems, the topic of federal funding and financing programs was raised as a significant barrier to affordable housing development across many jurisdictions.

Implications for The Housing System

Fundamentally, the main barriers to affordable housing in land use planning systems are known, but barriers are different for each region and municipality. Despite these localized distinctions, there are common roots that can be identified and addressed more precisely, offering opportunities to streamline the increase of supply anywhere in Canada. As practitioners face the challenges of complex land use planning systems, changes like amending lot coverage and building setback requirements can support zoning-based solutions. This research highlights specific land use planning and housing system topics that experienced practitioners find important and could guide further strategies to remove high impact barriers. The participants of all ten roundtables generously shared their time and expertise, providing valuable knowledge from across the affordable housing spectrum. The results support ongoing efforts to refine and improve land use planning systems to reduce the impact of common barriers to affordable housing.



Further Reading

Roundtable Regional Series and Compendium Report:

[Compendium report](#)⁴

[Alberta](#)⁵

[Saskatchewan and Manitoba](#)⁶

[Ontario](#)⁷ (Includes GTA, Northern Ontario and Southern/eastern Ontario)

[Quebec](#)⁸

[Atlantic](#)⁹

[Nunavut](#)¹⁰

[Northwest Territories](#)¹¹

[Yukon](#)¹²

Related reading

[10 updated Housing Accelerator Fund best practices](#)¹³

[Impact of minimum parking requirements for multi-family residential buildings on housing affordability and sustainability](#)¹⁴

⁴ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-compendium-%281%29.pdf

⁵ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-alberta-%282%29.pdf

⁶ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-sask-man_1.pdf

⁷ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-ontario-%281%29.pdf

⁸ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-quebec-_1.pdf

⁹ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-atlantic-%281%29.pdf

¹⁰ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-nunavut-%281%29.pdf

¹¹ https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-nwt-%281%29.pdf

¹² https://assets.cmhc-schl.gc.ca/sf/project/archive/research_6/bahlups-yukon-1.pdf

¹³ <https://www.cmhc-schl.gc.ca/blog/2023/10-housing-accelerator-fund-best-practices>

¹⁴ https://assets.cmhc-schl.gc.ca/sf/project/archive/housing_organizations4/impact-of-parking-requirements-on-housing-affordability_final-report.pdf

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