Attachment B

Responses to Findings and Recommendations
2025-26 Grand Jury Report:

California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods

SUMMARY RESPONSE STATEMENT

On May 27 ,2026 the Grand Jury released a report titled, "California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods." This report includes findings and recommendations directed to the Orange County Board of Supervisors. The responses to those findings and recommendations are provided below.

The County notes that the findings of this report appear to be based on an incorrect assumption about the land use jurisdiction of the County. The County's authority over housing extends to unincorporated areas only and cities have land use authority within their jurisdiction. The County has no authority over the land use decisions of cities .

FINDINGS AND RESPONSES

F1. In recent years, the California Legislature has enacted an unusually large and burdensome volume of housing-related laws intended to strengthen compliance with State Housing Mandates.

Response: ***Agrees with the finding.***

F2. Housing Mandates are implemented through a RHNA process that often lacks transparency and relies on complex methodologies that are difficult for local officials and the public to understand or meaningfully challenge.

Response: ***Agrees with the finding.***

F4. Meaningful participation by Orange County cities in both OCCOG and SCAG meetings is critical to ensuring that local perspectives are represented during the development and implementation of Housing Mandates policies.

Response: ***Agrees with the finding.***

F5. SCAG's 6th Cycle RHNA assigned Orange County a questionable total of 183,861 housing units for the 2021–2029 planning period, with higher allocations concentrated in cities with major population and employment centers.

Response: ***Agrees with the finding.***

F6. RHNA allocations are unrealistic and not attainable within the current planning cycle due to limited available land, built-out urban conditions, infrastructure constraints, environmental factors, and public health and safety requirements.

Response: ***Disagrees partially with the finding.***

Because RHNA allocations are largely based upon set formulas and other mathematical calculations, they may not fully account for local conditions. For example, some urban and transit-served areas may have more success with attaining RHNA allocations while less developed areas face challenges due to the factors cited in the finding. Whether a RHNA allocation is realistic and attainable is location specific.

F7. Residents in Orange County consistently express a desire for local planning decisions to reflect community priorities, including but not limited to neighborhood character, safety considerations, the environment and open-space preservation.

Response: ***Disagrees partially with the finding.***

The County acknowledges that anecdotal feedback has been received from residents expressing a desire for more autonomy in local planning decisions. Priorities, however, vary by community and the County does not gather data on the matter. Therefore, the County cannot comment on the opinions of residents on a countywide basis.

F8. California's regulatory construction costs (i.e. permitting fees) present substantial challenges for private housing developers—particularly those delivering affordable units.

Response: ***Disagrees partially with the finding.***

The County does not gather data regarding the regulatory construction costs and fees incurred by private housing developers at the regional or state level and therefore cannot comment on the impact of those costs on housing production. However, as noted in F9, the County acknowledges that new low-income housing is generally not financially feasible without public subsidy.

Within the unincorporated areas, the County establishes its fees using a cost recovery model in accordance with applicable law. Understanding that development fees on low-income developers at other levels of government may burden developers, this cost recovery model allows the County to maintain low fees and minimize impacts on private housing developers, although the overall cost of development is driven by a broader set of factors outside of the County's control.

F9. The cost of constructing a single affordable housing unit in California typically ranges from approximately $500,000 to $800,000 per unit when fully complying with current state regulations. New low-income housing is generally not financially feasible without public subsidy.

Response: ***Agrees with the finding.***

F10. Prior to their dissolution in 2012, redevelopment agencies served as a primary mechanism for cities and counties to finance affordable housing and related infrastructure. The loss of redevelopment has reduced cities' ability to support construction of affordable units.

Response: ***Disagrees partially with the finding.***

The County agrees that, prior to their dissolution in 2012, redevelopment agencies served as a primary mechanism to finance affordable housing and related infrastructure. However, the County cannot comment on the impact the loss of redevelopment has on cities' ability to support construction of affordable units.

F11. Because public subsidy is limited and highly competitive, cities seeking to produce meaningful quantities of low-income housing must rely in part on private development incentives, often resulting in higher overall development densities and unit counts than the RHNA allocation.

Response: ***Disagrees wholly with the finding***

The County disagrees wholly with the finding as the County does not gather data on the matter and cannot comment on the experience of cities.

F12. The 6th Cycle RHNA methodology included numerous technical inputs published by SCAG and HCD; however, these inputs were highly complex and difficult for cities to interpret or independently verify.

Response: ***Disagrees wholly with the finding***

The County disagrees wholly with the finding as the County does not gather data on the matter and cannot comment on the experience of cities.

RECOMMENDATIONS AND RESPONSES

R7. OCCOG, all Orange County cities and the County of Orange should reassess the current dues structure, by September 30, 2026, to ensure that OCCOG has the resources necessary to effectively represent Orange County jurisdictions in SCAG processes, including RHNA methodology development and appeals. (F3, F15)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

While the County participates as a member agency and may engage in discussions regarding dues, the County does not have authority to reassess or modify the dues structure unilaterally. Any changes to the dues structure would require action through OCCOG's governance process, including approval by the Board of Directors, on which the County has one representative, together with 34 independent member cities. The County supports effective regional coordination and will continue to participate in OCCOG discussions regarding its resources and priorities.

R8. By December 31, 2026, the Orange County Board of Supervisors should partner with cities to evaluate countywide infrastructure capacity—including water, wastewater, flood control, transportation, and public safety systems—and develop a coordinated regional plan capable of supporting the level of housing growth required under state law. (F6)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

While the Board acknowledges that infrastructure capacity is an important factor in planning for housing growth, the responsibility for planning, operating and maintaining countywide infrastructure such as water, wastewater, flood control, transportation, and public safety systems is distributed among various County and non-County entities.

Regional infrastructure planning is already conducted through established planning processes and interagency coordination and developing a separate County-led regional plan may duplicate existing planning efforts. The County supports infrastructure planning that helps facilitate housing production and will continue to coordinate through existing regional and interagency processes.

R9. By September 30, 2026, the Orange County Board of Supervisors should strengthen its engagement with OCCOG and increase staff support to develop a shared, countywide database of potential housing sites and key development-feasibility factors. (F15)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

Currently, the adopted Housing Element for each city and the unincorporated areas identify potential housing sites in the Site Inventory Analysis. While the data is maintained by individual jurisdictions rather than through a shared, countywide database, this information is made publicly available at the State level.

The County supports accurate and accessible housing data but creating a separate County database would duplicate information already maintained by local jurisdictions and the State. The County will continue to support regional efforts to improve access to and coordination of existing housing data.

R10. By June 30, 2027, the Orange County Board of Supervisors should evaluate whether the County should pursue its own independent Metropolitan Planning Organization (MPO) designation for purposes of regional housing planning. (F5, F6, F7, F15)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

The recommendation will not be implemented because it is not warranted or is not reasonable. Pursuing an independent MPO designation would duplicate existing regional governance and planning functions and would require significant resources. As the County is already represented through SCAG, this is not necessary to address regional housing planning.

Alternatively, the Board will continue to attempt to negotiate fair outcomes for the 7th Cycle through its existing leadership and advocacy within OCCOG and SCAG.

R11. The County of Orange and each city should ensure consistent participation in SCAG and OCCOG committees by September 30, 2026, including the Technical Advisory Committee (TAC), to strengthen regional representation during RHNA-methodology development. (F3, F4, F15)

Response: ***The recommendation has been implemented.***

The County regularly participates in SCAG and OCCOG committees through both Board and staff representation, including the Technical Advisory Committee, as relevant. For the 2026 calendar year, the County is represented on three SCAG committees and the OCCOG Board of Directors through its designated Board representative.

County staff also actively participate in technical and policy discussions and evaluate and implement follow-up actions resulting from committee meetings. Through this ongoing Board and staff participation, the County will continue to remain actively engaged in regional planning efforts, including those related to RHNA-methodology development.

R12. The County of Orange and each city should designate a single technical representative, by September 30, 2026, along with an alternate, for all RHNA-related SCAG and OCCOG committees to ensure continuity of participation and eliminate gaps in representation across multiple decision-making bodies. (F4)

Response: ***The recommendation has been implemented.***

The County has designated appropriate Board and staff representatives to participate in RHNA-related SCAG and OCCOG committees, including alternates when necessary. The County will continue its active participation in regional planning efforts and will be represented when SCAG initiates the next RHNA Subcommittee kickoff meeting in August 2026.

R14. By April 30, 2027, the County of Orange and each city should publish annual monitoring dashboards showing (a) entitlement pipeline conditions, (b) realistic site yield, (c) assembled funding sources for affordable units, and (d) conversion rates from planned capacity to issued permits and completed units, ensuring that County and city-determined capacity assumptions remain aligned with actual production. (F13)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

The County's authority is limited to the unincorporated areas of Orange County, and the County complies with all applicable state reporting requirements related to Housing Element implementation in these areas.
The County supports accurate, transparent, and useful housing data and will continue to use appropriate reporting tools within its jurisdiction. A separate dashboard, however, would require additional data collection and may duplicate existing reporting. The County will continue to evaluate data and technology tools that improve efficiency, support housing production, or advance future State or federal funding opportunities. Local organizations, such as SCAG, do maintain reporting dashboards, and the County supports efforts to enhance our partners' reporting tools.

R15. By September 30, 2026, and ongoing, the County Board of Supervisors and all city councils should make a coordinated and sustained effort to educate their constituents about the RHNA process—its requirements, its impact on local planning and community character, and the role residents can play in shaping outcomes. Public education efforts should also include guidance on how community members can effectively engage with the California Legislature and advocate for more realistic, data-driven housing policies. (F1, F7)

Response: ***The recommendation has been implemented.***

During the development and adoption of the County's Housing Element, the County conducted numerous community meetings in the unincorporated areas, as required by law, which included discussion on the RHNA process and its housing requirements. To support ongoing public education and transparency, the County also provides RHNA and Housing Element related information and resources on its website here: https://pwds.oc.gov/service-areas/oc-development-services/planning-development/current-projects/all-districts-2

The County will continue to provide information and opportunities for public engagement as required through future housing planning efforts.

R16. By December 31, 2026, all cities should look to enhance their relationships with not-for-profit affordable housing developers to increase the opportunity to develop more affordable housing. (F8, F10, F12)

Response: ***The recommendation will not be implemented because it is not warranted or is not reasonable.***

The County cannot direct how cities enhance relationships with affordable housing developers