



CALIFORNIA  
**YIMBY**  
EDUCATION FUND

# HOUSING UNDERPRODUCTION IN CALIFORNIA

2023 Report

A Report for the California YIMBY Education Fund

Commissioned from MapCraft





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# INTRODUCTION

By one estimate, California must build 3.5 million housing units by 2025 to end the state’s housing shortage. This shortage has resulted in rising rents and prices, closed access to homeownership for many families, and forced many Californians to leave the state altogether. A significant body of research suggests that the shortage is the result of land-use regulations that make it difficult to build new housing. But where in California would such housing be built absent regulatory barriers?

To better understand the scale and geography of California’s housing shortage, California YIMBY commissioned a study by MapCraft of relative housing underproduction rates across the state. To do this, we estimate a “conversion rate” for each city and county that compares historical rates of housing permitting to potential market-feasible housing development opportunities, assuming no limitations due to zoning. For example, a jurisdiction might have permitted 1,000 housing units last year while having an estimated 100,000 zoning-free market-feasible housing development opportunities on sites that were not environmentally encumbered, which would amount to a 1% conversion rate.

## Key findings of this study include:

- Based on a recent point-in-time snapshot of market-feasible housing development opportunities, roughly 30% of the approximately eight million addressable parcels in California could, in the absence of regulatory barriers to new housing, accommodate additional market-feasible units.
  - Many factors preclude this level of development from proceeding concurrently—including labor availability, material supply chains, willing sellers, and zoning regulations—such that California jurisdictions permitted less than 140,000 units per year between 2018 and 2021, an annual conversion rate of less than 1% of statewide market-feasible opportunities.
  - The analysis considered the housing development potential of less than one-tenth of the land area in California. State- and federally-owned properties were not considered. Neither were areas subject to high fire risk, habitats for protected species, wetlands, and other environmental areas of statewide concern. The analysis also excluded sites known to be used for infrastructure or industrial uses.
- Within California, conversion rates of housing development opportunities vary widely. Among cities, the lowest conversion rates were mainly found in suburbs across the Bay Area and Southern California—especially near the coast—which have enormous housing demand but issue few housing development permits.
  - Examples include jurisdictions like **Norco**, **Rancho Santa Margarita**, **Laguna Hills**, and **Cerritos**.

- Among counties, the lowest conversion rates of housing development opportunities were found along the perimeter of the Bay Area and along the Central Coast. Both regions face enormous housing demand but have issued few housing development permits in recent years.
  - Examples include counties like **Marin, Napa, Monterey,** and **Santa Barbara.**
- Not all of California is underperforming in equal measure. Portions of the Central Valley and Inland Empire are converting market-feasible development opportunities into housing development permits at relatively high rates.
  - Cities like **Merced, Visalia, Stockton,** and **Bakersfield** and counties like **Kern, Merced,** and **Placer** are permitting housing at high rates, relative to the state as a whole.

The following report briefly outlines the purpose of this study, documents the methodology, discusses topline findings, and considers potential policy implications. A companion spreadsheet includes conversion rates and rankings for each city and county in California, and a companion map depicts these results graphically, along with a statewide map of vacant parcels.

## PURPOSE

Policymakers and advocates like California YIMBY are engaged in efforts to remove regulatory barriers to new housing construction. These efforts are often only lightly informed by market-based development potential, which reflects both the price households are willing to pay and the cost of developing new housing, both of which are location-specific.

Interventions may thus lead to upzoning in locations with relatively few market-feasible housing opportunities while leaving areas with ample market-feasible housing opportunities untouched. Advocates should focus on encouraging robust interventions in neighborhoods and jurisdictions with market-supportive housing development opportunities—that is to say, places that have the greatest potential to address the state’s housing needs.

Finding the neighborhoods and jurisdictions with the lowest rates of conversion from potential housing development opportunities to observed housing production helps advocates identify production hindrances and develop more effective interventions. For example, if a jurisdiction with a low housing development conversion rate is found to have relatively relaxed zoning standards, then advocates can work to identify the non-zoning policy changes needed to spur production.

California YIMBY asked MapCraft to conduct a statewide assessment of zoning-free market-feasible housing opportunities, compare those opportunities to historic production to define a jurisdiction’s housing development conversion rate, and collaborate with California YIMBY on materials that effectively convey the findings. California YIMBY will use these findings to better understand and communicate the geography and nature of regulatory constraints on housing production in California.

# METHODOLOGY

## Market-feasible Housing Development Opportunities

Real estate professionals use pro forma financial feasibility assessments to determine if a potential development investment is a worthwhile use of their resources. MapCraft applied pro formas for an array of development options to each applicable parcel in California. A development option was considered market feasible on a site if it could pay for the cost of construction, cover property acquisition, and provide attractive returns to investors.

MapCraft's pencil-out calculations require context-specific development assumptions. Through industry data sources, publications, and historical data, MapCraft maintains cost profiles and market data for a variety of housing development typologies. MapCraft's financial calculations for this project incorporated data and assumptions about late-2022 rents, sales prices, construction costs, and investors' expected return rates. Data were triangulated from interviews, the U.S. Census, property transaction records, CoStar, Zillow, RS Means, Craftsman, Dodge Data & Analytics, and tax assessors.

For parking provision, typical unit sizes, and development fees, we interpolated from jurisdiction-specific values produced by the University of California Berkeley's Turner Center and interviews. To confirm our assumptions and ground them in the latest development practices, we consulted with real estate professionals about market dynamics, including MapCraft's regular conversations with California industry experts. The figures reflect recent labor and material markets and local real estate demand, which should be expected to change as markets change, and should be considered a cross-sectional snapshot of real estate development feasibility.

The feasibility assessments focused on market-rate development led by developers. It did not account for manufactured housing, residential construction initiated by landowners, or non-market housing production, like affordable housing projects funded with Low-Income Housing Tax Credits or institutional housing. These are important sources of housing supply, particularly in markets where large-scale developers are inactive, and they may be a critical source of historic production, but they lie outside the scope of this study.

Our analysis relies on an aggregated parcel dataset from the 58 county tax assessors in California containing information about more than 12 million tax lots. Where available, the data include information about the physical features of lots, existing land uses, and property values, which

### **Most Feasible Development Option**

*The results reflect financially and physically feasible development options on each site. When the calculations suggest that both a townhome development and an apartment complex may be feasible, the results reflect the option that could pay landowners the most when purchasing a property, even if it is the smaller townhome development. In some cases, no physically feasible options exist. Most parcels are created through subdivision processes that are intended to accommodate some form of development on the plots. In many cases, no financially feasible options exist because local market conditions are insufficient to support a major real estate investment.*

were used in MapCraft’s market-feasibility assessments. In particular, MapCraft’s pro forma evaluations on a site were limited to building forms that could reasonably fit on a parcel of a particular size. For example, 200-unit residential towers were not considered on 5,000-square-foot lots.

We used three criteria to narrow down the list of applicable parcels: First, we excluded parcels subject to a conservation easement, as well as state- and federally-owned properties under conservation protections. Second, we eliminated parcels within areas where policymakers would like to avoid development: namely, the primary geographies excluded in housing production bills like SB 423 (2023). Third, the analysis excluded sites known to be used for infrastructure or industrial uses. This narrowed the overall geography of California from 101 million acres across more than 12 million parcels to an area of roughly seven million acres across approximately eight million parcels.

### Title 7 Exclusions Chart

| Title 7 Geography   | Maps and Data Source Links  |
|---|---|
| Prime Farmland or farmland of statewide importance                                    | <a href="https://maps.conservation.ca.gov/agriculture/">https://maps.conservation.ca.gov/agriculture/</a>   |
| Wetlands  | <a href="https://map.dfg.ca.gov/metadata/ds2630.html">https://map.dfg.ca.gov/metadata/ds2630.html</a>   |
| Very high fire hazard severity zones statewide and High in Local Responsibility Areas | <a href="https://osfm.fire.ca.gov/divisions/community-wildfire-preparedness-and-mitigation/wildland-hazards-building-codes/fire-hazard-severity-zones-maps/">https://osfm.fire.ca.gov/divisions/community-wildfire-preparedness-and-mitigation/wildland-hazards-building-codes/fire-hazard-severity-zones-maps/</a>   |
| Hazardous waste sites   | <a href="https://gis.data.ca.gov/datasets/DTSC::hazardouswaste-sites/explore?location%3D34.218365%252C-118.538664%252C12.41&amp;sa=D&amp;source=docs&amp;ust=1666304787784780&amp;usg=AOvVaw1YkshfoCRbDB7IWsfEGoYd">https://gis.data.ca.gov/datasets/DTSC::hazardouswaste-sites/explore?location%3D34.218365%252C-118.538664%252C12.41&amp;sa=D&amp;source=docs&amp;ust=1666304787784780&amp;usg=AOvVaw1YkshfoCRbDB7IWsfEGoYd</a> |
| Earthquake fault zone   | <a href="https://maps.conservation.ca.gov/cgs/informationwarehouse/regulatorymaps/">https://maps.conservation.ca.gov/cgs/informationwarehouse/regulatorymaps/</a>   |
| Special flood hazard area   | <a href="https://gis.bam.water.ca.gov/bam/">https://gis.bam.water.ca.gov/bam/</a>   |
| Habitat for protected species   | <a href="https://services.arcgis.com/QVENGdaPbd4LUkLV/ArcGIS/rest/services/USFWS_Critical_Habitat/FeatureServer">https://services.arcgis.com/QVENGdaPbd4LUkLV/ArcGIS/rest/services/USFWS_Critical_Habitat/FeatureServer</a>   |

Our analysis estimates net market-feasible development opportunities in the absence of local zoning and other unobserved obstacles to development. The results include zoning-free market-feasible development opportunities in single-family residences, ADUs, townhomes, multiplexes, and units in larger multifamily structures ranging from garden apartments to residential towers.

## Zoned Capacity vs. Market Feasible Housing Development Opportunities vs. Housing Production

The results of this study are based on a point-in-time snapshot of housing development opportunities that may be prohibited by local regulations and may be infeasible due to local practices, such as permitting timelines. In other words, this study seeks to answer the following question:

**If real estate developers conducted evaluations of all the parcels in California at the same time and disregarded zoning and any impediments to development that are difficult to observe or quantify, how many housing development opportunities would they identify?**

Market-feasible development opportunities are a key input into new housing supply. Profit-seeking developers are unlikely to deliver any units that do not meet their investment objectives, so market-feasible opportunities can be considered a theoretical cap on potential market-driven housing supply. The more market-feasible development opportunities that exist in a market, the more likely it will be that developers can identify and execute those opportunities.

If one considers zoning constraints, then a parcel's market-feasible development capacity cannot be higher than the parcel's maximum zoned capacity. In some cases, market demand is not strong enough for development to be financially feasible at the scale that has been allowed under local policies.

In other cases, zoning acts as a binding constraint: demand is sufficiently strong to spur substantial housing development, but developers can only deliver as many market-feasible units as are allowed within the zoned capacity. It is in these situations that a relaxation of zoning could lead to more development, perhaps up to the zoning-free market-feasible development opportunities we identified on a site.

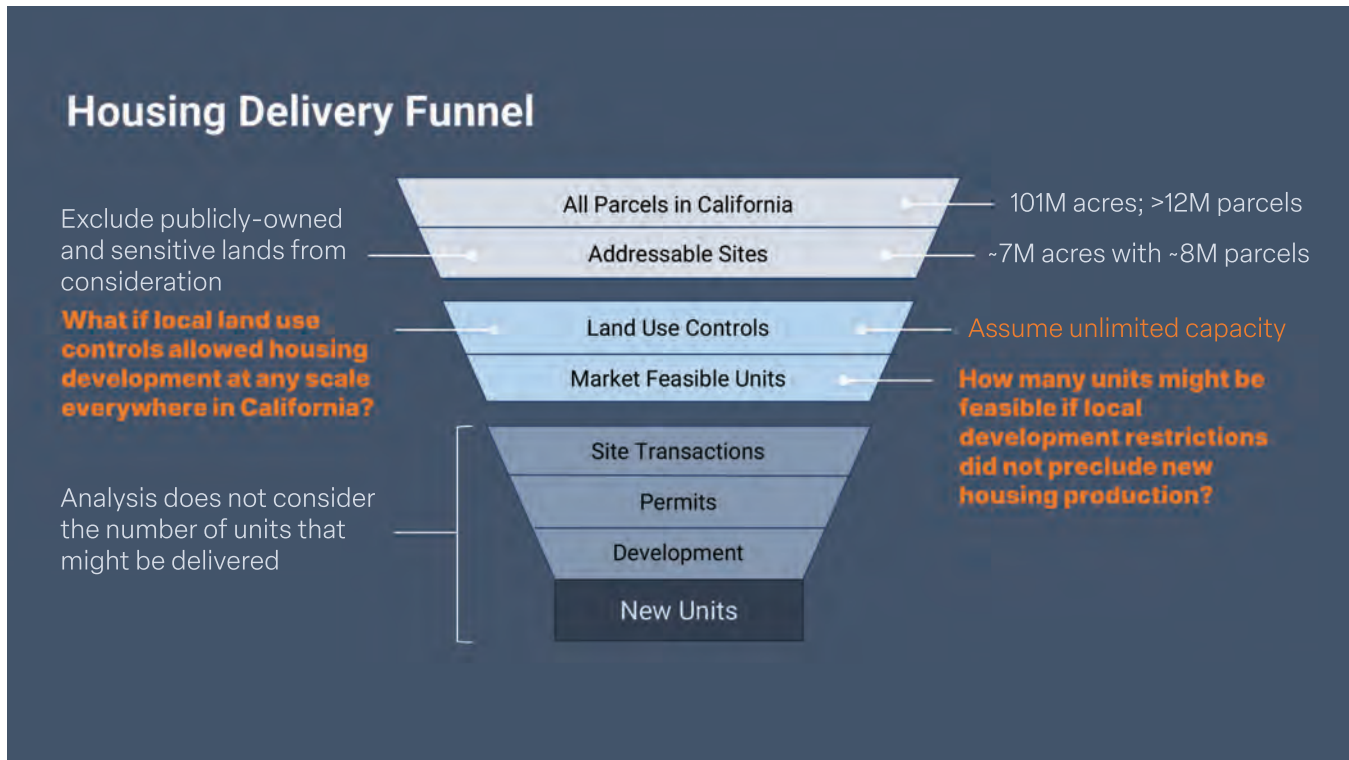
This study intentionally does not account for zoning constraints, nor does it quantify housing unit production. Even if zoning were relaxed (or eliminated) on a parcel where we find that development is market-feasible, that does not mean a building would be constructed absent zoning. To build market-feasible homes, developers must be able to acquire a site from a willing seller. Even where there is liberal zoning and market demand, only a small portion of the market feasible developments are likely to be delivered, in part because property transacts infrequently.

Development can be inhibited by a variety of other factors that govern the development process, like capital availability, labor capacity, market absorption, changing preferences, and issues specific to developers themselves. The result is that millions of units of market-feasible capacity may yield relatively few built homes: perhaps just thousands of new homes every year.

MapCraft calls the filtering process that turns millions of parcels into a smaller number of developable lots the housing delivery funnel (see *Figure 1*).



Figure 1: Housing Delivery Funnel



## Historical Housing Production

We used data from the California Department of Housing and Community Development (HCD) to estimate historic housing production in California jurisdictions and across counties. HCD receives annual progress reports (APR) on housing unit counts for entitlements, permits, and certificates of occupancy from California jurisdictions. We considered and ultimately rejected several other data sources, most notably the following options from the U.S. Census Bureau:

1. Total housing unit counts in the decennial census;
2. Total units counts in the annual American Community Survey (ACS); and
3. Monthly permitted units from the Building Permit Survey (BPS).

MapCraft downloaded APR data in February 2023. Due to the limited number of jurisdictions reporting 2022 data, this study focused on 2018 to 2021 reported figures. According to APR filings, California cities claim 550,000 permits and 330,000 certificates of occupancy were issued from 2018 to 2021.

In that time frame, BPS suggests there were 450,000 permits, or ~20% fewer than reported to HCD. Overall, HCD's figures are higher than those found in the Census data, though Census figures for specific jurisdictions may be either higher or lower than those provided by HCD. Census permit data may be imputed because the Census fills non-responses to the BPS.

According to the **Census Bureau**:

*“If data are not reported and are not available from the SOC [Survey of Construction], estimates are imputed based on the assumption that the ratio of authorizations for the current period to the prior year total is the same for reporting and nonreporting jurisdictions in that Census Region.”*

Raw reported BPS data could have been used, but response rates are relatively low. Jurisdictions could make the case that their Census figures are off because of low response rates, inaccurate interpolation, or inaccurate survey responses. However, HCD mandates that California jurisdictions submit accurate annual reports, presumably resulting in more reliable APR data. Thus, we rely on APR data for the historic unit production in jurisdictions and across entire counties.

APR data could be evaluated using entitlement approvals, permit issuances, or certificates of occupancy. Certificates of occupancy rely on developers to execute on entitled and permitted options, so we chose to focus on metrics that were under the control of California’s jurisdictions: either entitled or permitted unit counts. Because many sources cite building permits, particularly due to readily available BPS data nationwide, MapCraft used HCD’s reported permit figures to define the historic unit production of jurisdictions and counties.

## Conversion Rates and Rankings

We produced conversion ratios (X permits per Y development opportunities) to provide a normalized point of comparison between them. For counties and jurisdictions, we normalized the results for each geography based on a ratio of issued permits reported to HCD for the years 2018 to 2021 and the estimated number of zoning-free market-feasible housing development opportunities at the end of 2022.

The ratios were zero in five jurisdictions because no units had been permitted in the timeframe. All California counties had at least some permitting activity during the 2018 to 2021 timeframe. Sufficient permit data was only available for 525 jurisdictions.

In other geographies, the ratios were infinite because units had been permitted where our estimate suggested there were no zoning-free market-feasible development opportunities. In other cases, market indicators suggested that prices and rents would not support new construction. The lack of market-feasible development opportunities, even in areas where permits have been issued, is expected. In weak housing markets, housing can be custom-built or, in the case of manufactured housing, transported to sites by landowners even though our estimates reflect the reality that speculative homebuilders are unlikely to develop units in those areas.

The ratios themselves hold little meaning on their own and can be easily misinterpreted, so they were used to formulate performance relative to the statewide average and rankings for jurisdictions and counties in California. From these rankings, the top and bottom-performing geographies could be identified.

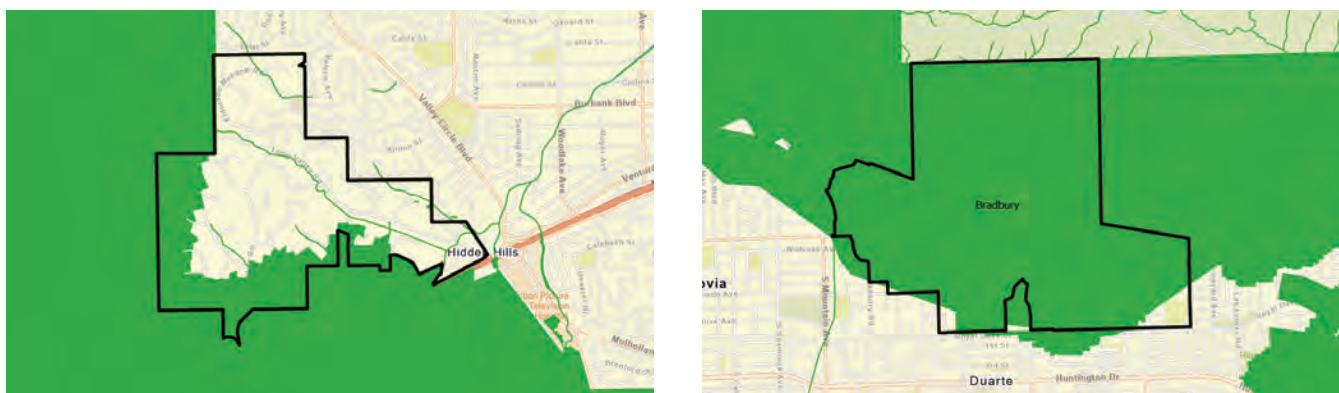
## Interpreting Ranking Results

In addition to the many methodological notes and caveats described above, there are additional nuances to consider when interpreting the results of this study.

Feasibility was only assessed on some sites, which impacts the estimated number of zoning-free market feasible housing development opportunities. For example, Title 7 environmental geographies, which were excluded from the MapCraft feasibility analysis, covered large swaths of some jurisdictions, like **Hidden Hills**—where 30% of parcels were excluded—and **Bradbury**—which was nearly entirely excluded. The same is true for jurisdictions like **Woodside**—where 35% of parcels were excluded—as well as **Malibu** and **La Cañada Flintridge**—which were likewise almost entirely excluded.

Cities with “Estates” in the name might hint at exclusionary housing practices, but we found that **Palos Verdes Estates** and **Rolling Hills Estates** are both effectively fully excluded by Title 7. Thus, these cities have smaller estimated zoning-free market-feasible housing development opportunities than one might expect. If such cities have permitted units, it also means that their ratio of permits to market-feasible housing development opportunities could rank them in the higher echelon of producers among jurisdictions.

**Figure 2: Title 7 (green areas) overlap with Hidden Hills, CA (left) and Bradbury, CA (right)**



The number of zoning-free market-feasible development opportunities was also informed by existing conditions, which included the assessed value of land and improvements for each applicable site. Intuitively, very high-demand locations with relatively high rents and home prices are places where developers can cover the cost of building new housing units. Yet the same strong market characteristics that make it feasible for development revenues to easily cover construction costs also make existing uses very valuable.

MapCraft’s feasibility calculations consider how much it would cost for a developer to acquire a site for development, which means that MapCraft finds that there are many valuable sites in strong markets like San José and Santa Monica where development cannot feasibly pay for a site and displace the existing uses

Even in San Francisco, which has one of the strongest housing markets in the world, it is unlikely that a developer will be able to purchase and tear down a seven-story residential building to construct 50-story high-rise apartments and still meet the return expectations of investors and lenders. Thus, many older residential buildings stand on sites in San Francisco where much larger buildings are allowed by zoning. Partly due to this, we find that there are finite housing development opportunities, even in the strongest markets in California.

It is worth reiterating that market-feasible development opportunities reflect how developers make risk-adjusted investment decisions. Market-feasible opportunities do not automatically translate into completed projects.

## FINDINGS

The data suggest that nearly all of California is building housing at a far lower rate than would be predicted purely by market feasibility. Given the state's housing production target and recent development trends, housing conversion rates would need to double across the state to meet housing needs.

More than 150 jurisdictions convert housing development opportunities at a rate below the already low statewide average. In fact, more than 40 jurisdictions convert housing development opportunities into new units at rates that are less than one-tenth the statewide average. Improvement is needed everywhere, but especially in these jurisdictions.

On the flip side, more than 100 jurisdictions convert housing development opportunities at a rate at least three times the statewide average. More than 20 jurisdictions convert housing development opportunities at more than 50 times the statewide rate.

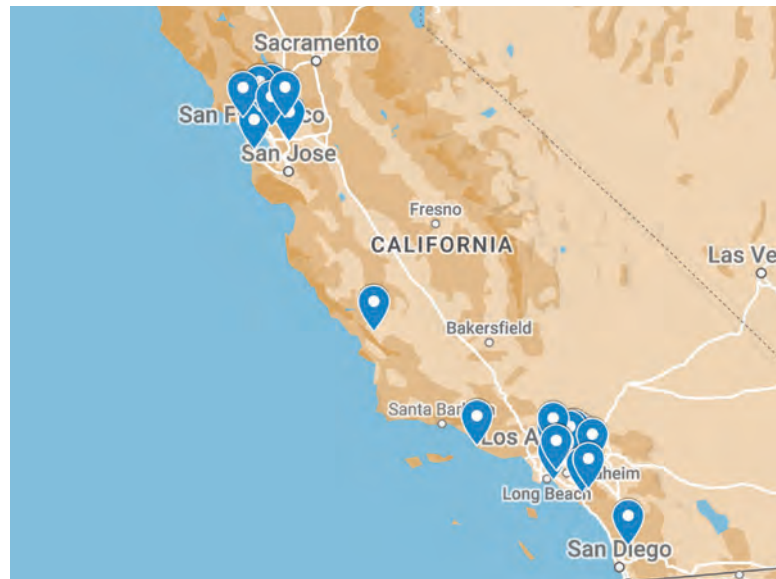
Absent zoning and other entitlement hurdles, the model estimates that there are tens of millions of units of market-feasible housing development opportunities spread across roughly 30% of available parcels. While many of these market-feasible units are unlikely to redevelop for unobservable or unquantifiable reasons unrelated to land-use regulations—such as homeowners simply not wanting to redevelop their homes, or unique site conditions that make infill development difficult—there are still far more market-feasible housing units than the 140,000 units the state has produced each year since 2018.

## Underproducing Cities

Where are housing conversion rates lowest? Removing cities with fewer than 10,000 residents and jurisdictions where the median home was built less than 30 years ago, the following 25 cities have the lowest housing conversion rates:

1. Norco
2. Rancho Santa Margarita
3. Laguna Hills
4. Cerritos
5. Clayton
6. La Palma
7. Moraga
8. Poway
9. Larkspur
10. Pinole
11. Port Hueneme
12. San Marino
13. Walnut
14. Diamond Bar
15. Seal Beach
16. Martinez
17. Hawaiian Gardens
18. Montebello
19. Atascadero
20. Hillsborough
21. Lafayette
22. Chino Hills
23. Mission Viejo
24. Pleasanton
25. Orinda

**Figure 3: The 25 cities with the lowest conversion rates**



**Aliso Viejo** would have ranked first, but the median home is less than 30 years old so it has been removed from the above ranking. **Westlake Village, Ross, Hidden Hills, Irwindale, Monte Sereno,** and **Tiburon** all rank among the 25 jurisdictions with the lowest conversion rates but have fewer than 10,000 residents. If unincorporated areas of California were treated like cities, counties like **Napa, Yolo, Stanislaus, Solano,** and **Amador** would rank among the 25 jurisdictions with the lowest conversion rates. For a complete ranking, please see the spreadsheet associated with this report.

Cities that often make headlines for their efforts to subvert state housing law, such as **Woodside, Villa Park,** and **Atherton,** are among the 50 cities with the lowest conversion rates. Cities such as **Huntington Beach, Solvang, Healdsburg,** and **Palo Alto** are among the 100 cities with the lowest conversion rates.

Perhaps the most noteworthy feature of this top 25 list is the cities that are *not* included:

Cities otherwise criticized as engaging in exclusionary policy, such as **Laguna Beach**, **Malibu**, **Bradbury**, **La Cañada Flintridge**, and **Palos Verdes Estates** are not among those with the lowest conversion rates because most of their land area is excluded by Title 7 and other criteria which limit the number of zoning-free market-feasible development opportunities tabulated in each jurisdiction. These cities are largely designated as high or very high fire risk areas, so much of their land area has been removed from the evaluation of market-feasible development opportunities.

Finally, California's major cities—**San José**, **San Diego**, **San Francisco**, **Los Angeles**, and **Sacramento**—rank 200th, 221st, 297th, 328th, and 342nd among all jurisdictions, respectively. All of these cities are underbuilding housing. However, their relatively average rankings are explained by the fact that they all still build more than most smaller California cities, and all are more likely to already be developed to higher densities that are more expensive to redevelop, especially in the case of **San Francisco**. Among California's major cities, **Sacramento** has the highest conversion rate.

What, then, can we say of the cities that are ranked among the top 25? First, these are nearly all suburbs of **San Francisco** and **Los Angeles**. Many of these suburbs were built out in the 1960s and 1970s and have permitted little, if any, housing in the decades since.

Second, these jurisdictions build few, if any, multifamily units. **Laguna Hills**, **Cerritos**, **Pinole**, **Port Hueneme**, and **Hawaiian Gardens** have each permitted only a handful of projects over the past 60 years—in a few cases, only one or two projects. Neither **Norco**, **La Palma**, nor **Walnut** have permitted a multifamily unit in nearly 20 years. **Hillsborough** has not permitted a multifamily unit for as far back as public permit data is available. At least a few of these jurisdictions, including **Cerritos**, **Walnut**, and **Diamond Bar**, permit accessory dwelling units (ADUs) at lower rates than would be predicted by the relevant variables.

Third, the existing land use in these jurisdictions, for the most part, is defined by detached single-family homes on relatively large lots and underbuilt commercial lots along major corridors. Such lots are prime redevelopment candidates, making underbuilding in these cities more conspicuous.

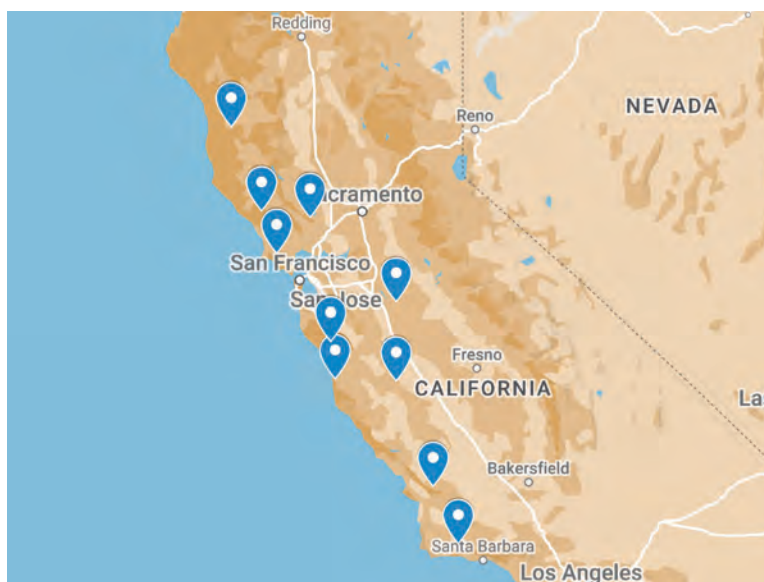
Finally, the zoning in these jurisdictions is characterized by single-family zoning in nearly all residential areas and strict commercial zoning along the corridors and in traditional town centers. While recently passed laws like SB 9 (2021) and AB 2011 (2022) could help to bypass these regulatory barriers, projects enabled by these state laws would not yet have shown up in the data. At present, SB 9 does not seem to be stimulating infill as intended.

## Underproducing Counties

The following 10 counties have the lowest housing conversion rates, excluding those with a population of less than 50,000 residents:

1. Mendocino
2. Marin
3. Napa
4. Stanislaus
5. Santa Cruz
6. Sonoma
7. Santa Barbara
8. Monterey
9. San Benito
10. San Luis Obispo

**Figure 4: The 10 counties with the lowest conversion rates**



**Amador County** would have ranked first, but this county has fewer than 50,000 residents.

### These counties fall into three broad categories:

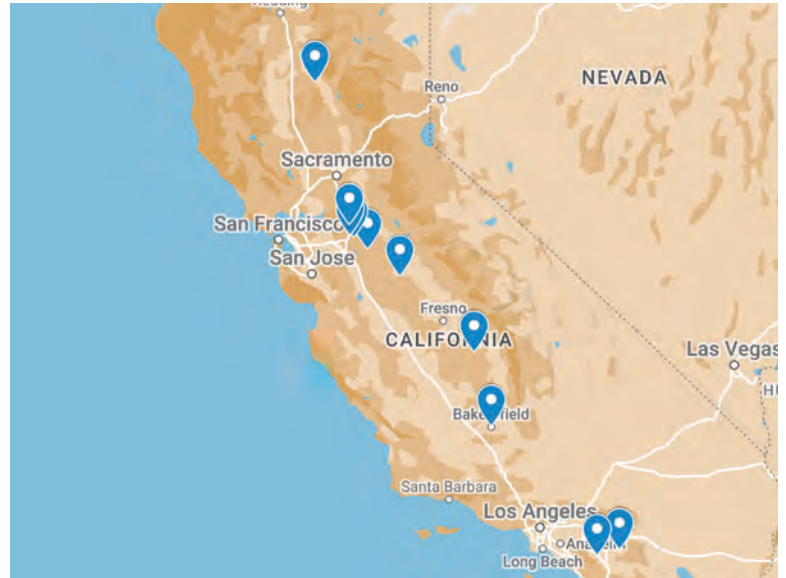
1. First, the northern Bay Area suburbs: **Marin, Napa, and Sonoma**. These counties are where the Bay Area's red-hot housing market bumps up against growth control measures.
2. Second, the Central Coast: **Monterey, Santa Cruz, Santa Barbara, San Benito, and San Luis Obispo** face enormous housing demand and build relatively little, even accounting for public lands, lands subject to conservation easements, and lands at risk of wildfires.
3. Third, the outliers: it is unclear why **Mendocino County** or **Stanislaus County**—counties in regions otherwise defined by relatively small gaps—rank so highly. Detailed case studies would be needed to understand this finding.

## Housing Producers

While most of California is underproducing housing, at least a few jurisdictions have been permitting at high rates in recent years. The following jurisdictions permitted at least 1,000 housing units between 2018 and 2021 and have among the highest housing conversion rates in the state:

1. Merced
2. Visalia
3. Stockton
4. Lathrop
5. Lake Elsinore
6. Bakersfield
7. Chico
8. Manteca
9. Hemet
10. Modesto

**Figure 5: The 10 cities producing housing at high rates**



With the exception of **Lake Elsinore** and **Hemet**—two rapidly growing suburbs on the outer edge of the Inland Empire—all of California’s biggest builders are in the Central Valley. The vast majority of this growth has been in the form of new single-family homes in greenfield subdivisions.



# POLICY IMPLICATIONS AND CONCLUSIONS

This initial study of housing production should motivate some adjustment to policy:

- 1. State enforcement should be informed by these rankings. Cities with housing conversion rates among the bottom 100 jurisdictions likely warrant stricter scrutiny from the Department of Housing and Community Development (HCD) and the Attorney General to ensure adherence to state housing law.**
- 2. HCD’s new “Prohousing” designation should be informed by these rankings. Jurisdictions with a high conversion rate should be recognized and prioritized for state funding.**
- 3. The market-feasibility estimates developed as part of this study should be a key consideration in allocating Regional Housing Needs Assessment (RHNA) housing production targets going forward. It makes little sense to make large allocations to jurisdictions with little market-feasible capacity.**
- 4. Local policymakers should use this data to inform their efforts to scale up housing production. Zoning policies and processes should be aligned to improve conversion rates, and zoning capacity analyses should take into consideration the market indicators used to formulate market-feasible capacity in this study.**
- 5. Subsequent analysis should adopt this study’s methods to test and iterate on specific policy interventions. For example, future work might compare where we would expect AB 2011–style projects to be market-feasible against where they are being permitted.**

Alongside the housing underproduction maps that accompany this report, readers can find a statewide map of all vacant parcels across California as of early 2022. As with the housing underproduction analysis, this vacant parcels map excludes public lands, lands subject to a conservation easement, and lands subject to a Title 7 exclusion. As state and local policymakers, developers, and advocates study and eventually close housing production gaps in their communities, it may be useful to consider existing vacant parcels. Feedback submitted via the form on the map landing page will be used to improve the map.

### **Data Availability**

*A significant limitation facing this type of research, as with much housing and planning research, is the lack of statewide data. For example, key statewide spatial data—such as environmental exclusion areas, parcel maps, or zoning maps—are often either fragmented, inconsistent, proprietary, or altogether nonexistent.*

*State policymakers should make this data easily available by requiring cities and counties to file it with a statewide data repository. HCD should make this data publicly available in a standard format. This would allow policymakers, developers, and advocates to better understand the nature of our crisis at very little cost to the state.*

Broadly speaking, this preliminary analysis tells a clear story: California has a significant backlog of market-feasible housing development opportunities. While public lands and environmental hazards restrict development in many parts of the state, California still has ample, market-feasible opportunities to meet our housing demand—if only policymakers will allow it.