

2026
ORANGE
COUNTY

COMMUNITY INDICATORS

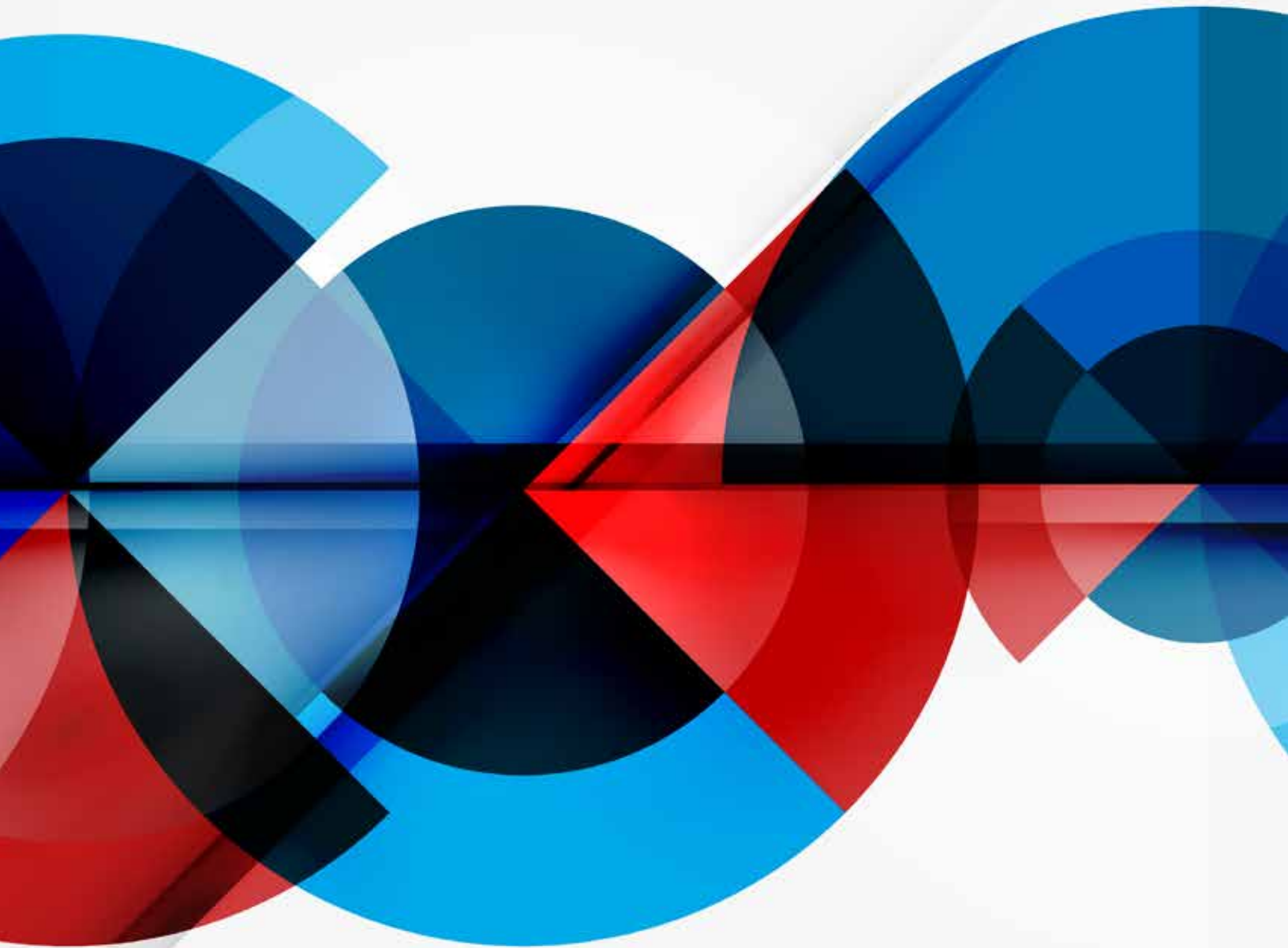


TABLE OF CONTENTS

05 ORANGE COUNTY PROFILE

Place/Land Use 6

Demographics/Diversity 8

Educational Attainment..... 13

Labor Market/Business Community... 14

Travel/Tourism..... 22

Quality of Life 24

27 SPECIAL FEATURE

Innovation in Orange County 28

61 ECONOMY

Employment 62

High-Tech Diversity and Growth..... 69

Diversity in Business 72

73 HOUSING

Housing Landscape 74

Housing Affordability..... 79

Rental Affordability 83

Housing Security..... 88

91 INCOME

Household Income 92

Family Financial Stability 96

101 EDUCATION

Kindergarten Readiness..... 102

High School Graduation Rate 106

College Readiness 109

Academic Performance: Literacy 111

Academic Performance:

 Mathematics 114

STEM-Related Degrees 117

121 HEALTH

Health Care Access..... 122

Chronic Disease 126

Mental Health & Substance Use 128

133 INFRASTRUCTURE

Transportation..... 134

Water Use & Supply..... 140

Drought Status..... 144

Broadband Internet Access 146

DEAR COMMUNITY PARTNER,

Welcome to the 2026 Orange County Community Indicators Report!

Orange County Business Council, in collaboration with CalOptima Health, First 5 Orange County, Orange County Community Foundation, and Orange County United Way, is proud to present the **2026 Orange County Community Indicators Report**.

Orange County continues to be a region defined by innovation, resilience, and opportunity. Our communities, businesses, and institutions have demonstrated time and again that when challenges arise, collaboration and creativity lead the way forward. The indicators in this report reflect both our achievements and the work still to be done to ensure Orange County remains a place where all residents, businesses, and organizations can thrive.

As we look ahead, three key risk areas continue to stand out as essential to sustaining our economic vitality: **a skilled workforce, housing affordability, and modern infrastructure**. Together, they form the foundation of a strong, competitive, and diverse regional economy. Orange County's future depends on preparing people for the jobs of tomorrow, ensuring those workers can afford to live here, and maintaining the systems that connect our communities and power our industries.

This year's report tells a story of progress and promise. Our region continues to lead in sectors such as technology, healthcare, and advanced manufacturing. At the same time, the report underscores the importance of addressing barriers that threaten to slow our growth. These indicators are not just numbers—they are guideposts for action, helping policymakers, business leaders, and community partners make informed decisions about where to invest time, talent, and resources.

The strength of Orange County has always been its people: innovators, entrepreneurs, educators, and leaders working together to solve complex challenges with optimism and purpose. With shared vision and commitment, we can ensure that our county continues to set the standard for prosperity, sustainability, and quality of life.

We invite you to use the **2026 Orange County Community Indicators Report** as both a resource and a roadmap—a call to collaborate, innovate, and invest in the future we all share.

Sincerely,



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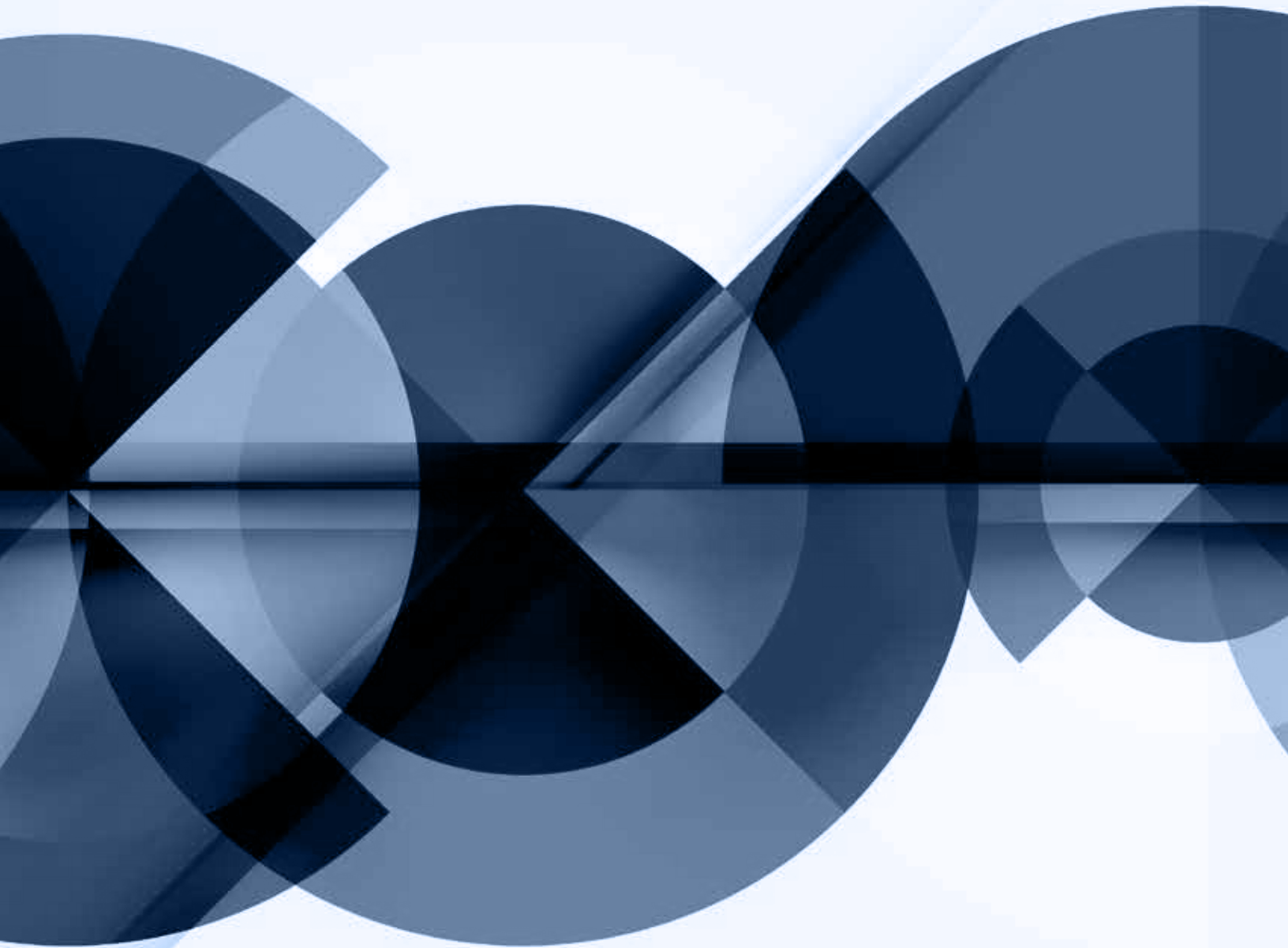
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ORANGE COUNTY PROFILE



PLACE/LAND USE

— **799** land area
(square miles)

— **42** miles of
coastline

— **3,974** persons per
square mile

— **34** cities and several large
unincorporated areas

Orange County
has
8%
of California's population
but only
0.5%
of its land area.

Located along Southern California's world-renowned coastline, Orange County remains an attractive destination for tourists, families, businesses, and investors. It encompasses 799 square miles of land, including 42 miles of beautiful coastline, 12 miles of Marine Protected Areas (MPAs), and a significant amount of nature preserves, conservation areas, and dedicated permanent open space.

Orange County's population remains one of the nation's most diverse and most educated, with some of the highest median household incomes. Its highly educated workforce continues to drive economic growth both throughout the county and in concentrated, innovative industries such as Medical Device and Aerospace & Defense.

It also faces some significant challenges at both the national (shifting federal regulations, inflation, and tariffs) and local (rising housing costs leading to recent population declines) levels. Only 18 percent of Orange County first-time homebuyers could afford an 'entry-level' home in Q2 2025, an increase from 17 percent in Q1 2025. Traditional homebuyers face even stiffer affordability, with only 12 percent of Orange County residents being able to afford a median priced home estimated at \$1,431,500 in Q2 2025.

On top of these housing trends, Orange County's commercial real estate market continues to wrestle with rising vacancy rates, negative net absorption, and stagnant asking lease rates. In Q4 2024, vacancy rates for Orange County office space rose 14.9 percent while asking lease rates remained unchanged at \$2.85 per square foot despite aggressive incentivizing from landlords.¹ Overall net absorption totaled -188,000 square feet in Q4 2024, bringing total absorption for the year to -979,000 square feet. While this is a significant improvement over the -1.7 million net absorption in 2023, it also represents the ninth straight quarter of negative absorption, which is a worrying trend.²

There are many major Orange County developments both underway and in the pipeline. Probably the most significant example is OCVIBE, a \$4 billion mixed-use development situated on 100 acres in Anaheim. Looking forward, Orange County's commercial real estate could benefit from a strong labor market, which notched a July 2025 unemployment rate of 4.8 percent, well below the state and its regional neighbors.

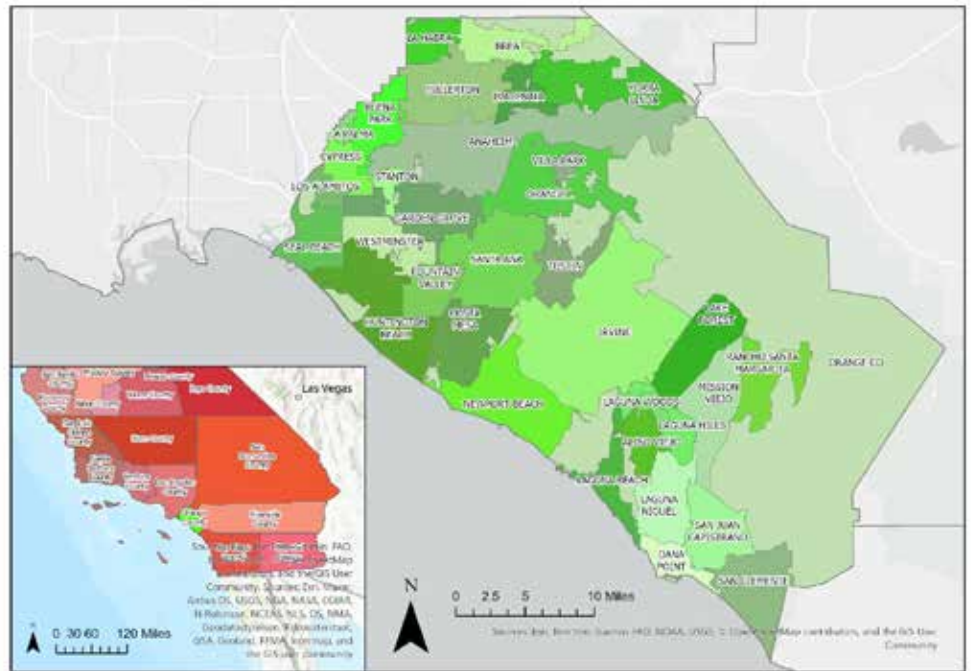
¹ https://mktgdocs.cbre.com/2299/7221fc58-a581-4888-9cc4-2a2a4ac5367e-1180542032/Orange_County_Office_Figures_Q.pdf

² <https://www.cbre.com/insights/figures/orange-county-office-figures-q4-2024>

SOUTHERN CALIFORNIA AND ORANGE COUNTY CITIES, 2025

Orange County remains California's third most populous county, behind Los Angeles and San Diego counties and ahead of Riverside and San Bernardino counties. It is the nation's sixth largest county and has a population larger than eighteen states.

After falling from 3,186,989 residents in 2020 to 3,156,200 residents by 2023, Orange County's population has begun to rebound, rising to 3,170,070 in 2024 and further to 3,175,427 in 2025. These 0.4 and 0.2 percent year-over-year growth rates lagged behind the state-level population, which grew by 0.5 percent in 2024 and further by 0.3 percent in 2025. Despite recent concerns over housing costs, Orange County's strong labor market, academic institutions, attractive business climate, and overall quality of life continue to attract new residents.



POPULATION DENSITY

Orange County has an average population density of 3,974 residents per square mile, 5.5 percent more than in 2010 and 0.2 percent more than in 2024. Orange County remains significantly denser than its neighboring counties.

COUNTY POPULATION PER SQUARE MILE, 2025

COUNTY	POPULATION PER SQUARE MILE
Orange	3,974
Los Angeles	2,434
San Diego	845
Riverside	346
California (Statewide)	253
San Bernardino	110

Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

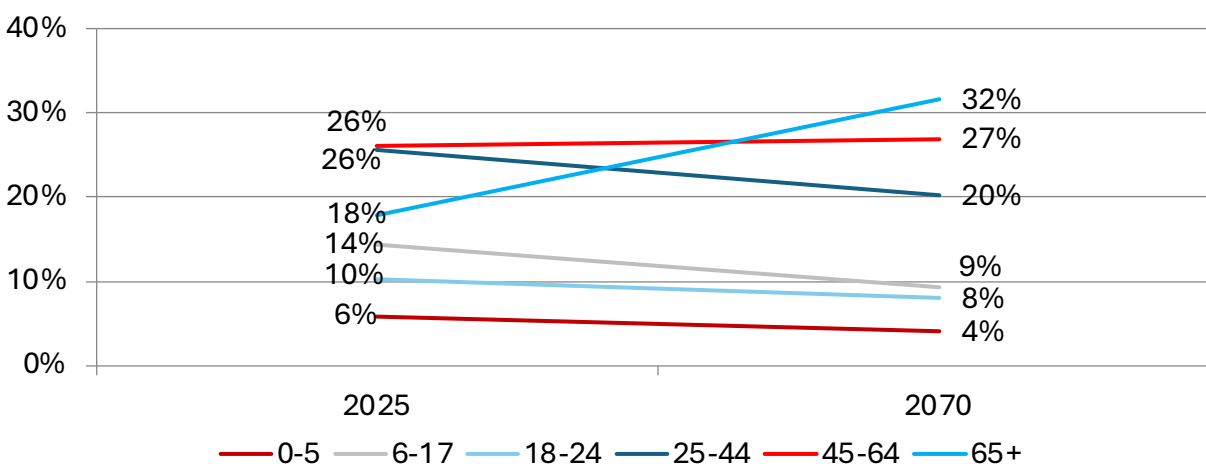
DEMOGRAPHICS/ DIVERSITY

ORANGE COUNTY AGING TRENDS CONTINUE TO PERSIST

The county's median age increased from 39.5 in 2022 to 39.7 in 2023. This mirrors the state as a whole, whose median age increased from 37.9 to 38.2. Over the past decade, Orange County's median age increased by 2.8 years while California's increased by 2.5 years. Since 2013, the percentage of Orange County residents aged 19 and under fell from 26.0 percent to 23.3 percent, while the percentage of the population aged 65 and older increased from 12.8 percent to 16.9 percent.

These age trends are expected to continue, with the proportion of county residents aged between 25 and 44 years declining from 26 percent of the population to 20 percent of the population by 2070. The percentage of residents aged 65 and older, on the other hand, is expected to increase from 18 percent of the county population to 32 percent by 2070.

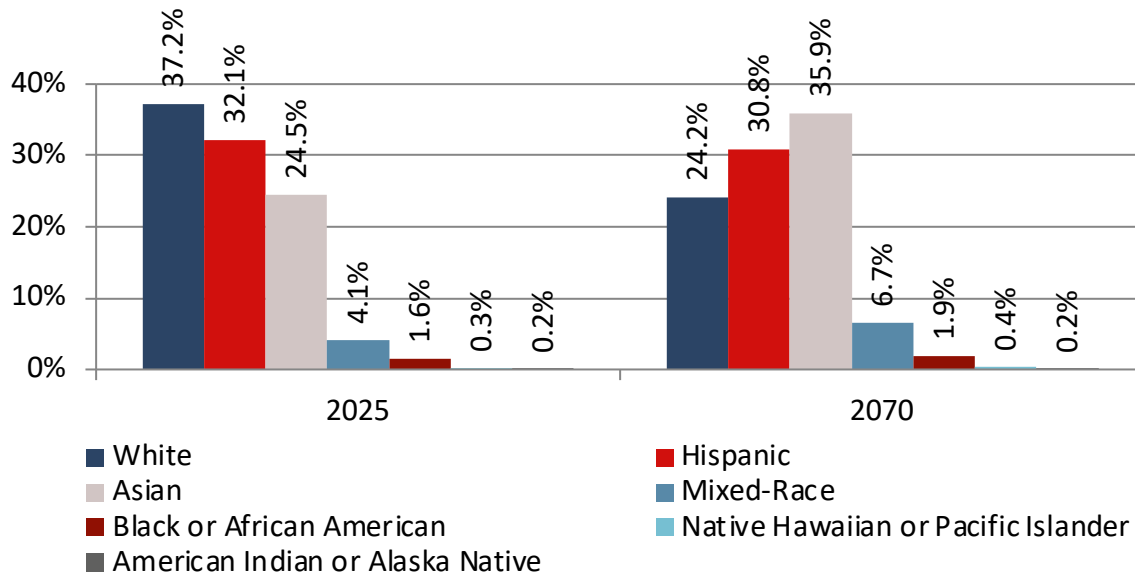
**PROJECTED CHANGE IN AGE GROUP PROPORTIONS OF
TOTAL ORANGE COUNTY POPULATION, 2025 AND 2070**



Source: California Department of Finance. Demographic Research Unit. Report P-2B: Total Population Projections by Single Year of Age, California Counties, 2020-2070 (Baseline 2023 Population Projections; Vintage 2025 Release). Sacramento, California. April 2025.

ASIAN ETHNICITY EXPECTED TO SEE LARGEST GROWTH

PROJECTED CHANGE BY RACIAL AND ETHNIC GROUPS AS PROPORTIONS OF THE TOTAL ORANGE COUNTY POPULATION, 2025 AND 2070



Source: California Department of Finance. Demographic Research Unit. Report P-2D: Population by Race and Ethnicity, California Counties, 2020-2070 (Baseline 2023 Population Projections; Vintage 2025 Release). Sacramento, California. April 2025. All racial/ethnicities besides Hispanic or Latino are non-Hispanic or Latino.

Looking at race and ethnicity over the next several decades, Orange County's White and Hispanic or Latino communities are expected to decline in overall proportion while Asian, Mixed Race, Black or African American, and Native Hawaiian or Pacific Islander communities are expected to grow. Between 2025 and 2070, Orange County's White communities are projected to shrink from 37.2 percent to 24.2 percent while Hispanic or Latino communities are projected to fall from 32.1 percent to 30.8 percent. At the same time, Asian communities are expected to expand from 24.5 percent to 35.9 percent. The Mixed Race population is expected to grow from 4.1 percent to 6.7 percent, with the Black or African American population growing from 1.6 percent to 1.9 percent and the Native Hawaiian or Pacific Islander population growing from 0.3 percent to 0.4 percent. The proportion of American Indian or Alaska Native residents is expected to remain unchanged at 0.2 percent of the county population.

INTERNATIONAL RESIDENTS

- 30.8% of county residents were born in other countries
- 46.9% of all residents over age five speak a language other than English at home

After experiencing a rare decline of 8,542 foreign-born residents from 2021 to 2022, Orange County's foreign-born population recovered to 967,323 in 2023, a year-over-year increase of 14,227. Orange County accounted for 9.1 percent of all foreign-born California residents and 2.0 percent of all foreign-born American residents.

FOREIGN-BORN POPULATION IN ORANGE COUNTY RISES BY 1.5 PERCENT

FOREIGN-BORN POPULATION METRICS BY SOUTHERN CALIFORNIA COUNTY, 2023		
COUNTY	FOREIGN-BORN POPULATION	% FOREIGN-BORN POPULATION
Los Angeles	3,240,161	33.5%
Orange	967,323	30.8%
San Diego	756,142	23.1%
San Bernardino	495,880	22.6%
Riverside	550,518	22.1%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

TOP 10 COUNTRIES OF ORIGIN, 2023	
COUNTRY	POPULATION IN ORANGE COUNTY
Mexico	289,964
Vietnam	156,989
Korea	72,302
China*	53,747
Philippines	50,351
India	36,073
Iran	33,532
Taiwan	22,552
El Salvador	15,760
Japan	13,425

*Note - Foreign-born population from China excludes residents from Hong Kong and Taiwan.

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

ORANGE COUNTY POPULATION GROWS FOR SECOND YEAR IN A ROW

Looking at population estimates by component of change, which have a slightly different methodology and lag current estimates by a year, Orange County's population increased from 3,148,555 in 2023 to 3,150,716 in 2024. This represents a year-over-year increase of 2,161 residents or .07 percent. Natural increase (births minus deaths) added 8,232 residents, while net migration was negative (-6,071) as 13,080 new residents moved to Orange County and 19,151 moved away. Negative net domestic migration has dragged the county's population growth since 2013, with 95,870 Orange County residents leaving since 2020. Similar trends at the state level reflect a cost-of-living crisis especially acute in Orange County; outmigration could continue or even accelerate if housing costs keep rising.

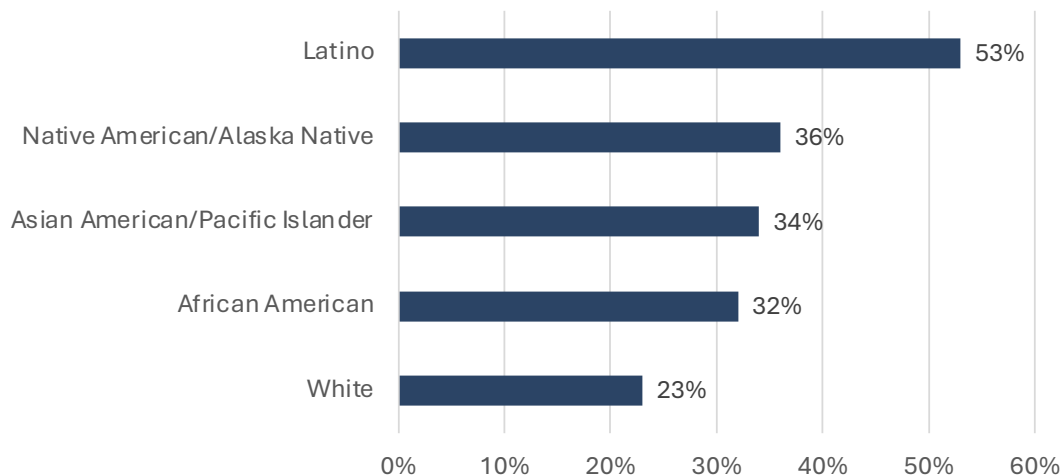
OC MEDIAN INCOME GROWS WHILE POVERTY FALLS

BY THE NUMBERS SNAPSHOT

ORANGE COUNTY CHARACTERISTICS COMPARED TO REGIONAL PEERS, 2025					
COUNTY	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	POVERTY LEVEL (%)	MEAN COMMUTE TIME (IN MINUTES)	FOREIGN-BORN POPULATION (%)
Orange	\$110,042	39.7	9.1%	27.1	30.8%
San Diego	\$103,674	37.6	10.1%	25.7	23.1%
Los Angeles	\$86,587	38.6	13.7%	31.4	33.5%
Riverside	\$90,527	37.1	11.3%	34.1	22.1%
San Bernardino	\$85,069	34.9	13.1%	32.3	22.6%
California (Statewide)	\$95,521	38.2	12.0%	29.2	27.3%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

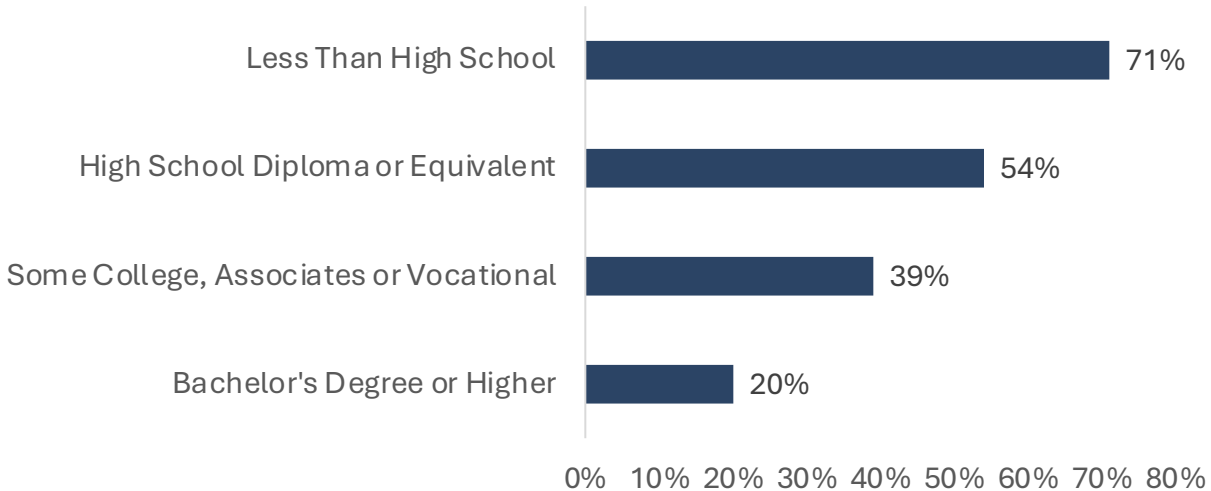
PERCENT OF HOUSEHOLDS BELOW REAL COST MEASURE BY RACE/ETHNICITY, 2025



Source: Orange County United Way, How Much It Costs to Struggle: The Real Cost Measure in California 2025

According to United Way's Real Cost Measure, an estimate of the true cost of living in California, approximately 34 percent of Orange County households fell below the poverty line. This represents a year-over-year increase of 9,018 households. Approximately 53 percent of Latino or Hispanic residents fell below the line, as did 36 percent of Native American/Alaska Native residents, 34 percent of Asian American/Pacific Islander residents, 32 percent of African American residents, and 23 percent of White residents.

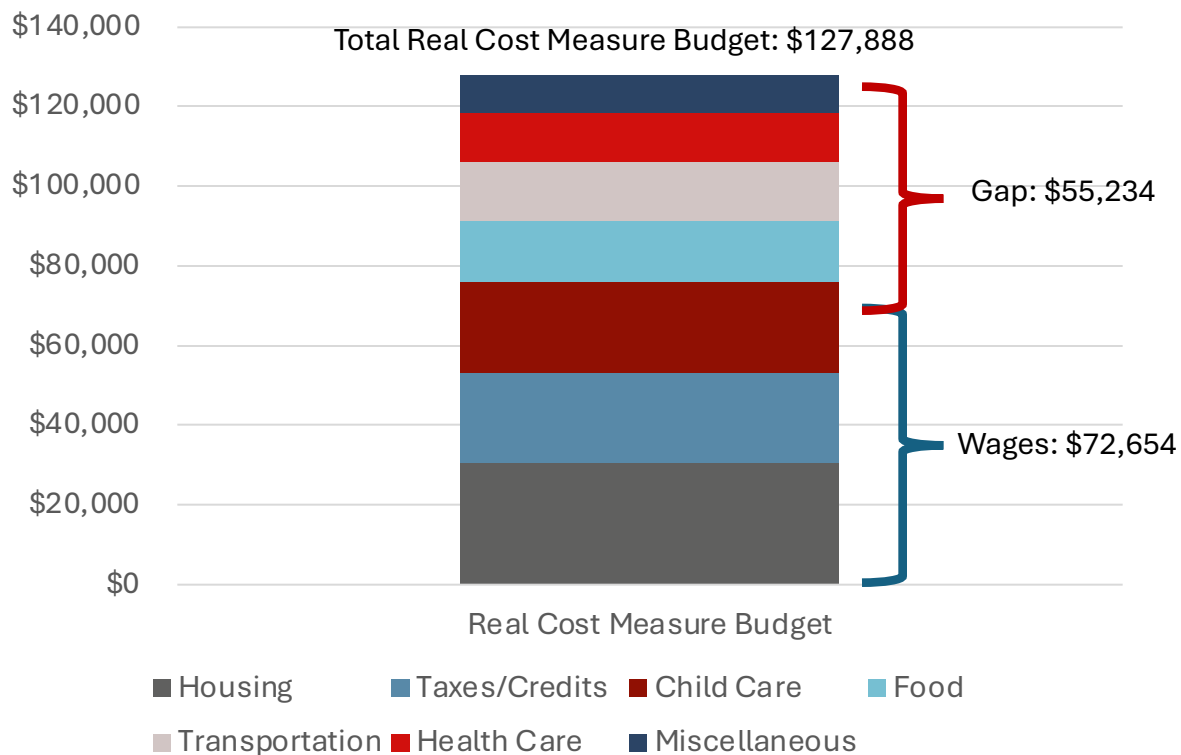
PERCENT OF HOUSEHOLDS BELOW REAL COST MEASURE BY EDUCATIONAL LEVEL, 2025



Source: Orange County United Way, *How Much It Costs to Struggle: The Real Cost Measure in California 2025*

Approximately 71 percent of households with less than a high school diploma were below the Real Cost Measure compared to only 20 percent of households who have a bachelor's degree or higher. This illustrates the significant lifelong impact of educational attainment and reinforces the need to continually improve and refine academic programs for students of all ages.

UNITED WAY'S REAL COST MEASURE BUDGET GAP IN ORANGE COUNTY, 2025



The current Real Cost Measure Budget is estimated at \$127,888 for a family with 2 adults, 1 pre-school age child, and 1 school-age child in Orange County; households below this line have an average income of just \$72,654. This gap provides a stark illustration of the county's cost-of-living affordability crisis and the disproportionate impact this crisis has on lower-income residents.

EDUCATIONAL ATTAINMENT

- 12.9% of adults over age 25 have less than a high school diploma
- 44.5% of adults over age 25 have a bachelor’s degree or higher

ORANGE COUNTY CONTINUES TO LEAD IN EDUCATIONAL ATTAINMENT

ORANGE COUNTY EDUCATIONAL ATTAINMENT COMPARED TO PEER REGIONS		
COUNTY	BACHELOR’S DEGREE OR HIGHER	PERCENT GRADUATE OR PROFESSIONAL DEGREE
Orange County	44.5%	16.4%
San Diego County	43.5%	17.2%
California	37.5%	14.7%
Los Angeles County	36.5%	13.4%
United States	36.2%	14.3%
Riverside County	26.5%	9.6%
San Bernardino County	23.6%	8.6%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

LABOR MARKET/BUSINESS COMMUNITY

OC MEDIAN HOUSEHOLD INCOMES 13 PERCENT ABOVE STATE, 42 PERCENT ABOVE NATION

LABOR MARKETS REMAIN STRONG ACROSS THE COUNTY

- \$110,042 Median household income (2023)
- \$1,400,000 Median existing single-family home price (July 2025)
- 4.8% Unemployment rate (July 2025)

EMPLOYMENT

ORANGE COUNTY’S UNEMPLOYMENT RATE ABOVE NATION, YET BELOW STATE AND PEER REGIONS

ORANGE COUNTY INCOME AND UNEMPLOYMENT RATE REGIONAL COMPARISON		
COUNTY	MEDIAN HOUSEHOLD INCOME (2023)	UNEMPLOYMENT RATE (JULY 2025)
Orange	\$110,042	4.8%
Los Angeles	\$86,587	6.4%
Riverside	\$90,527	6.5%
San Bernardino	\$85,069	6.2%
San Diego	\$103,674	5.2%
California	\$95,521	6.1%
United States	\$77,719	4.6%

Sources: U.S. Census Bureau, American Community Survey, 1-Year Estimates; California Employment Development Department.

DISNEY, UCI, AND PROVIDENCE REMAIN OC'S LARGEST EMPLOYERS

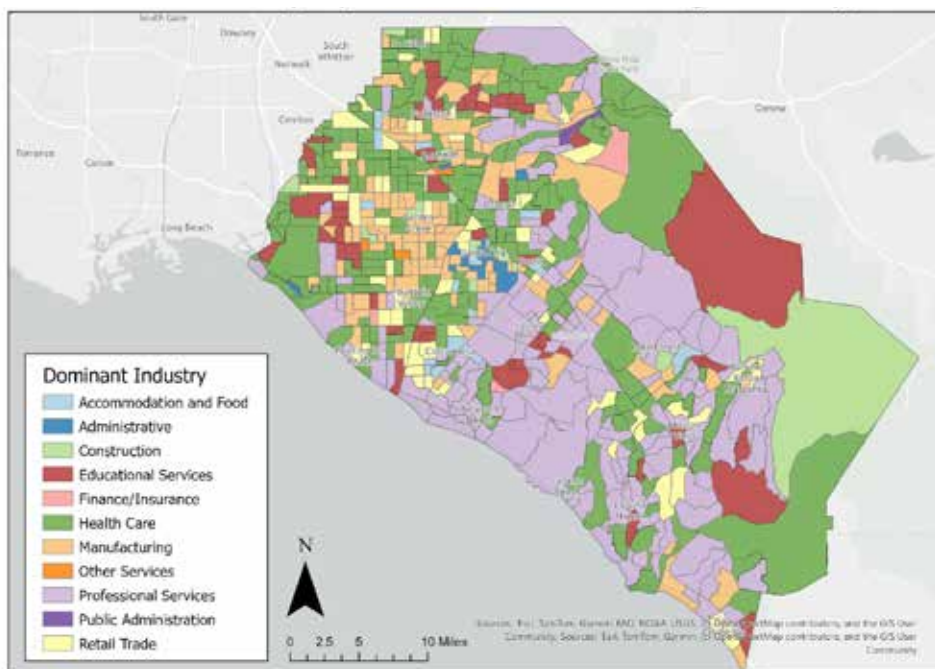
LARGEST EMPLOYERS IN ORANGE COUNTY, 2025	
COMPANY	EMPLOYMENT IN ORANGE COUNTY
Disneyland Resort	36,000
University of California, Irvine	34,085
Providence South Division (California)	25,155
County of Orange	18,000
Kaiser Permanente	10,293
Hoag Memorial Hospital Presbyterian	8,081
Allied Universal	7,214
Albertsons Southern California Division	7,152
MemorialCare	6,326
CHOC (Children's Hospital of Orange County)	5,555
The Boeing Company	5,280
Costco Wholesale Corp.	5,092
Edwards Lifesciences	5,004
Six Flags Entertainment Corp.	5,000
California State University, Fullerton	4,211
In-N-Out Burger Inc.	3,492
Applied Medical Resources Corp.	3,488
Automobile Club of Southern California	3,317
Northgate Gonzalez Market	3,028
KPC Healthcare Inc.	2,469

Source: Orange County Business Journal, 2025 Book of Lists

PROFESSIONAL SERVICES AND HEALTHCARE DOMINANT ACROSS THE COUNTY; MANUFACTURING CONCENTRATED IN CENTRAL AND NORTH OC

Alongside its well-educated, knowledgeable workforce, Orange County also boasts a diverse economy composed of a broad range of industries, including concentrated industry clusters ranging from Tourism to Medical Devices to Aerospace and Defense. These innovative industries help to drive economic activity by creating high-paying jobs and attracting new businesses and investment. They also accelerate innovation via collaboration between businesses and with Orange County's world-class academic and research institutions, which provide supportive environments and services to entrepreneurs and new startups.

DOMINANT INDUSTRY BY CENSUS TRACT IN ORANGE COUNTY, 2025



While industry clusters will be explored in more depth later in this report, the following table provides the top county industries by employment concentration. Employment concentrations contrast an industry's size in each region with the national average. For example, an industry with an employment concentration of '2' is twice as concentrated in that region compared to the national average. This helps identify regional specializations, industries with high growth potential, and industries resilient to economic shocks.

TOP ORANGE COUNTY INDUSTRIES BY EMPLOYMENT CONCENTRATION, 2025

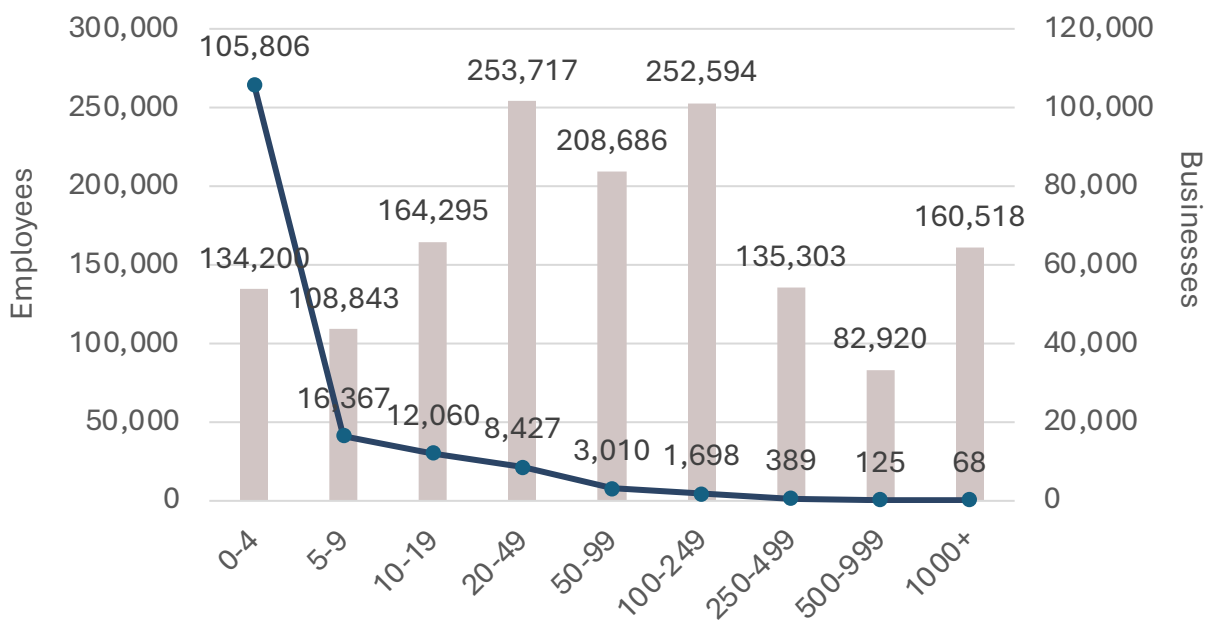
INDUSTRY	EMPLOYMENT CONCENTRATION
Amusement and Theme Parks	16.23
Computer Storage Device Manufacturing	13.30
Dental Laboratories	11.38
Electromedical and Electrotherapeutic Apparatus Manufacturing	10.63
Nonferrous Forging	9.22
Bare Printed Circuit Board Manufacturing	7.79
Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing	7.67
Surgical and Medical Instrument Manufacturing	7.43
Plumbing Fixture Fitting and Trim Manufacturing	7.23
Fluid Power Pump and Motor Manufacturing	7.03
Dental Equipment and Supplies Manufacturing	6.80
Bolt, Nut, Screw, Rivet, and Washer Manufacturing	5.98
Electronic Connector Manufacturing	5.52
Electric Lamp Bulb and Other Lighting Equipment Manufacturing	5.51
Audio and Video Equipment Manufacturing	5.39
Transportation Equipment and Supplies (except Motor Vehicle) Merchant Wholesalers	5.27
Computer Terminal and Other Computer Peripheral Equipment Manufacturing	5.23
Ophthalmic Goods Manufacturing	5.19
Other Electronic Component Manufacturing	5.04
Other Aircraft Parts and Auxiliary Equipment Manufacturing	4.97

Source: Lightcast

BUSINESSES OF ALL SIZES THRIVE IN ORANGE COUNTY

96 PERCENT OF ALL OC BUSINESSES EMPLOY LESS THAN 50 WORKERS, ACCOUNT FOR 44 PERCENT OF ALL WORKERS

NUMBER OF BUSINESSES AND EMPLOYEES, BY SIZE OF BUSINESS, 2024



Source: California Employment Development Department, Size of Business Data 2024

Small businesses – defined as those with 50 or fewer employees – represent the vast majority (96.4 percent) of Orange County businesses. These predominately family-owned businesses employed 661,055 workers in 2024, accounting for 44.0 percent of the county’s workforce.

While the number of businesses with over 500 employees declined from 187 in 2022 to 180 in 2023, it has since jumped back to 193 in 2024. At the same time, the number of businesses with more than 1,000 employees declined from 70 in 2023 to 68 in 2024.

ORANGE COUNTY GRP GREATER THAN THAT OF 26 STATES

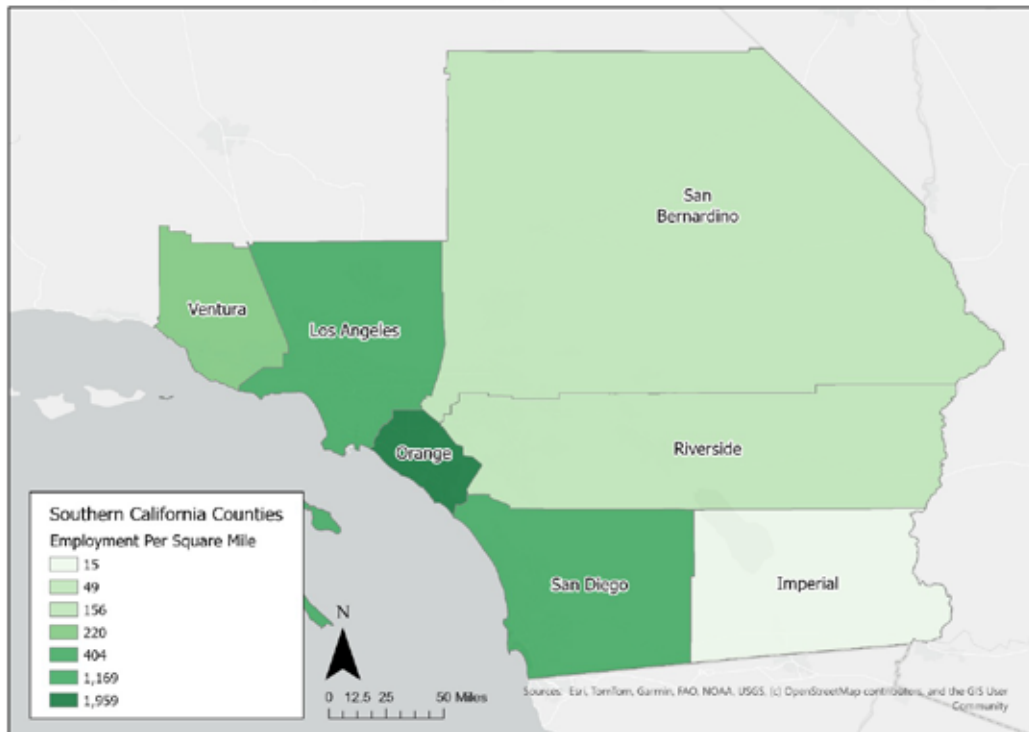
GROSS REGIONAL PRODUCT IN OC INCREASES BY 5.7 PERCENT FROM 2023 TO 2024

Orange County’s gross regional product (GRP), a county-level equivalent of gross domestic product (GDP), jumped from \$329 billion in 2023 to \$348 billion, a substantial increase of 5.7 percent. The county’s GRP remains larger than that of 26 states, including Oregon, Louisiana, Utah, and Nevada.

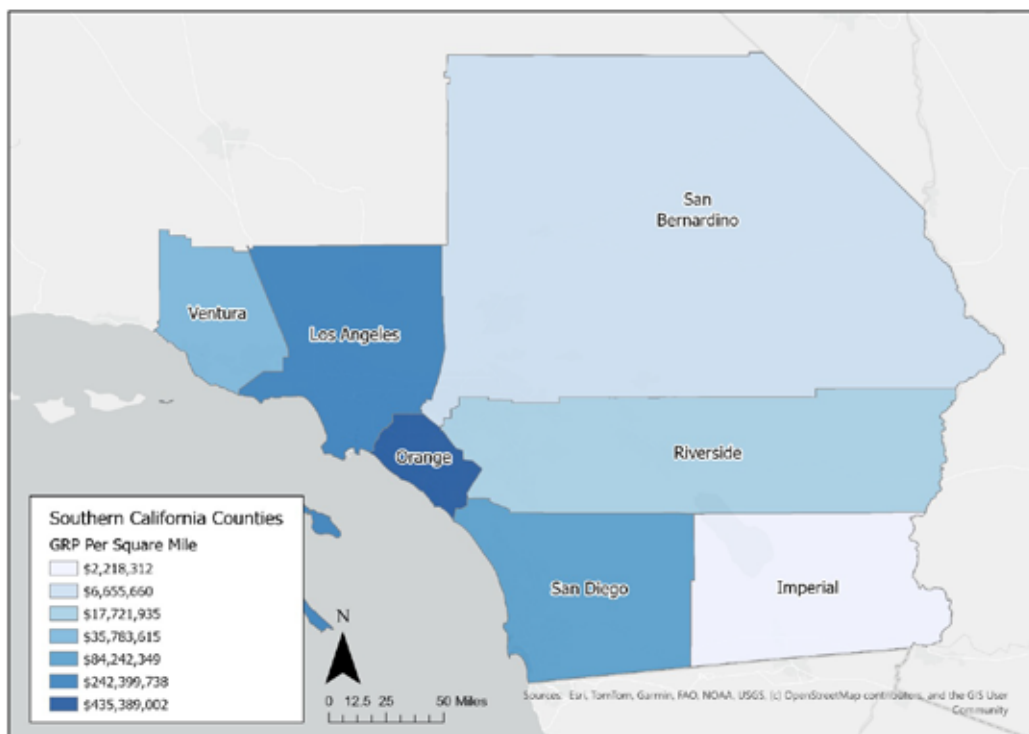
GROSS REGIONAL PRODUCT AND EMPLOYMENT COMPARISON BY SOUTHERN CALIFORNIA COUNTY							
COUNTY	TOTAL POP. (2025)	TOTAL EMP. (JUNE 2025)	TOTAL GRP (\$ IN B)	EMP. PER SQUARE MILE	EMP. PER CAPITA	GRP PER SQUARE MILE	GRP PER CAPITA
Orange	3,175,427	1,564,900	\$348	1,959	0.49	\$435,389,002	\$109,552
San Diego	3,330,139	1,591,200	\$332	404	0.48	\$84,242,349	\$99,721
Los Angeles	9,876,811	4,743,500	\$984	1,169	0.48	\$242,399,738	\$99,593
San Bernardino	2,207,424	978,000	\$134	49	0.44	\$6,655,660	\$60,474
Riverside	2,495,640	1,121,900	\$128	156	0.45	\$17,721,935	\$51,171

Sources: Lightcast; California Employment Development Department; State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

EMPLOYMENT PER SQUARE MILE BY SOUTHERN CALIFORNIA COUNTY, 2025

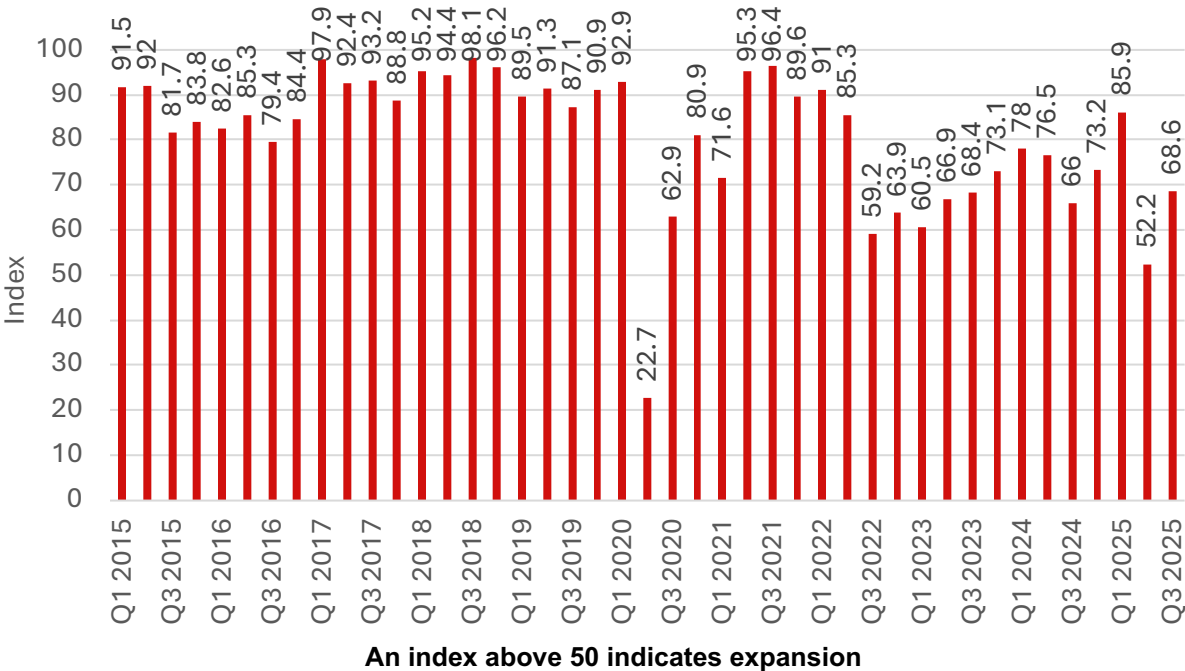


GROSS REGIONAL PRODUCT (GRP) PER SQUARE MILE BY SOUTHERN CALIFORNIA COUNTY, 2025



OC BUSINESS EXPECTATIONS INDEX RECOVERS IN Q3 2025

ORANGE COUNTY BUSINESS EXPECTATIONS INDEX, Q1 2015 – Q3 2025



Source: California State University, Fullerton

While California State University, Fullerton’s (CSUF) Orange County Business Expectations Index (OCBX) started 2025 strong with a reading of 85.9 in Q1, it plummeted to 52.2 in Q2 (a score under 50 indicates potential economic contraction). The OCBX rebounded to 68.6 in Q3, with 30 percent of executives surveyed expecting increased business activity, 37 percent expecting stability, and 32 percent expecting declines.

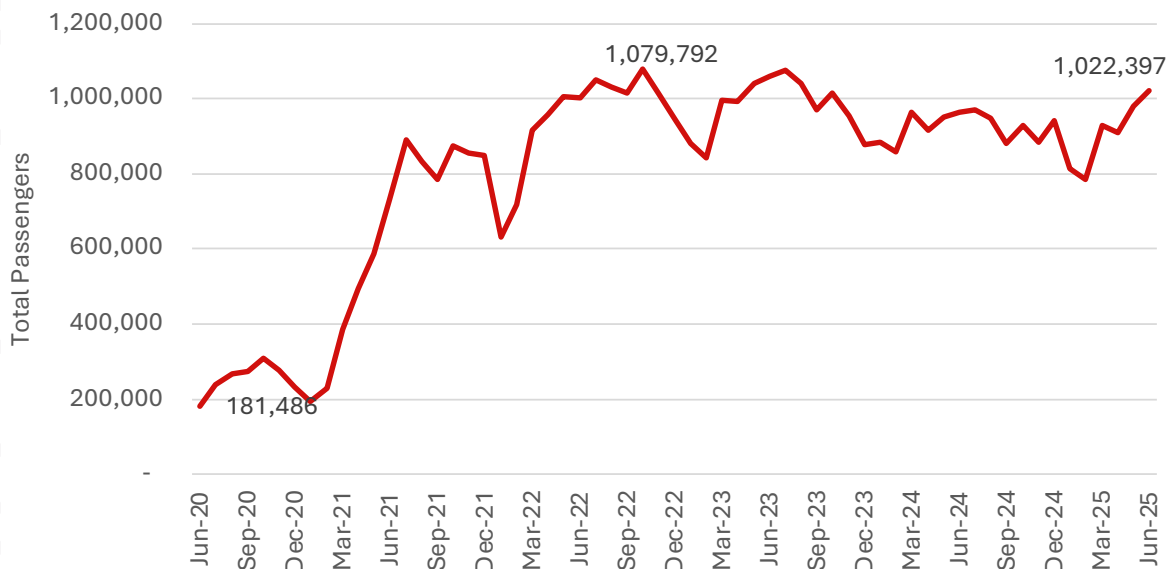
Executives named interest rates, geopolitical risks, and tariffs as their most important concerns, followed by inflation, federal action on Medicaid, government regulations, federal instability, and state taxes.³ Over half (58 percent) of the executives surveyed expect hiring plans to remain stable, while 30 percent expect to see increases and only 11 percent expected to see employment declines. While inflation expectations have been substantially revised downward since Q2, 17 percent of executives expect tariffs to have a significant impact on inflation; 39 percent expect a moderate, temporary increase; another 39 percent expect a small, persistent increase; and only 5 percent expect no impacts on inflation.

³ https://business.fullerton.edu/engagement/economic-analysis-and-forecasting/assets/pdf/survey_report_ocbx_q32025.pdf

TRAVEL/TOURISM

PASSENGER VOLUME STEADY AS TRAVEL COSTS RISE

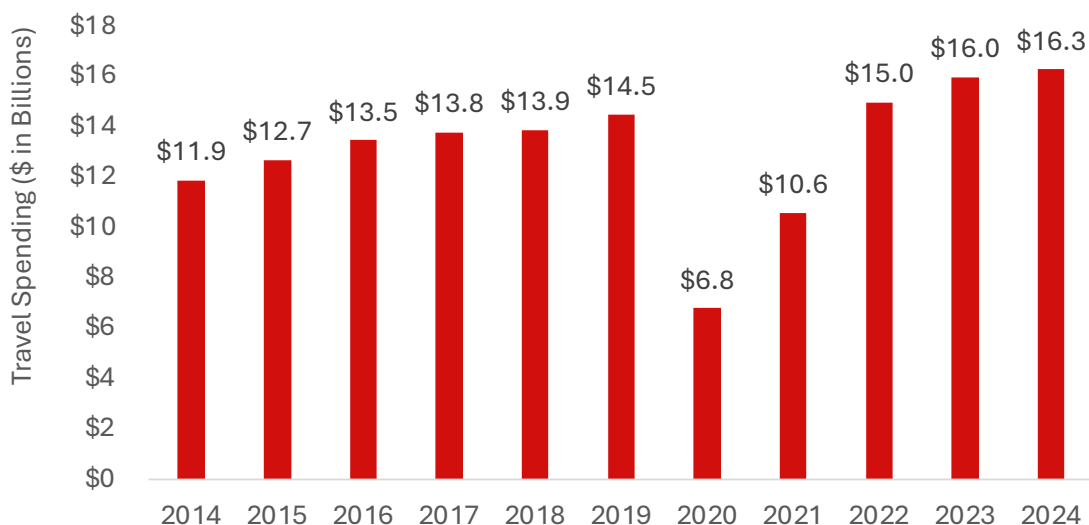
TOTAL MONTHLY PASSENGERS SERVED AT JOHN WAYNE AIRPORT, JUNE 2020 – JUNE 2025



Source: OCair.com

Total monthly passenger volume at John Wayne Airport (JWA) was 1,022,397 in June 2025, a year-over-year increase of 6.1 percent. After peaking in October 2022, total passenger volume has slowly trended lower with monthly traffic averaging 978,416 in 2023, falling to 924,117 in 2024, and to 906,532 thus far in 2025. Despite this overall decline, the monthly average for 2025 is expected to increase as visitors pour in for the region's summer travel season.

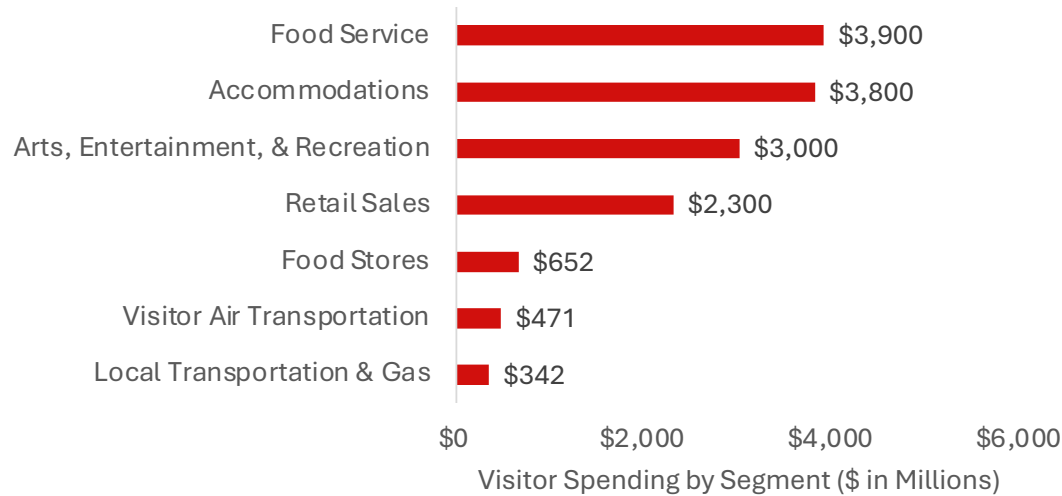
ORANGE COUNTY TRAVEL SPENDING, 2014–2024



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2014–2024

Total visitor spending in Orange County reached a record \$16.3 billion in 2024, an increase of 1.9 percent over the previous year. Despite the impacts of the pandemic on tourism and visitors in both 2020 and 2021, visitor spending in Orange County has seen a robust average annual increase of 7.3 percent from 2014 to 2024.

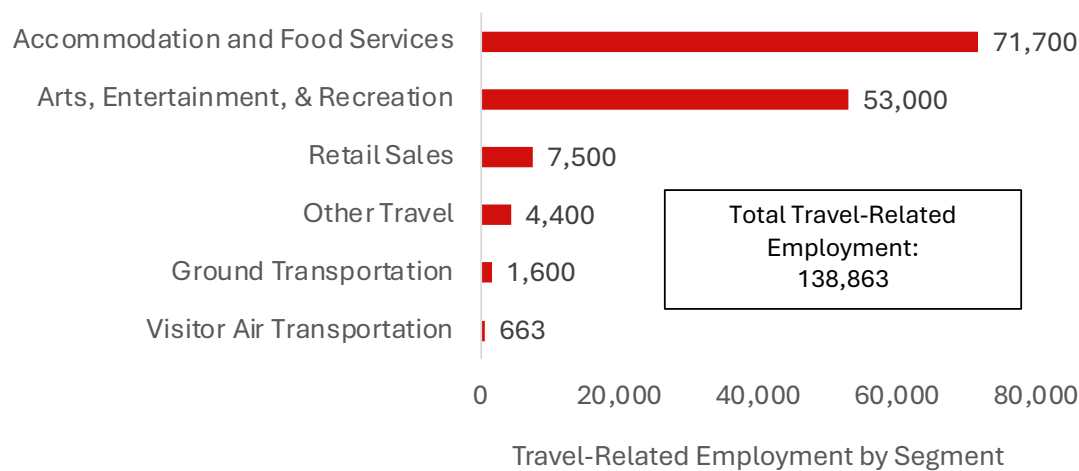
ORANGE COUNTY TRAVEL SPENDING BY SEGMENT, 2024



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2014–2024

Of the \$16.3 billion in visitor spending in the region, Food Service accounted for 24 percent or \$3.9 billion, followed by Accommodations (23 percent) and Arts, Entertainment, & Recreation (18 percent). Over the past year, only one segment – Local Transportation & Gas – saw visitor spending decline, falling by 4.4 percent. At the same time, Food Stores saw the largest increase in visitor spending, jumping by 4.6 percent, followed by Arts, Entertainment, & Recreation at 3.8 percent and Food Service at 2.5 percent.

ORANGE COUNTY TRAVEL-RELATED EMPLOYMENT BY SEGMENT, 2024



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2024

Tourism-related employment in Orange County totaled approximately 138,863 in 2024. Accommodation and Food Services segment enjoyed the lion’s share of travel-related employment at 71,700 jobs or 51.6 percent of the total, followed by Arts, Entertainment, & Recreation with 53,000 jobs (38.2 percent) and Retail Sales with 7,500 jobs (5.4 percent).

QUALITY OF LIFE

STATE CRIME INDEX RISES, ORANGE COUNTY FALLS

OC AND STATE CRIME INDEXES REMAIN STEADY

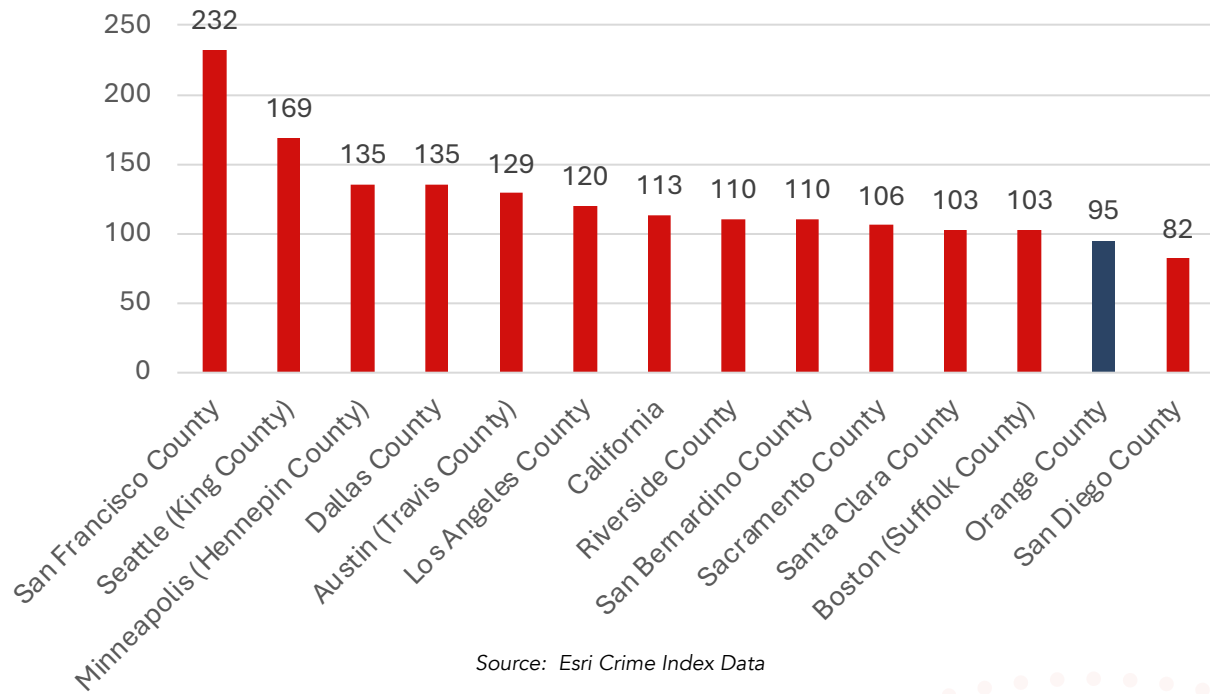
ORANGE COUNTY AND REGIONAL CRIME INDEXES, 2025			
COUNTY	TOTAL CRIME INDEX	PERSONAL CRIME INDEX	PROPERTY CRIME INDEX
San Diego County	82	86	81
Orange County	95	70	99
Santa Clara County	103	81	107
Boston (Suffolk County)	103	165	92
Sacramento County	106	116	104
Riverside County	110	93	113
San Bernardino County	110	135	105
California	113	117	113
Los Angeles County	120	144	116
Austin (Travis County)	129	94	135
Minneapolis (Hennepin County)	135	120	137
Dallas County	135	131	135
Seattle (King County)	169	95	182
San Francisco County	232	159	245

Note: An index value of 100 represents the national average.

Source: Esri Crime Index Data

Orange County's crime indexes saw no change over the past year, keeping the region anchored at 2nd on the ranked list of peer and neighboring regions. Orange County was only outdone by San Diego County, whose Crime Index increased from 81 to 82 over the past year, and easily surpassed Santa Clara County (103), Boston (103), and Sacramento County (106). California's Crime Index remained steady at 113, which was slightly higher than Riverside and San Bernardino Counties, which were both at 110, and is lower than Los Angeles County, which received an index of 120. San Francisco County saw a measurable improvement in its Crime Index, improving from 240 to 232 over the past year. Overall, Orange County's Crime Index remains well below that of the state (113), nation (100), and a broad range of peer and neighboring regions.

CRIME INDEX COUNTY COMPARISON, 2025



WALLETHUB'S BEST PLACES TO RAISE A FAMILY – ORANGE COUNTY CITIES AND SCORES, 2025						
RANK	CITY	FAMILY FUN	HEALTH & SAFETY	EDUCATION & CHILD CARE	AFFORD- ABILITY	SOCIO- ECONOMICS
4	Irvine, CA	31	3	3	52	11
11	Huntington Beach, CA	90	17	4	103	7
48	Garden Grove, CA	48	15	9	173	34
102	Anaheim, CA	51	43	49	175	49
123	Santa Ana, CA	93	56	52	179	33

Source: WalletHub

In 2025, Irvine slipped from its 3rd place rank to 4th in WalletHub's ranking of the *Best Places to Raise a Family in 2025*, falling from 1st to 3rd in Health & Safety, 2nd to 3rd in Education & Child Care, and 49th to 52nd in Affordability, while improving slightly from 13th to 11th in Socioeconomics. Huntington Beach saw similar trends, declining slightly from 10th to 11th overall, weighed down by ranking declines in Family Fun (84th to 90th) and Affordability (81st to 103rd), yet still seeing improvements in Health & Safety (18th to 17th) and Socioeconomics (8th to 7th).

All other Orange County cities on the list saw improvements in their rankings with Garden Grove rising from 56th to 48th, Anaheim from 104th to 102nd, and Santa Ana from 124th to 123rd. While these three cities all saw improvements in Education & Child Care, Garden Grove also saw marked improvements in Socioeconomics. Anaheim improved in Health & Safety and Santa Ana improved in Family Fun.

Sources:

Place – Land Area: County of Orange Public Works; Density: U.S. Census Bureau, GHT-PH1-R: Population, Housing Units, Area, and Density, Census 2010 (land area) and State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

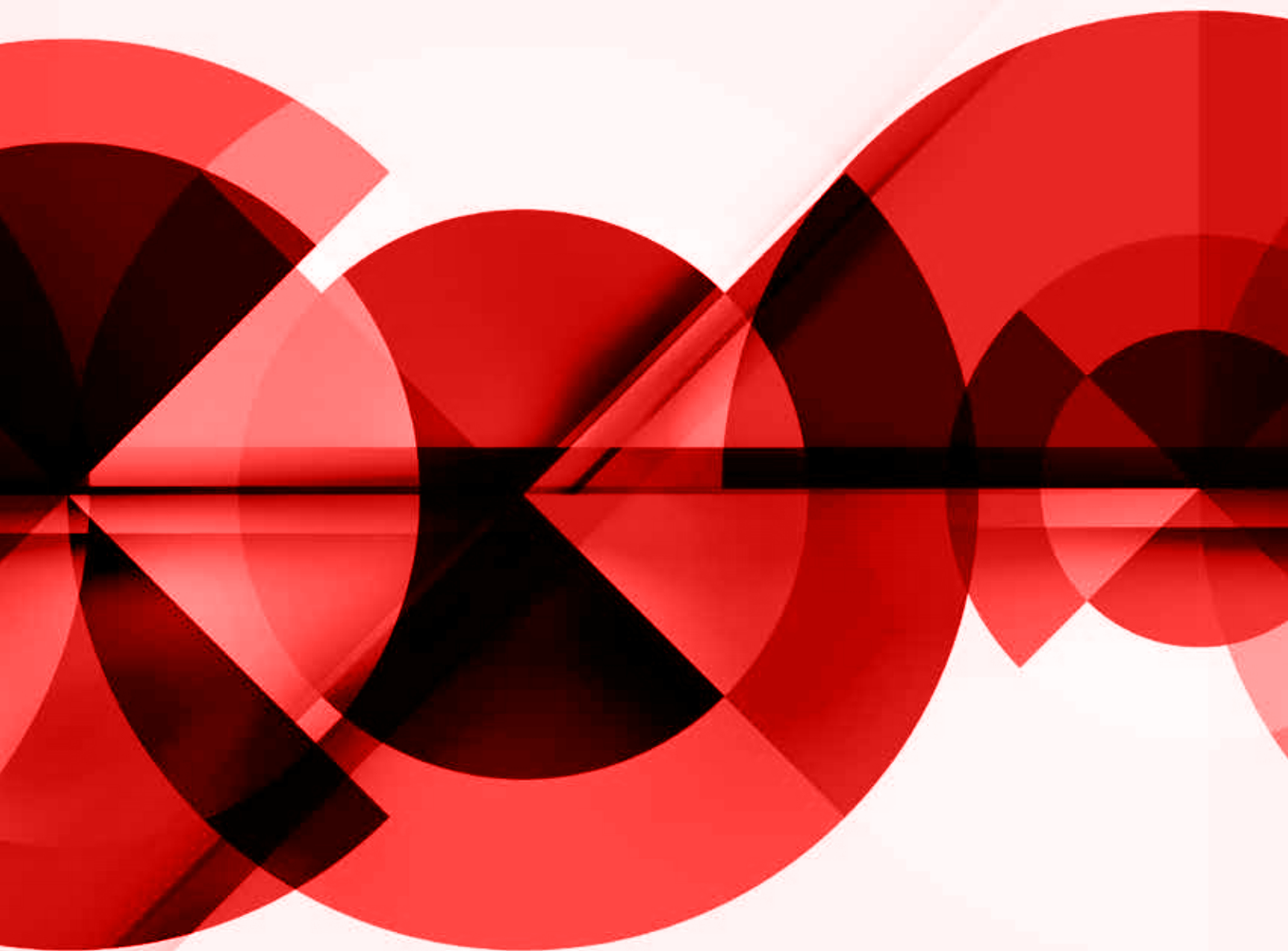
People – California Department of Finance. Demographic Research Unit. Report P-2D: Population by Race and Ethnicity, California Counties, 2020-2070 (Baseline 2023 Population Projections; Vintage 2025 Release). Sacramento, California. April 2025. California Department of Finance. Demographic Research Unit. Report P-2B: Total Population Projections by Single Year of Age, California Counties, 2020-2070 (Baseline 2023 Population Projections; Vintage 2025 Release). Sacramento, California. April 2025.

Foreign Born, Language: U.S. Census Bureau, American Community Survey, 1-Year Estimates, Table DP02;

Education – Educational Attainment: U.S. Census Bureau, American Community Survey, 1-Year Estimates, Table S1501.

Economy – Median Household Income: U.S. Census Bureau, American Community Survey, 1-Year Estimates, Table B19013; State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025; Unemployment Rate: California Employment Development Department Labor Market Information, June 2025; Median Existing Single-Family Home Price: California Association of Realtors, Current Sales and Price Statistics.

SPECIAL FEATURE



INNOVATION IN ORANGE COUNTY

Electric bass guitars. Increasingly lifelike audio-animatronic figures. Theme parks themselves. Boysenberries. Red digital cameras. Doritos. Throughout its history, Orange County has been a hotspot of innovation in many different fields: the birthplace of multiple aspects, large and small, of daily life. This special section of the Community Indicators report will explore Orange County's long, rich history of innovation, from theme parks to Nobel Prizes. It will conclude with a look at the county's current innovation and entrepreneurship ecosystem, with a focus on Orange County as a tech hotspot.

Perhaps the best introduction to this history is a simple timeline. As seen below, dozens of Orange County entrepreneurs have founded new and innovative businesses over the decades, sometimes – as in the cases of Linksys founders Victor and Janie Tsao and Masimo founder Joe Kiano – out of their garages. While this section focuses on large-scale innovation, Orange County's history of innovation is also the history of thousands of smaller-scale innovators, from immigrant restaurateurs bringing their home countries' cuisines to Orange County to today and tomorrow's tech startups. Therefore, the following list is very incomplete in part because new additions to the county's innovation history happen every day.

Companies founded in Orange County:

- Orange County Register (Santa Ana, 1905)
- Rickenbacker (Santa Ana, 1931)
- Fender (Fullerton, 1946)
- Vans (Anaheim, 1966)
- PIMCO (Newport Beach, 1971)
- Rainbow Sandals (Laguna Beach, 1974)
- Hurley (Costa Mesa, 1979)
- Ingram Micro (Irvine, 1979)
- PacSun (Newport Beach, 1980)
- 99 Ranch Market (Westminster, 1984)
- Pick Up Stix (Rancho Santa Margarita, 1986)
- Linksys (Irvine, 1988)
- Wahoo's Fish Taco (Costa Mesa, 1988)
- Masimo (Mission Viejo, 1989)
- Blizzard Entertainment (Irvine, 1991)
- Volcom (Costa Mesa, 1991)
- Juice It Up! (Brea, 1995)
- Urban Decay (Newport Beach, 1996)
- Fleming's (Newport Beach, 1998)
- Chronic Tacos (Newport Beach, 2002)
- Skyworks Solutions (Irvine, 2002)
- Obsidian Entertainment (Irvine, 2003)
- SunCore Corporation (Irvine, 2004)
- Red Digital Cinema (Foothill Ranch, 2005)
- Greenkraft (Santa Ana, 2006)
- Yogurtland (Fullerton, 2006)
- Weedmaps (Irvine, 2008)
- Stance (San Clemente, 2009)
- Slapfish (Huntington Beach, 2011)
- Airwolf 3D (Costa Mesa, 2012)
- Cylance (Irvine, 2012)
- Mint Mobile (Costa Mesa, 2015)
- Anduril Industries (Costa Mesa, 2017)

ENTERTAINMENT ROOTS

While Los Angeles and New York have both held the unofficial title of Entertainment Capital of the World, Orange County has a rich history of entertainment innovation.

When it comes to entertainment, one of Orange County's most iconic innovators was county native Leo Fender. Born in 1909 to Anaheim orange farmers, Fender graduated from what is now Fullerton College at the beginning of the Great Depression. After spending his early twenties working various short-lived jobs, he pursued his childhood fascination with electronics by opening Fender Radio Service, a radio repair shop that evolved into a musical instrument company in the 1940s.

Fender products included the Telecaster (1950) and Stratocaster (1954) guitars, instruments played by a who's who of rock and roll guitar legends, and the Fender Precision Bass (1951), the first mass-produced electric bass guitar. In the words of the Rock and Roll Hall of Fame, "It would be difficult to imagine rock & roll – both its sound and its spirit – without the contributions of Clarence Leo Fender." Fender was posthumously inducted into the Rock Hall in 1992 and won a posthumous Technical Grammy in 2009.

Leo Fender is not the only electric guitar innovator in Orange County's history. In 1931, Swiss immigrant Adolph Rickenbacker founded the Santa Ana musical instrument company that would eventually bear his name. Beginning by manufacturing Hawaiian guitars, the company expanded to hollow body and bass guitars in the 1950s and then to their single most famous product, the 12-string electric guitar, in the 1960s.

Used and popularized by Beatle George Harrison, the chiming, jangling Rickenbacker 12-string became an iconic part of sixties rock in the hands of musicians like Harrison and The Byrds' Roger McGuinn. It remains a favorite among guitarists looking for a jangly, retro sound.

Disneyland, one of Orange County's most famous locations, has been the stage for a number of innovations, beginning with the park itself. Founded in 1955, Disneyland codified the modern, elaborately themed, synergistic amusement park. If you've visited any major amusement park over the past few decades, Disney or non-Disney, you've seen rides and attractions based on blockbuster movies, distinct themed 'lands,' and 3D versions of cartoon characters available for meet and greets. Anaheim's original Disneyland popularized all of these amusement park staples, transforming the entire industry.

Four years after its opening, Disneyland added its first rollercoaster, the Matterhorn Bobsleds on the Tomorrowland-Fantasyland border. In addition to literally building a mountain, Disney Imagineers and their colleagues helped transform the industry by designing the very first steel rollercoaster.

Offering a smoother ride and more design flexibility than traditional wooden rollercoasters, steel coasters soon became the industry standard, enabling rollercoaster designers – including Disney Imagineers – to create bigger, faster, and more elaborate rides. For their contributions to the Matterhorn Bobsleds and to roller coaster design in general, engineers Karl Bacon and Ed Morgan were inducted into the National Inventors Hall of Fame in 2025.

Four years after the Matterhorn's opening, Disneyland introduced audio-animatronics at Adventureland's Enchanted Tiki Room, which continues to feature a chorus of tropical birds animated in time to music. Disney Imagineers took audio-animatronics to the next level at the 1964 New York World's Fair, designing a robotic Abraham Lincoln for the Illinois Pavilion, dancing and singing dolls for UNICEF and Pepsi's It's a Small World, and animated dinosaurs for Ford's "Magic Skyway" exhibition. After the fair ended, Disney brought all of these audio-animatronic characters to Anaheim, where they and their electronic descendants continue to entertain park guests.

SCIENCE AND EDUCATION

The University of California, Irvine (UCI) has a history of innovation that predates its official founding in 1965. Built alongside the city of Irvine itself on former Irvine Ranch land, the land was sold to the University of California for \$1 in 1960 by the Irvine Company and was to be designed as a 'forward-thinking' campus. Architect William Pereira was selected thanks to his innovative ideas including a hub-and-spoke layout, passive solar elements, and integration with the city, where the university was to act as the city's central focal point supported by surrounding clusters of residential and commercial areas.

In 1995, UCI joined a small, elite group of universities with faculty winning multiple Nobel Prizes in the same year. F. Sherwood Rowland shared the Nobel Prize in Chemistry with two other scientists "for their work in atmospheric chemistry, particularly concerning the formation and decomposition of ozone." This work led to the 1987 Montreal Protocol, which phased out ozone-depleting chemicals on a global scale.

UCI professor Frederick Reines also won a Nobel in 1995; he shared the Nobel Prize in Physics with Stanford's Martin L. Perl for "pioneering experimental contributions to lepton physics." Reines received a special mention for his "detection of the neutrino." A founding dean at UCI, Reines had previously won multiple awards, including being named a Distinguished Faculty Lecturer in 1979, receiving the National Medal of Science in 1983 and the UCI Medal in 1987.

UCI faculty received a third Nobel Prize in 2004, when Irwin Rose shared the Nobel Prize in Chemistry with two Israeli scientists "for the discovery of ubiquitin-mediated protein degradation."

Other prestigious science awards won by UCI faculty include:

- The National Medal of Science, won by Frederick Reines in 1983 and R. Duncan Luce in 2003.
- Membership in the National Academy of Sciences (24 UCI faculty members).
- Membership in the National Academy of Inventors (20 members).
- Membership in the American Academy of Arts & Sciences (40 members).
- The Royal Society of Chemistry's Faraday Medal, won by Reg Penner in 2009.

UCI's current commitment to innovation is exemplified by Beall Applied Innovation. Current Beall programs include:

- **NarrA.I.tive:** "UC Irvine's bold new initiative at the intersection of technology, creativity, and ethics. Through interdisciplinary research, industry partnerships, and hands-on tools, it aims to reshape the way stories are told—and who gets to tell them. NarrA.I.tive is storytelling reimaged for the AI age."
- **The Cove @UCI:** "Built to create opportunities for connection, sharing, and growth, it provides the UCI campus and surrounding community an innovative ecosystem with access to resources, tools, exposure, and collaborative partners and advisors."
- **I-CORPS:** "Through I-Corps™ a National Science Foundation (NSF)-funded grant program, our team of experts train innovators to broaden the impact of research projects and develop effective solutions to customer problems."

- **Innovation Advisor network:** “The network includes nearly 200 individuals from diverse backgrounds with experience in varying fields and disciplines who offer their knowledge and expertise at no cost. In addition to holding office hours and one-on-one meetings, these vetted professionals also present at workshops, review grant proposals and Wayfinder incubator applications, serve as competition judges and more.”
- **Proof of Product (PoP):** “Designed to provide industry perspective and critical funding to promising research projects—validating and enhancing their appeal to industry and investors. Researchers are awarded up to \$100,000 in critical funding. Grants are utilized to perform activities that enable pivotal phases of development including customer discovery efforts, feasibility studies, prototype development and more.”
- Individual consulting and workshops for Small Business Innovative Research (SBIR) and Small Business Technology Transfer (STTR) funding.

In addition to Beall Innovation, the Beall legacy at UCI includes the Donald R. and Joan F. Beall Center for Art + Technology. Founded in 2000, the Beall Center’s mission is, in its words, “to support research, exhibitions, and public programs that explore new relationships between the arts, sciences, and engineering, and to promote new forms of creation and expression using digital technologies.”

UCI’s ANTrepneur Center is another relevant program at UCI. In the center’s own words,

“...the UCI ANTrepneur Center serves as a hub where student entrepreneurs, or ‘ANTrepneurs,’ can develop the skills necessary to start, operate, or grow their own businesses. Since its establishment in 2014, the ANTrepneur Center has offered access to resources, events, programs, and services to foster innovative thinking and an entrepreneurial spirit in UCI’s student body.”

UCI’s Paul Merage School of Business offers a Master of Innovation and Entrepreneurship, the only such program in the UC system. According to the UCI website, “the program provides a deep dive into all aspects of the entrepreneurship process, including how to identify new venture opportunities, develop ideas through lean startup methodology, prepare a business plan, assemble a team, raise funds, and launch a new business.”

UCI is not alone in adding education programs focused on innovation and entrepreneurship.

California State University, Fullerton’s Center for Entrepreneurship, which was founded in 2001, offers consulting, the CSUF Startup Incubator, and the Titan Fast Pitch competition. Also, Chapman University is home to the Leatherby Center for Entrepreneurship & Business Ethics. Further, as seen in the chart below, Orange County’s community colleges have also turned their attention towards entrepreneurship education.

Of course, this supply of entrepreneurship education would not exist without demand; these course offerings reflect the entrepreneurial interests of Orange County students.

COURSE OFFERINGS AT OC COLLEGES AND UNIVERSITIES

- **UCI:**
 - Master of Innovation and Entrepreneurship
 - Innovation and Entrepreneurship, Minor
- **CSUF:**
 - Business Administration, Entrepreneurship Concentration, B.A.
- **Chapman:**
 - Business Administration - Entrepreneurship Emphasis
 - Entrepreneurship Minor

COURSE OFFERINGS AT OC COMMUNITY COLLEGES

- **Coastline Community College:**
 - Entrepreneurship and Small Business Management, Certificate of Achievement
 - Entrepreneurship Essentials, Certificate of Specialization
- **Fullerton College:**
 - Entrepreneurship Associate in Science Degree
 - Entrepreneurship Certificate
 - Mobile Applications Entrepreneur Certificate
- **Golden West College:**
 - Entrepreneurship I - Small Business Startup Essentials, Certificate of Achievement
 - Entrepreneurship II - Small Business Ownership and Expansion, Certificate of Achievement
- **Orange Coast College:**
 - Entrepreneurship, Certificate of Specialization
- **Saddleback College:**
 - Entrepreneurship Associate of Science
 - Entrepreneurship Certificate of Achievement
 - Entrepreneurship Occupational Skills Award
- **Santa Ana College:**
 - Entrepreneurship and Innovation Degree
 - Entrepreneurship and Innovation Certificate
 - Freelancer Certificate
- **Santiago Canyon College:**
 - Associate of Science Degree in Entrepreneurship

21ST CENTURY

One key example of Orange County entrepreneurship in the 21st century – and one that has literally transformed filmmaking – is Red Digital Cinema.

Red Digital Cinema founder Jim Jannard was already a star entrepreneur by 2005. Jannard founded Oakley in his garage in 1973 and built the sunglasses company into a global brand; its 1995 IPO raised \$230 million. Jannard pursued his love of and fascination with cameras with his next company, which he founded in Foothill Ranch in 2005.

Aided by a few big-name early adopters, including Peter Jackson and Stephen Soderbergh, Red cameras became a staple of Hollywood, indie, and international film production by the time Jannard retired in 2013.

Movies shot on Red cameras include:

- *The Social Network* (2010)
- *Pirates of the Caribbean: On Stranger Tides* (2011)
- *Super 8* (2011)
- *The Muppets* (2011)
- *The Amazing Spider-Man* (2012)
- *Flight* (2012)
- *The Hobbit trilogy* (2012–2014)
- *The Bling Ring* (2013)
- *Rush* (2013)
- *Cinderella* (2015)
- *Furious 7* (2015)
- *Avengers: Age of Ultron* (2015)
- *Jurassic World* (2015)
- *The Martian* (2015)
- *Spectre* (2015)
- *Star Wars: The Force Awakens* (2015)
- *The Revenant* (2015)
- *Deadpool* (2016)
- *Shin Godzilla* (2016)
- *The Fate of the Furious* (2017)
- *Guardians of the Galaxy Vol. 2* (2017)
- *The Irishman* (2019)

TV series: *Stranger Things*, *Peaky Blinders*, *Mr. Robot*, *The Witcher*, *The Queen's Gambit*, *BBC Planet Earth III*

Rivian represents another key current source of Orange County innovation. Originally founded in Rockledge, Florida, the electric carmaker moved its headquarters to Irvine in 2020. It currently employs approximately 200 workers in Orange County while maintaining manufacturing facilities in Illinois and Georgia.

Rivian's current line includes:

- The R1S, a seven-seat SUV.
- The R1T, a truck.
- The R2, which will launch in 2026.
- The Rivian Commercial Van.

Rivian is not alone in the region; "investment in EV trucks has helped Southern California become an innovation incubator," as Pat Maio writes in a November 2024 *Orange County Register* article. In 2021, Rivian was joined by Garden Grove-based Harbinger Motors, a company that soon began supplying EV cargo truck chassis to companies such as Bimbo Bakeries USA and Mail Management Services.

Anduril Industries represents a fourth major innovative company in 21st century Orange County. Founded in 2017 by Palmer Luckey, Brian Schimpf, and Trae Stephens, the defense contractor quickly became a major player in the drone and autonomous vehicle space.

Currently headquartered in Costa Mesa, Anduril employs nearly 600 workers in Orange County with sales of just over \$450 million which generates regional earnings of approximately \$418 million, supports 3,539 jobs, and creates nearly \$31 million in local, state, and federal taxes.

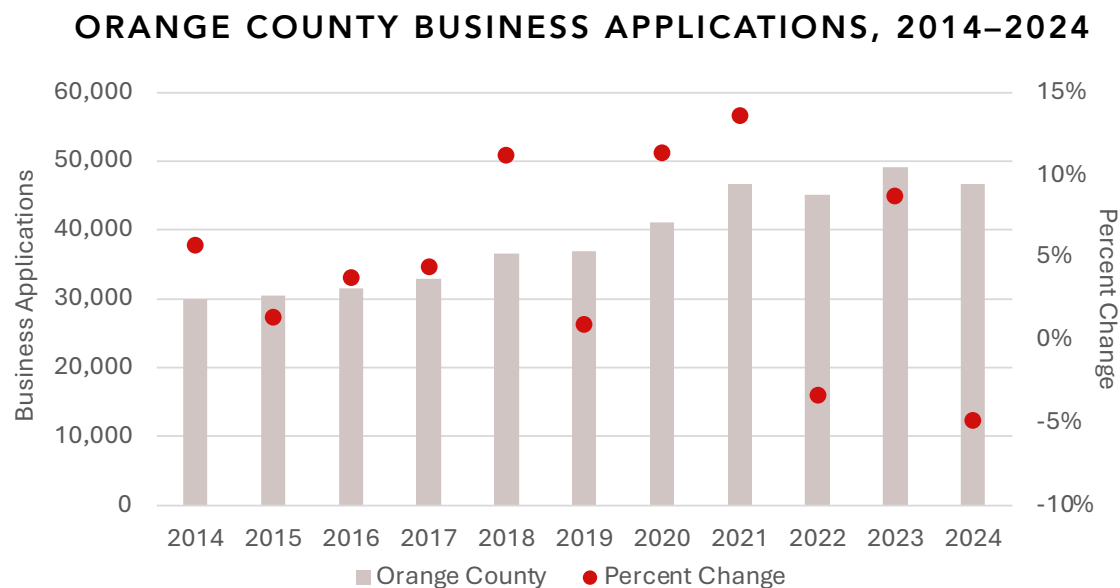
Examples of their innovative products include:

- **Lattice:** “cuts through the noise and creates a shared real-time understanding of the battlespace. It autonomously parses data from thousands of sensors & data sources into an intelligent common operating picture in a single pane of glass.”
- **Force Protection:** “A family of autonomous systems, powered by Lattice, that provides integrated, persistent awareness and security across land, sea and air – all at the tactical edge.”
- **Autonomous Air Systems,** including:
 - **Ghost:** “an expeditionary, quiet, and modular UAS platform that delivers intuitive autonomy at the tactical edge, balancing extended range and multi-payload capacity with an expeditionary footprint.”
 - **Fury:** “Fury is a high-performance, multi-mission group 5 autonomous air vehicle (AAV) enabling trusted and collaborative autonomy for the high-end fight.”
 - **Bolt:** “a modular AAV that delivers a rapid response capability for real-time situational awareness. Advanced onboard AI automates the thousands of manual flight inputs required to effectively track objects of interest, enabling operators to focus on key decision-making over navigation.”
- **Underwater Systems:** “tailor-made for littoral and deep-water survey, inspection & ISR, applicable to a wide range of defense and commercial mission sets.”
- **Solid Rocket Motors:** “With more than 450 acres of production facilities, Anduril can produce thousands of SRMs per year. In addition to traditional composite rocket propellant, Anduril also develops propellants containing ALITEC, a proprietary aluminum-lithium alloy fuel that enhances solid rocket motor performance.”

ORANGE COUNTY START-UP ENVIRONMENT

Despite often burdensome state-level regulations, Orange County remains a startup hotspot, a birthplace for businesses, and a strong environment for business growth. From early-stage startups at UCI's The Cove to cutting-edge defense contracts such as Anduril to established Fortune 500 companies, Orange County's history of innovation and entrepreneurship gets new chapters every day.

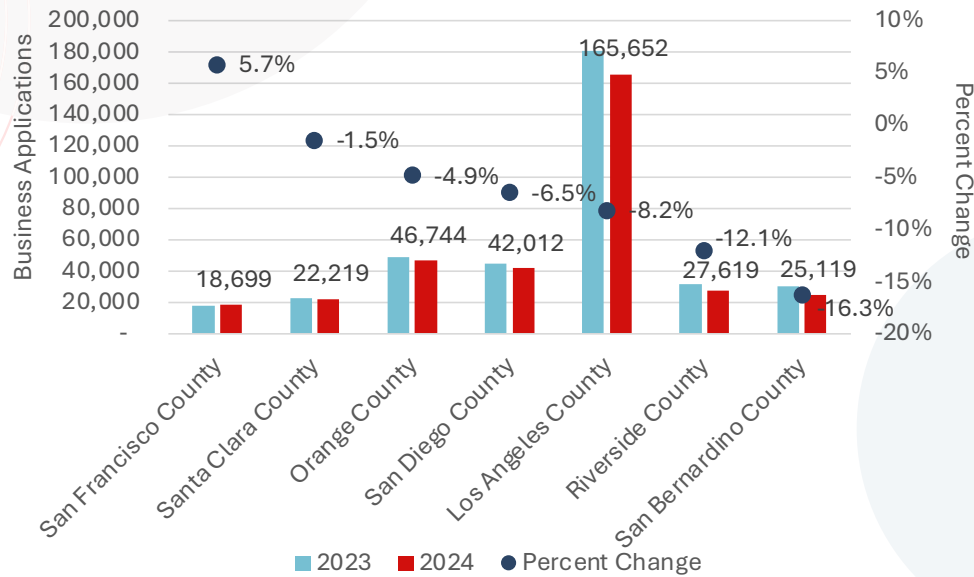
As previously mentioned, Orange County is home to several start-up incubators and accelerators which provide entrepreneurs with a variety of support mechanisms which allow them to focus on successfully nurturing and growing their new or emerging businesses and ideas. Alongside providing a physical location where entrepreneurs can work, these institutions also connect business owners with industry leaders, academics, and other professionals who can provide crucial guidance or answer pertinent questions entrepreneurs may have when navigating sometimes complex business and regulatory environments.



Source: U.S. Census Bureau, Business Formation Statistics, Annual County Data

Annual business applications in Orange County increased from 29,990 in 2014 to 46,774 in 2024, an overall increase of 55.9 percent over the decade. Over the past year, however, annual business applications fell by 4.9 percent, one of only two year-over-year declines over the past decade. The other was from 2021 to 2022 and reflected overall declines in economic activity as a result of the COVID-19 pandemic.

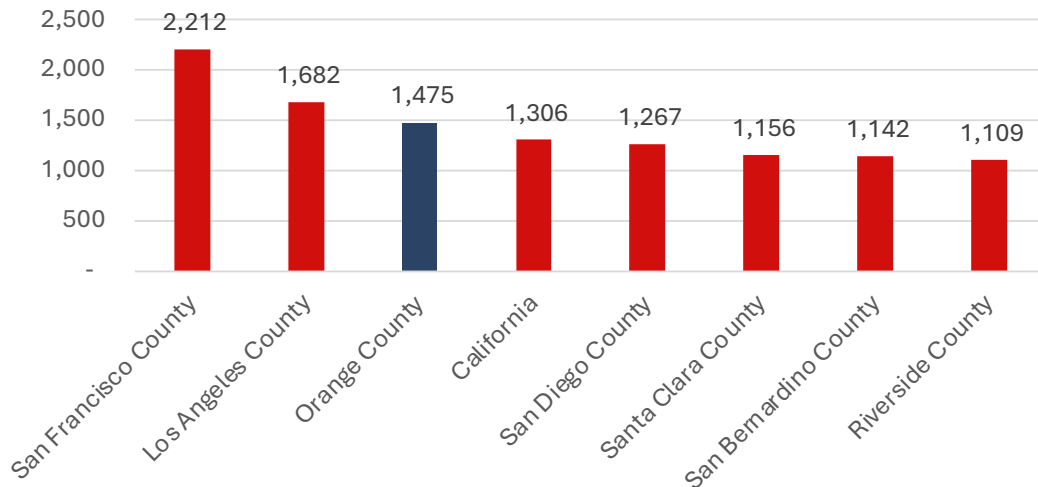
BUSINESS APPLICATIONS BY COUNTY, 2023–2024



Source: U.S. Census Bureau, Business Formation Statistics, Annual County Data

Orange County's business climate is very competitive when compared to its neighbors and peers. Compared to these peers, it had the second largest number of business applications in 2024, at 46,744. In terms of year-over-year growth, Orange County ranked third with business applications dropping by -4.9 percent, behind San Francisco County (+5.7 percent) and Santa Clara County (-1.5 percent).

BUSINESS APPLICATIONS PER 100,000 PEOPLE, 2024



Sources: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021–2025. Sacramento, California, May 2025. U.S. Census Bureau, Business Formation Statistics, Annual County Data.

Looking at per capita business formation, Orange County had the third largest number of business applications per 100,000 residents at 1,475, behind San Francisco County with 2,212 business applications per 100,000 residents and Los Angeles County with 1,682 business applications per 100,000 residents. California had a state average of 1,306 business applications per 100,000 residents, significantly less than in Orange County.

SNAPSHOT OF ORANGE COUNTY'S INNOVATIVE INDUSTRIES

SNAPSHOT OF CURRENT STATE OF INNOVATION IN IRVINE			
	HEALTHCARE INNOVATION	MEDICAL TECHNOLOGIES	ENABLING & CREATIVE TECHNOLOGIES
Sectors	Advanced Diagnostics, Genome Sequencing, Telehealth	Remote Monitoring Tech, Surgical Robotics, Cardiovascular Tech	Artificial Intelligence, Quantum Computing, Gaming/Simulations
Jobs (2023)	21,220	19,424	22,330
Average Wages	\$62,635	\$115,711	\$152,664
Key Local Employers	Hoag, UCI Health, City of Hope, Kaiser Permanente	Edwards Lifesciences, B. Braun, Masimo	Broadcom, Activision Blizzard

Orange County’s strong, supportive business climate allows it to attract and retain key innovative industries that fuel economic growth and overall regional employment. The county supports major industries such as Medical Device, Tourism, Aerospace, Advanced Manufacturing, and Healthcare with a strong, well-educated workforce which is able to fill a broad range of jobs at all skill levels and across a number of industries and specializations.

While these concentrated industries continue to grow and thrive in Orange County, new technological advancements have fueled the rise of new industries such as artificial intelligence (AI) and robotics as well as the clean economy. AI and robotics have seen an explosion in popularity in the past few years with the emergence of large language models (LLMs) such as ChatGPT or xAI’s Grok. Released in 2022 and 2023, these systems and their many competitors have since seen dramatic advances and increasing adoption across the economy. AI assistants, for instance, assist customers and clients in a range of tasks from creating standardized business templates to generalized research to artistic applications such as creating digital graphics.

As these systems continue to evolve and become more integrated into daily activities, they stand to have significant impacts across nearly all industries and economies. While still being evaluated and understood, many studies indicate that increased use of AI is likely to have a large impact on labor markets. According to a recent study by McKinsey Global Institute on *Generative AI and the Future of Work in America*, approximately 30 percent of work hours across the nation could be automated by 2030. Because AI is likely to replace low-skill, low-wage positions first, McKinsey estimates 12 million occupational transitions will be needed by 2030, with lower-wage jobs up to 14 times more likely to need to change occupations compared to the highest-wage positions. These occupational transitions will also necessitate new skills and knowledge training.⁴

The World Economic Forum’s recent *Future of Jobs Report 2025* makes similar predictions, projecting that 40 percent of employers are likely to reduce their workforce in favor of AI and automation.⁵

⁴ <https://www.mckinsey.com/mgi/our-research/generative-ai-and-the-future-of-work-in-america>

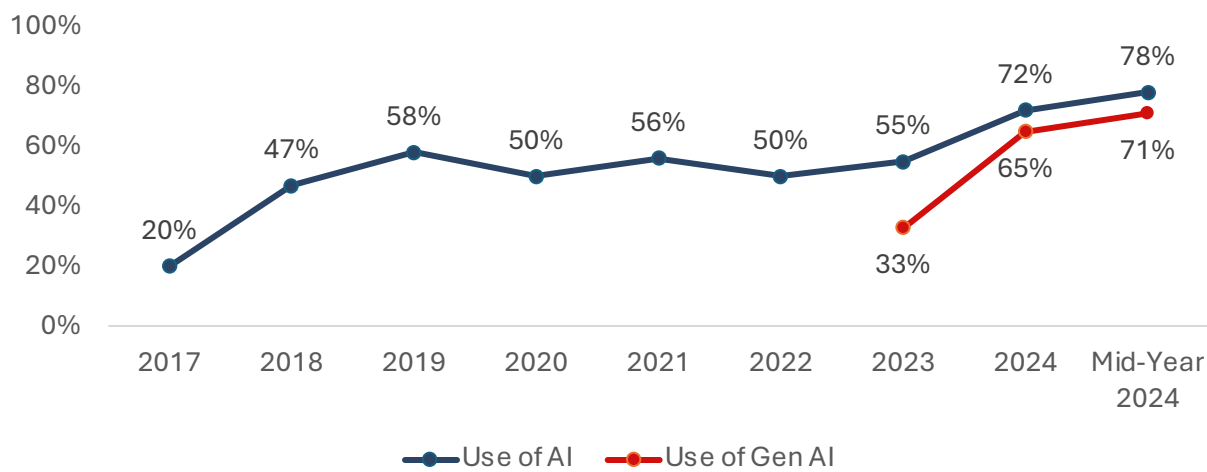
⁵ <https://www.weforum.org/stories/2025/04/ai-jobs-international-workers-day/>

ARTIFICIAL INTELLIGENCE IN ORANGE COUNTY

Orange County presents a dynamic and multifaceted innovation ecosystem characterized by a robust presence across several key industries, a strong academic foundation, a burgeoning startup community, and supportive government initiatives. The county's strengths lie in its well-established MedTech and life sciences sector, a thriving software and information technology industry, a growing emphasis on clean energy and sustainability, a prominent cybersecurity hub, and a rapidly growing Artificial Intelligence sector (AI).

AI has seen a meteoric rise in popularity and adoption in recent years, from the initial rollout of OpenAI's ChatGPT in November 2022, to today, where AI-tools such as Microsoft's CoPilot, Google's Gemini, and an ever-expanding list of other AI chatbots are already integrated into new and existing products and services. These chatbots, also known as large language models (LLMs), assist clients and consumers with tasks like creating content, automation, and summarizing and synthesizing data and information, allowing them to improve overall efficiency and thereby reduce costs. Despite a rather new technology, the prevalence of AI usage continues to rapidly accelerate. According to McKinsey's *Superagency in the Workplace: Empowering People to Unlock AI's Full Potential*, three times more employees are using generative AI tools for a third or more of their work than their superiors think, and within two years, more than 70 percent of surveyed employees believe generative AI will impact over 30 percent of their workload.⁶

ORGANIZATIONS THAT USE AI IN AT LEAST 1 BUSINESS FUNCTION, PERCENT OF RESPONDENTS

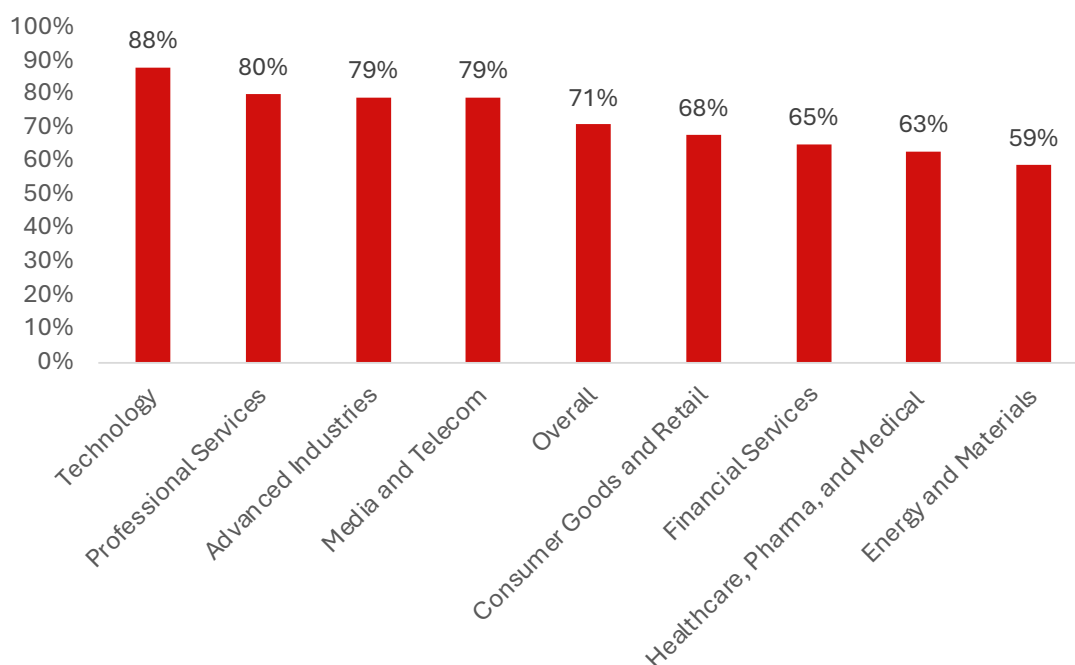


Source: McKinsey, *The State of AI: How Organizations Are Rewiring to Capture Value*

This increased usage of AI is further reinforced by McKinsey's survey indicating that the percent of respondents using AI for at least 1 function has increased from 20 percent in 2017 to 78 percent in July 2024. This is alongside generative AI, which has seen usage more than double from 33 percent in 2023 to 71 percent in July 2024. Generative AI differs from normal AI in that it can create new text, audio, video, or imagery based on existing or available data.

⁶ <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/superagency-in-the-workplace-empowering-people-to-unlock-ais-full-potential-at-work>

USE OF GENERATIVE AI IN AT LEAST 1 BUSINESS FUNCTION BY INDUSTRY, PERCENT OF RESPONDENTS



Source: McKinsey, *The State of AI: How Organizations Are Rewiring to Capture Value*

By industry, as can be expected, organizations in the Technology industry indicated 88 percent use of generative AI in at least 1 function, followed by Professional Services (80 percent) and Advance Industries and Media and Telecom (both 79 percent), further driving home the utilization of AI tools across multiple industries, a pervasiveness that is only expected to increase as new tools become available.

For Orange County businesses and organizations, the adoption and integration of AI tools and services has also been rapidly accelerating. The Orange County United Way's innovative use of AI and predictive analytics to improve services for individuals at risk of homelessness illustrates a growing trend of leveraging this technology in non-profit sectors to enhance efficiency and societal impact. By analyzing patterns in data, the United Way can predict potential care needs and offer preventative resources, leading to substantial cost savings compared to reactive measures. This proactive approach signifies a broader recognition of AI's potential to address complex social issues. Academic institutions like UCI are also playing a crucial role in the AI landscape through initiatives such as the ZotGPT Academy, which aims to upskill faculty and staff in generative AI, and collaborations focused on AI security. These efforts are vital for building AI literacy and addressing potential risks associated with the technology's widespread use. The prominence of AI as a key topic at events like OC Innovation Week further solidifies its central role in Orange County's innovation agenda.

The software and IT sector in Orange County is strong and diverse, encompassing areas such as cybersecurity, fintech, and cloud-based solutions. Now, these sectors are also increasingly leveraging their expertise to help further drive and integrate AI tools into their product and service offerings.

- Ingram Micro, a global leader in technology and supply chain services headquartered in Irvine, has launched its AI-powered Xvantage digital platform, which leverages artificial intelligence and automation to streamline B2B transactions and enhance customer experience.

- CrowdStrike, with a significant presence in Orange County, is at the forefront of innovation in cloud-based and AI-driven threat detection and prevention.
- Orange Logic's recent Concord software update for its digital asset management platform introduces new integrations and features aimed at improving user workflows and efficiency through AI-driven content orchestration.

Cybersecurity has emerged as a critical and rapidly growing sector within Orange County's innovation ecosystem. This growth is fueled not only by the increasing prevalence and sophistication of cyber threats across all industries but also due to the increased digitization of everyday life. As more and more AI systems emerge and are integrated into software products and services, it is imperative that client and consumer data is protected.

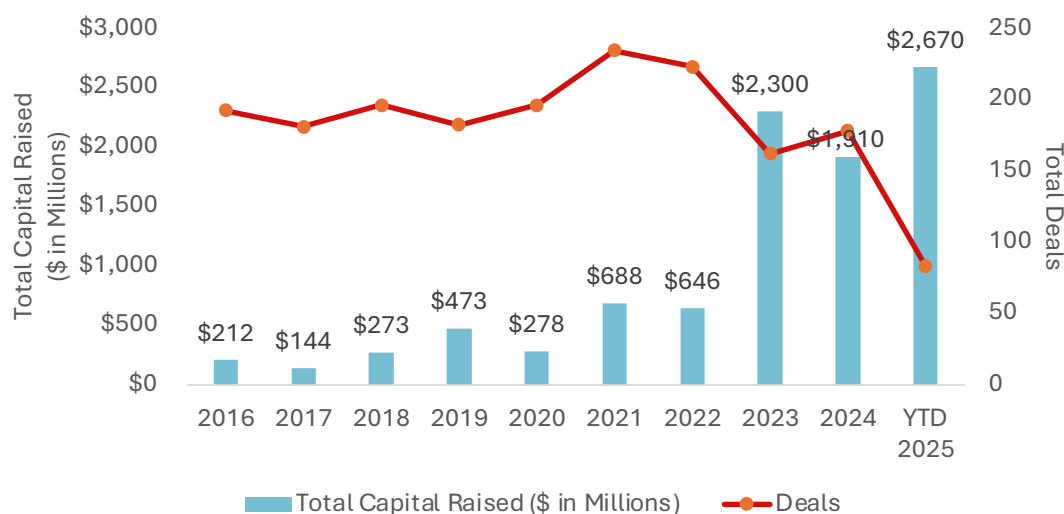
- Cylance is leading the way with AI-powered solutions for threat detection, analysis, and prevention.
- Advanced Networks has recently enhanced its cybersecurity offerings for businesses in Orange County, focusing on real-time threat monitoring, ransomware protection, and regulatory compliance.
- Several other companies, including Technijian, CyberTrust IT Solutions, and TechMD, provide a range of cybersecurity services, highlighting the depth of expertise in this area within the county.

VENTURE CAPITAL FUNDING SNAPSHOT

Total venture capital spending in Orange County has been steadily increasing over time, moving from \$1.2 billion in total capital raised in 2016 to \$3.3 billion in total capital raised so far in 2025. Total venture capital in Orange County peaked in 2021 with \$7.8 billion in total capital raised, yet this was largely attributable to two major investments into Rivian which totaled close to \$5.2 billion. Since 2016, as highlighted in this section, prioritized funding industries and verticals have also shifted – from Business/Productivity Software and Technology/Media/Telecom (TMT) to Aerospace/Defense and AI/Machine Learning.

Despite seeing investments as far back as 2016, AI/Machine Learning saw significantly higher investments starting in 2023, following the rollout of large language models such as ChatGPT in late 2022.

TOTAL VENTURE CAPITAL INVESTMENT INTO ARTIFICIAL INTELLIGENCE / MACHINE LEARNING IN ORANGE COUNTY, 2016 – YTD 2025



Overall, total venture capital investments in Orange County companies specializing in AI/Machine Learning increased from \$212 million in 2016 to nearly \$2.7 billion thus far in 2025, an increase of over 1,100 percent. Even comparing YTD 2025 to full year 2024, venture capital AI/Machine Learning investments in Orange County have increased by 40 percent – largely supported by a recent significant investment into Anduril Industries. Despite this significant increase in capital raised, the total number of deals has steadily declined since 2021. Totaling 192 in 2016, the total number of venture capital AI/Machine Learning deals peaked in 2021 at 234, before falling to 178 in 2024 and further to 83, thus far in 2025. Companies specializing in AI/Machine Learning which have seen the most venture capital raised so far this year include:

- FieldAI, which raised \$100.1 million, is developing an AI technology designed to unlock the full potential of robots in real-world environments. Currently located in Mission Viejo and backed by Embark Ventures, Nvidia, Khosla Ventures, and others.
- Cover Whale, which raised \$83 million in July 2025, is developing an online commercial auto insurance platform with a focus on individual truckers and small fleets. Currently located in Rancho Santa Margarita and backed by Ambac Financial Group, Howden Tiger, and Morgan Stanley.
- Cicero, which raised \$66.5 million in May 2025, is developing an AI platform tailored to fit the needs of corporate legal departments. Located in San Juan Capistrano and backed by B3 Capital, Everywhere Ventures, and North Equity.

Alongside a healthy venture capital and start-up environment which helps to drive innovation for small and mid-sized companies, Orange County is home to numerous successful companies that have demonstrated a strong track record of innovation and have had a significant impact on their respective industries. This helps to highlight how AI is not only impacting or disrupting new companies or industries but also established organizations who have long track records in the region.

- First American Financial, located in Santa Ana, is leading the digital transformation of the real estate transaction industry through its innovative use of AI and machine learning.
- Broadcom, headquartered in Irvine, is a major innovator in semiconductors and infrastructure software, playing a key role in areas like AI hardware and networking.
- Anduril Industries, with a presence in Orange County, is rapidly innovating in the defense technology sector, developing AI-powered systems for various applications.





LOOKING FORWARD

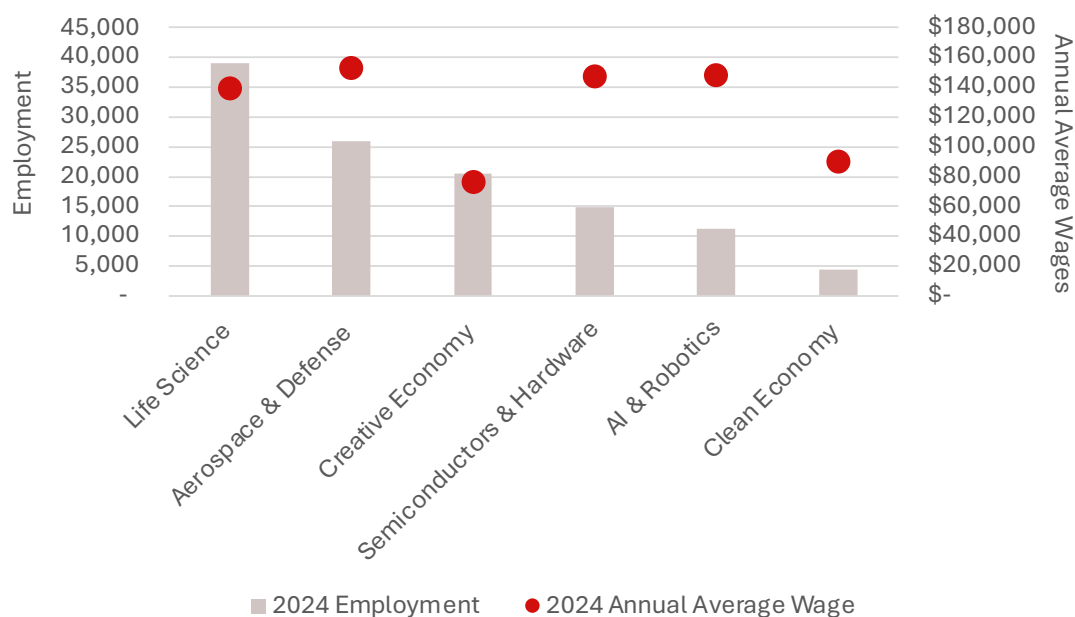
Orange County, while possessing a strong innovation ecosystem, faces certain challenges in fostering further growth for new and emerging technologies such as AI. One significant challenge is capital access for startups, with a considerable portion of funding required by these ventures originating from outside the region. This reliance on external capital can potentially hinder the growth and long-term sustainability of local startups. Alongside attracting investments, Orange County and the broader state of California also face regulatory challenges, especially in the AI environment. With Governor of California Gavin Newsom's recent release of *The California Report on Frontier AI Policy*, a report which stresses the importance of 'transparency-focused regulations' and makes the case for implementing AI regulations sooner than later, companies in the state may see additional regulatory hurdles which moderate the pace of growth and expansion.

Another challenge lies in the need for increased collaboration within the innovation ecosystem. As highlighted by Octane's CEO, fragmented efforts and competition among various entities can limit the collective impact on the region's innovation output. Addressing the skills gap in the IT sector, particularly in high-demand areas like cybersecurity and AI, is also crucial for supporting the growth of technology companies in Orange County. The high cost of living and the lack of affordable housing in the region pose a potential challenge to attracting and retaining the skilled talent necessary for driving innovation. Finally, Orange County faces competition from other well-established innovation hubs, requiring a concerted effort to build a stronger global recognition for its unique strengths and capabilities.

Despite these challenges, AI and Machine Learning (ML) are expected to continue their rapid expansion across various sectors in Orange County, transforming industries from healthcare to finance and cybersecurity. Digital health will likely see further advancements in areas like telehealth, remote patient monitoring, and AI-driven diagnostics, improving healthcare accessibility and outcomes. Clean energy and sustainable technologies, including solar, wind, and the burgeoning field of hydrogen energy led by UCI, are poised for significant growth, driven by environmental concerns and policy initiatives. Cybersecurity will remain a critical area of innovation, with continued development of AI-powered threat detection and prevention solutions to combat increasingly sophisticated cyberattacks. Smart infrastructure, space technology, fintech, and virtual and augmented reality (VR/AR) also present significant opportunities for future innovation and growth within the region. Increased investment in AI and ML startups and research will likely continue or even accelerate recent funding trends.

OC Innovation Week, a partnership of Orange County Business Council, Octane, and UC Irvine, is establishing itself as a globally recognized brand, which significantly enhances Orange County's reputation as a leading destination for innovation, attracting international talent, investment, and business opportunities.

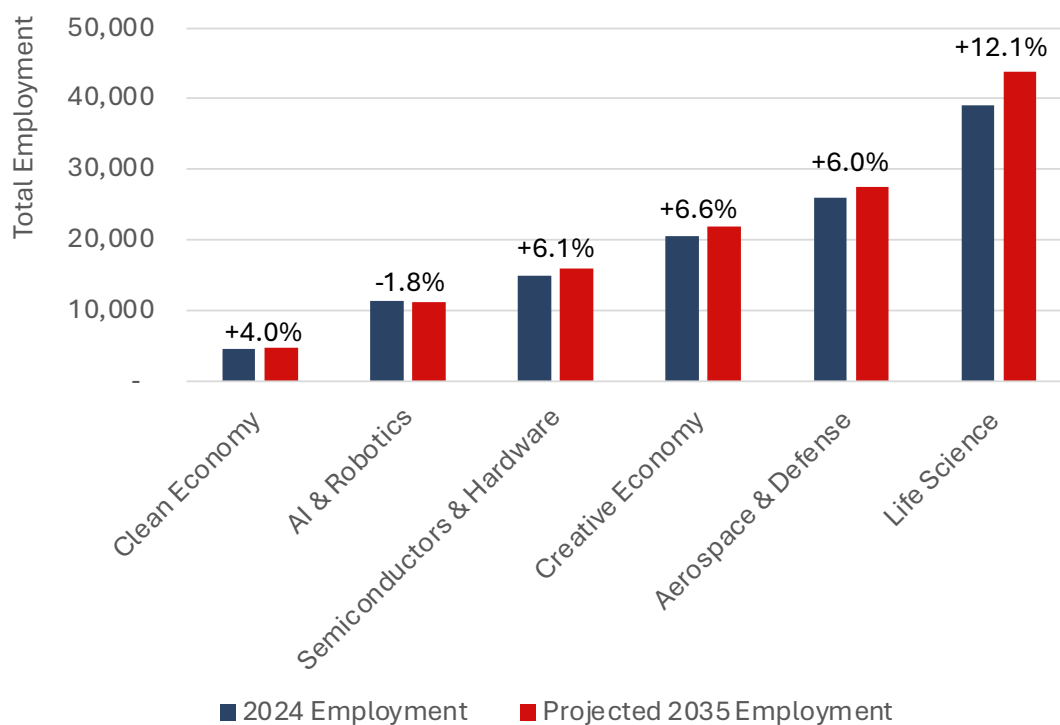
INNOVATIVE INDUSTRY EMPLOYMENT AND AVERAGE ANNUAL SALARIES IN ORANGE COUNTY, 2024



Source: Orange County Business Council Analysis of Lightcast Data

In 2024, Orange County's largest innovation industries included Life Sciences with 39,029 jobs followed by Aerospace & Defense with 25,915 jobs and the Creative Economy with 20,596 jobs. Looking at average annual wages, Aerospace & Defense led the pack at \$153,083, followed by AI & Robotics at \$148,028 and Semiconductors and Hardware at \$147,415.

KEY INNOVATION INDUSTRY PROJECTED EMPLOYMENT GROWTH, 2024–2035

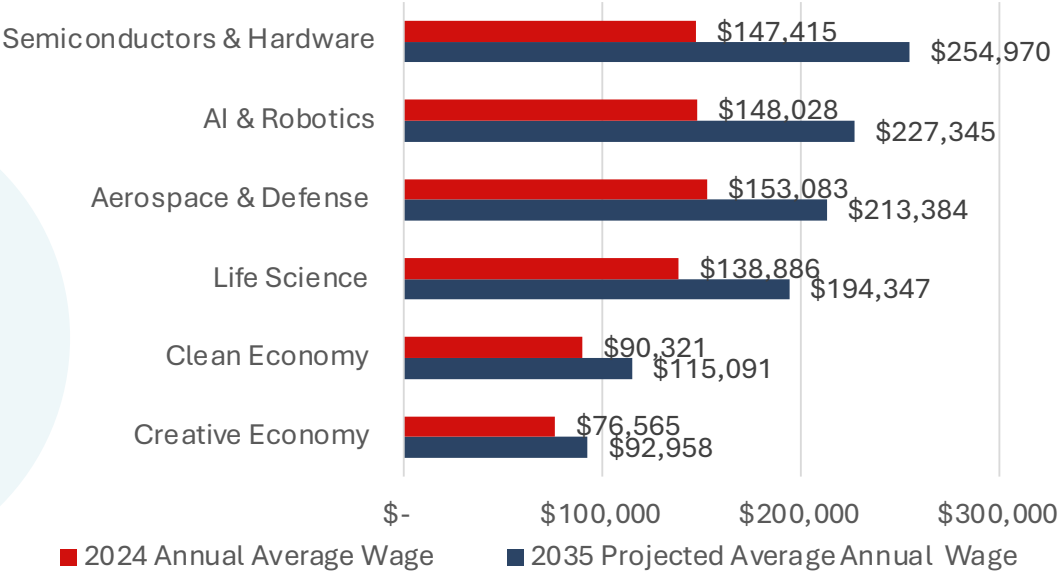


Source: Orange County Business Council Analysis of Lightcast Data

Looking over the next decade, Orange County’s already well-established Life Science industry is likely to see the most employment growth, expanding by 12.1 percent, followed by the Creative Economy (+6.6 percent) and Aerospace & Defense (+6.0 percent). Only one sector, AI & Robotics, is expected to decline by 2035, falling by 1.8 percent.

As both regional and state-level populations continue to age, Orange County will likely see a corresponding increase in demand for healthcare services which will help to further drive the Life Science sector. Global geopolitical instability and the realities of 21st century drone warfare will likely lead to significant growth in the Aerospace & Defense sector.

KEY INNOVATION INDUSTRY PROJECTED AVERAGE ANNUAL WAGES, 2024–2035

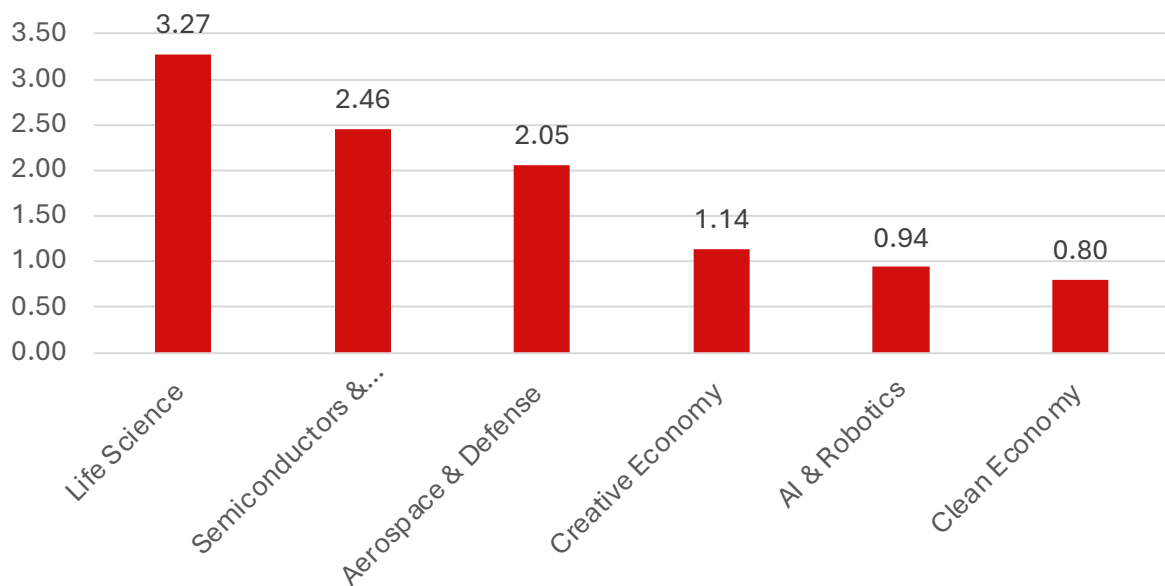


Source: Orange County Business Council Analysis of Lightcast Data

Alongside rising employment, these key innovative sectors are also likely to see rising wage growth as they continue to grow and evolve. Orange County’s Semiconductors & Hardware sector is projected to see the most significant wage growth, rising by 73 percent from 2024 to 2035, followed by AI & Robotics (+53.6 percent) and Aerospace & Defense (+39.4 percent).



LOCATION QUOTIENTS FOR KEY INNOVATION INDUSTRIES IN ORANGE COUNTY, 2024



Source: Orange County Business Council Analysis of Lightcast Data

Location quotients provide an illustration of an industry's concentration in a specific area by comparing its employment to the national average; a location quotient of 2, for instance, indicates an industry two times as concentrated in that area as in the nation as a whole. Orange County's long-standing Life Sciences sector had the highest location quotient (3.27) among the county's innovative industries, followed by Semiconductors & Hardware (2.46) and Aerospace & Defense (2.05).

A HISTORICAL LOOK AT ORANGE COUNTY'S AEROSPACE AND DEFENSE INDUSTRY

On November 7th, 2023, one of the two Tustin blimp hangars caught fire, sending up a plume of smoke visible for miles in every direction. As one of the largest wood structures ever built, it quickly became an inferno and then a total loss. There is now only one gigantic Tustin blimp hangar, and the U.S. Navy has spent more than \$100 million removing hundreds of tons of debris from the site where its twin once stood.

The two Tustin hangars – part of the former Marine Corps Air Station Tustin – are only the largest and most noticeable signs of how defense and aerospace have transformed Orange County, shaping its physical and economic landscape. Several key Orange County locations are on the sites of former World War II military bases or other sites:

- The Tustin hangars were built in 1943 at Santa Ana Naval Air Station to house observation blimps. The base was closed in 1949, then later reopened as the Santa Ana Marine Corps Air Facility and renamed the Marine Corps Air Station Tustin. It closed for good in 1999, and its record-breaking hangar(s) are listed on the National Register of Historic Places.
- John Wayne Airport opened as Orange County Airport in 1939 on land adjacent to Martin Field. The new airport became Santa Ana Army Airfield, part of Santa Ana Army Air Base, in 1942 and operated as a military airfield during World War II. It resumed operation as a civilian airport in 1946 and was officially returned to the County of Orange in 1948.
- Orange Coast College, the Orange County Fairgrounds, and Vanguard University also stand on land that was once part of Santa Ana Army Air Base, which was closed in 1946 and transferred to the newly incorporated city of Costa Mesa in 1955.
- Crystal Cove State Park includes what was once Abalone Point Fire Control Site No. 14; the site was returned to the Irvine Company in 1948 with the structure itself demolished in 1950.

Orange County's military history and aerospace and defense industries did not begin with World War II. On September 13th, 1935, for instance, the legendary Howard Hughes personally flew the Hughes H-1 to a new world speed record of 352 miles per hour; Hughes took off from Santa Ana's Martin Field and landed in a beet field south of the city. More than a decade earlier, aviation pioneer Eddie Martin had opened that field as Orange County's very first airfield; he also founded Martin Aviation in 1923 and the Santa Ana Air Club (later the Eddie Martin Pilot's Association).

World War II transformed Orange County, as discussed above, turning it into a defense industry hotbed and fueling its rapid postwar growth. While the immediate postwar years saw the decommission of military bases and a general demilitarization of the county, civilian aerospace and defense contractors quickly moved in.

To quote a PBS SoCal article,

At the height of the Cold War, Orange County's aerospace and electronics firms employed 31,000 workers. The interstate highways that brought so many residents to Orange County were also initially a Cold War project, designed by the Defense Department in 1955 to disperse population in case of nuclear attacks. Those highways and military-industrial jobs helped Orange County's population balloon nearly fourfold from 113,760 in 1940 to 703,925 in 1960.

In the 1960s and 1970s, Orange County played a key role in the space race. Apollo 11's second and third stage boosters were built, respectively, by North American Rockwell in Seal Beach and McDonnell Douglas in Huntington Beach. Four years later, McDonnell Douglas' Huntington Beach facility converted a Saturn V rocket into Skylab, the very first American space station. Skylab launched in May 1973 and was occupied by astronauts for 171 days during three missions that set new records for time spent by human beings in space.⁷

In 1977, the Rockwell Collins (formerly North American Rockwell, later Boeing) facility played a key role in another groundbreaking historic first: it built the satellites used in the first GPS system. Orange County's connection to outer space and to NASA continued through the 1980s and 1990s, when local aerospace companies manufactured various space shuttle parts.

The county's defense and aerospace boom ended with the fall of the Soviet Union and the end of the Cold War in 1991. Thousands of local employees were laid off during a period of massive industry consolidation that ended in a big three of Boeing-McDonnell Douglas, Lockheed Martin, and Raytheon-Hughes.

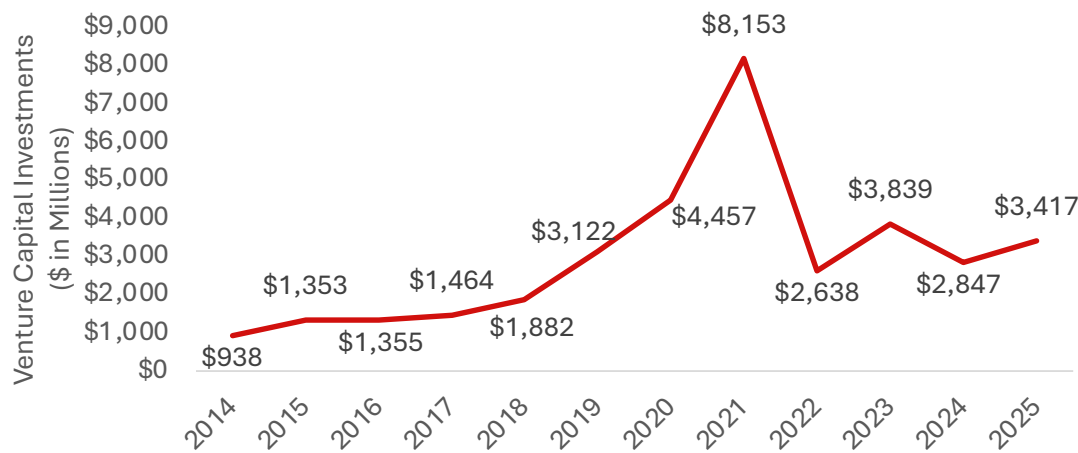
Decades later, Orange County is home to a new generation of innovative defense industry contractors currently continuing this rich history.

⁷ <https://www.pbssocal.org/shows/blue-sky-metropolis/the-history-and-revival-of-southern-californias-aerospace-industry>

ORANGE COUNTY VENTURE CAPITAL INVESTMENT LANDSCAPE

Apart from the global economic downturn during and after the COVID-19 pandemic, Orange County has seen a long-term trend of venture capital investment growth, a result of its strong business climate, thriving industry clusters, and entrepreneurial population.

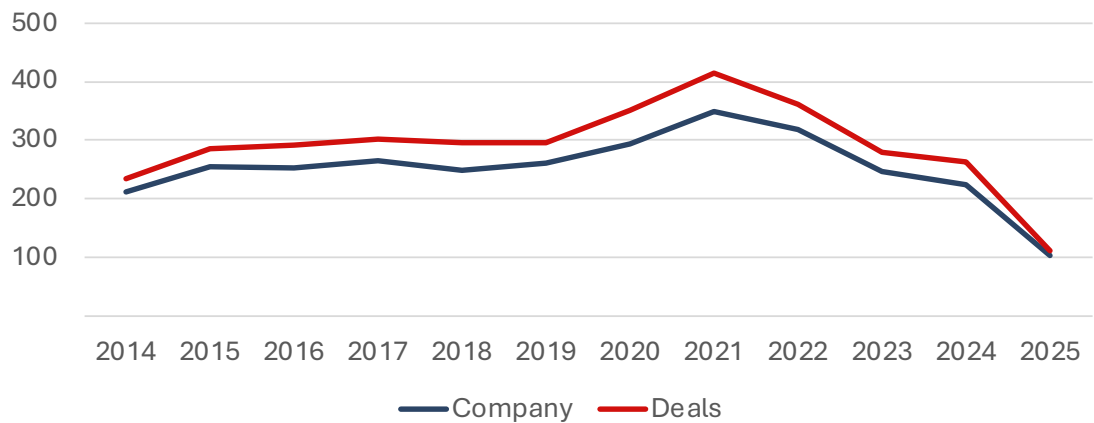
ORANGE COUNTY VENTURE CAPITAL INVESTMENTS, 2014 – YTD 2025



Source: Pitchbook

Orange County has received \$3.4 billion in venture capital investment thus far in 2025. It has already exceeded 2024’s total of \$2.8 billion by 20 percent; venture capital investment has increased by an annual average of 23.0 percent since 2014. Despite the increase in total venture capital investment, Orange County’s median company valuation decreased from \$38.3 million in 2024 to an estimated \$34 million in 2025.

ORANGE COUNTY VENTURE CAPITAL DEALS AND COMPANIES, 2014 – YTD 2025



Source: Pitchbook

Despite rising total venture capital investments, the number of deals and companies who have seen deals have experienced a general decline after peaking in 2021, when 350 companies made 415 deals. In 2025 so far, 247 venture capital investors have made 111 deals with 104 companies in Orange County. This compares to 262 deals with 504 investors into 223 companies in 2024.

Overall, total venture capital deals have declined by 58 percent since 2014 while the number of companies who have seen deals declined by 53.8 percent. Since 2014, deals have declined by an annual average of 0.5 percent while the number of companies with deals declined by an annual average of 1.0 percent.

This decline in the number of deals but increase in deal size is underscored by companies such as Anduril Industries, a defense technology company specializing in drones and autonomous systems, which raised \$2.5 billion in June 2025 at a \$30.5 billion valuation.⁸ Recognized as one of the new, leading-edge military technology and defense companies, Anduril has boosted the Aerospace & Defense industry while providing lucrative occupations to Orange County residents.

MAJOR ORANGE COUNTY VENTURE CAPITAL DEALS

Rivian – Located in Irvine. Developer of electric vehicles as well as software and services with verticals including autonomous cars, climate tech, clean tech, and mobility tech. Formerly a VC-backed company that received \$1 billion in Private Investment in Public Equity (PIPE) financing in June 2025.

Anduril Industries – Located in Costa Mesa. Developer of defense technologies which leverages virtual reality, augmented reality, computer vision, sensor fusion, optics, and automation for use in a variety of systems including unmanned and autonomous drone systems. Received \$2.5 billion in financing in early June 2025.

Mach Industries – Located in Huntington Beach. Developer of robotics and drones which received \$100 million in June 2025.

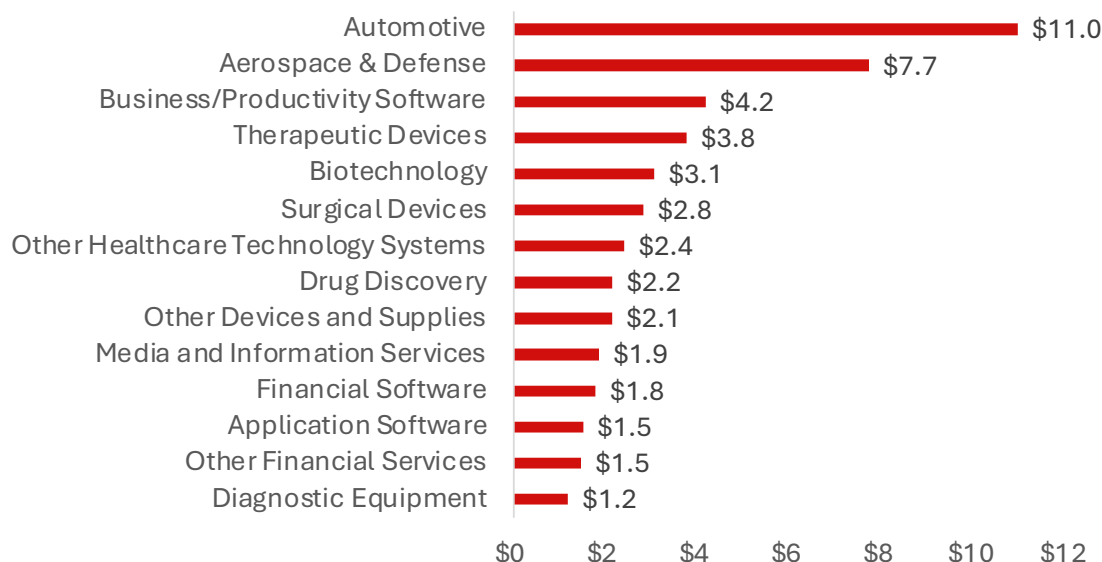
SpyGlass Pharma – Located in Aliso Viejo. Developer of pharmaceutical and healthcare products designed for the development and distribution of generic medicines and pharmaceutical ingredients. Recently received \$75 million.

TOCA Football – Located in Costa Mesa. Operator of soccer games which develops comprehensive training solutions and systems to help players improve their skills and techniques. Received \$135 million in late May 2025.

Source: Pitchbook

⁸ <https://www.cnn.com/2025/06/05/anduril-valuation-founders-fund.html>

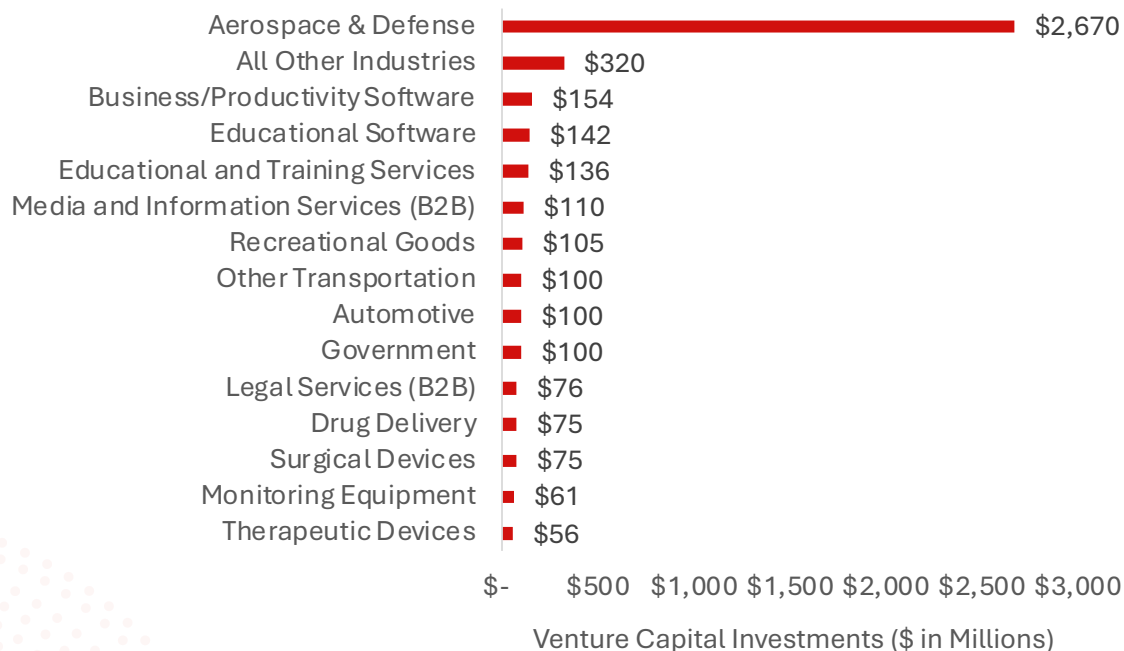
TOTAL ORANGE COUNTY VENTURE CAPITAL INVESTMENTS BY INDUSTRY, 2016 – YTD 2025



Source: Pitchbook

Overall, the Automotive industry has seen the most venture capital investment in Orange County with a total of \$11 billion, followed by Aerospace & Defense with \$7.7 billion and Business Software with \$4.2 billion.

ORANGE COUNTY VENTURE CAPITAL INVESTMENTS BY INDUSTRY, YTD 2025



Source: Pitchbook; YTD 2025 measured from 01/01/2025 to 07/31/2025

Thus far in 2025, venture capital investments in Orange County have focused on Aerospace & Defense, which saw nearly \$2.7 billion in investment, followed by Business Software at \$154 million and Educational Software at \$142 million.

VENTURE CAPITAL INVESTMENTS BY INDUSTRY					
	2023		2024		YTD 2025
Aerospace & Defense	\$2,120	Aerospace & Defense	\$1,510	Aerospace & Defense	\$2,670
Biotechnology	\$428	Business Software	\$275	Business Software	\$154
Environmental Services (B2B)	\$280	General Purpose Semiconductors	\$191	Educational Software	\$142
Other Commercial Products	\$274	Other Semiconductors	\$190	Educational and Training Services	\$136
Other Healthcare Technology Systems	\$261	Media and Information Services (B2B)	\$187	Media and Information Services (B2B)	\$110
Business Software	\$238	Therapeutic Devices	\$143	Recreational Goods	\$105
Therapeutic Devices	\$225	Other Devices and Supplies	\$141	Government	\$100
Drug Delivery	\$201	Entertainment Software	\$112	Automotive	\$100
Drug Discovery	\$156	Other Transportation	\$112	Other Transportation	\$100
Surgical Devices	\$143	Automotive	\$103	Legal Services (B2B)	\$76
Other Devices and Supplies	\$121	Financial Software	\$102	Surgical Devices	\$75
Entertainment Software	\$111	Recreational Goods	\$95	Drug Delivery	\$75
Pharmaceuticals	\$107	Other Healthcare Technology Systems	\$89	Monitoring Equipment	\$61
Other Hardware	\$106	Surgical Devices	\$85	Therapeutic Devices	\$56
All Other Industries	\$927	All Other Industries	\$808	All Other Industries	\$320

Source: Pitchbook; YTD 2025 measured from 01/01/2025 to 07/31/2025

Over the past few years, the top industries for venture capital investments have shifted slightly in Orange County. Aerospace & Defense saw venture capital investments decline 28.8 percent from 2023 to 2024 before rocketing back by 76.8 percent from 2024 to YTD 2025. At the same time, Business Software, the industry with the second highest venture capital investments in both 2024 and YTD 2025, saw venture capital investments increase by 15.2 percent from 2023 to 2024 followed by a decline of 43.9 percent from 2024 to YTD 2025.

Biotechnology, which received the second highest venture capital investments in 2023 at \$428 million, would not even be within the top 15 industries in 2024 and YTD 2025 despite significant concentration in Orange County. Other industries which were not in the top 15 in 2023 or 2024 but rose to popularity in 2025 include Educational Software with \$142 million in venture capital investments in YTD 2025, Educational Training and Services with \$136 million, and Monitoring Equipment with \$61 million.

NEW VENTURE CAPITAL FUNDED COMPANIES TO WATCH

Vivere – Located in Laguna Beach. Developer of specialty insurance platform which combines insurance expertise with data science and AI to anticipate and respond to risks. Raised \$7.45 million in April 2025.

Cascade Space – Located in Huntington Beach. Developer of spacecraft communication and design platform intended for missions beyond low Earth orbit. Raised \$900,000 in 2025.

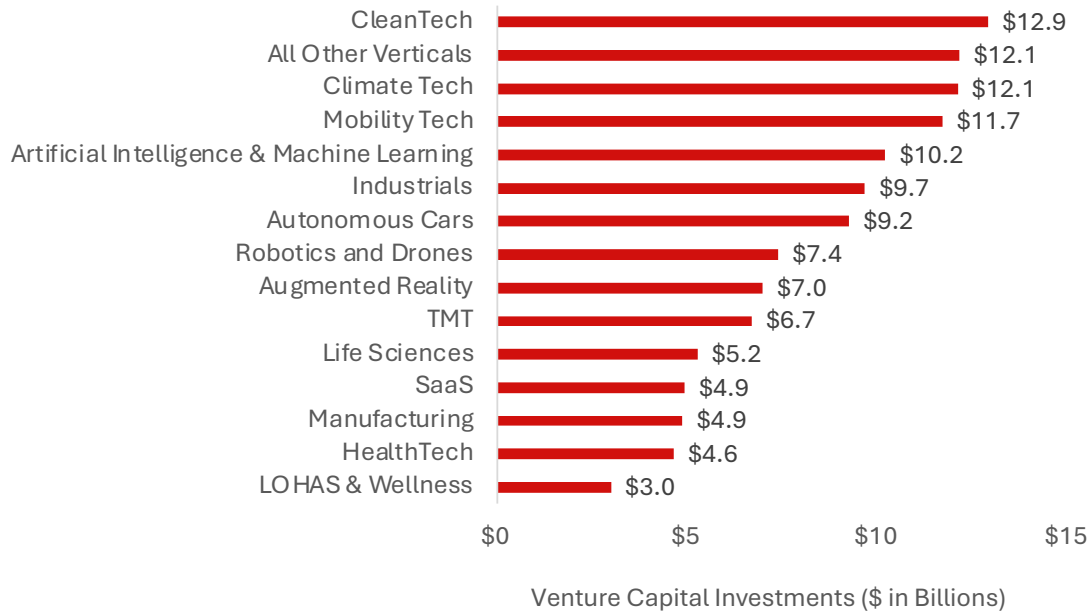
StarQuiz – Located in Irvine. Developer of an AI-powered assessment platform designed to support formative learning and instructional improvement. Raised \$20,000 in May 2025.

Fairground Entertainment – Located in Laguna Beach. Operator of studio and streaming platform intended to redefine how entertainment is created and delivered. Company offers generative AI-driven content creation, IP adaptations, and distribution infrastructure. Raised \$4 million in May 2025.

Chrt – Located in San Clemente. Developer of courier and freight management software designed for optimization, tracking, and digital invoicing purposes. Raised \$500,000 in December 2024.

Source: Pitchbook

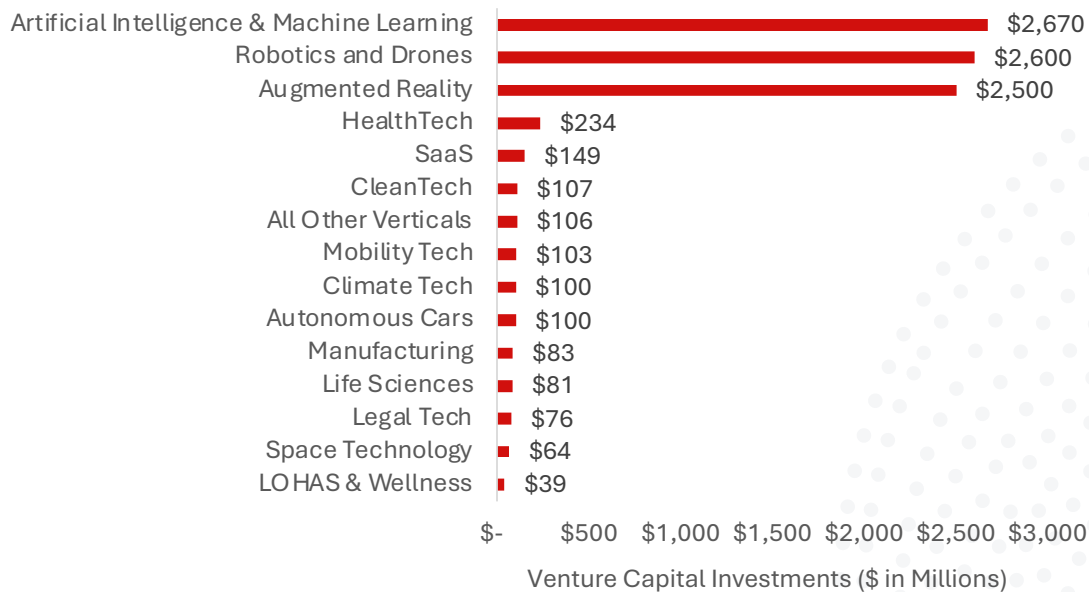
TOTAL ORANGE COUNTY VENTURE CAPITAL INVESTMENTS BY VERTICAL, 2016 – YTD 2025



Source: Pitchbook

Orange County investments by verticals help highlight the most in-demand sectors for venture capital investments. CleanTech has so far seen the most investments with \$12.9 billion, followed by Climate Tech with \$12.1 billion and Mobility Tech with \$11.7 billion.

ORANGE COUNTY VENTURE CAPITAL INVESTMENTS BY VERTICAL, YTD 2025



Source: Pitchbook; YTD 2025 measured from 01/01/2025 to 07/31/2025

Thus far in 2025, Orange County verticals with the most venture capital investments include Artificial Intelligence & Machine Learning with \$2.62 billion, followed by Robotics and Drones with \$2.6 billion and Augmented Reality with \$2.5 billion. These investments reflect recent trends, especially the integration of AI into everyday products and services as well as shifting trends for automation, robotics, and civilian and military drones.

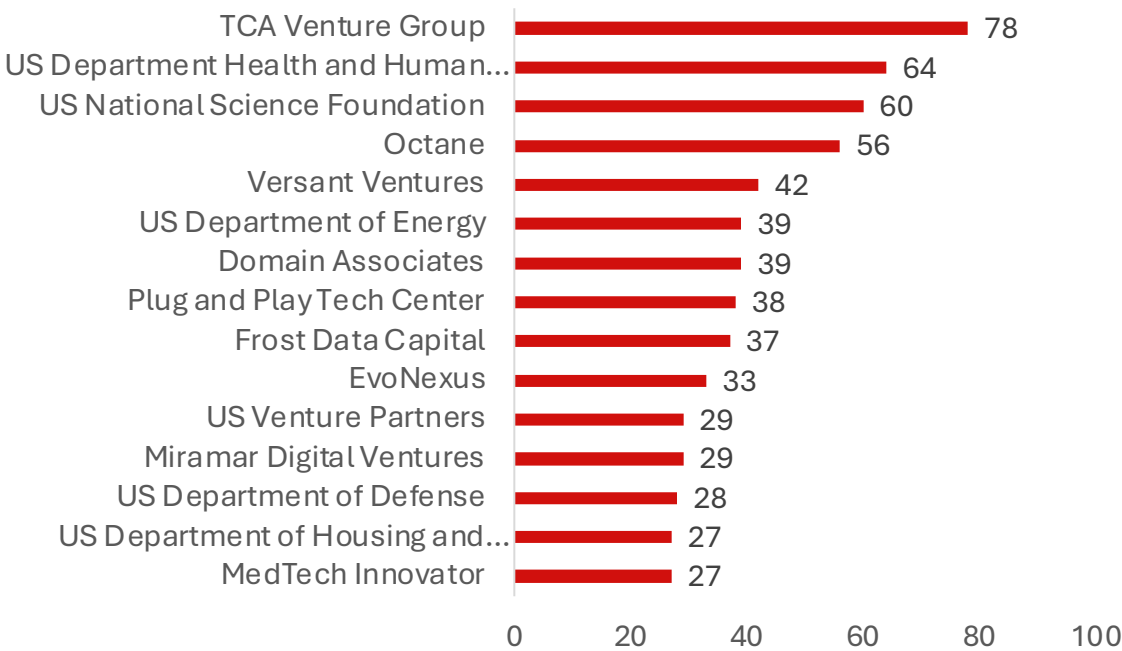
VENTURE CAPITAL INVESTMENTS BY VERTICALS					
	2023		2024		YTD 2025
Artificial Intelligence & Machine Learning	\$2,320	Artificial Intelligence & Machine Learning	\$1,910	Artificial Intelligence & Machine Learning	\$2,620
Robotics and Drones	\$2,200	Augmented Reality	\$1,530	Robotics and Drones	\$2,600
Augmented Reality	\$2,010	Robotics and Drones	\$1,500	Augmented Reality	\$2,500
HealthTech	\$422	HealthTech	\$278	HealthTech	\$234
Life Sciences	\$393	SaaS	\$241	SaaS	\$149
CleanTech	\$347	Life Sciences	\$172	CleanTech	\$107
Climate Tech	\$276	FinTech	\$161	Mobility Tech	\$103
LOHAS & Wellness	\$175	Gaming	\$157	Autonomous Cars	\$100
Manufacturing	\$150	CleanTech	\$131	Climate Tech	\$100
Oncology	\$113	Manufacturing	\$121	Manufacturing	\$83
Gaming	\$111	Climate Tech	\$102	Life Sciences	\$81
SaaS	\$89	Mobile	\$101	Legal Tech	\$76
Big Data	\$56	Mobility Tech	\$98	Space Technology	\$64
FinTech	\$53	Autonomous Cars	\$96	LOHAS & Wellness	\$39
All Other Verticals	\$380	All Other Verticals	\$434	All Other Verticals	\$106

Source: Pitchbook; YTD 2025 measured from 01/01/2025 to 07/31/2025

Orange County verticals have seen more consistent venture capital investments than when measured by industry, with AI & Machine Learning, Robotics and Drones, and Augmented Reality holding the top three spots since 2023. While verticals such as Oncology, Gaming, and Big Data have been overtaken by verticals such as Mobility Tech, Autonomous Cars, and Space Technology, the top verticals continue to see strong venture capital investments.

Three key innovative sectors (AI & Machine Learning, Robotics and Drones, and Augmented Reality) saw declines between 2023 and 2024 before rebounding between 2024 and YTD 2025. AI & Machine Learning venture capital investments fell by 17.7 percent from 2023 to 2024 before surging by 37.2 percent from 2024 to YTD 2025. Robotics and Drones declined by 31.8 percent before rising by 73.3 percent, while Augmented Reality fell by 23.9 percent before rebounding by 63.4 percent.

**TOP VENTURE CAPITAL INVESTORS IN ORANGE COUNTY
BY TOTAL DEAL COUNT**



Source: Pitchbook

Excluding federal sources, the most active investors in Orange County companies include TCA Venture Group with 78 deals, Octane with 56 deals, and Versant Ventures with 42 deals.



RECENT ORANGE COUNTY VENTURE CAPITAL DEALS

Auriga – Located in Garden Grove. Developer of an electromagnetic space launch system intended to offer benefits over conventional systems; recently raised \$6 million on July 15, 2025.

Neuros Medical – Located in Aliso Viejo. Developer of neuromodulation technology designed to develop proprietary therapies for patients; recently raised \$56 million on July 9, 2025.

Cloudbreak Pharmaceutical – Located in Irvine. Cloud-driven clinical-stage ophthalmology biotechnology company which develops novel and differentiated treatments; recently raised \$78 million on July 3, 2025.

Bright Uro – Located in Irvine. Developer of wireless, catheter-free, urodynamic monitoring system designed to improve diagnosis and management of lower urinary tract system; recently raised \$46 million on July 2, 2025.

GrowthBook – Located in Anaheim. Developer of an A/B testing platform designed to help companies make smart data-driven decisions and foster culture of experimentation; recently raised \$23 million on July 1, 2025.

Source: Pitchbook

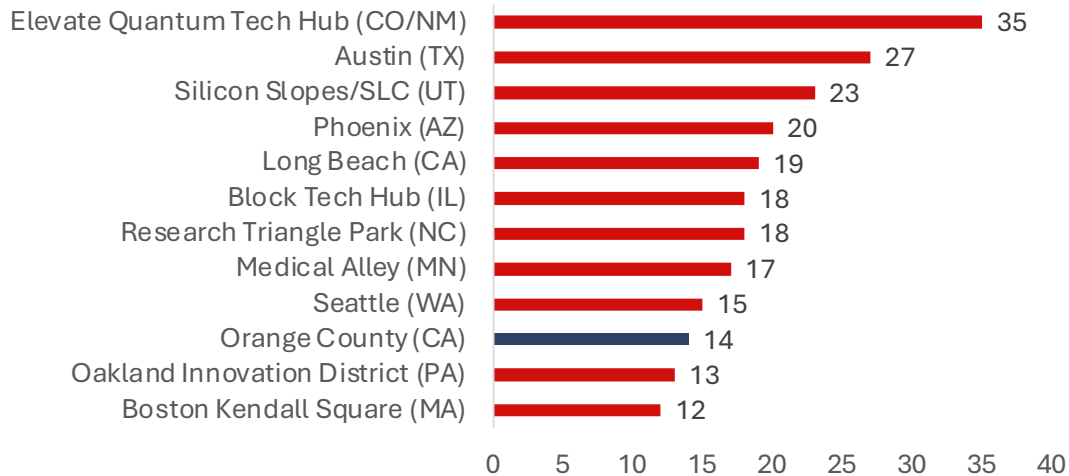
ORANGE COUNTY PEER INNOVATIVE SUPPORT REGIONAL COMPARISON

As new technologies and business processes disrupt existing industries (and create new ones), regions with established specializations and other competitive advantages can become hotspots of innovation and economic activity. These hotspots can range from industries concentrated in specific cities, such as Hollywood in Los Angeles or medical device manufacturing in Orange County, to large regional innovation hubs such as North Carolina's Research Triangle (includes Wake, Durham, and Orange counties) and Elevate's Quantum Tech Hub (includes Colorado and New Mexico).

At any size, these regions drive innovation and economic growth, creating high-wage jobs with positive effects on the rest of the local economy. Local governments need to support these growth industries, such as by creating a more business-friendly regulatory environment.

Orange County, for instance, remains a hotspot despite burdensome state-level regulations and high taxes; county entrepreneurs have found ways to navigate through these challenges and make the county a prime destination for businesses and investors.

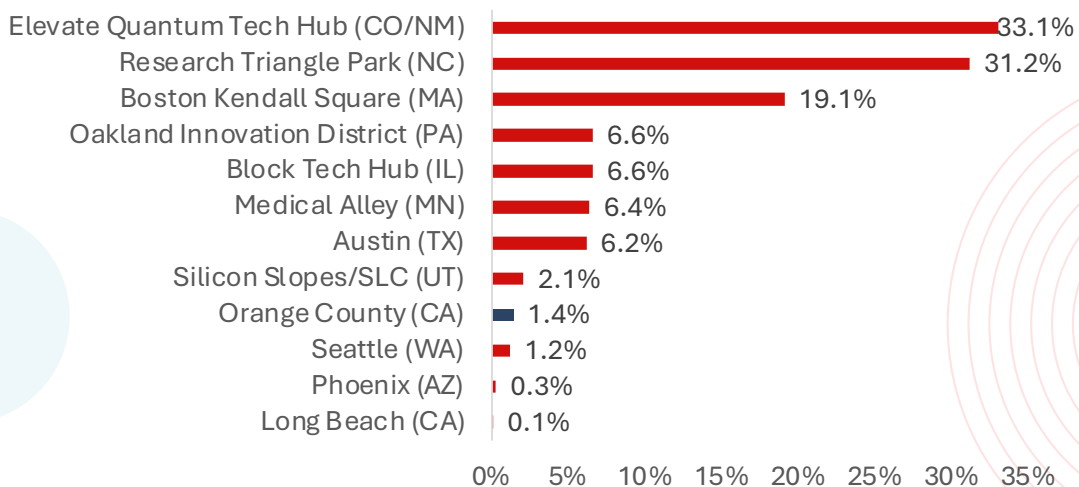
NEW BUSINESS FORMATIONS PER 1,000 RESIDENTS



Source: US Census Bureau, Business Formation Statistics (2022). US Census Bureau, Annual Population Estimates, State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

As seen in the chart above, Orange County had 14 new business formations per 1,000 residents, which puts it in the company of other economic hotspots. Orange County had more new business formations per capita than Pennsylvania's Oakland Innovation District (13) and Boston's Kendall Square (12) and slightly fewer than in Seattle (15) or Minnesota's Medical Alley (17).

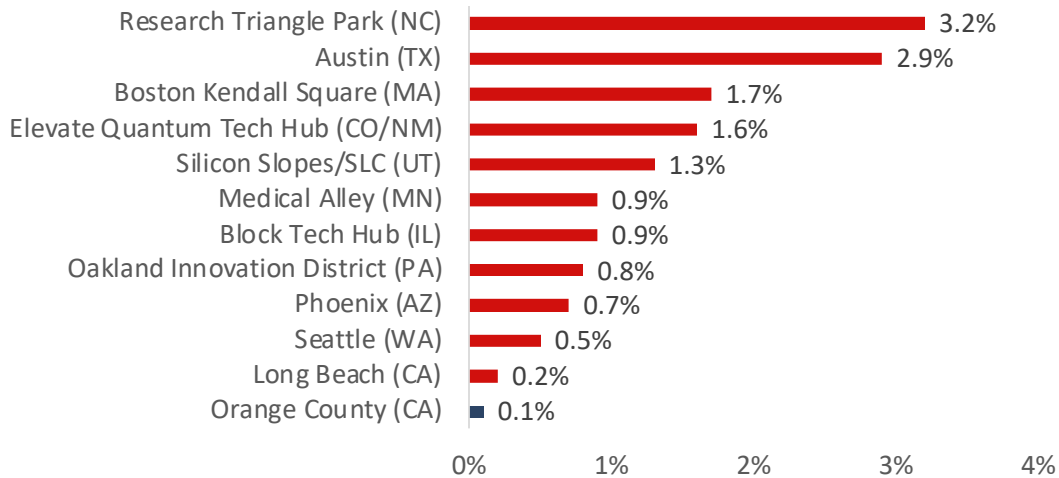
VENTURE CAPITAL SPENDING AS A PERCENT OF TOTAL REGIONAL GDP



Source: Bureau of Economic Analysis, Gross Domestic Product: All Industries (2022), Crunchbase Venture Capital Spending, Pitchbook

Orange County's gross regional product was \$348 billion in 2024. However, venture capital investment accounted for a very small percentage of it, just 1.4 percent. While the figure is higher than some peer regions, such as Phoenix (0.3 percent) and Long Beach (0.1 percent), it's well below other hotspots such as Elevate's Quantum Tech Hub in Colorado and New Mexico (33.1 percent) and Research Triangle Park (31.2 percent).

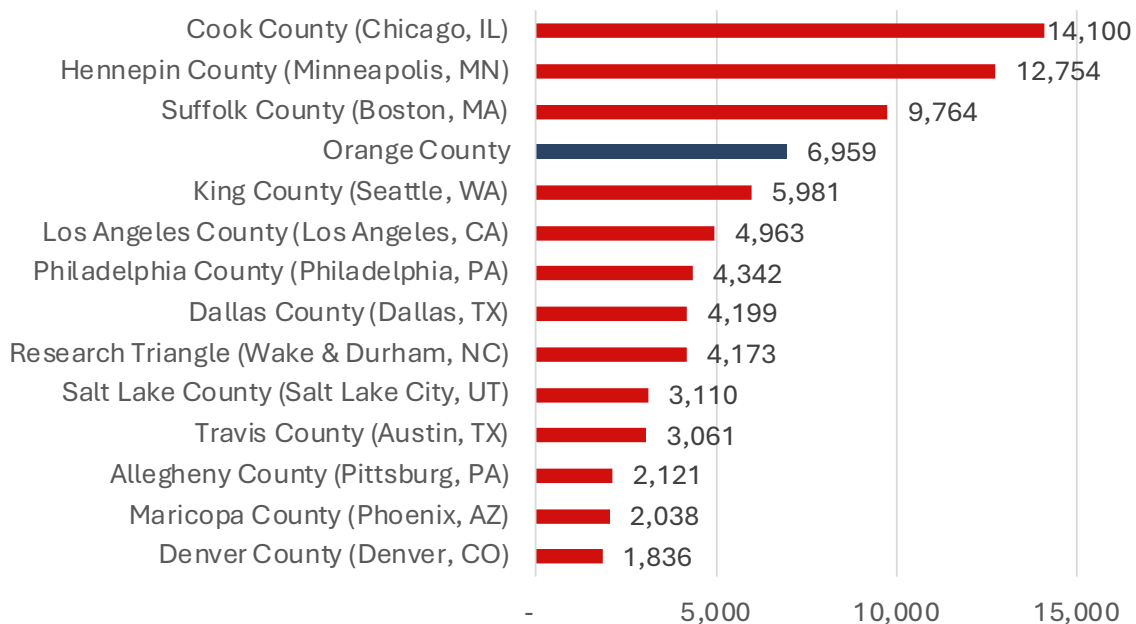
FEDERAL R&D SPENDING AS A PERCENT OF REGIONAL GDP



Source: USASpending.gov Federal Expenditure Obligations, Bureau of Economic Analysis, Gross Domestic Product: All Industries (2022).
Orange County Business Council analysis of Lightcast data.

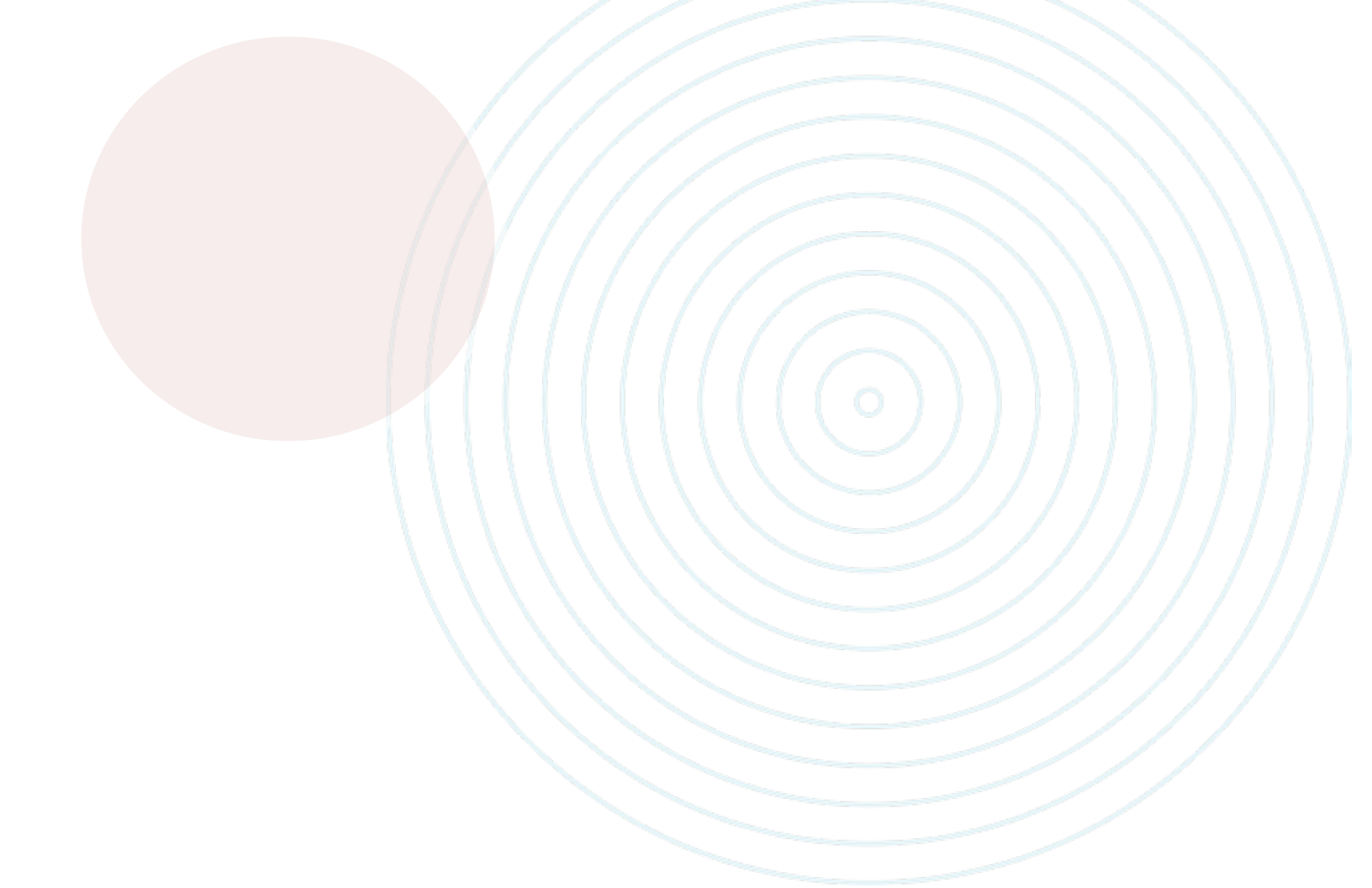
Orange County also has a significantly lower proportion of federal R&D spending compared to its peers. Federal R&D spending accounted for only 0.1 percent of gross regional product, less than in any other measured region and significantly less than leaders like North Carolina's Research Triangle Park (3.2 percent), Austin (2.9 percent), and Boston's Kendall Square (1.7 percent).

ORANGE COUNTY AND PEER REGION NEW PATENT ASSIGNMENTS, 2023

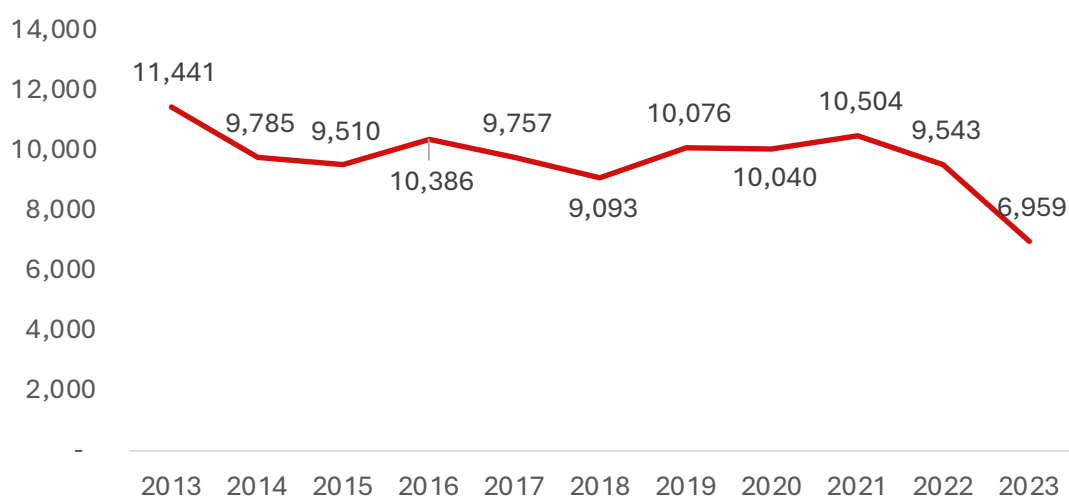


Source: Federal Reserve Bank of St. Louis; U.S. Patent and Trademark Office.

Looking at new patent assignments, Orange County's innovative history continued in 2023 with 6,959 patent assignments, fourth among peer regions behind Cook County (14,100 patent assignments), Hennepin County (12,754 patent assignments), and Suffolk County (9,764 patent assignments).



ORANGE COUNTY NEW PATENT ASSIGNMENTS, 2013–2023



Source: Federal Reserve Bank of St. Louis; U.S. Patent and Trademark Office.

From 2013 to 2022, patent assignments in Orange County remained fairly stable, averaging 10,014 per year before seeing a large decline to 6,959 patent assignments in 2023. From 2022 to 2023, annual patent assignments fell by 2,584 patents or 27.0 percent.

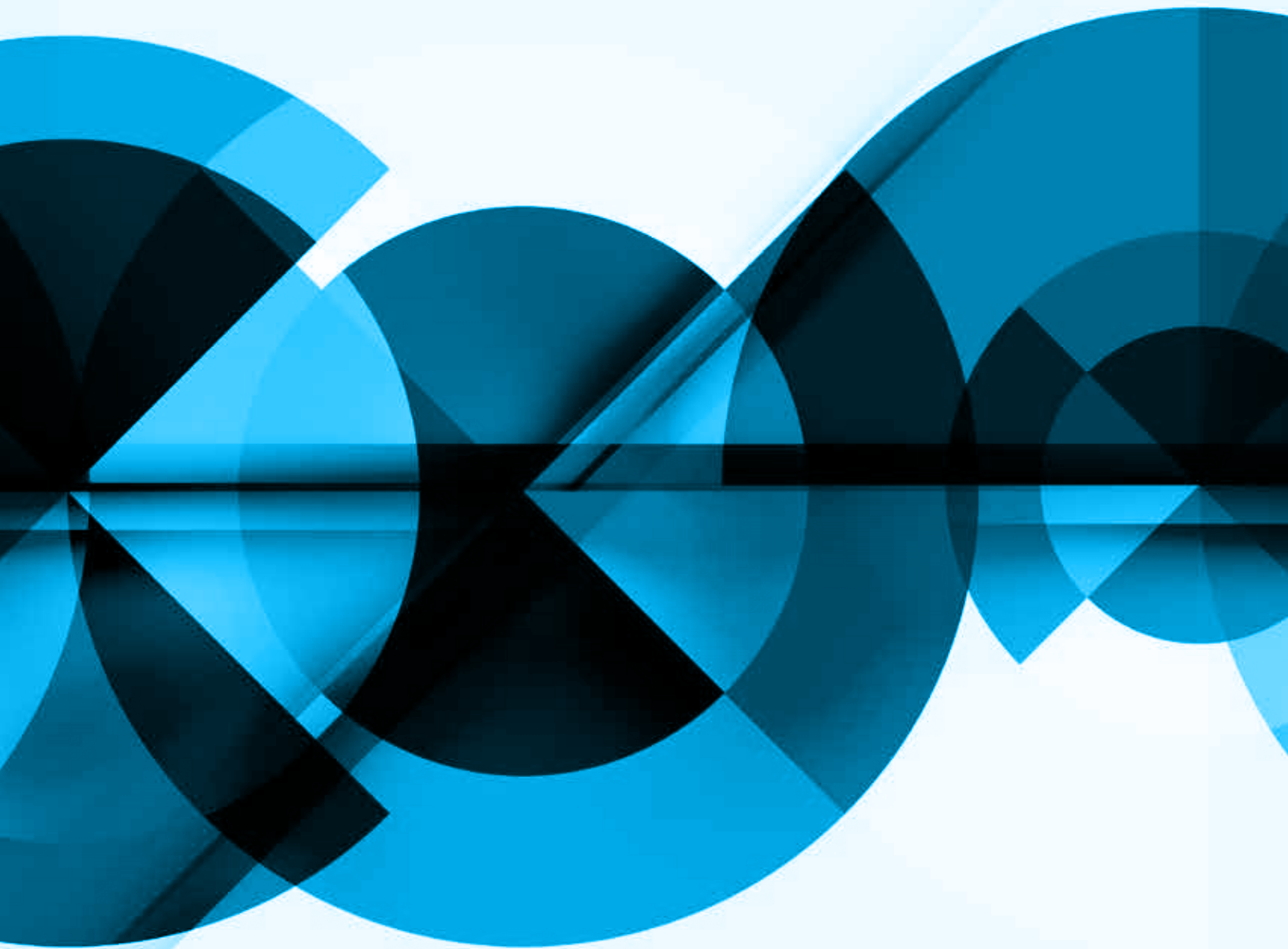
CONCLUSION

Orange County's innovation ecosystem is characterized by a strong foundation of diverse industries, world-class universities, and a dynamic startup community, all contributing to a vibrant environment for technological advancement. Key innovation themes, including the pervasive adoption of AI, the modernization of public services through technology, a strong focus on health and well-being, a collaborative ecosystem, and a growing commitment to sustainability and clean energy, highlight the region's multifaceted approach to innovation. While challenges such as access to capital and the high cost of living need to be addressed, Orange County possesses significant opportunities to leverage its strengths and foster further innovation in emerging technologies like AI, digital health, and clean energy. With ongoing collaborations, supportive government initiatives, and a clear vision for the future, Orange County is well-positioned to continue its trajectory as a leading force in innovation, making significant contributions on regional, national, and global scales.

Multiple factors make Orange County an economic engine for Southern California: competitive advantages including strong, established industry clusters, new cutting-edge growth industries, concentrated industry clusters, and a well-educated population. It has a rich history of innovation and entrepreneurship in industries such as aerospace and defense, medical devices, tourism, and healthcare. It has world-class research institutions as well as incubators and accelerators to support startups. And, most importantly, it has a rich history of entrepreneurs that have innovated for more than a century and continue to do so.

Moving forward, as new technologies emerge capable of disrupting existing industries or creating completely new ones, it is imperative that the region continue to foster an entrepreneurial environment to ensure it remains at the leading edge. Home to highly innovative companies such as Anduril Industries and Rivian Automotive, maintaining the region's primary competitive advantages such as its well-educated, knowledgeable labor force will become increasingly important in the continued attraction and retention of both innovative startups and established companies.

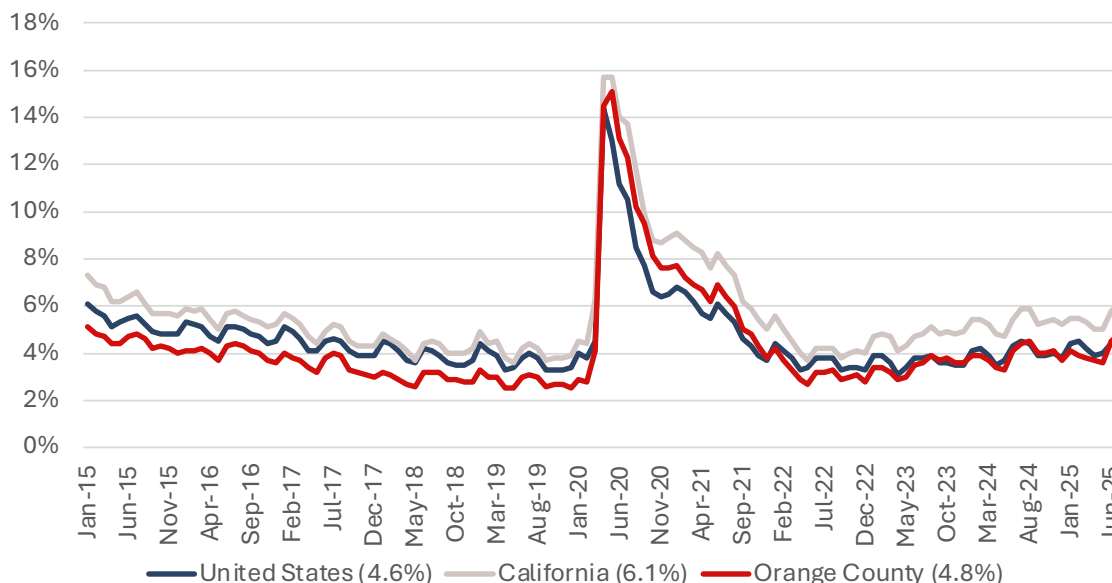
ECONOMY



EMPLOYMENT

OC UNEMPLOYMENT RATE BELOW STATE AVERAGE, ABOVE NATIONAL AVERAGE

UNEMPLOYMENT RATE IN ORANGE COUNTY, CALIFORNIA, AND UNITED STATES, 2015 – JULY 2025



Source: California Employment Development Department, Bureau of Labor Statistics

Orange County's unemployment rate was 4.8 percent in July 2025. This was lower than the state average of 6.1 percent but slightly above the national average of 4.6 percent. County unemployment generally followed national trends over the past year, rising from 3.3 percent in May 2024 to 4.5 percent in August 2024 and from 3.6 percent in May 2025 to 4.8 percent in July. These fluctuations are likely the result of shifting economic, regulatory, and trade policies at the federal level, which have pushed businesses across the economy to adapt.

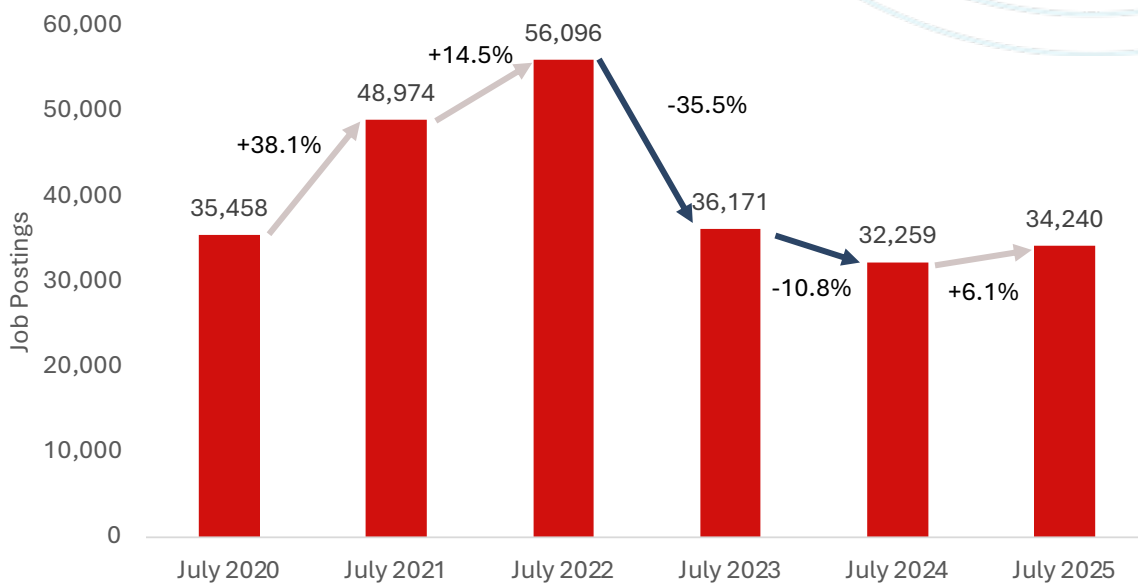
Orange County's increase in unemployment from June 2025 to July 2025 (+0.3 percentage points) matched the state (+0.3) yet was above national (+0.2) averages. Total county unemployment rose from 73,500 to 78,200 individuals, an increase of 6.4 percent; the county's labor force increased 0.4 percent, from 1,637,700 to 1,644,500 workers.

The Education and Health Services sector saw the largest job growth between July 2024 and July 2025, adding 16,400 jobs. Government saw the second largest job growth (+3,100), followed by Other Services (+800). All other industry sectors lost jobs, with Professional and Business Services (-5,100), Construction (-3,000), and Leisure and Hospitality (-2,100) experiencing the largest declines.

Overall, total nonfarm employment in Orange County increased by 4,500 or 0.3 percent from July 2024 to July 2025, reaching a total of 1,688,800. Unemployment increased from 72,000 to 78,200, an 8.6 percent jump, and the civilian labor force increased slightly from 1,632,900 to 1,644,500, an increase of 0.7 percent. Despite recent unemployment trends, Orange County's labor market remains the strongest in Southern California and will continue to help drive both regional employment and economic activity.

MID-YEAR JOB POSTINGS SEE SMALL REBOUND IN 2025

TOTAL JOB POSTINGS IN ORANGE COUNTY, JULY 2020 – JULY 2025



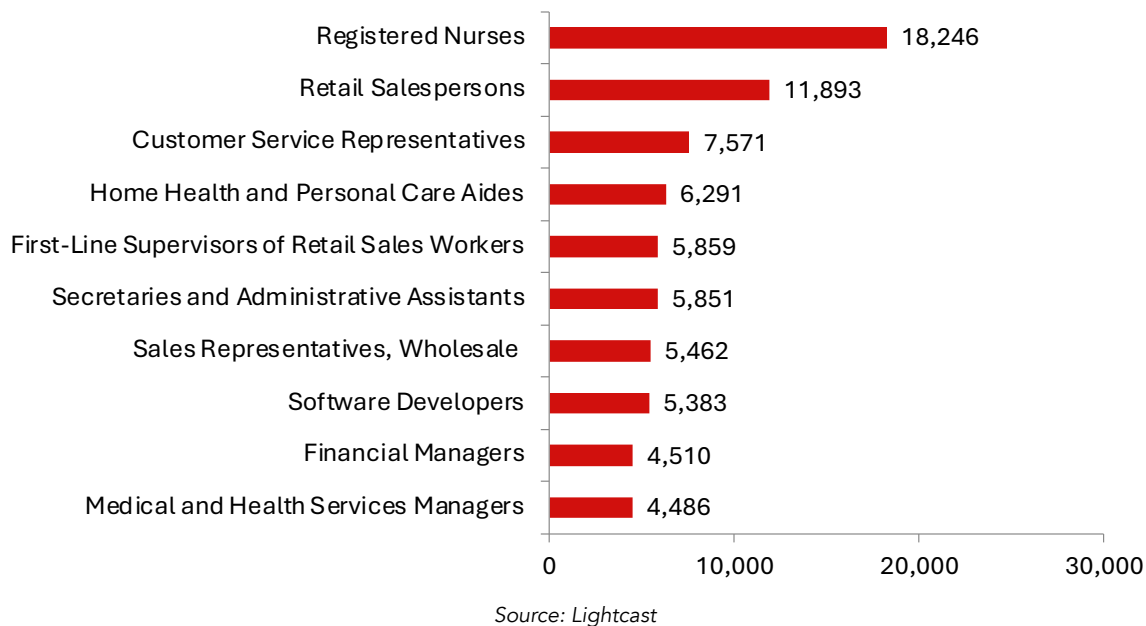
Source: Lightcast

After experiencing declining activity from July 2022 to July 2024, Orange County job postings have since increased 6.1 percent. Posts offered a median salary of \$60,200 and lasted for an average of 26 days. More than half (52 percent) of job postings had no listed educational requirements, with 21 percent requiring a high school diploma or GED, 6 percent requiring an associate's degree, 25 percent requiring a bachelor's degree, 8 percent requiring a master's degree, and 3 percent requiring a Ph.D. or professional degree.

The University of California, Irvine had 5,272 unique job postings between July 2024 and July 2025, more than any other county employer. Second place Providence had 3,894 postings, while third place Aerotek had 3,106 postings. Irvine employers had the most unique job postings at 84,422, followed by Anaheim with 37,034 job postings and Santa Ana with 32,753 job postings.

REGISTERED NURSES, RETAIL SALESPERSONS, AND CUSTOMER SERVICE REPS MOST IN-DEMAND OCCUPATIONS

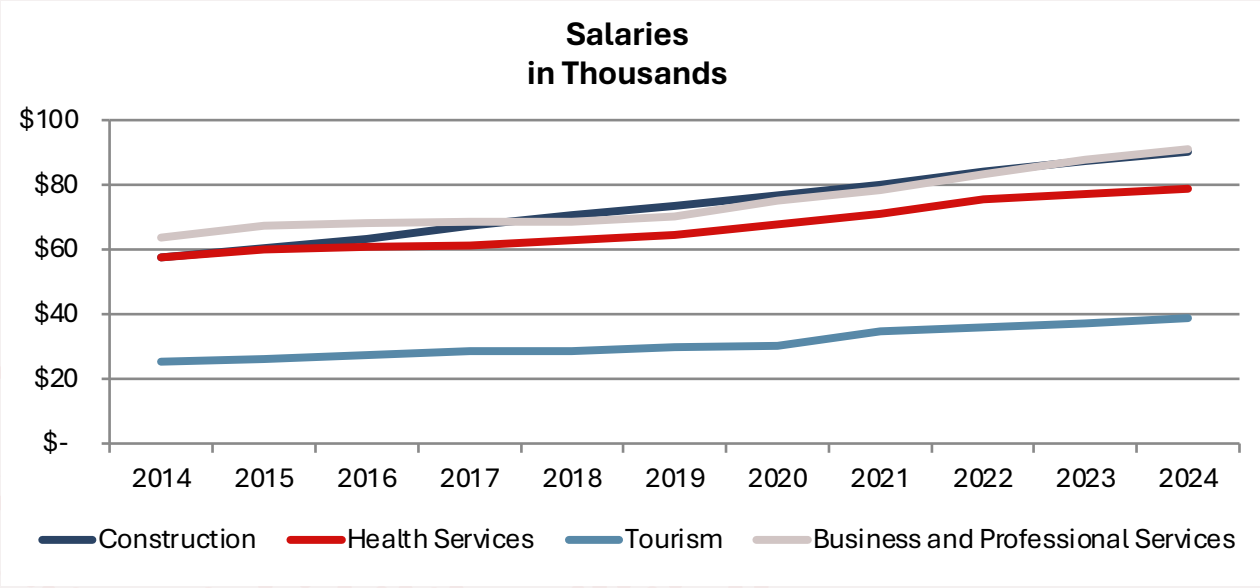
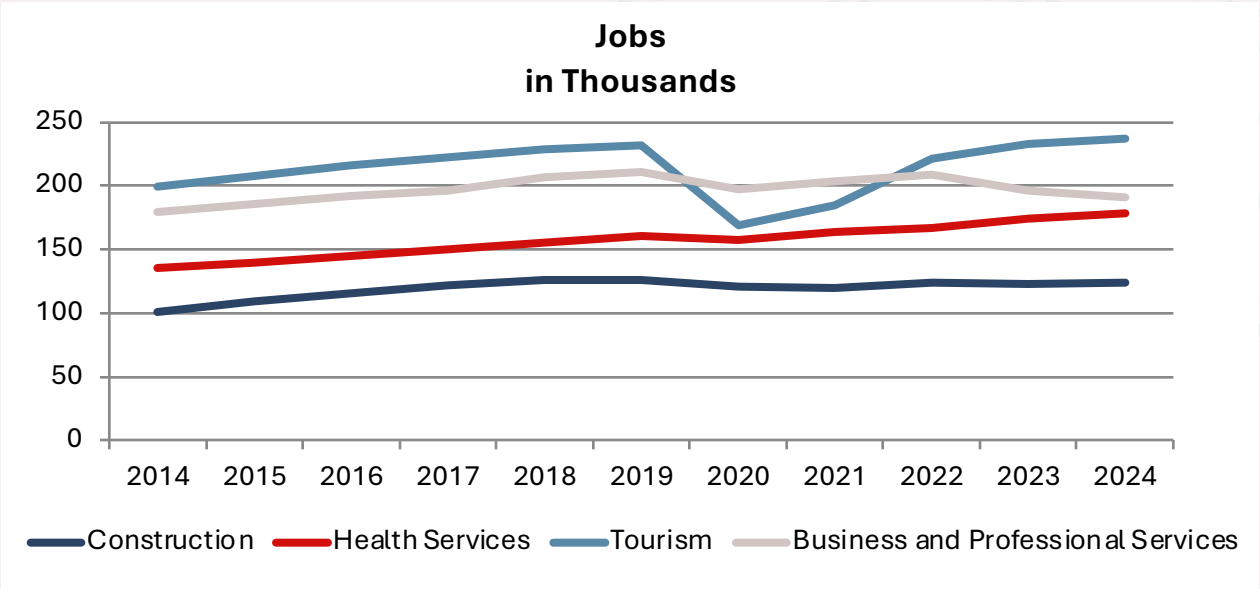
MOST IN-DEMAND OCCUPATIONS IN ORANGE COUNTY BY JOB POSTINGS, JULY 2024 TO JULY 2025



Registered Nurses continued to be the most in-demand occupation in Orange County with 18,246 unique job postings from July 2024 to July 2025, followed by Retail Salespersons with 11,893 job postings and Customer Service Representatives with 7,571 job postings. Nearly all in-demand occupations saw a decline in the number of job postings compared to July 2024; Registered Nurses saw an 8.7 percent decline, followed by Retail Salespersons, which also marked the largest decline of the most in-demand occupations (-11.3 percent), and Customer Service Representatives (-6.9 percent).

**BUSINESS AND PROFESSIONAL SERVICES ONLY MAJOR
INDUSTRY CLUSTER TO SEE EMPLOYMENT DECLINE IN 2024**

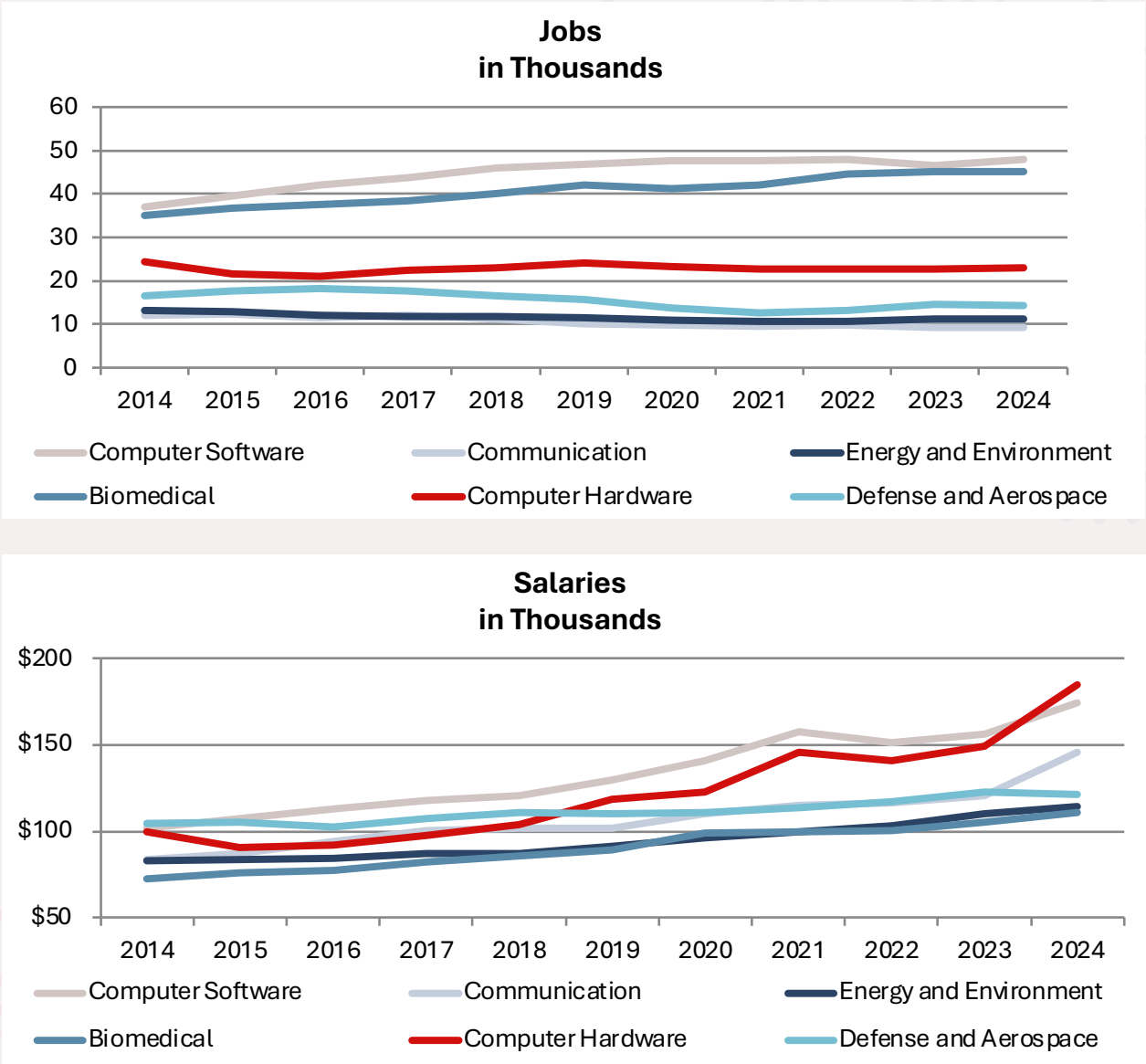
**EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS
WITH MORE THAN 50,000 JOBS, 2014 – 2024**



Sources: Data has been updated from California Employment Development Department to Lightcast and, as such, should not be compared to previous years' data.

COMPUTER HARDWARE, COMPUTER SOFTWARE,
AND BIOMEDICAL EXPAND IN 2024

EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS
WITH 50,000 JOBS OR FEWER, 2014 – 2024



Sources: Data has been updated from California Employment Development Department to Lightcast and, as such, should not be compared to previous years' data.

Total industry cluster employment in Orange County reached 879,517 in 2024, a year-over-year increase of 5,475 jobs or 0.6 percent and well above the low of 790,752 experienced in 2020. Industry cluster employment has almost completely recovered from pandemic losses and is only 360 jobs below the pre-pandemic peak of 879,877 in 2019. While industry clusters in Orange County with over 50,000 employees saw an average annual increase of 0.6 percent from 2023 to 2024, smaller clusters with less than 50,000 employees saw a larger increase of 0.9 percent over the same time period.

The following industry clusters saw the largest growth from 2023 to 2024:

Computer Science +2.9%	Health Services +2.4%	Tourism +1.7%	Biomedical +1.0%	Construction +0.8%	Computer Hardware +0.2%
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Four industry clusters have seen employment declines from 2023 to 2024:

Business and Professional Services -2.6%	Communications -1.6%	Energy and Environment -1.6%	Defense and Aerospace -1.3%
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Nearly all of Orange County’s industry clusters saw wage growth between 2023 and 2024. The top 5 industry clusters by wage growth included:

Computer Hardware +24.0%	Communications +20.3%	Computer Software +11.8%	Biomedical +5.8%	Tourism +4.4%
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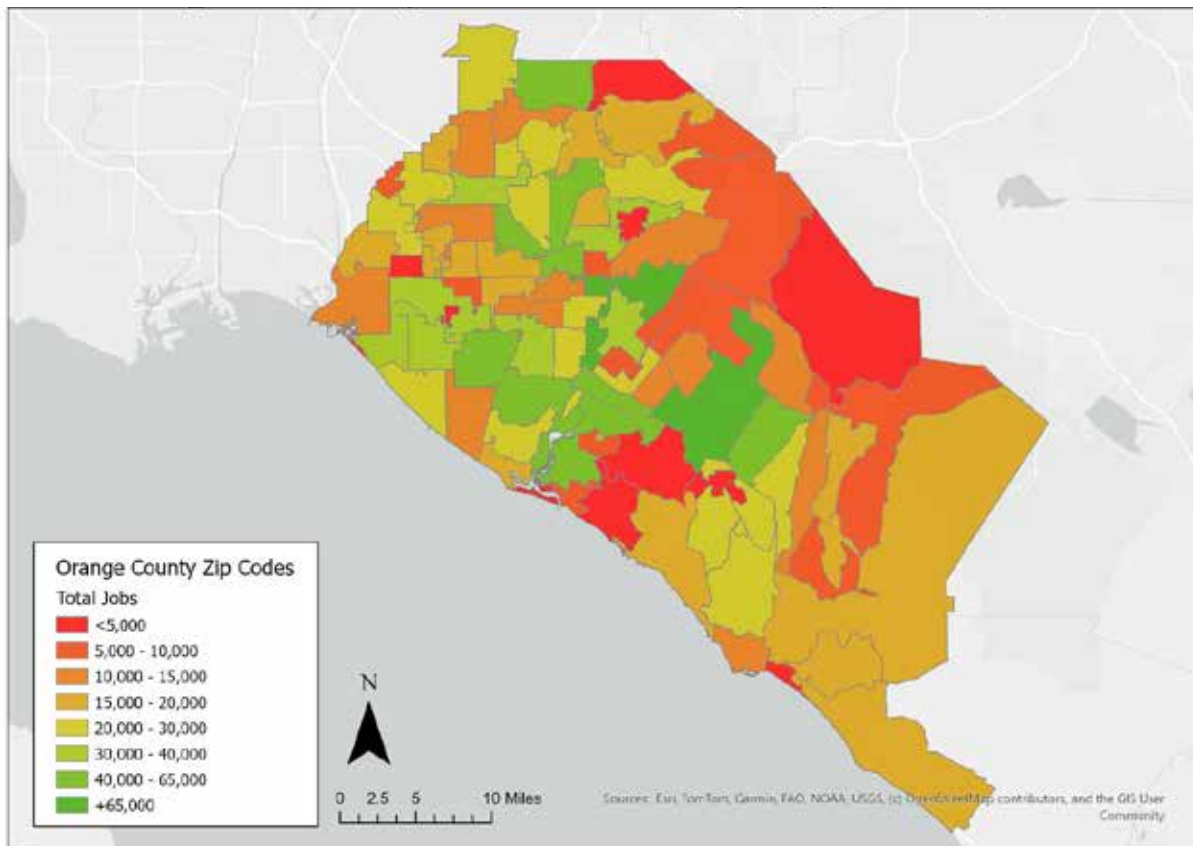
Only one of Orange County’s industry clusters saw wage declines between 2023 and 2024:

Defense and Aerospace -1.6%



OC JOBS FOCUSED IN IRVINE, ANAHEIM, AND SANTA ANA

ORANGE COUNTY TOTAL JOBS BY ZIP CODE, 2025



Irvine remains Orange County's employment hotspot with 310,714 jobs in 2025, followed by Anaheim (192,482 jobs) and Santa Ana (166,742 jobs). Of Irvine workers, 52.8 percent were residents and 47.2 percent were commuters, an even split compared to Santa Ana (95.3 percent resident workers) and Newport Beach (56.5 percent commuters).

HIGH-TECH DIVERSITY AND GROWTH

NEARLY ALL MEASURED CALIFORNIA COUNTIES FALL IN BEST PERFORMING CITIES INDEX RANKINGS

OVERALL BEST PERFORMING CITY INDEX RANK IN ORANGE COUNTY AND PEER METRO AREAS, 2022–2025					
METRO REGIONS	2022 RANK	2023 RANK	2024 RANK	2025 RANK	2024-2025 CHANGE
Austin, TX	2	2	1	6	-5
Dallas, TX	10	6	8	19	-11
Seattle, WA	6	34	24	25	-1
Riverside/San Bernardino, CA	22	15	68	53	15
San Diego, CA	42	38	37	71	-34
San Jose, CA	7	14	44	108	-64
Orange County, CA	69	56	78	113	-35
Boston, MA	114	75	96	119	-23
Minneapolis, MN	119	103	102	125	-23
San Francisco, CA	35	35	27	126	-99
Oakland, CA	53	61	112	131	-19
Los Angeles, CA	87	68	122	151	-29

Source: Milken Institute, 2025 Best Performing Cities Report

Orange County dropped in Milken’s Best Performing Cities rankings for the second year in a row. After falling from 56th place in 2023 to 78th in 2024, it slipped further to 113th in 2025. The overall decline was due to a plummeting Job Growth ranking – from 32nd place to 176th – which offset the other improvements. This was a statewide trend, as San Francisco, San Jose-Sunnyvale-Santa Clara, Los Angeles, and San Diego all plummeted. The only exception was Riverside-San Bernardino-Ontario, which rose from 68th place to 53rd as a result of strong rankings in High-Tech GDP Output (25th) and the Gini Index (24th).

ORANGE COUNTY SLIPS FROM 1ST TO 3RD IN LOCATION QUOTIENT COUNTS

RANKINGS FOR LOCATION QUOTIENT COUNT IN ORANGE COUNTY COMPARED TO PEER METRO AREAS, 2024–2025			
METRO REGIONS	2024 RANK	2025 RANK	CHANGE IN RANK
Oakland, CA	1	1	0
Orange County, CA	4	3	+1
Austin, TX	4	7	-3
San Jose, CA	7	7	0
San Diego, CA	9	3	+6
San Francisco, CA	12	13	-1
Los Angeles, CA	14	10	+4
Dallas, TX	23	13	+10
Seattle, WA	51	36	+15
Boston, MA	51	68	-17
Minneapolis, MN	51	36	+15
Riverside/San Bernardino, CA	111	138	-27

Source: Milken Institute, 2025 Best Performing Cities Report

HIGH-TECH GDP RANKING IMPROVES STRONGLY TO 108TH; JOB GROWTH RANKINGS REMAIN STEADY AT 32ND

RANKINGS OF HIGH-TECH GDP OUTPUT IN ORANGE COUNTY AND PEER REGIONS, 2024–2025			
METRO REGIONS	2024 RANK	2025 RANK	CHANGE IN RANK
Austin, TX	12	45	-33
Dallas, TX	39	47	-8
Seattle, WA	73	32	+41
San Francisco, CA	90	97	-7
Minneapolis, MN	103	164	+61
Boston, MA	136	81	+55
Los Angeles, CA	161	49	+112
Orange County, CA	171	108	+63
Riverside/San Bernardino, CA	172	25	+147
San Diego, CA	175	119	+56
San Jose, CA	176	125	+51
Oakland, CA	181	127	+54

Source: Milken Institute, 2025 Best Performing Cities Report

Despite Orange County’s overall decline, its Location Quotient Count ranking rose from 4th place to 3rd, and its High-Tech GDP Output ranking rose from 171st to 108th.

OC HIGH-TECH CONCENTRATION SINKS FURTHER TO 25TH

REGIONAL RANKINGS FOR HIGH-TECH INDUSTRY CONCENTRATION FOR ORANGE COUNTY AND PEER REGIONS, 2024-2025			
METRO REGIONS	2024 RANK	2025 RANK	CHANGE IN RANK
San Jose, CA	1	1	0
San Francisco, CA	2	2	0
Seattle, WA	3	3	0
Austin, TX	7	6	+1
Oakland, CA	10	9	+1
San Diego, CA	11	14	-3
Dallas, TX	18	17	+1
Orange County, CA	23	25	-2
Boston, MA	38	37	+1
Minneapolis, MN	41	40	+1
Los Angeles, CA	49	46	+3
Riverside/San Bernardino, CA	159	151	+8

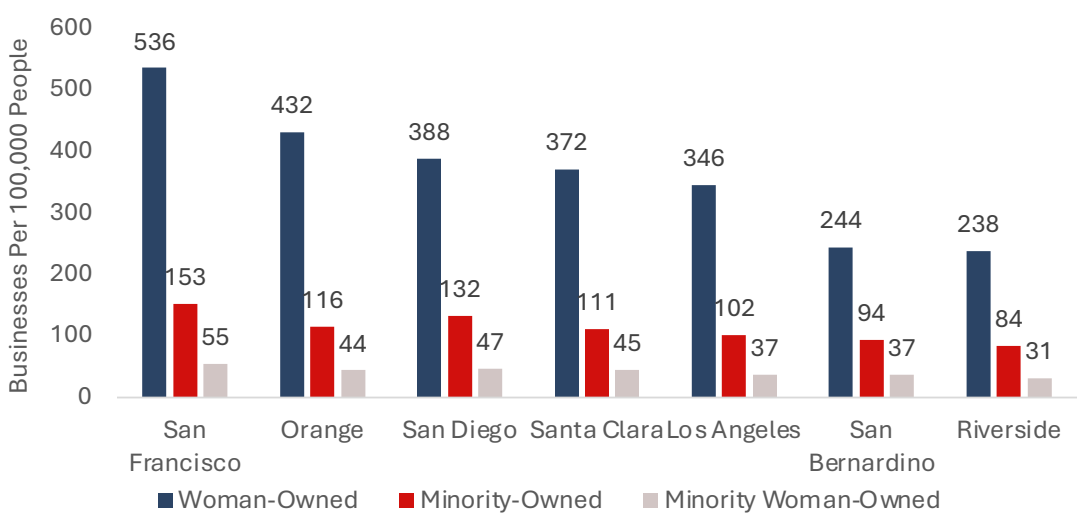
Source: Milken Institute, 2025 Best Performing Cities Report

Orange County's High-Tech Concentration ranking also declined – from 23rd place to 25th – as did its Broadband Access ranking, which fell from 2nd place to 4th. Its Housing Affordability ranking rose slightly from 192nd place to 190th but remained near the bottom.

DIVERSITY IN BUSINESS

ALL REGIONS SEE DECLINES IN WOMAN- AND MINORITY-OWNED BUSINESSES

REGIONAL WOMAN-OWNED, MINORITY-OWNED, AND MINORITY WOMAN-OWNED BUSINESSES PER 100,000 PEOPLE, 2024–2025



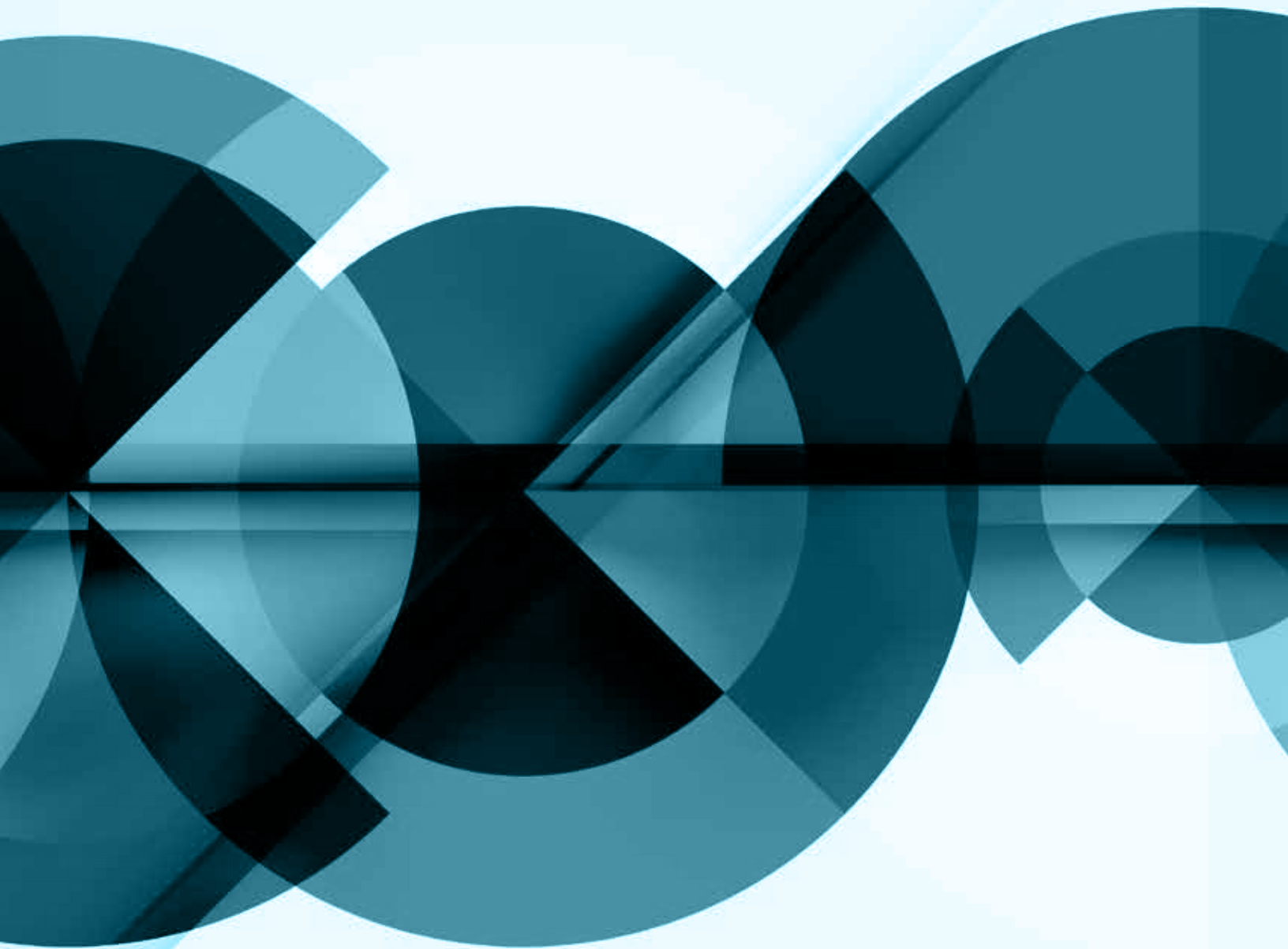
	WOMAN-OWNED			MINORITY-OWNED			MINORITY WOMAN-OWNED		
	2024	2025		2024	2025		2024	2025	
San Francisco	543	536	-1.3%	173	153	-11.5%	55	55	0.1%
Orange	452	432	-4.5%	127	116	-8.7%	46	44	-4.7%
San Diego	404	388	-3.9%	135	132	-2.0%	50	47	-5.8%
Santa Clara	378	372	-1.7%	125	111	-11.3%	48	45	-5.8%
Los Angeles	358	346	-3.4%	118	102	-13.7%	40	37	-8.5%
San Bernardino	252	244	-3.3%	102	94	-8.2%	38	37	-3.3%
Riverside	250	238	-4.6%	95	84	-11.3%	34	31	-8.2%

Source: Dun and Bradstreet, Market Insight

The proportion of woman- and minority-owned businesses decreased over the past year after increasing from 2023 to 2024. The number of woman-owned businesses per 100,000 residents in Orange County fell from 452 in 2024 to 432 to 2025, a 4.5 percent decline; the proportion of minority-owned businesses per 100,000 residents fell by 8.7 percent, from 127 to 116. The proportion of minority woman-owned businesses fell by 4.7 percent, from 46 per 100,000 to 44.

While Orange County saw the second largest percent decline of woman-owned businesses per 100,000 residents over the past year, beat out only by Riverside County (-4.6 percent) and behind San Diego County (-3.9 percent), Los Angeles County saw the largest decline in minority-owned businesses which fell 13.7 percent over the past year, followed by San Francisco County (-11.5 percent), and Riverside and Santa Clara counties (both falling by 11.3 percent). In terms of minority woman-owned businesses, Los Angeles also saw the largest decline, dropping by 8.5 percent from 2024 to 2025, followed by Riverside County (-8.2 percent), and Santa Clara and San Diego counties (both fell by 5.8 percent).

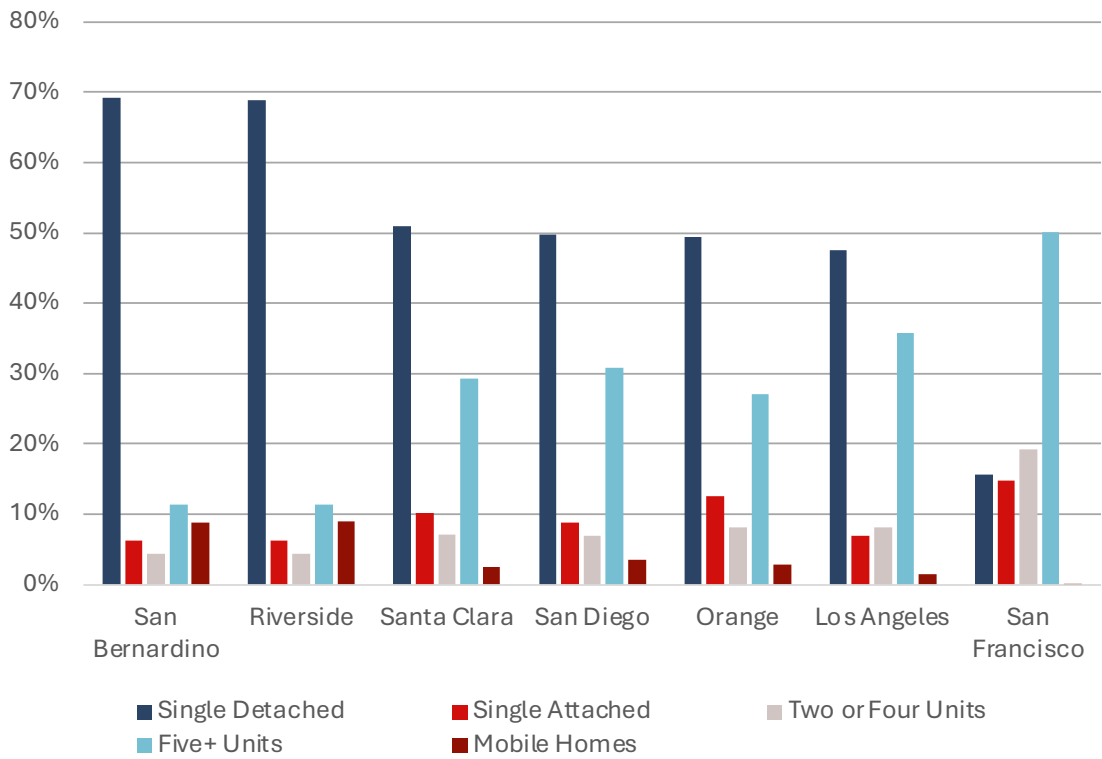
HOUSING



HOUSING LANDSCAPE

NEW MULTIFAMILY UNIT CONSTRUCTION REFLECTS HIGH DEMAND

HOUSING STRUCTURES BY TYPE FOR PEER CALIFORNIA REGIONS, 2025



Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

Orange County added 6,419 housing units between 2024 and 2025, a 0.6 percent increase; the county now has a total of 1,163,983 housing units. Housing structures with 5+ units per structure saw the largest increase over the past year, with 2,924 additions pushing the total from 312,868 in 2024 to 315,792 in 2025. As of 2025, 5+ unit structures make up 27.1 percent of all housing units in Orange County, a slight increase over 27.0 percent in 2024.

The number of single detached housing units increased by 1,915 or by 0.3 percent while the number of single attached housing units increased by 1,454 or 1.0 percent. Single detached housing units account for almost half (49.4 percent) of all Orange County housing units, while single attached units account for 12.6 percent.

Orange County currently has a housing vacancy rate of 5.0 percent, a slight increase over the 4.9 percent vacancy rate measured in 2024. Despite the marginal increase, the county vacancy rate remains well below the state average of 6.4 percent.

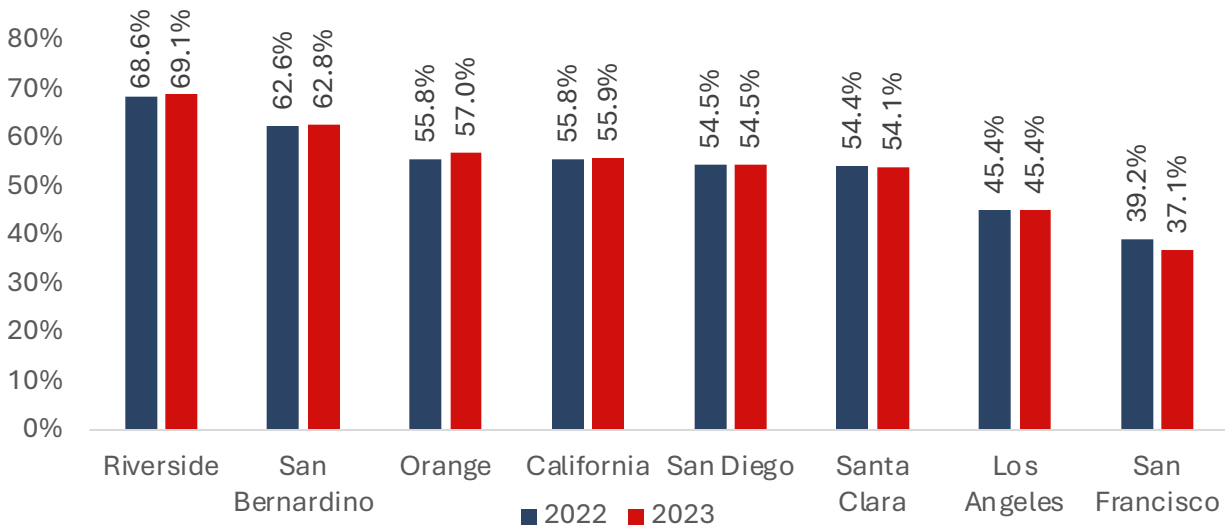
COMMUNITY INDICATORS: OC IN THE STATE OF THE NATION'S HOUSING

According to *The State of the Nation's Housing 2024*, a report by the Joint Center for Housing Studies of Harvard University, the Los Angeles-Long Beach-Anaheim metro area had the fifth highest median income-housing cost ratio out of 387 U.S. metro areas. Only Santa Maria-Santa Barbara, Kahului-Wailuku, Santa Cruz-Watsonville, and San Jose-Sunnyvale-Santa Clara had higher ratios. In comparison, neighboring San Diego County had the 13th highest ratio while the Inland Empire had the 41st highest ratio.

As of 2025, the region's median home price was 10.8 times its median income; this figure has nearly doubled over the past forty years.

While four of the nation's five highest income-housing ratio areas are in California, declining home affordability is a national issue. As the report notes, national home prices have risen by approximately 60 percent since 2019 and are still rising 3.9 percent each year. In 2025, 88 of the nation's 100 largest metro areas had seen a year-over-year home price increase.

HOMEOWNERSHIP RATE IN ORANGE COUNTY AND PEER REGIONS, 2022–2023

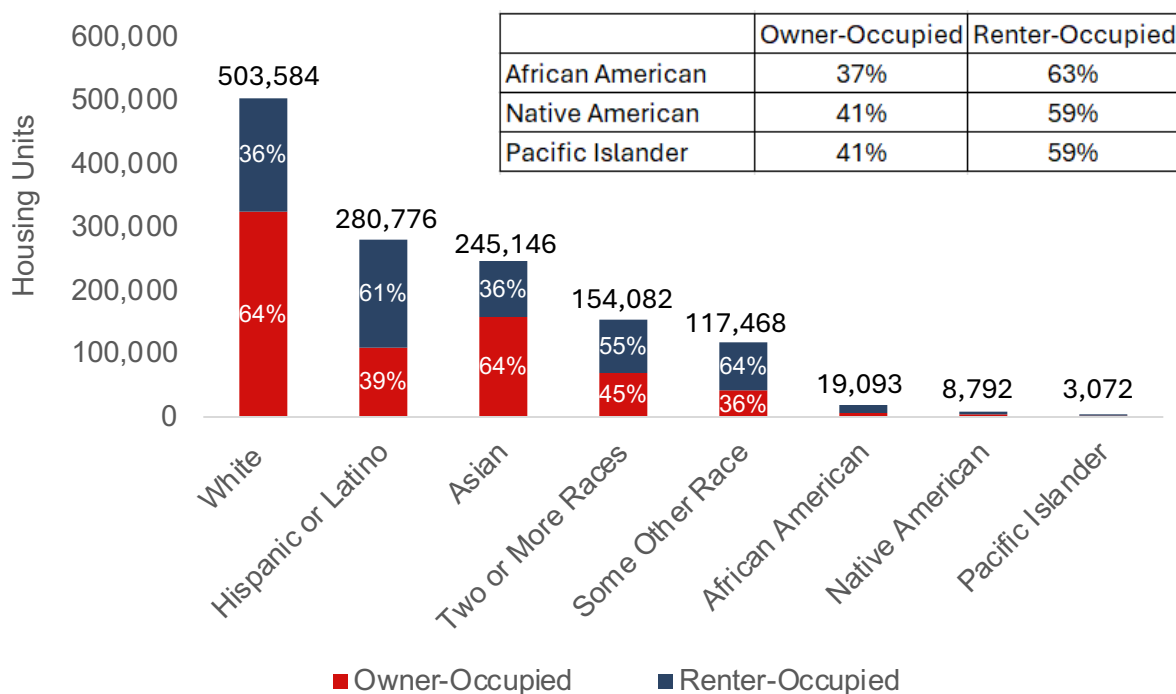


Source: U.S. Census Bureau, American Community Survey

Despite higher home prices and interest rates, Orange County saw an increase in homeownership: from 55.8 percent in 2022 to 57.0 percent in 2023. Most neighboring and peer regions also saw increases, and the state-level homeownership rate rose from 55.8 percent to 55.9 percent.

Rates did decline in expensive Northern California regions: from 39.2 percent to 37.1 percent in San Francisco County, for instance, and from 54.4 percent to 54.1 percent in Santa Clara County. Homeownership rates rose in Riverside and San Bernardino counties while remaining the same in San Diego and Los Angeles counties.

OWNER- AND RENTER-OCCUPIED RATES OF HOMEOWNERSHIP BY MAJOR ETHNIC GROUPS IN ORANGE COUNTY, 2023



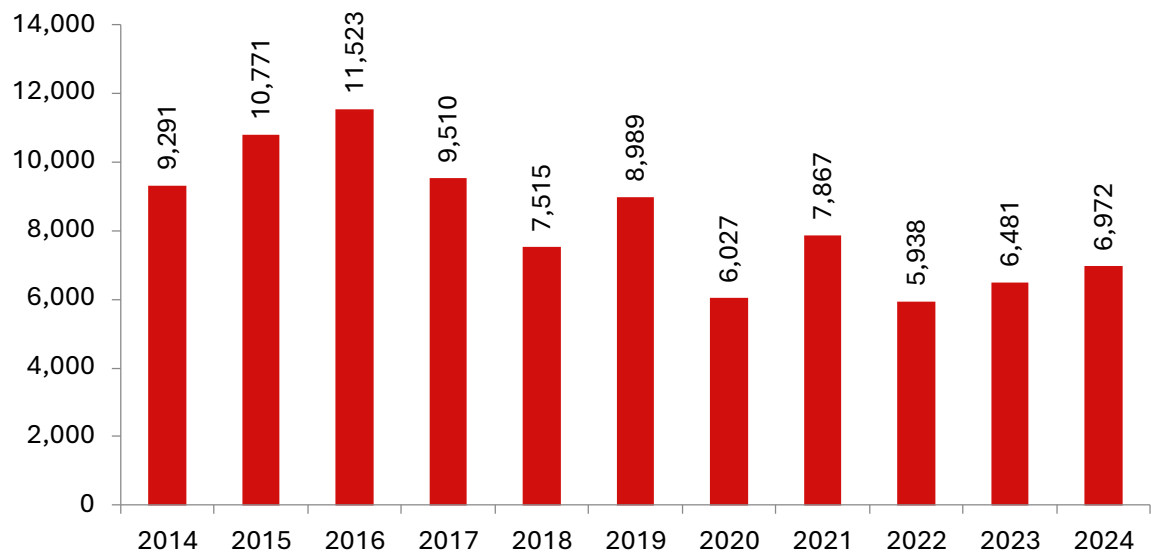
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Asian residents have exceeded White residents for the county's highest homeownership rate in 2023; Asian residents have a homeownership rate of 64.4 percent compared to 64.3 percent for White residents. Residents who identify as 'Two or More Races' had the 3rd highest rate of homeownership at 44.8 percent, followed by Native American residents (41.2 percent) and Pacific Islander residents (40.7 percent).

Residents who identify as 'Some Other Race' had the highest renter rate at 64.1 percent, followed by African American residents (62.7 percent) and Hispanic or Latino residents (60.7 percent). While overall homeownership rates are increasing in the county, it is imperative to focus on groups and cohorts who are currently lagging because homeownership remains a powerful engine for wealth generation. Increasing homeownership rates will help increase financial stability for all county residents and communities.

**BUILDING PERMITS REGISTER INCREASE FOR
2ND YEAR IN A ROW**

ORANGE COUNTY BUILDING PERMIT ANNUAL TRENDS, 2014 – 2024



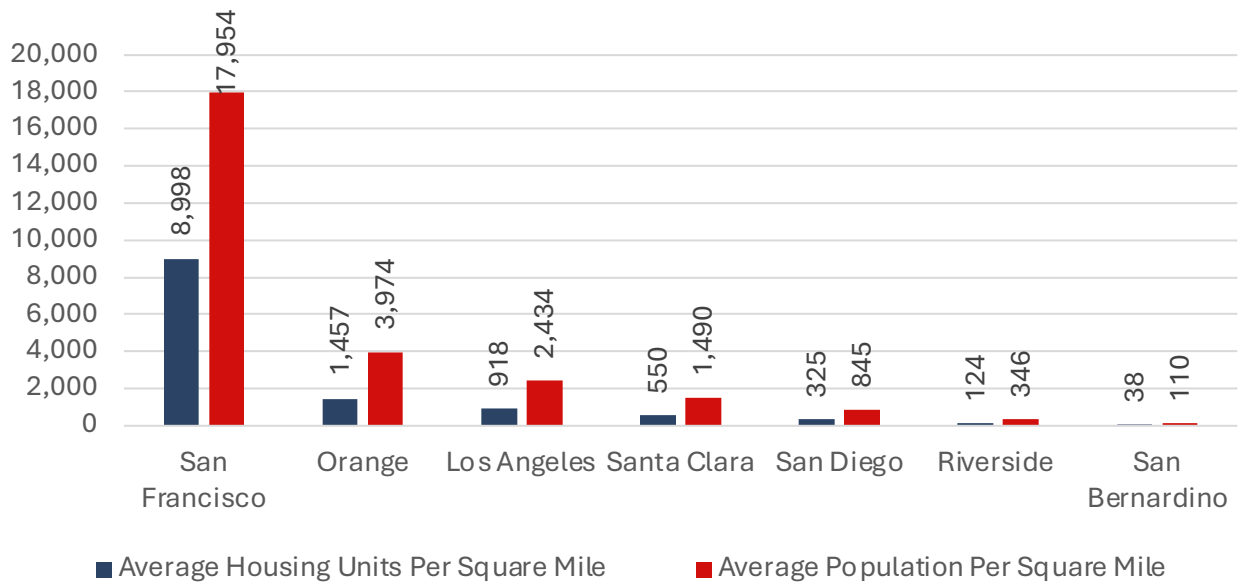
Source: U.S. Census Bureau's Building Permits Survey

Following a large decline of 24.5 percent from 2021 to 2022, building permits have registered their second consecutive year of increases, growing by 9.1 percent from 2022 to 2023 and again by 7.6 percent to 6,972 building permits in 2024. Despite this increase, building permits remain 39.5 percent below their peak in 2016. As affordability concerns continue to weigh on Orange County residents, increasing housing supply remains the most effective strategy to address rising housing costs. Doing so will not only help to improve affordability rates across the region but also help keep residents, businesses, and investment in Orange County.



POPULATION AND HOUSING DENSITY EDGE HIGHER IN 2025

HOUSING UNIT AND POPULATION PER SQUARE MILE IN PEER CALIFORNIA COUNTIES, 2025



Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. Sacramento, California, May 2025.

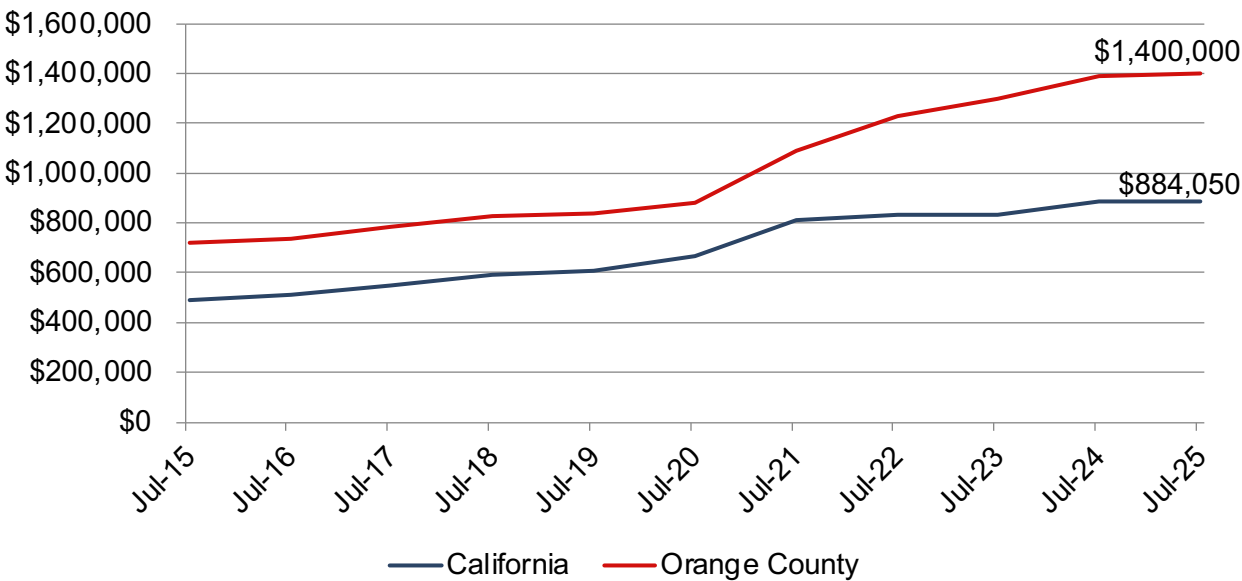
Despite affordability concerns, demand to live and work in Southern California – especially Orange County – remains extremely high. This is reflected in recent population and housing density increases. Orange County remains the most densely populated county in Southern California and the second most densely populated county in the state. Over the past year, Orange County population density increased 0.8 percent, from 3,943 people per square mile to 3,974 people per square mile, while housing density increased 0.5 percent from 1,449 to 1,457 housing units per square mile.

Riverside County saw the largest increases in population and housing density, with population density increasing from 339 residents per square mile to 346, an increase of 2.2 percent, and housing density increasing from 122 housing units per square mile to 124 housing units, a jump of 1.6 percent. Both population and housing density increased by 1.2 percent in San Diego over the past year, with housing units per square mile moving from 321 to 325 and residents per square mile from 835 to 845, while Los Angeles County saw housing density increase from 911 to 918 housing units per square mile (+0.8 percent) and population density increase from 2,421 to 2,434 residents per square mile (+0.5 percent) over the same time period. In San Bernardino County, housing density remained consistent at 38 housing units per square mile while the average number of residents per square mile increased from 109 to 110, an increase of 1.0 percent.

HOUSING AFFORDABILITY

OC HOME PRICES STABILIZE

MEDIAN EXISTING SINGLE-FAMILY HOME SALE PRICE IN ORANGE COUNTY AND CALIFORNIA, JULY 2015 – JULY 2025



Source: California Association of Realtors, Current Sales & Price Statistics

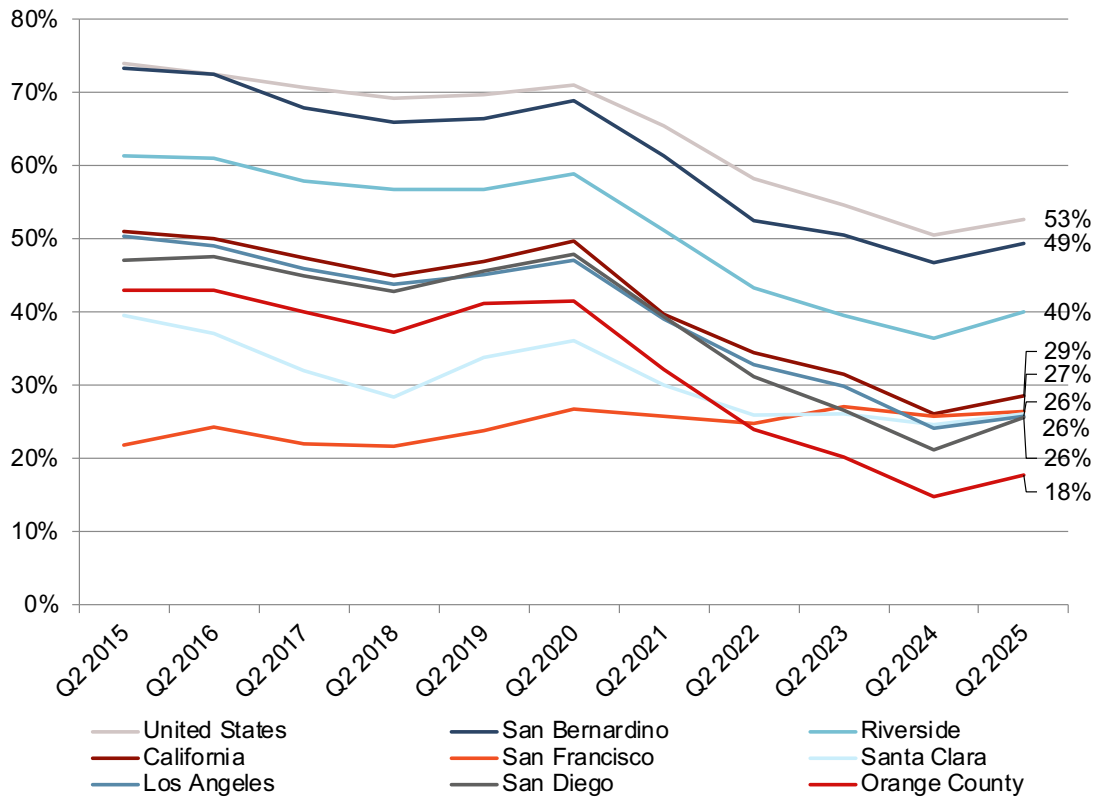
Despite seeing some moderation in early 2025, median home prices in Orange County continue to remain elevated notching a year-over-year increase of 0.7 percent and reaching \$1,400,000 in July 2025. At the same time, median home prices at the state level fell from \$886,420 to \$884,050, a decline of 0.3 percent.

Overall, median home prices in Orange County have increased by an annual average of 6.7 percent over the past decade while statewide home prices have seen an average annual increase of 6.2 percent. In total, since June 2015, Orange County median home prices have increased by 94.4 percent while median home prices at the state level increased by 80.1 percent over the same time period. The persistent high home prices in Orange County highlight the continued high demand to both live and work in the region.



FIRST-TIME HOMEBUYER AFFORDABILITY REMAINS AT RECORD LOW

REGIONAL COMPARISON OF THE PERCENTAGE OF FIRST-TIME HOMEBUYERS ABLE TO AFFORD AN ENTRY-LEVEL HOME, Q2 2015 – Q2 2025



Source: California Association of Realtors, First-Time Home Buyer Affordability Index

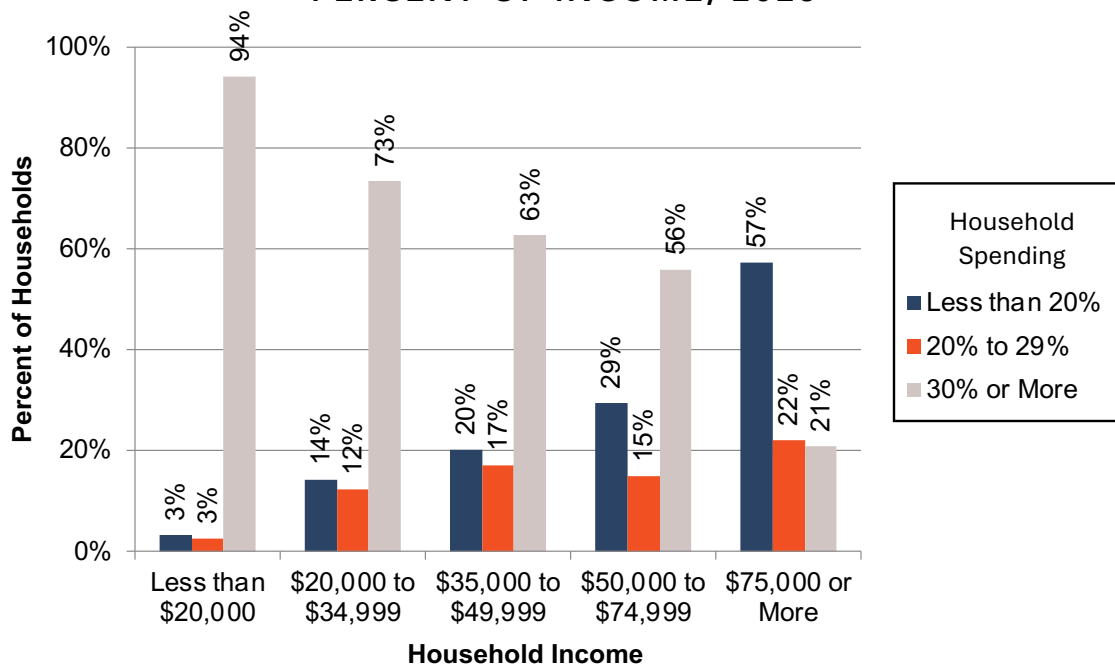
As of Q2 2025, Orange County residents would need a minimum qualifying income of \$367,600 for a 'traditional' median priced home measured at \$1,431,500 (average median home price from April 2025 to June 2025); this represents a small decline of \$5,600 or 1.5 percent compared to Q1 2025's minimum qualifying income of \$373,200. Overall, only 12 percent of Orange County residents could afford to purchase a 'traditional' median priced home in Q2 2025, a slight improvement from 11 percent in Q2 2024 yet representing no change over Q1 2025.

Only 18 percent of first-time homebuyers could afford an entry-level home that costs 85 percent of the traditional median home price, representing a slight increase over 17 percent in Q1 2025 and 15 percent in Q2 2024. First-time homebuyers would need a minimum qualifying income of \$241,800 to qualify for an 'entry-level' home priced at \$1,216,780 in Q2 2025. Orange County has the third lowest affordability statewide for first-time homebuyers, behind only Santa Barbara County (15 percent) and Mono County (17 percent).

As previously mentioned, statewide affordability concerns are particularly acute in Orange County. As the new administration begins to roll out new trade and economic policies, the Federal Reserve remains committed to keeping inflation and employment under control. While inflationary impacts from new trade tariffs have resulted in the Federal Reserve delaying forecasted interest rate declines, many expect interest rate cuts in the 2nd half of 2025.

LOW INCOME RESIDENTS CONTINUE TO FACE HIGH HOME PRICES

ORANGE COUNTY OWNER-OCCUPIED HOUSING COSTS AS A PERCENT OF INCOME, 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

The overwhelming majority (94 percent) of Orange County households making under \$20,000 per year spent more than 30 percent of their income on housing in 2023; this represents a 2.0 percentage point increase over the previous year. In comparison, only 73 percent of households making between \$20,000 and \$34,999 spent more than 30 percent of their income on housing. Percentages decrease at higher income levels; only 56 percent of households making between \$50,000 and \$74,999 and only 21 percent of households making more than \$75,000 spend more than 30 percent on housing.

This illustrates the disproportionate impact high housing costs have on lower income households. An expensive housing market can limit these residents' ability to save money, make other purchases, pursue education, or even afford key services such as childcare.

If housing supply remains low, these residents – as well as younger workers and families – can and will relocate to more affordable areas. The pandemic and post-pandemic years saw population decline at both the state and county level as residents moved away for precisely this reason. Orange County's high cost of living has long created a drag on its ability to attract and retain residents with most of the region's population growth stemming from natural increase and foreign immigration. While domestic migration was positive in both 2011 and 2012, between 2013 and 2019, it turned negative and resulted in an annual average decline of 15,745 residents; at the same time median home prices in Orange County increased by 27.2 percent.⁹ From 2020 to 2024, net domestic migration accelerated to an average annual loss of 19,209 residents at the same time as median home prices skyrocketed by 66.7 percent.¹⁰

Additionally, while California's population has since exceeded 2020 levels, Orange County's current population (approximately 3,175,427) remains below the 2020 Census total of 3,186,989. As of June 2025, Orange County's median home price is also approximately 63.4 percent higher than the statewide median home price, indicating the high housing costs have more pronounced impacts on population growth in the county than at the state level.

Unless this trend is addressed by increasing housing supply, Orange County could see further population declines – which means fewer students at schools, fewer qualified job candidates, fewer entrepreneurs, and less economic activity.

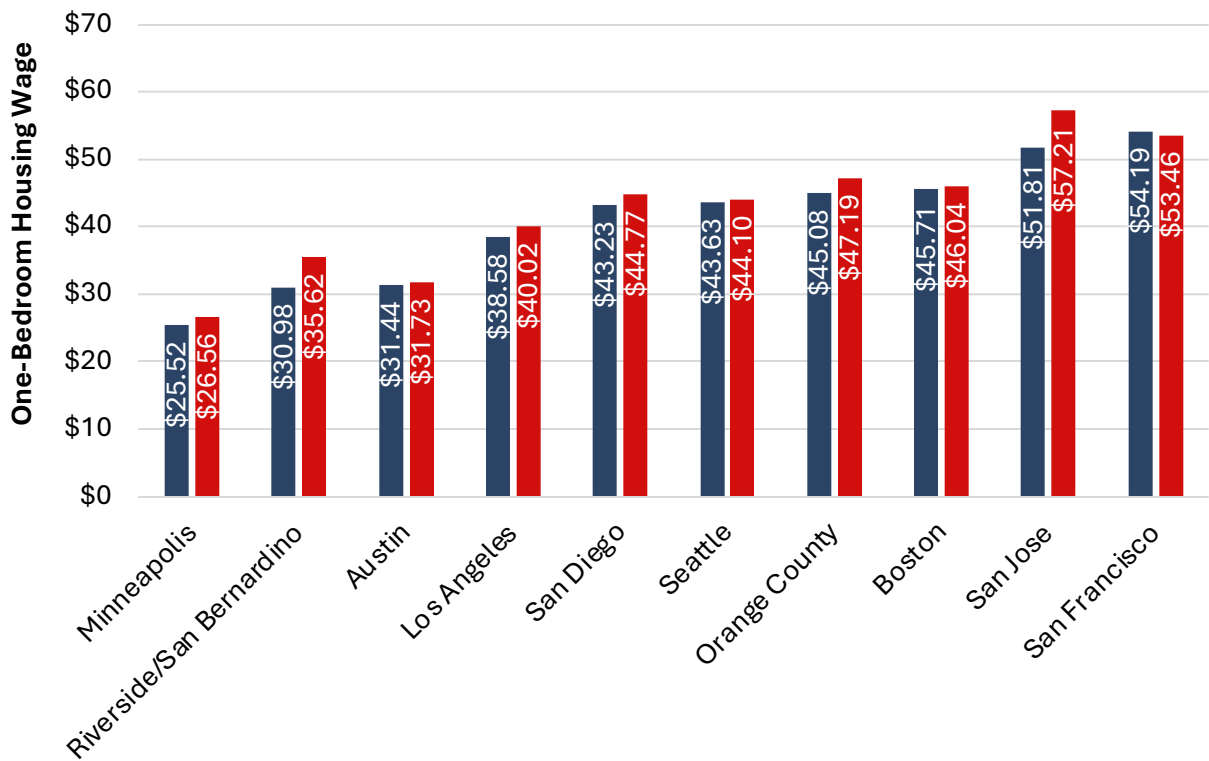
⁹ California Association of Realtors, Historical Median Home Prices, Measured from June 2013 to June 2019.

¹⁰ State of California, Department of Finance, E-6. Population Estimates and Components of Change by County — July 1, 2020–2024, December 2024; California Association of Realtors, Historical Median Home Prices, Measured from June 2020 to June 2024.

RENTAL AFFORDABILITY

HOURLY WAGES NEEDED TO AFFORD RENT RISE ACROSS ALL PEER REGIONS EXCEPT SAN FRANCISCO

REGIONAL COMPARISON OF THE HOURLY WAGE NEEDED TO AFFORD A ONE-BEDROOM UNIT, 2024–2025



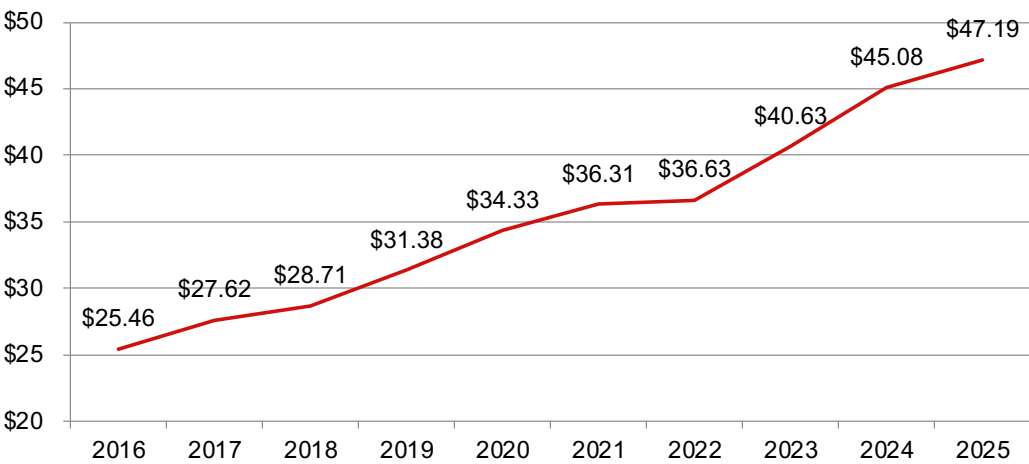
Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition.

Affordability concerns continued as the hourly wage needed to afford a one-bedroom in Orange County increased from \$45.08 in 2024 to \$47.19 in 2025. This 4.7 percent year-over-year increase comes after increases of 10.9 percent in 2023 and 11.0 percent in 2024. A minimum wage worker (making \$16.50 per hour) would need to work 114 hours per week to afford a one-bedroom apartment. As with home prices, these rising rents result from a severe housing supply shortage.



REQUIRED WAGE FOR ONE-BEDROOM INCREASES NEARLY 5%

HOURLY WAGE NEEDED TO AFFORD A ONE-BEDROOM UNIT IN ORANGE COUNTY, 2016–2025



Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition.

Overall, since 2016, Orange County’s Housing Wage has risen by \$21.73 or by 85.3 percent which represents an annual average increase of 7.1 percent. Despite rising by 4.7 percent from 2024 to 2025, this represents a smaller rate of increase compared to the 10.9 percent jump from 2022 to 2023 followed by another 11.0 percent increase from 2023 to 2024.

MINIMUM WAGE WORKERS CAN ONLY AFFORD TO PAY \$858 PER MONTH

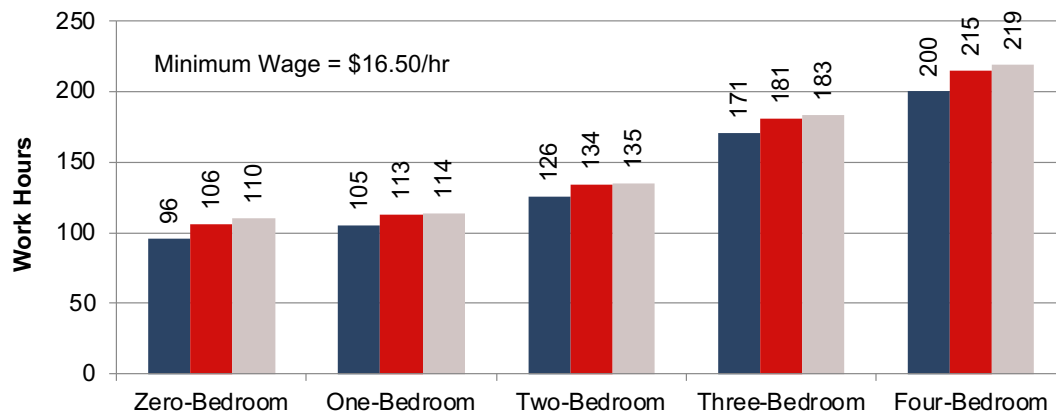
RENTAL MARKET AFFORDABILITY IN ORANGE COUNTY, 2018–2025								
FAIR MARKET RENT (MONTHLY)	2018	2019	2020	2021	2022	2023	2024	2025
One Bedroom	\$1,493	\$1,632	\$1,785	\$1,888	\$1,905	\$2,113	\$2,344	\$2,454
Two Bedroom	\$1,876	\$2,037	\$2,216	\$2,331	\$2,324	\$2,539	\$2,783	\$2,903
Three Bedroom	\$2,626	\$2,862	\$3,098	\$3,227	\$3,178	\$3,448	\$3,769	\$3,927
Amount a Household with One Minimum Wage Earner Can Afford to Pay in Rent (Monthly)	\$572	\$624	\$676	\$728	\$780	\$806	\$832	\$858
Number of Hours per Week a Minimum Wage Earner Must Work to Afford a One-Bedroom Apartment	104	105	106	104	98	105	113	114

Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition.

Fair market rent for a one-bedroom Orange County apartment rose from \$2,344 to \$2,454, an increase of 4.7 percent; rent increased by 4.3 percent for two bedrooms and by 4.2 percent for three bedrooms. Minimum wage rose by only 3.1 percent, further decreasing affordability.

114 WORK HOURS REQUIRED FOR ONE BEDROOM

ORANGE COUNTY WORK HOURS PER WEEK REQUIRED BY HOUSING SIZE FOR MINIMUM WAGE WORKERS, 2023–2025

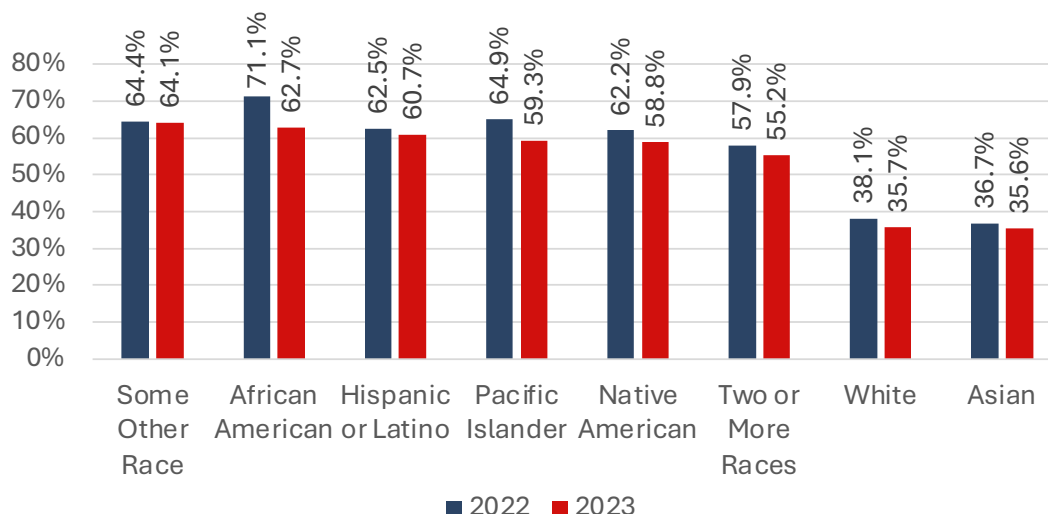


Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition.

For a minimum wage worker in Orange County earning \$16.50 an hour to afford a zero-bedroom (studio apartment) would require 110 work hours a week compared to 114 work hours to be able to afford a one-bedroom and 135 work hours to afford a two-bedroom. This helps to highlight the dramatic impact of the region's high cost of living, primarily underscored by high housing costs – especially on young, lower-income families and households. If the cost of rentals remains prohibitively expensive, Orange County's population growth is likely to continue to struggle as young adults and families seek out more affordable regions to start families and build their careers.

PROPORTION OF RENTER-OCCUPIED UNITS DECLINES AS HOMEOWNERSHIP TICKS HIGHER

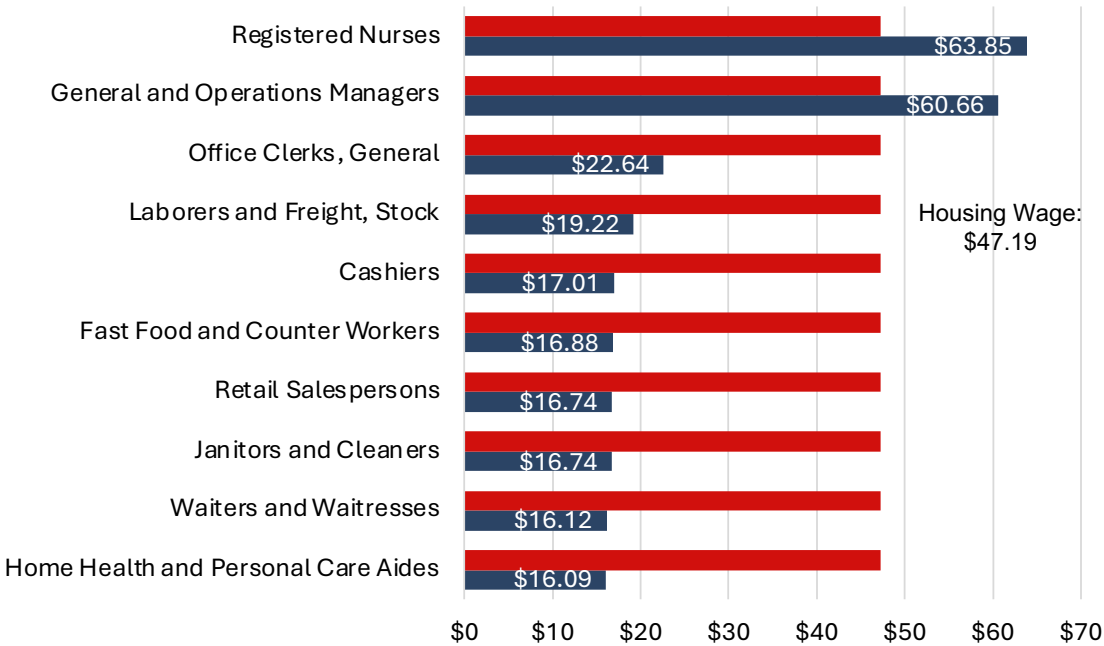
RENTER-OCCUPIED HOUSING RATES BY RACE OR ETHNICITY IN ORANGE COUNTY, 2022 AND 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Despite the region’s high housing prices, Orange County homeownership rates increased from 55.8 percent in 2022 to 57.0 percent in 2023. Rental rates saw a corresponding decline, from 44.2 percent in 2022 to 43.0 percent in 2023. No racial or ethnic group saw their proportion of renter-occupied housing units increase over the past year, with the largest declines coming from African American residents (-8.4 percentage points), Pacific Islander residents (-5.6 percentage points), and Native American residents (-3.4 percentage points). Despite these declines, significant gaps remain between residents who identify as ‘Some Other Race’ and Asian or White residents. Working to increase housing equity should remain a priority moving forward, especially as affordability for homeowners and renters continues to decline.

AVERAGE HOURLY EARNINGS FOR LARGEST OCCUPATIONS IN ORANGE COUNTY COMPARED TO HOUSING WAGE, 2025

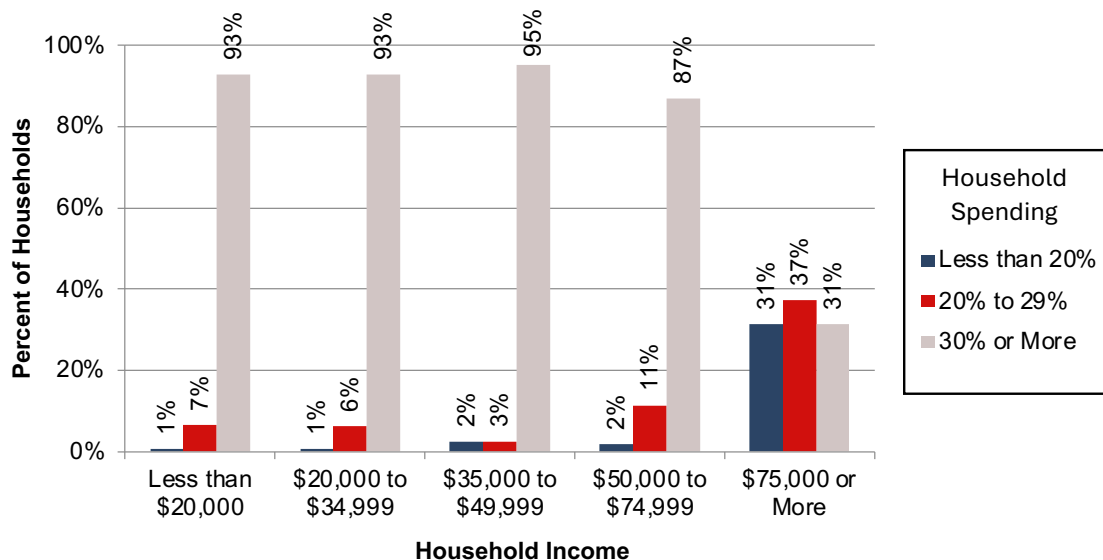


Sources: Urban Development using the methodology of the Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and National Low Income Housing Coalition; Lightcast.

Looking at the average hourly wages of some of the largest occupations in the region helps to highlight the impact a high housing wage has on residents. Only two of the largest Orange County occupations had average hourly wages over the 2025 housing wage of \$47.19 including Registered Nurses (\$63.85 per hour) and General and Operations Managers (\$60.66 per hour). All other measured occupations had average hourly wages more than 50 percent lower than the housing wage. While median wages are increasing in the region, they continue to lag rising housing costs.

RIISING RENTAL COSTS IMPACTING ALL INCOME LEVELS

ORANGE COUNTY RENTER-OCCUPIED HOUSING COSTS AS A PERCENT OF INCOME, 2023

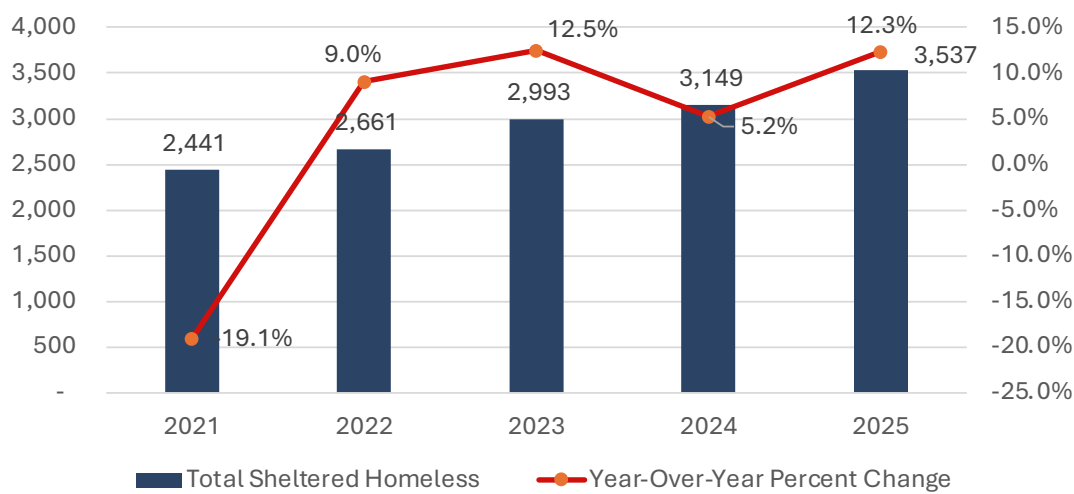


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

While lower income households have always been burdened the most by rising housing costs, higher-income cohorts are beginning to see larger portions of their incomes falling to rental costs. The vast majority (93 percent) of renter-occupied households in Orange County making less than \$20,000 spent at least 30 percent of the income on housing in 2023, a year-over-year increase of 1 percentage point. The percentage of residents making more than \$75,000 who spent more than 30 percent on housing rose from 29 percent in 2022 to 31 percent in 2023. As rental prices continue to rise across the county and state, higher-income groups are likely to start feeling more impact from rising housing costs.

HOUSING SECURITY

TOTAL SHELTERED POINT-IN-TIME HOMELESS IN ORANGE COUNTY, 2021-2025

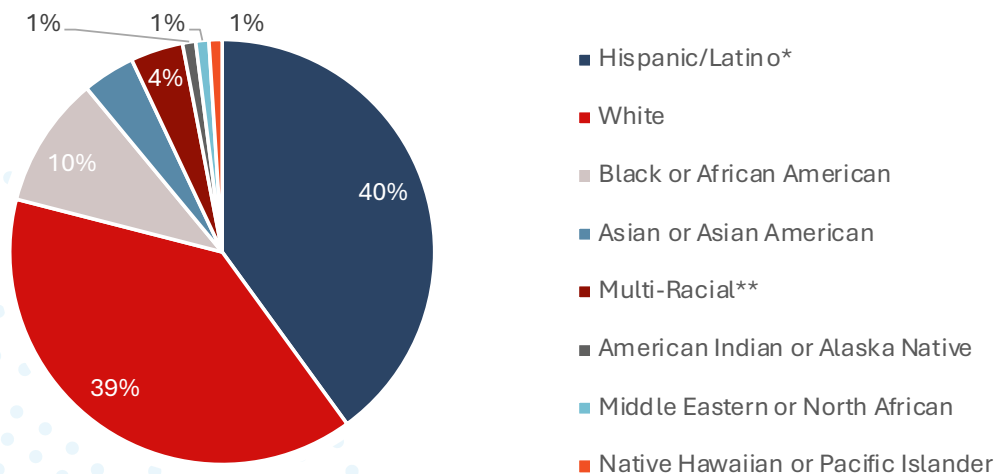


Source: Orange County 2-1-1, 2024 Sheltered Point in Time Count

Homelessness remains a major concern in a county with expensive housing and a rising cost of living. The number of Orange County residents living in sheltered homeless arrangements rose from 3,149 in 2024 to 3,537 in 2025, a 12.3 percent increase. While the number of residents in sheltered homeless arrangements did decline by almost 20 percent from 2020 to 2021, it has generally trended upward this decade, as seen above; Orange County’s sheltered homeless population has increased by more than 1,000 since 2021.

Approximately 965 sheltered homeless residents (27 percent of the total) fell into the category of Adults and Children; this represents a small annual increase. Orange County’s population of homeless adults increased by 16.8 percent: from 2,195 in 2024 to 2,564 in 2025. The number of Children Only in sheltered homeless arrangements also increased.

PROPORTION OF SHELTERED POINT-IN-TIME HOMELESS BY RACE/ETHNICITY IN ORANGE COUNTY, 2025



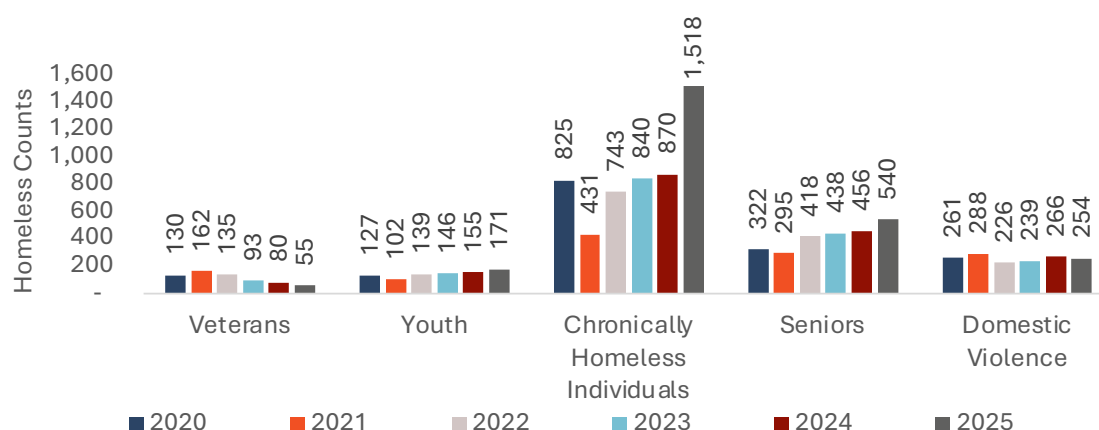
*Hispanic or Latino includes individuals of Hispanic or Latino ethnicity of any race.

**Multi-Racial does not include Hispanic or Latino populations.

Source: Orange County 2-1-1, 2024 Sheltered Point in Time Count

Hispanic or Latino (of any race) and White residents accounted for 40 and 39 percent, respectively, of Orange County's homeless population. Black or African American residents were disproportionately likely to experience homelessness, accounting for 10 percent of the county's sheltered homeless population but only 1.7 percent of its total population. This highlights the need for additional investment in housing equity across the region.

SHELTERED HOMELESS COUNTS BY SPECIAL POPULATIONS IN ORANGE COUNTY, 2020–2025

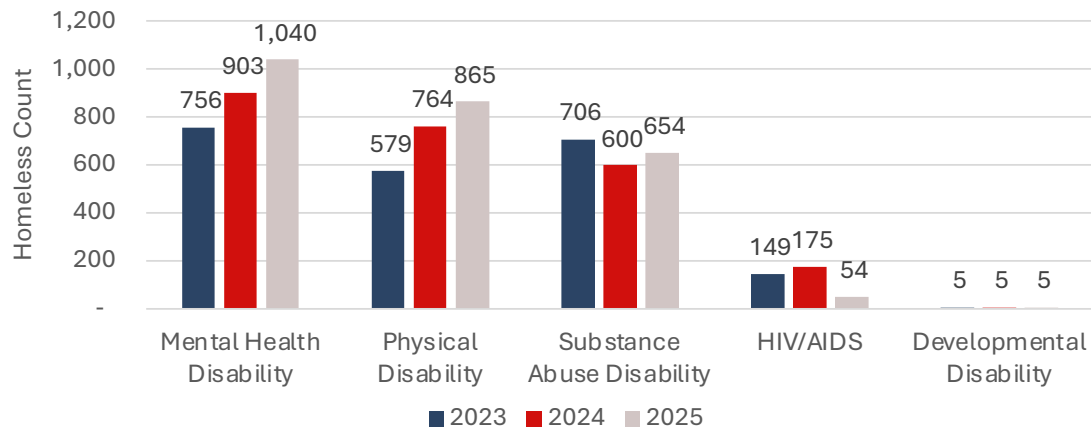


Source: Orange County 2-1-1, 2024 Sheltered Point in Time Count

The population of Orange County veterans in sheltered homelessness arrangements decreased by 31.3 percent from 2024 to 2025, with the total number falling to 55. The number of sheltered homeless domestic violence victims also declined, falling by 12 percent from 266 to 254.

Other groups, on the other hand, saw dramatic increases in homelessness. For instance, the number of Chronically Homeless Individuals increased by 74.5 percent, reaching 1,518 in 2025. The number of sheltered homeless seniors increased by 18.4 percent, while the number of sheltered homeless youth increased by 10.3 percent.

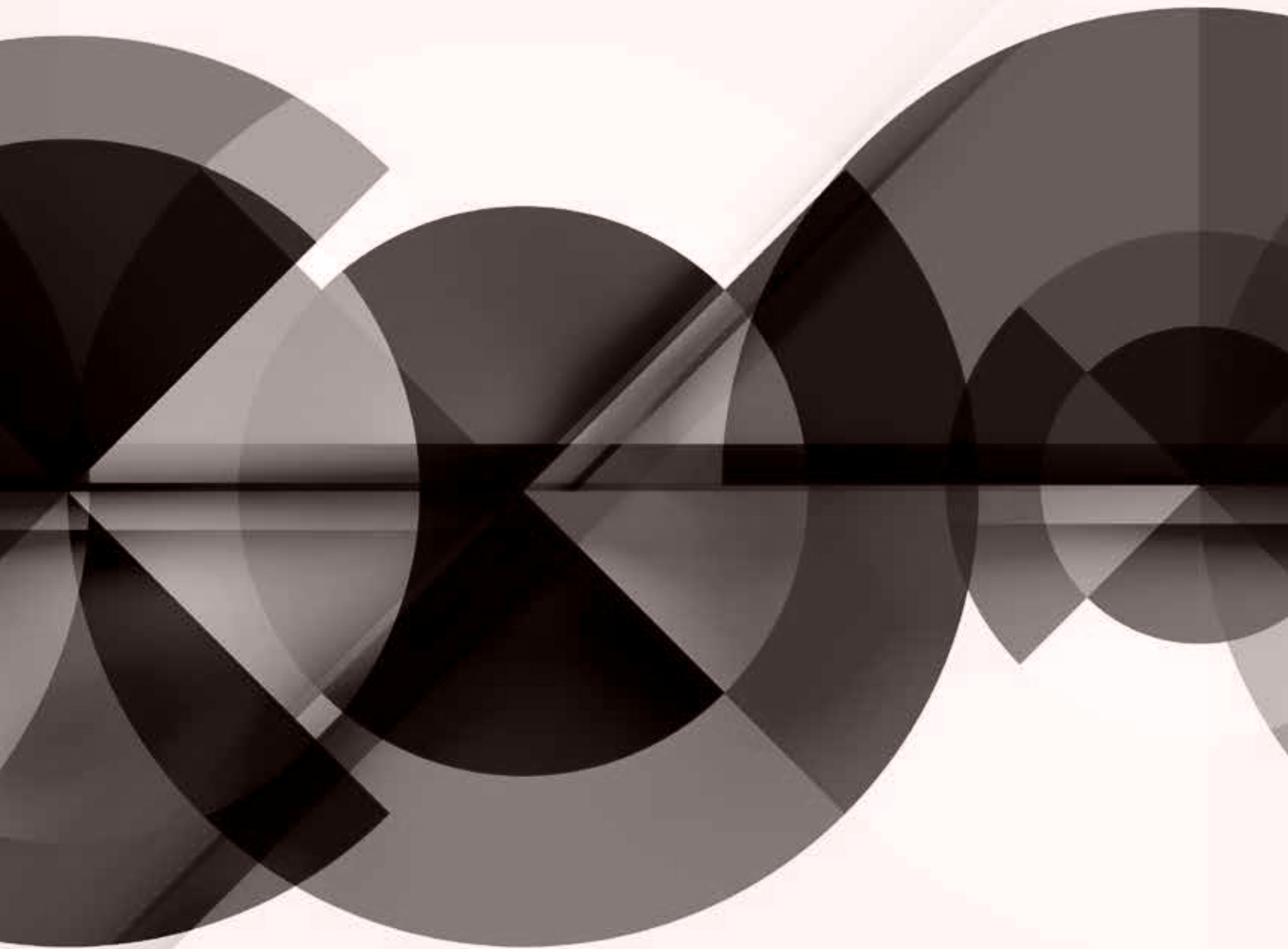
DISABILITIES REPORTED BY PERSONS SHELTERED IN ORANGE COUNTY, 2023–2025



Source: Orange County 2-1-1, 2024 Sheltered Point in Time Count

Sheltered homeless counts for individuals with disabilities also saw increases. The population of sheltered homeless individuals with mental health disabilities increased by 15.2 percent to 1,040 in 2025. As seen above, the numbers of individuals with physical disabilities and individuals with substance abuse disabilities also increased in the county's sheltered homeless population. The sheltered homeless population with HIV/AIDS experienced a significant decline, falling from 175 in 2024 to just 54 in 2025.

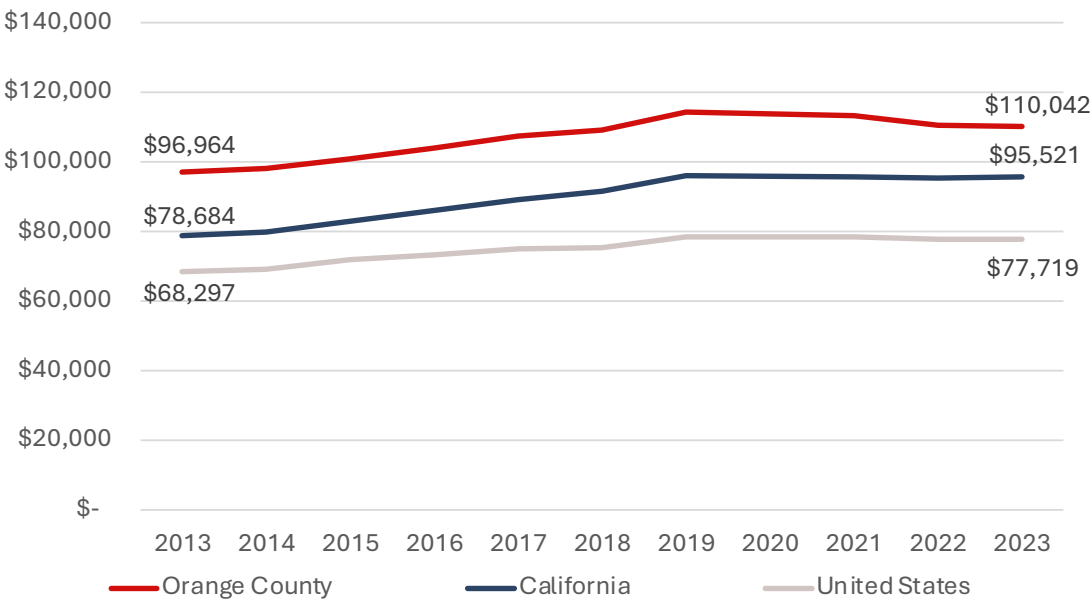
INCOME



HOUSEHOLD INCOME

INFLATION-ADJUSTED WAGES SEE MODEST DECLINE IN 2023

MEDIAN HOUSEHOLD INCOME (INFLATION ADJUSTED TO 2023 DOLLARS),
ORANGE COUNTY, CALIFORNIA, AND UNITED STATES, 2013–2023



Sources: U.S. Census Bureau, American Community Survey, 1-Year Estimates; U.S. Inflation Calculator, reporting Consumer Price Index (CPI-U) data provided by the U.S. Department of Labor, Bureau of Labor Statistics. Data not available for 2020 due to COVID-19-related impacts.

Orange County’s median household income fell to \$110,042 in 2023, a decline of 0.5 percent from the previous year. The state-level median income increased by 0.2 percent, while the national median income declined by 0.1 percent. Orange County’s median income remains significantly higher than the state (\$95,521) and national (\$77,719) averages.

Percentage of
Orange County
residents living in
poverty
9.1%

Percentage of
Orange County
children living in
poverty
10.8%

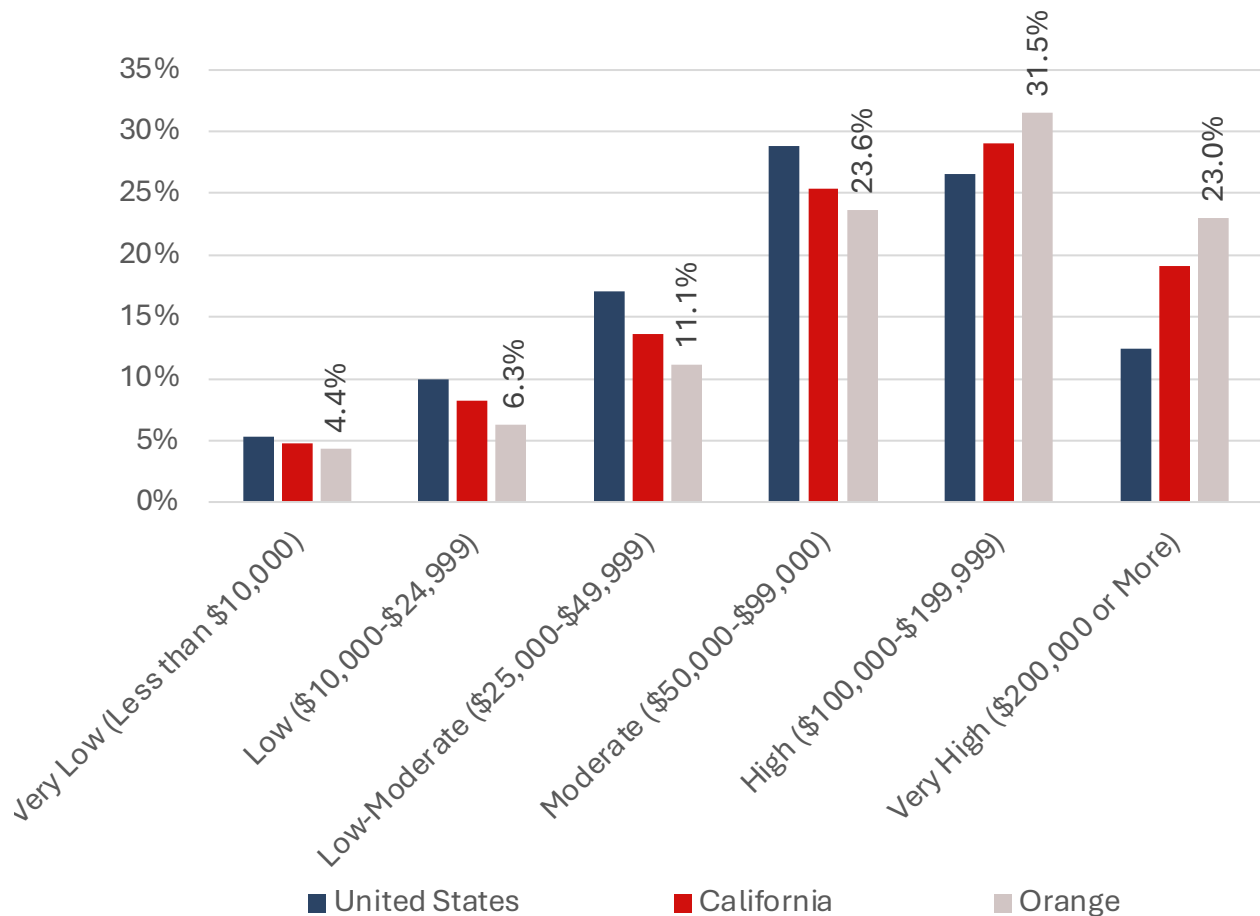
Working poor:
percentage of
residents living in
poverty who work
full-time
1.7%
or part-time
10.4%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates



HIGH-INCOME HOUSEHOLDS CONTINUE TO GROW

DISTRIBUTION OF HOUSEHOLDS BY MEDIAN HOUSEHOLD INCOME, ORANGE COUNTY, CALIFORNIA, AND THE UNITED STATES, 2023



Sources: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2010 through 2023; U.S. Census Bureau, Poverty Thresholds for 2025; California Association of Realtors, First-Time Buyer Housing Affordability Index.



Number of
Orange County
households in
the “Very Low”
income group:

48,071

Approximate
2025 U.S. poverty
threshold for a
4-person household:

\$31,299

Eligibility for many
support services
begins at

<185%

of poverty, or roughly

\$57,903

for a
4-person household

2023 median
household income in
Orange County:

\$110,042

Minimum qualifying
income for a first-time
homebuyer in
Orange County
in 2024:

\$233,700

The number of
Orange County
households grew

11%

between 2010 & 2022,
while the number of
households in the
“Very High” group grew

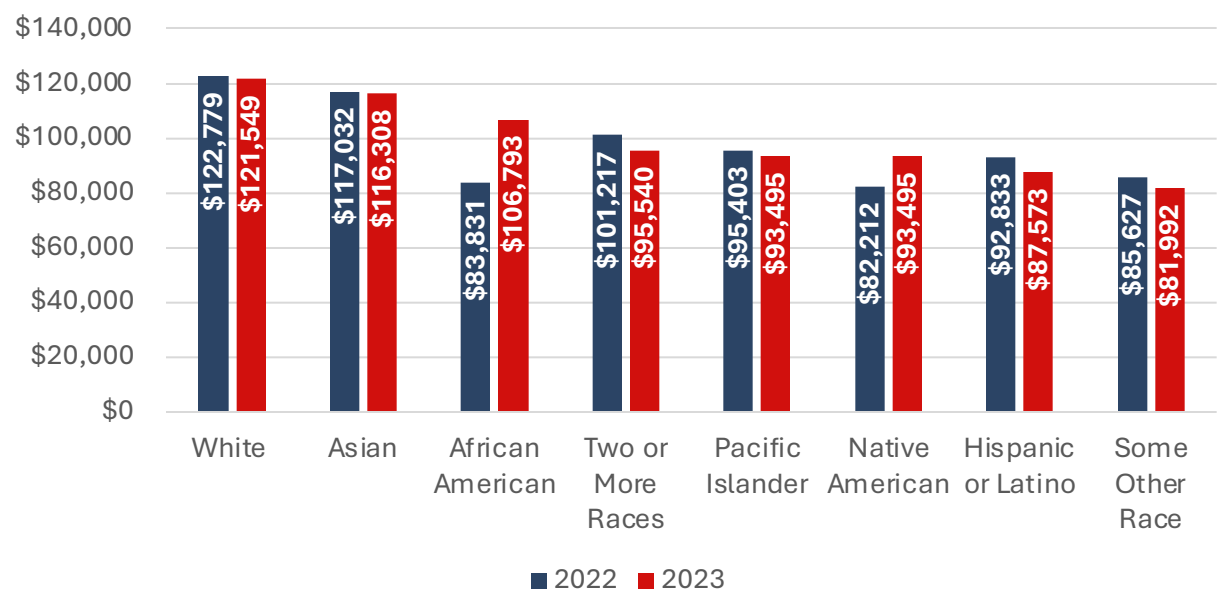
203%

The proportion of county households in the ‘very low’ income category (annual income of \$10,000 or less) increased slightly from 4.3 percent in 2022 to 4.4 percent in 2023. Despite this marginal increase, the proportion of county households in the ‘very low’ income category remains well below the state (4.8 percent) and national (5.3 percent) average; however, this does represent 48,071 county households living in poverty.

The proportion of Orange County households making over \$200,000 increased from 22.6 percent in 2022 to 23.0 percent in 2023. Orange County has a significantly higher proportion of residents making over \$200,000 than state (19.1 percent) and national (12.4 percent) averages, an illustration of its strong economy. Overall, approximately 54.5 percent of county households make over \$100,000 per year; this is also well above state (48.1 percent) and national (38.9 percent) averages.

OC INCOME GROWTH VARIES BY ETHNICITY

MEDIAN HOUSEHOLD INCOME (INFLATION ADJUSTED TO 2023 DOLLARS)
BY RACE/ETHNICITY IN ORANGE COUNTY, 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Looking at inflation-adjusted income growth by race or ethnicity in Orange County, only two cohorts saw median incomes increase over the past year: African Americans (+27.4 percent) and Native Americans (+13.7 percent).

All other groups saw declining median incomes, including Hispanic or Latino residents (-5.7 percent), residents of 'Two or More Races' (-5.6 percent), and residents who identify as 'Some Other Race' (-4.2 percent). While White and Asian cohorts have the highest median incomes in the region at \$121,549 and \$116,308, they also registered declines of 1.0 percent and 0.6 percent, respectively.



FAMILY FINANCIAL STABILITY

Mostly Stable Family Financial Stability Between 2022 and 2023 Means OCUW Remains on Track to Exceed the FACE 2024 Goal

The FFSI-OC measures the financial stability of families with children under 18 by Orange County neighborhood (census tract). It is a composite of three metrics: family income, employment status, and the proportion of household income spent on rent. This section summarizes the most recent data available from 2023.

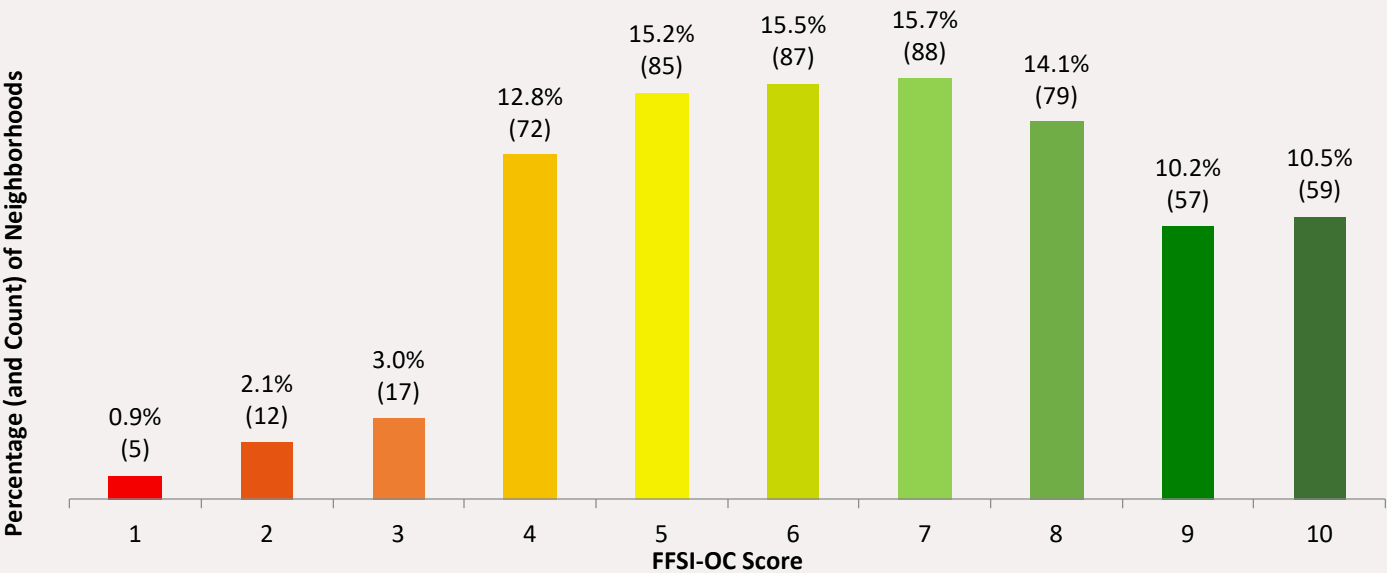
MOST RECENT YEAR

The 2023 Family Financial Stability Index for Orange County (FFSI-OC) shows that 19 percent of neighborhoods had low levels of family financial stability (scores of 1, 2, 3, and 4 out of a maximum score of 10, where 1 is the least stable and 10 is the most stable).



MAJORITY OF NEIGHBORHOODS MODERATELY STABLE OR STABLE

Figure 1. FFSI-OC Scores, Percent (and Count) of Orange County Neighborhoods, 2023



Source: Parsons Consulting, Inc. for Orange County United Way

NOTE

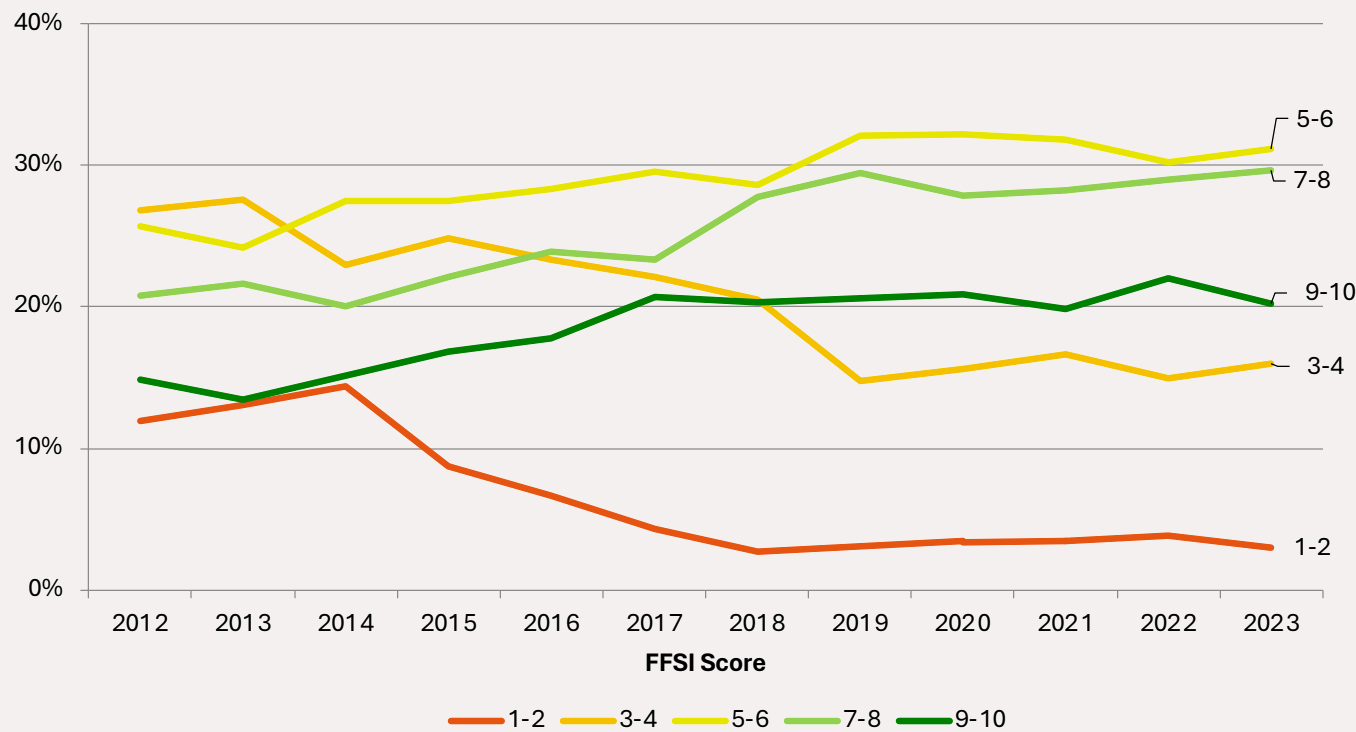
Figure 1 reflects data collected in 2019 through 2023 that is displayed using 2020 census tract boundaries. Percentages have been rounded. The number of neighborhoods falling within each FFSI-OC index score is provided in the parentheses following the percentage.

TRENDS

While fluctuating from year to year, Orange County has seen a long-term increase in financial stability (scores of 5 or higher) since 2012. For instance, the percentage of neighborhoods with the lowest levels of stability (scores of 1 or 2) decreased from 12 percent in 2012 to 4 percent in 2022 and further to just 3 percent in 2023. (The percentage of neighborhoods with a score of 3 or 4 did slightly increase from 2022 to 2023.) The percentage of neighborhoods with a score of 4 or lower has remained stable since 2019 while the percentage of neighborhoods at the highest levels of stability has slightly decreased.

FAMILY FINANCIAL STABILITY IMPROVES SLIGHTLY AT LOWEST LEVEL

Figure 2. Percentage of Orange County Neighborhoods by FFSI-OC Score, 2012–2023



Source: Parsons Consulting, Inc. for Orange County United Way

NOTE

Figure 2 shows longitudinal data using 2010 census tract boundaries to maintain consistently defined neighborhoods over the entire time span (see data note below).

DATA NOTES

Data for the FFSI are derived from the U.S. Census Bureau American Community Survey 5-Year Estimates. The 2023 results are estimates based on samples of the Orange County population surveyed between 2019 and 2023. As with all sample data, results have a margin of error where the true result is highly likely to be within the margin of error. The 2023 data had a relatively high number of census tracts with missing data (53, or 8.6% of tracts) due to U.S. Census Bureau suppression criteria to protect anonymity. All FFSI results, including calculated percentages, are presented with missing tracts omitted.

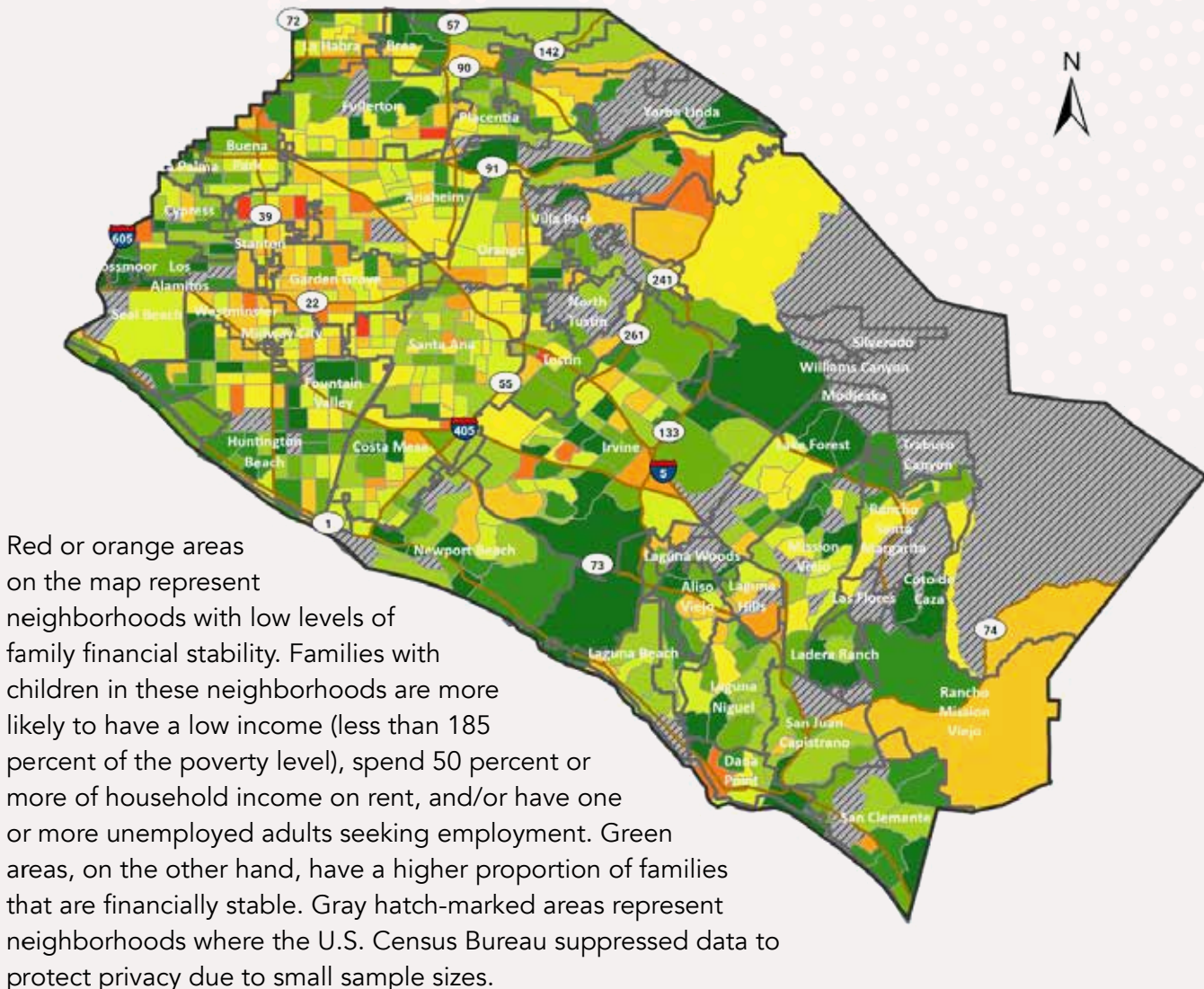
For the 2020 Census, the U.S. Census Bureau revised census tract boundaries, creating 30 additional tracts in Orange County as population increases necessitated the splitting of certain tracts. The single year displays of FFSI results (Figures 1 and 3) are based on the analysis of data using the new 2020 census tract boundaries; however, to enable ongoing trend analysis, trend displays (Figures 2 and 4) are based on recombining data to estimate findings for the previous 2010 census tract boundaries. Consequently, percentages displayed or referenced in Figures 1 and 3 will differ from percentages in Figures 2 and 4.

GEOGRAPHIC ANALYSIS

In 2023, 3 percent of Orange County neighborhoods had “least stable” family financial stability scores of 1 or 2. As seen below, these neighborhoods were mostly concentrated in the central and northern parts of the county; the cities of Anaheim, Buena Park, Costa Mesa, Dana Point, Fullerton, Garden Grove, Huntington Beach, Irvine, Los Alamitos, Santa Ana, Tustin, and Westminster have at least one “least stable” neighborhood. Another 16 percent of neighborhoods had “unstable” financial stability scores (3 or 4) for a total of 19 percent of neighborhoods in the “unstable” or “least stable” categories.

18.9 PERCENT OF NEIGHBORHOODS HAVE LOW LEVELS OF FAMILY FINANCIAL STABILITY

Figure 3. Geographic Distribution of Neighborhoods with Varying Levels of Family



Source: Parsons Consulting, Inc. for Orange County United Way

NOTE

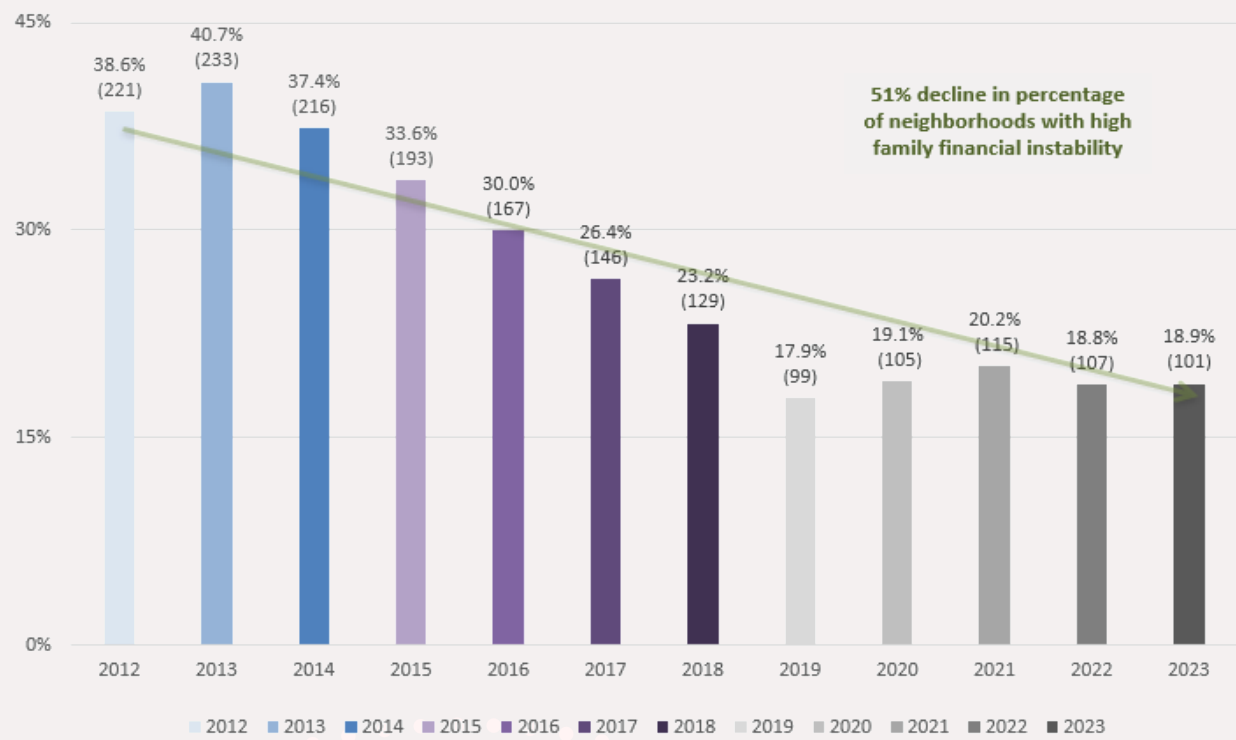
Figure 3 reflects data collected in 2019 through 2023 that is displayed using 2020 census tract boundaries.

PROGRESS TOWARD FACE 2024 GOAL

The FFSI-OC is used as a proxy to track Orange County United Way’s progress toward their FACE 2024 goal to “reduce the percentage of financially unstable families by 25 percent.”¹¹ For this purpose, “financially unstable” is defined at the neighborhood level as a FFSI-OC score of 4 or lower for a census tract. From 2012 to 2023, there was a 51 percent decline in the percentage of financially unstable neighborhoods according to this metric.

OCUW ON TRACK TO DOUBLE FACE 2024 GOAL

Figure 4. Progress Toward Orange County United Way FACE 2024 Goal: Change in Percentage of Neighborhoods with FFSI-OC Scores of 1 through 4, 2012–2023



Source: Parsons Consulting, Inc. for Orange County United Way

NOTE

Figure 4 reflects data collected in 2008 through 2023. Data are displayed using 2010 census tract boundaries. Numbers of census tracts with FFSI-OC scores of 4 or less are displayed in parentheses. The total number of census tracts included in the analysis changes from year-to-year due to variation in Census Bureau data suppression to protect confidentiality in tracts with small numbers of households.

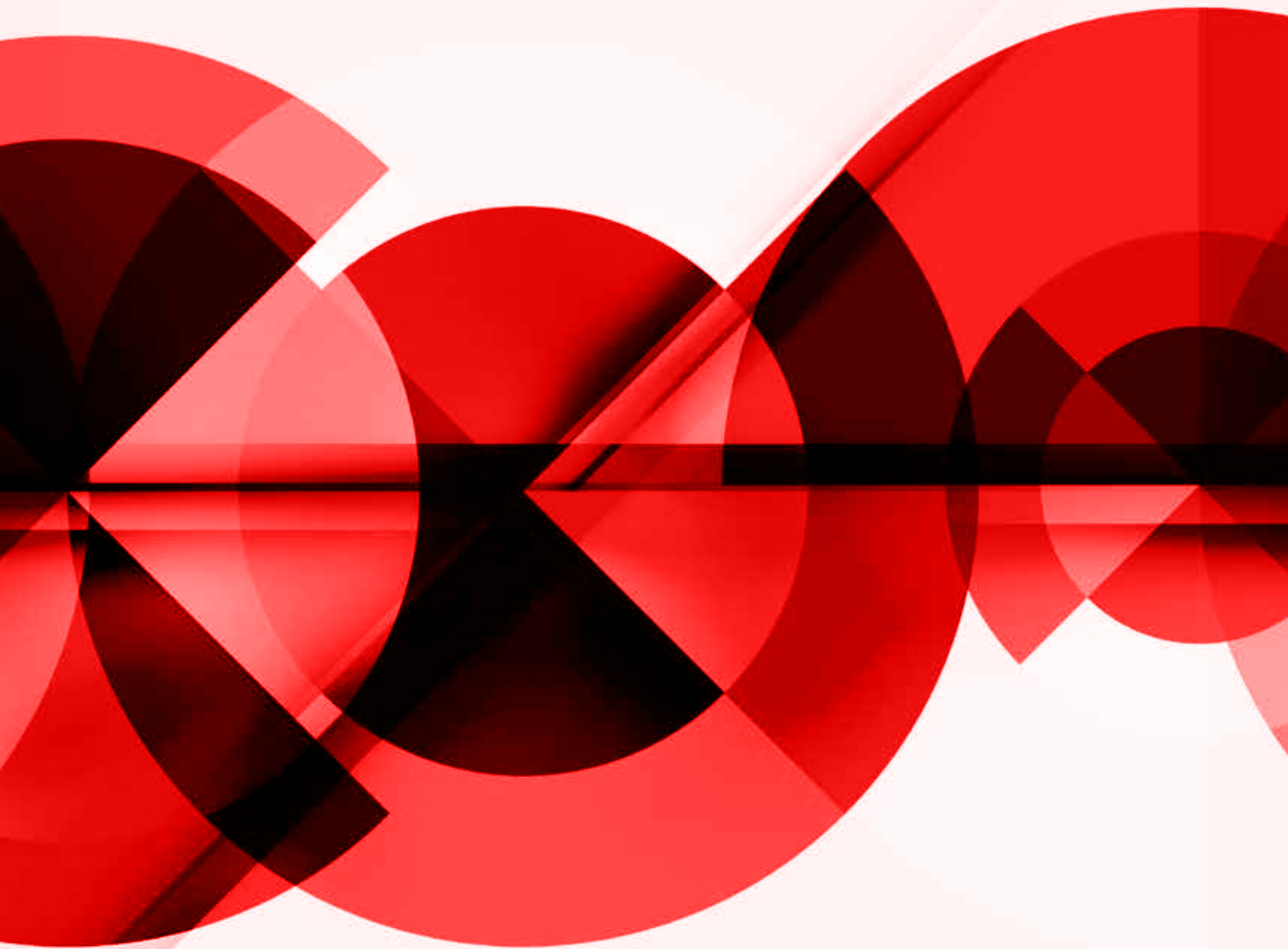
¹¹ The OCUW FACE 2024 goal aims to reduce the percentage of financially unstable families, while the FFSI-OC measures the percentage of neighborhoods that have high (or low) concentrations of families experiencing financial instability. The FFSI-OC does not provide a family count, so it cannot provide a precise calculation of change in the number of families that are financially unstable. However, the change in count and percentage of neighborhoods experiencing family financial instability serves as a proxy for a family count.



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EDUCATION



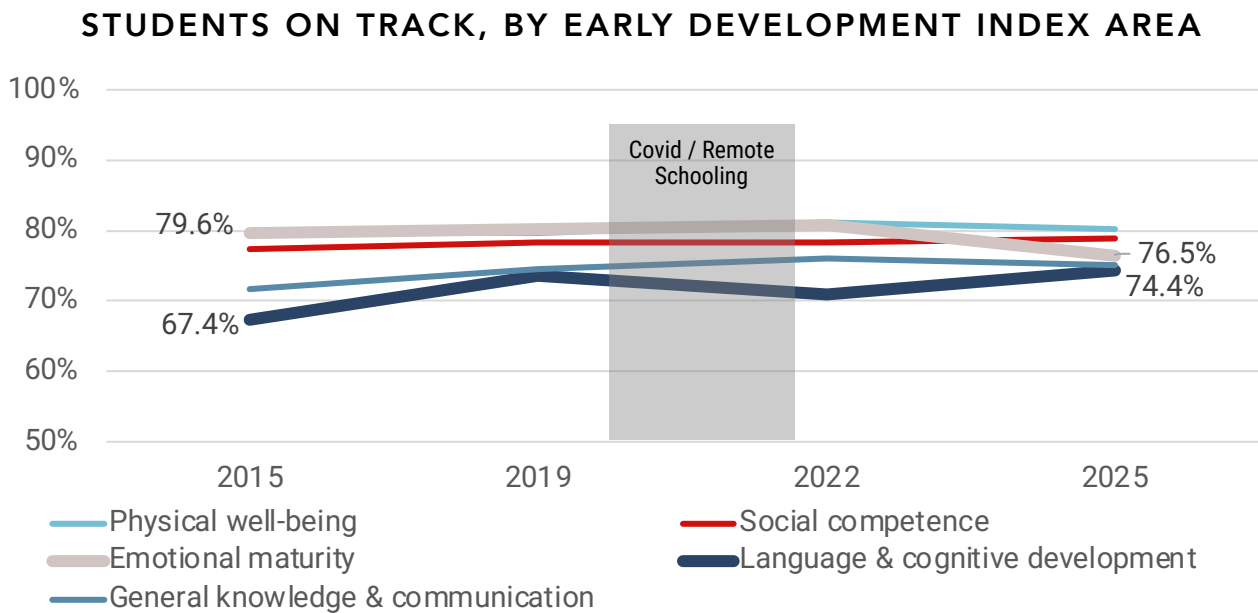
KINDERGARTEN READINESS

PERCENTAGE OF STUDENTS READY FOR KINDERGARTEN INCREASES

First 5 Orange County's Early Development Index (EDI) measures five areas of children's development: physical health and well-being, communication skills and general knowledge, social competence, emotional maturity, and language and cognitive development. Children are considered developmentally ready for school if they are on track in all five areas, or on all four areas if only four were completed.

Kindergarten readiness serves as a predictor of future performance as it provides a solid foundation for academic and career growth. It also indicates how communities support their children's school readiness, what programs and opportunities are helping, and where additional resources are needed to ensure the success of the entire community.

The proportion of children ready for kindergarten has grown by almost five percentage points over the past decade – from 48.2 percent ready in 2015 to 53.0 percent ready in 2025. The long-term trend is an increase in children's readiness on the language and cognitive development area and a decrease in emotional maturity. Several factors may be influencing these trends, including the 2025 cohort of kindergarteners born during COVID shutdowns, in an anxious environment with reduced play opportunities.



THE FIVE AREAS OF A CHILD'S DEVELOPMENT ARE DIVIDED INTO 16 SUB-AREAS:

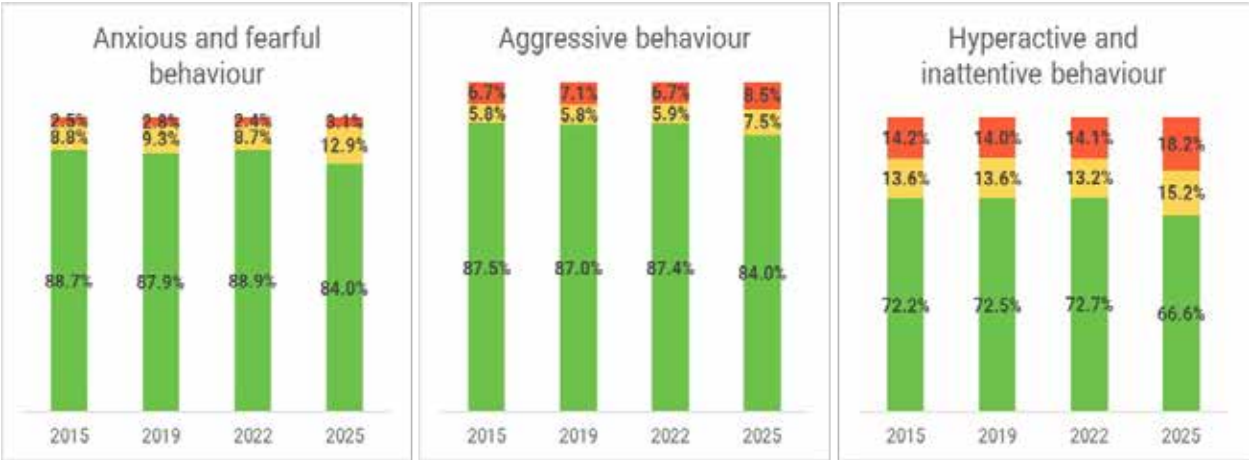


Performance on basic numeracy skills, basic literacy skills, and complex literacy skills all improved between 2015 and 2025.

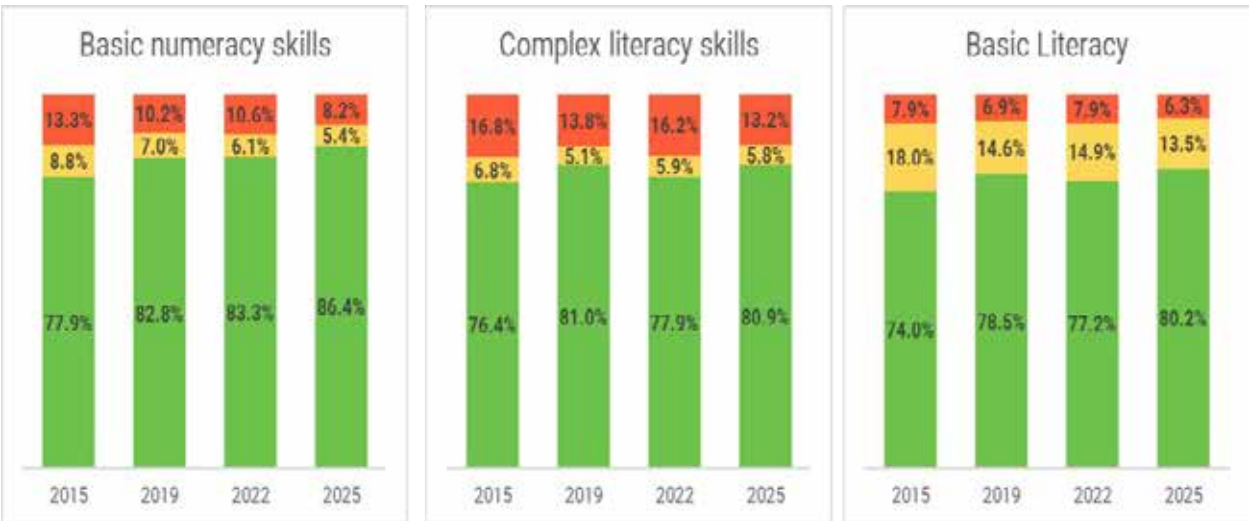
During the same 10-year period, the proportion of kindergarteners with hyperactive and inattentive behavior, anxious/fearful behavior, and aggressive behavior increased – particularly between 2022 and 2025, the post-pandemic years.

STUDENTS' READINESS ON SELECT SUB-AREAS, 2015–2025

EMOTIONAL MATURITY SUB-AREAS



SELECT LANGUAGE & COGNITIVE DEVELOPMENT SUB-AREAS



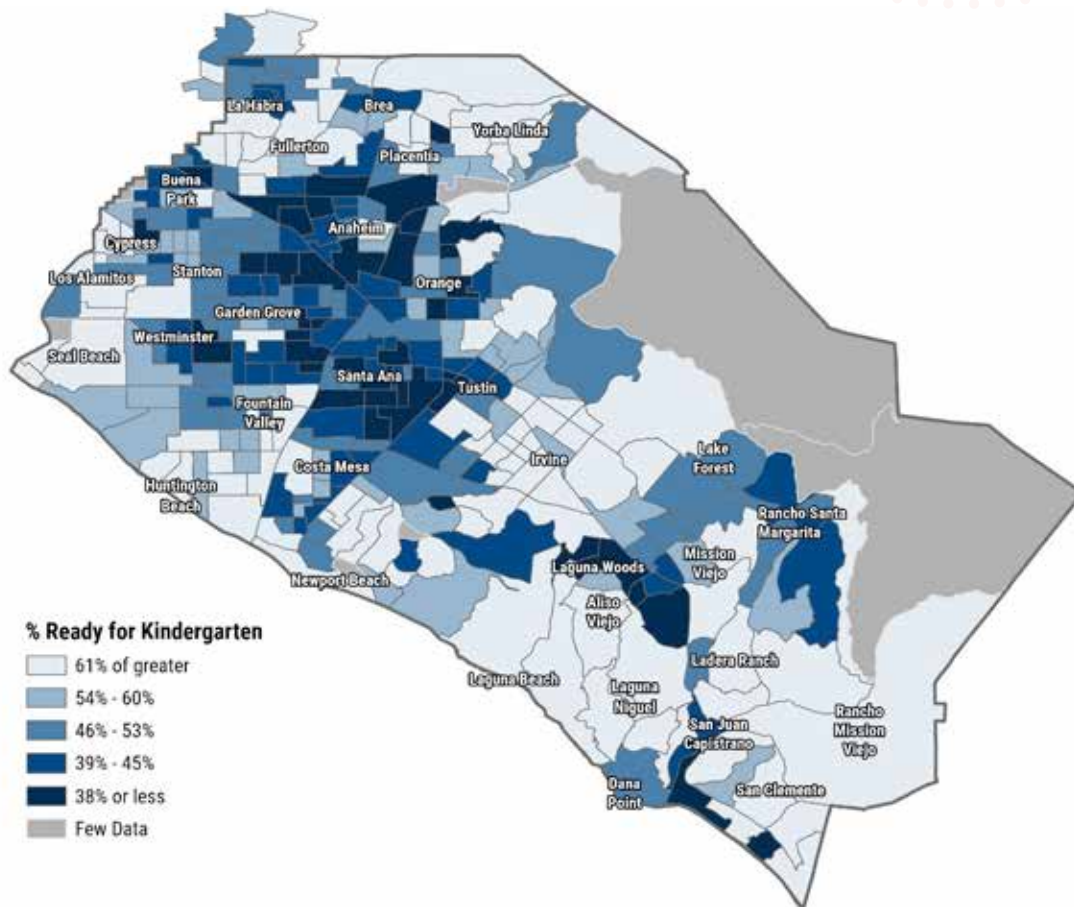
■ Not ready for school ■ Somewhat ready for school ■ Ready for school

Source: First 5 Orange County, Early Development Index

DIFFERENCES IN KINDERGARTEN READINESS EXIST ACROSS ORANGE COUNTY NEIGHBORHOODS

In 2025, slightly more than one in two young children in Orange County were considered ready for kindergarten. This rate varies across the county, with some neighborhoods having fewer than one in three children considered ready.

PERCENTAGE OF STUDENTS READY FOR KINDERGARTEN, EARLY DEVELOPMENT INDEX, 2025



Source: First 5 Orange County, Early Development Index

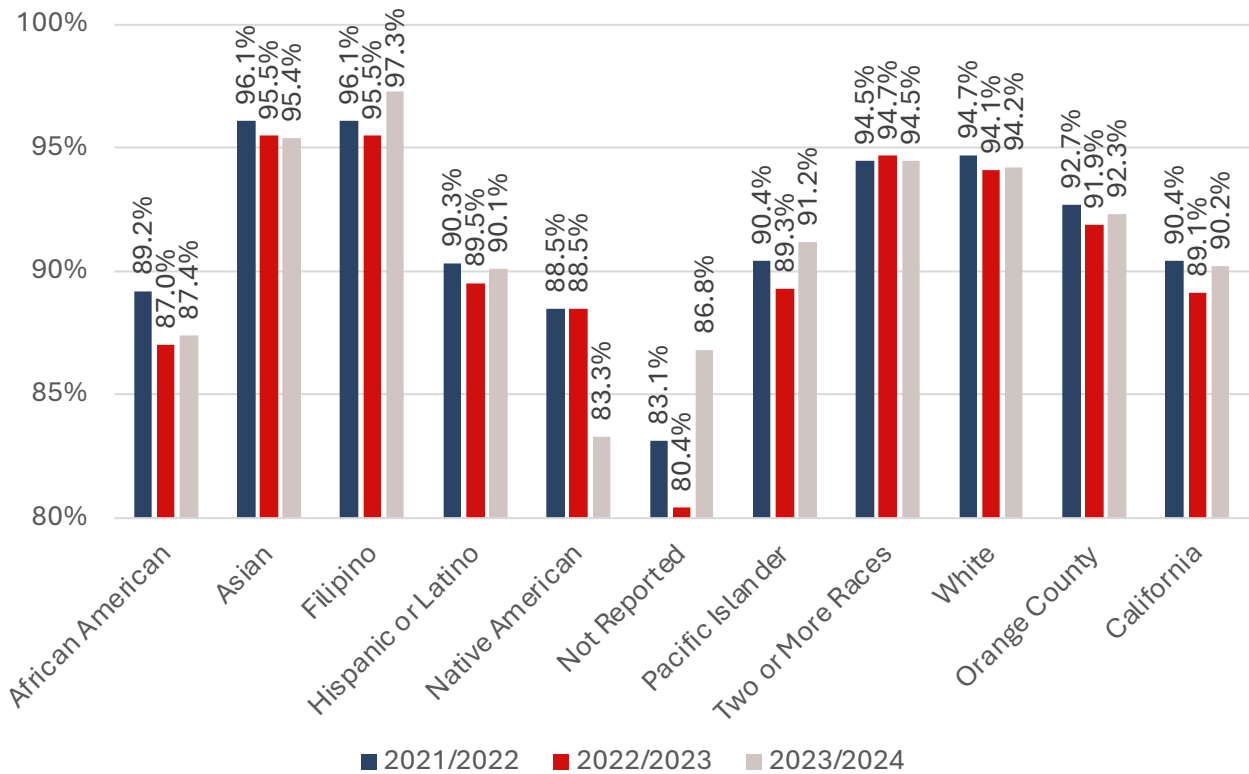
NOTE

The EDI assists stakeholders in identifying how children are faring developmentally as they enter school. Therefore, data in this map are based on where children live rather than the school (and district) where their data are collected.

HIGH SCHOOL GRADUATION RATE

GRADUATION RATES IMPROVE

GRADUATION RATE BY RACE/ETHNICITY IN ORANGE COUNTY,
2021/2022–2023/2024



Source: California Department of Education, DataQuest

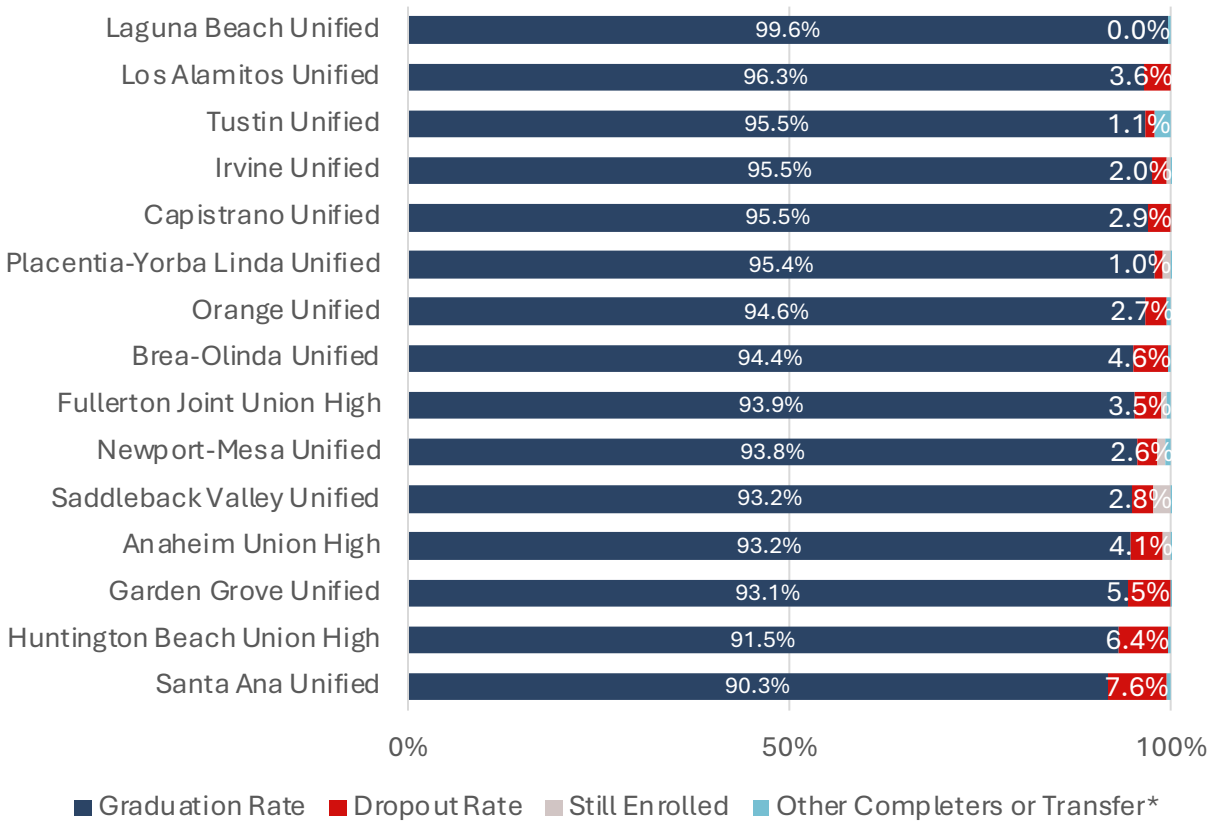
Orange County’s overall graduation rate increased during the 2023/2024 school year; 92.3 percent of students who entered 9th grade in 2020 graduated on time four years later, a year-over-year improvement of 0.4 percent. As seen above, Filipino students had the county’s highest graduation rate (97.3 percent), followed by Asian students (95.4 percent).

A few cohorts saw year-over-year declines in graduation rates, including Native American students (-5.2 percentage points), students of Two or More Races (-0.2 percentage points), and Asian students (-0.1 percentage point). Fortunately, every other student cohort saw year-over-year improvement. Students who did not report their race or ethnicity saw the largest improvement (+6.4 percentage points), followed by Pacific Islander students (+1.9 percentage points) and Filipino students (+1.8 percentage points).

Although Orange County’s overall year-over-year improvement (0.4 percentage points) lagged the state average improvement of 1.1 percentage points, its graduation rate (92.3 percent) remains higher than the state average (90.2 percent). The significant disparities in graduation rates among different racial and ethnic groups speak to the work needed to ensure that every Orange County student is properly prepared for academic and career success.

LAGUNA BEACH'S GRADUATION RATE OVERTAKES LOS ALAMITOS

HIGH SCHOOL STUDENT OUTCOMES BY ORANGE COUNTY SCHOOL DISTRICT, 2023/2024

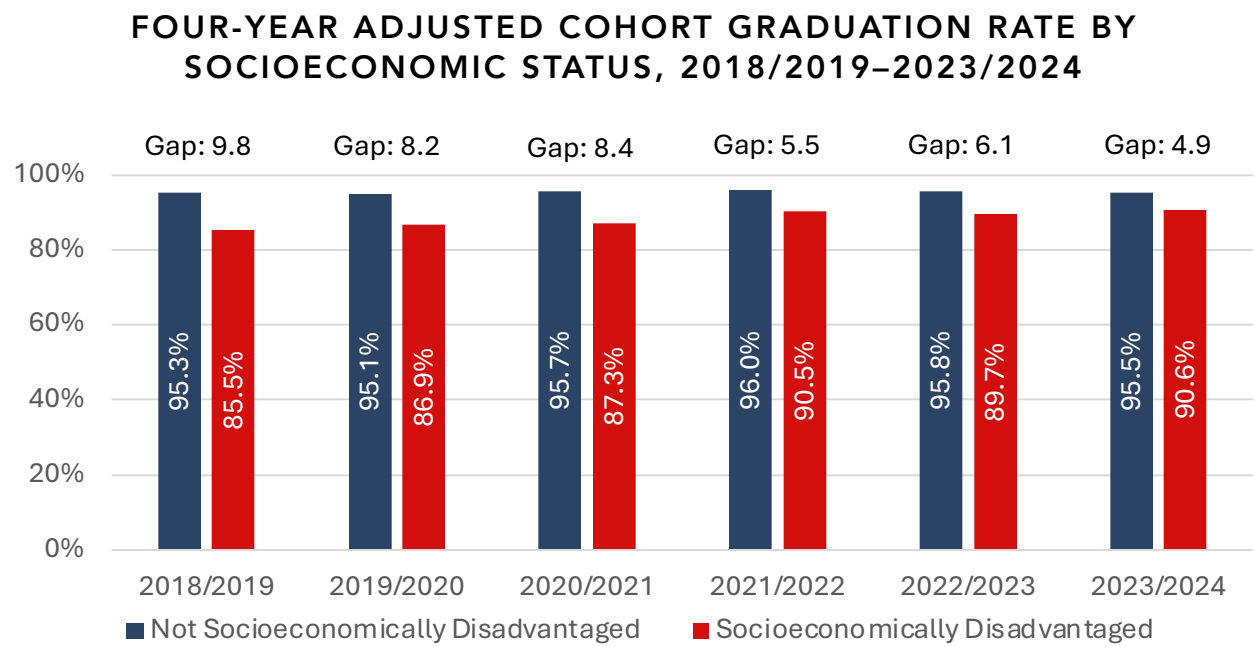


*Includes GED Completers, Other Transfers, Adult H.S. Diploma, Special Education Certificate of Completion, and California High School Proficiency Exam (CHSPE) Completers.

Source: California Department of Education, DataQuest

The Laguna Beach Unified School District had the county's highest graduation rate at 99.6 percent, followed by Los Alamitos Unified (96.3 percent) and Tustin, Irvine, and Capistrano Unified (all at 95.5 percent). While Santa Ana Unified's graduation rate rose from 89.7 percent to 90.3 percent, it remains the lowest in the county. Santa Ana Unified also had the county's highest dropout rate at 7.6 percent; other districts with high dropout rates included Huntington Beach Unified (6.4 percent), Garden Grove Unified (5.5 percent), and Brea-Olinda Unified (4.6 percent). The county-level dropout rate stayed at 4.5 percent while the state average fell slightly from 6.5 percent to 6.3 percent.

OC'S SOCIOECONOMIC STATUS GAP SMALLEST SINCE 2018/2019



Source: California Department of Education, DataQuest

The graduation rate gap between Orange County’s socioeconomically disadvantaged students and non-disadvantaged students is shrinking, falling from 6.1 percentage points to just 4.9, which is the smallest gap in many years.

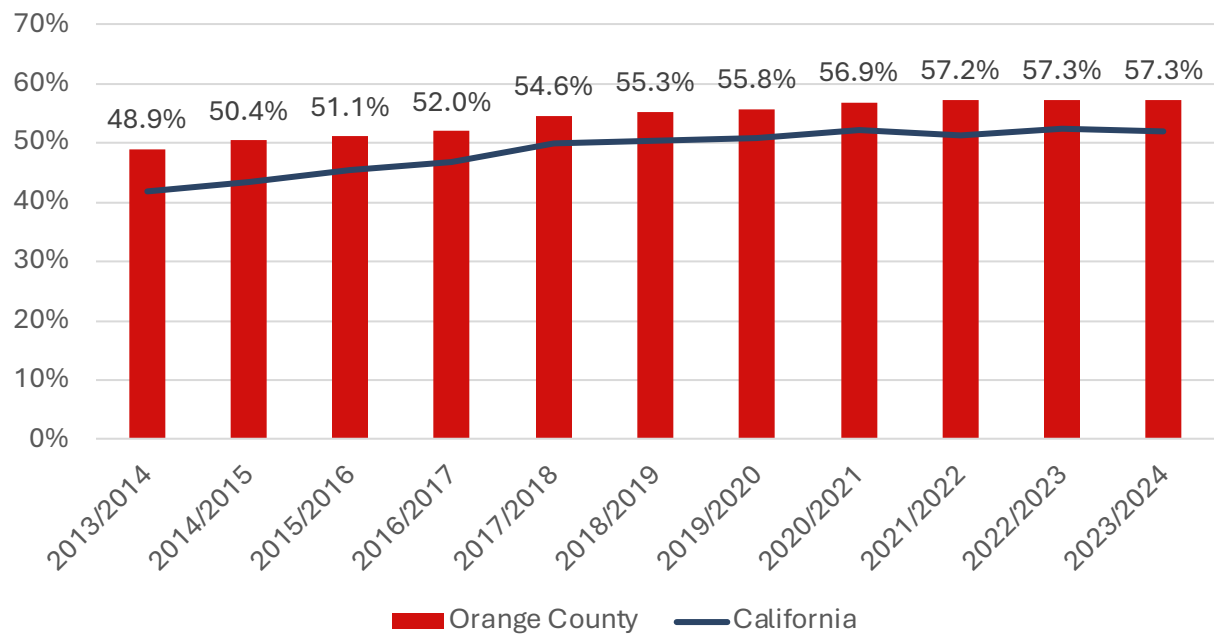
DATA NOTES

The graduation rate measures the percentage of students who receive a diploma in four years. Data are for non-charter schools except for the socioeconomic status analysis, which includes all schools. A student is considered socioeconomically disadvantaged if both parents have not received a high school diploma, the student is eligible for Free or Reduced-Price Meals, or the student is a migrant, homeless, or foster youth.

COLLEGE READINESS

UC/CSU ELIGIBILITY REMAINS STABLE

PERCENTAGE OF HIGH SCHOOL GRADUATES THAT ARE UC/CSU ELIGIBLE
IN ORANGE COUNTY, 2013/2014–2023/2024

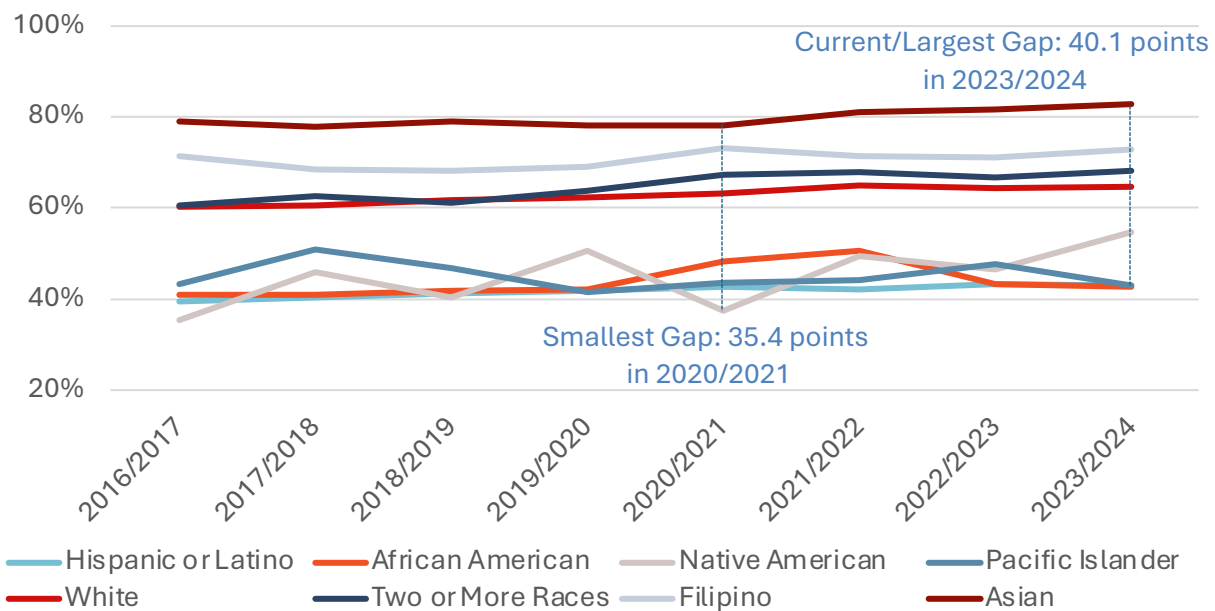


Source: California Department of Education, DataQuest

University of California (UC) and California State University (CSU) eligibility is a key indicator of a region’s educational system performance, preparation for higher education, and ultimately career success. Orange County continues to be a strong performer. Of Orange County high school seniors graduating, 57.3 percent were eligible to attend UC/CSU schools, a significantly higher figure than the state average of 51.9 percent. Orange County’s eligibility rate remained steady from 2023 to 2024 while the state average declined by 0.5 percentage points.

UC/CSU ELIGIBILITY GAP INCREASES TO LARGEST GAP SINCE 2016/2017

PERCENTAGE OF HIGH SCHOOL GRADUATES ELIGIBLE FOR UC/CSU BY RACE/ETHNICITY IN ORANGE COUNTY, 2016/2017–2023/2024



Source: California Department of Education, DataQuest

With Asian student cohorts registering an improvement, the percent of Asian students eligible for UC/CSU systems increased to 82.8 percent while the percent of African American students registered a decline, to 42.9 percent. As a result, this year's UC/CSU eligibility gap has increased to 40.1 percentage points, the largest gap since 2016/2017. The smallest recent gap between any cohort measured was the 35.4 percentage point gap between Asian and Hispanic or Latino students in 2020/2021.

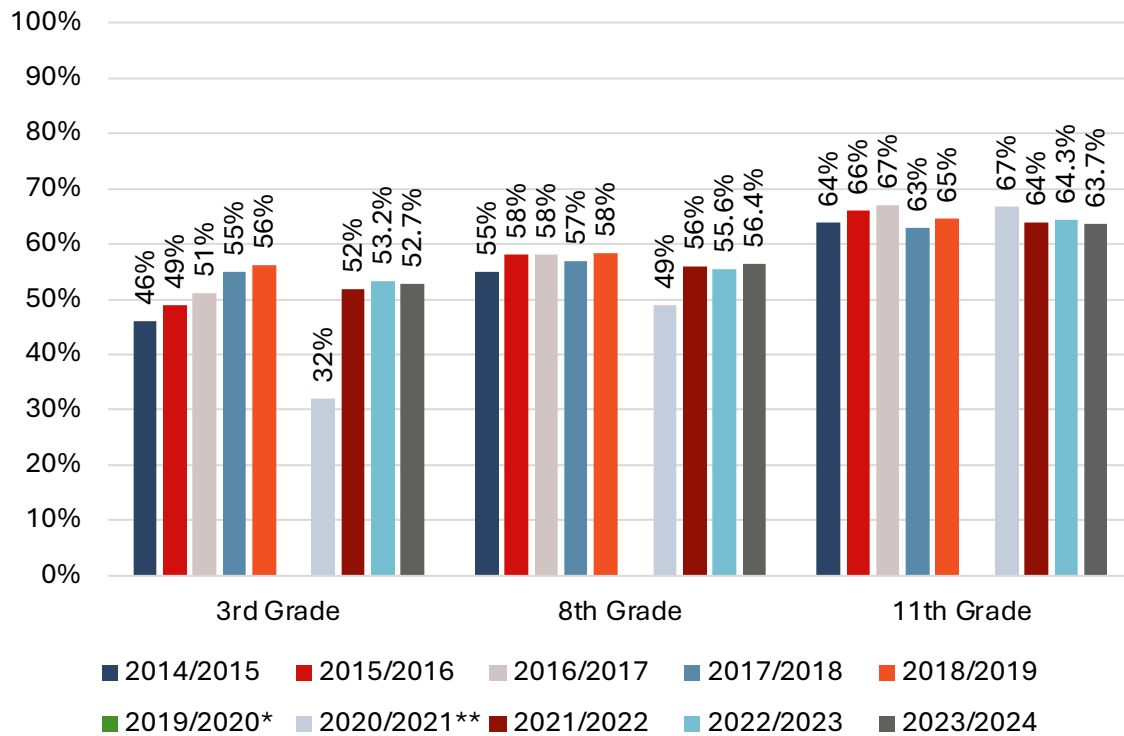
As of the 2023/2024 school year, the percentage point gap between Asian and Hispanic or Latino students has increased back up to 39.9, the second largest point gap between racial and ethnic groups in the region and the largest gap measured between these two cohorts since 2016/2017. While almost all student cohorts have seen improvements in UC/CSU eligibility rates since 2016/2017, additional support is needed, especially for students in disadvantaged communities or where there are higher proportions of English language learners.

Pacific Islanders saw the largest year-over-year decline in UC/CSU eligibility, from 47.7 percent to 42.9 percent. Native American students saw the largest improvement, an increase of 8.3 percentage points to 54.7 percent.

ACADEMIC PERFORMANCE: LITERACY

LITERACY RATES REMAIN STABLE ACROSS ALL GRADE LEVELS

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING ELA STANDARDS, 2014/2015–2023/2024



* 2019/2020 results are not available due to the suspension of testing as a result of the novel coronavirus disease 2019 (COVID-19).

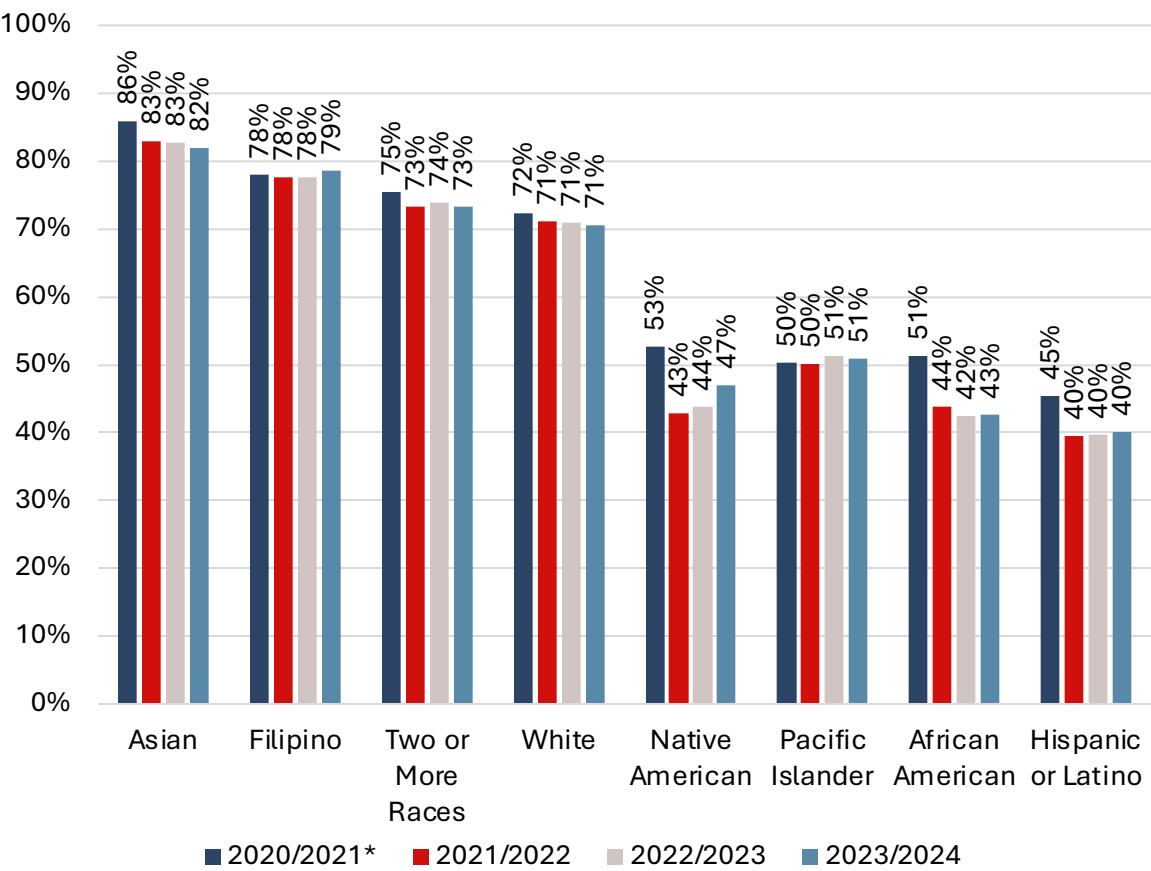
** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied. Care should be used when interpreting results.

Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP).

The proportion of students meeting or exceeding state standards in English Language Arts (ELA) in Orange County remained stable across all age groups. Orange County 8th graders saw a marginal improvement of 0.8 percentage points, with 56.4 percent meeting or exceeding standards in 2023/2024. Third and 11th graders, on the other hand, saw marginal declines of 0.5 and 0.6 percentage points, respectively.

NATIVE AMERICAN, FILIPINO, AND HISPANIC STUDENTS REGISTER LARGEST IMPROVEMENTS IN ELA PERFORMANCE

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING ELA STANDARDS BY RACE/ETHNICITY, 2020/2021–2023/2024



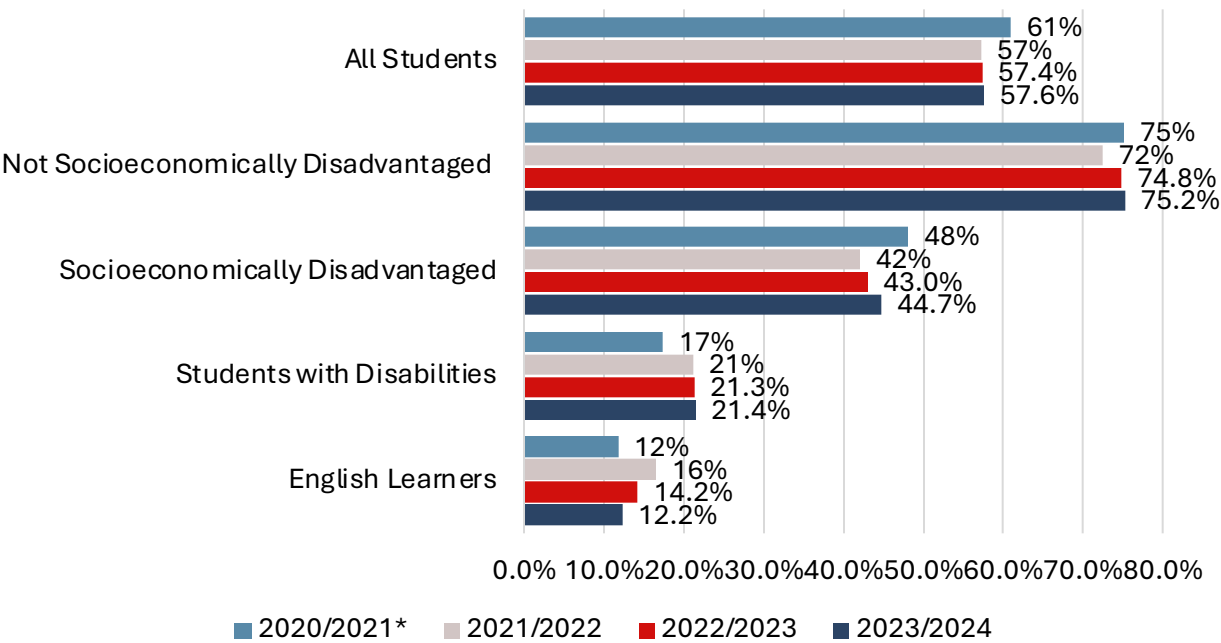
* Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied. Care should be used when interpreting results.

Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP); Data is for all grades.

Orange County’s Native American students saw the largest year-over-year improvement of 3.1 percentage points, followed by Filipino students (1.0 percentage point) and Hispanic or Latino students (0.5 percentage points). Both Asian students and students identifying as being of two or more races experienced slight year-over-year ELA declines – by 0.7 percentage points in both cases.

SOCIOECONOMICALLY DISADVANTAGED STUDENTS IMPROVE; ENGLISH LEARNERS SLIP

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING
ELA STANDARDS BY ECONOMIC STATUS, DISABILITY, AND ENGLISH
LEARNERS, 2020/2021–2023/2024



* Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied. Care should be used when interpreting results.
Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP).

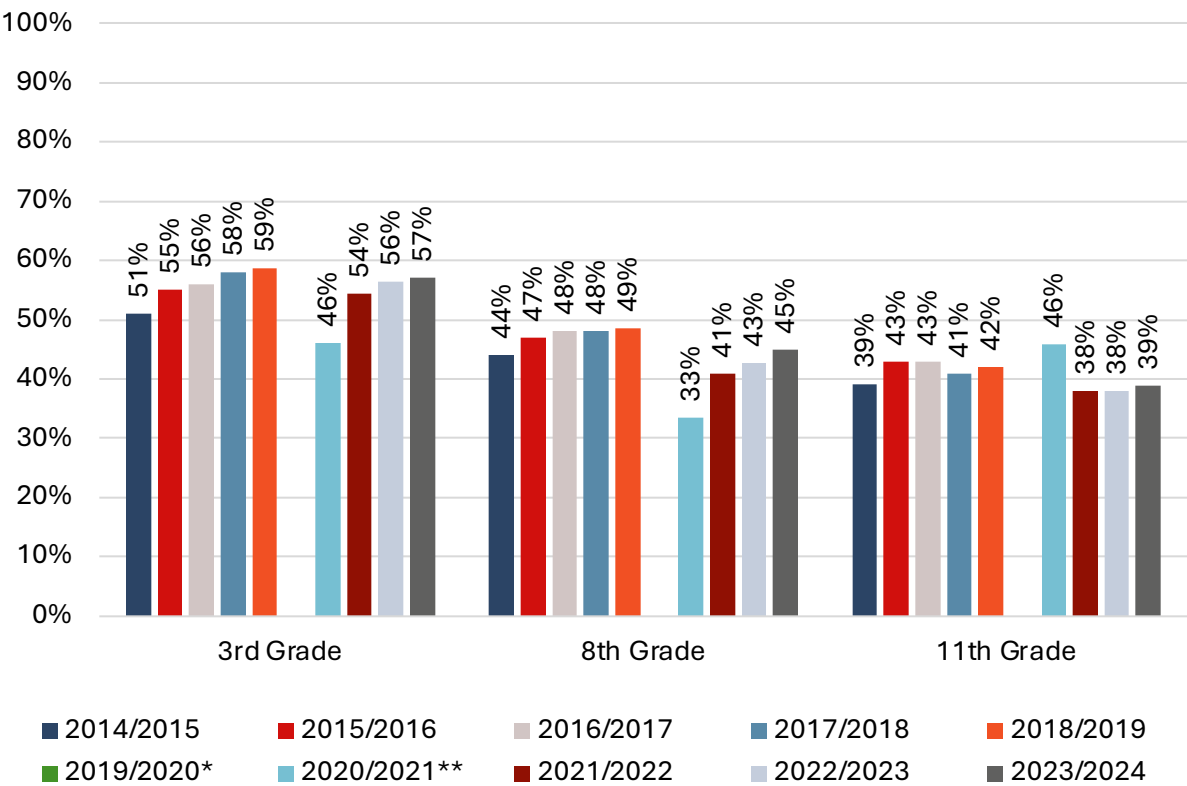
Across all grade levels and student cohorts, 57.6 percent of Orange County students in 2023/2024 met or exceeded state standards for English Language Arts. This represents a small year-over-year improvement of 0.2 percentage points.

One encouraging sign is the improved performance of socioeconomically disadvantaged students; the percentage of these students meeting or exceeding standards rose by 1.7 percentage points. Students with disabilities also saw a small year-over-year improvement of 0.1 percentage points. However, the performance of English Language Learners declined by 2.0 percentage points, which suggests that this cohort might benefit from additional support.

ACADEMIC PERFORMANCE: MATHEMATICS

IMPROVEMENTS SEEN ACROSS ALL GRADE LEVELS IN MATH

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS, 2014/2015–2023/2024

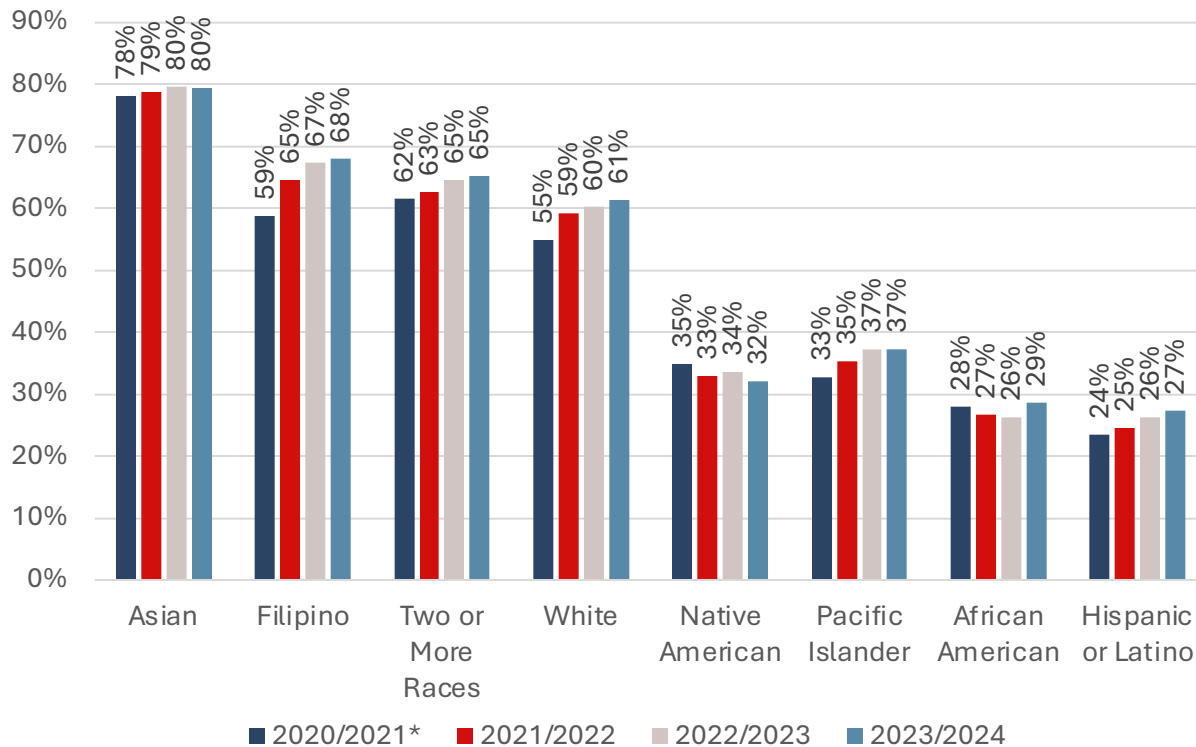


* 2019/2020 results are not available due to the suspension of testing as a result of the novel coronavirus disease 2019 (COVID-19).
** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied.
Care should be used when interpreting results.
Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP).

Orange County students achieved considerable increases in Math performance. In the 2023/2024 school year, 45.0 percent of 8th graders met or exceeded state Math standards, a 2.3 percentage point increase over the previous year’s rate of 42.7 percent. The performance of 3rd and 11th graders also improved, by 0.7 percentage points in both cases; 57.1 percent of 3rd graders and 38.8 percent of 11th graders currently meet or exceed state Math standards.

SCORES RISE FOR AFRICAN AMERICAN, LATINO, WHITE, FILIPINO STUDENTS; DECLINE FOR NATIVE AMERICAN AND ASIAN STUDENTS

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS BY RACE/ETHNICITY, 2020/2021–2023/2024



* Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied. Care should be used when interpreting results.

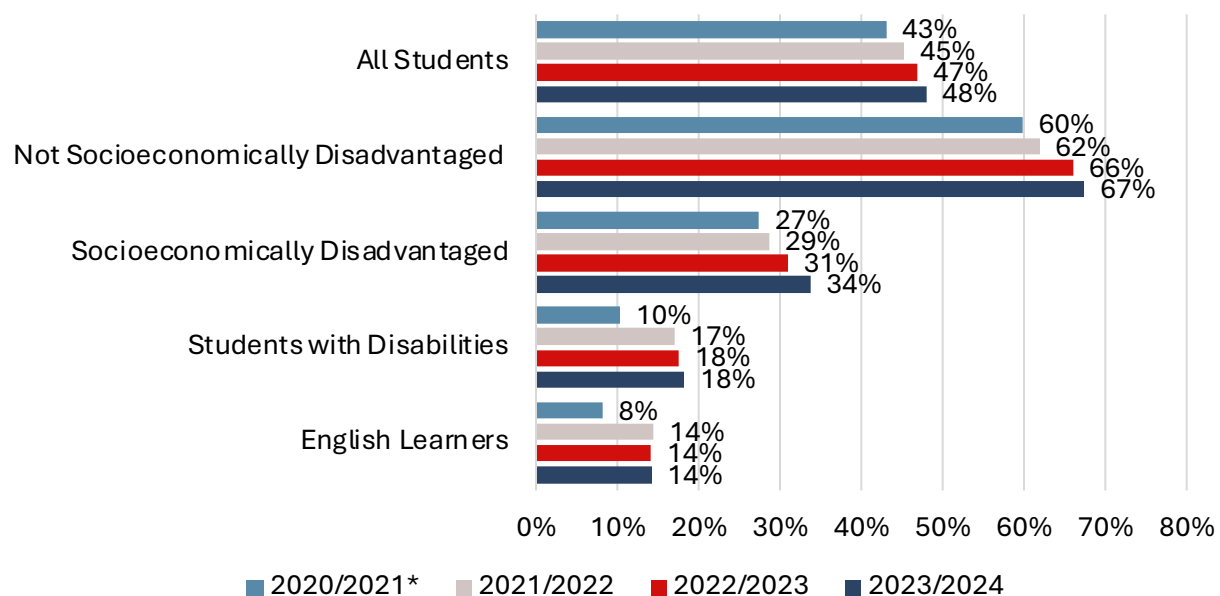
Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP); Data is for all grades.

Two student cohorts experienced declining Math performance: Native American students (-1.5 percentage points, with 32.1 percent of students meeting or exceeding standards) and Asian students (a decline of 0.1 percentage points to 79.5 percent of students meeting or exceeding standards). All other Orange County groups saw improvements or stayed at the same level. African American students had the largest improvement (+2.3 percentage points), followed by Hispanic or Latino students (+1.1 percentage points) and White students (+1.0 percentage points).



OVERALL STUDENT MATH PERFORMANCE IMPROVES

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS BY ECONOMIC STATUS, DISABILITY, AND ENGLISH LEARNERS, 2020/2021–2023/2024



* Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020/2021 varied. Care should be used when interpreting results.

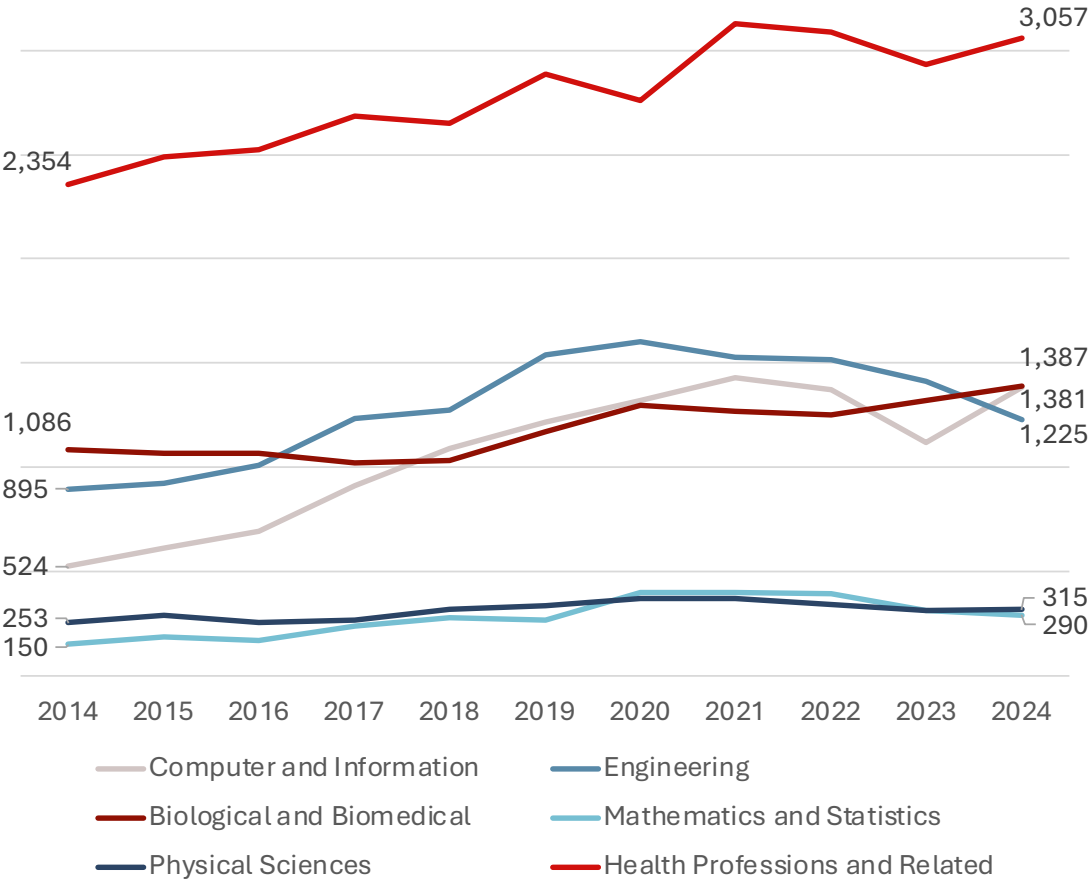
Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP).

Overall, the percentage of all students meeting or exceeding state Math standards improved from 46.8 percent to 47.9 percent over the past year. Socioeconomically disadvantaged students' performance saw a significant improvement, rising by 2.8 percentage points to 33.7 percent; students with disabilities also saw an improved performance. The percentage of English Learners meeting or exceeding standards remained steady at 14.1 percent.

STEM-RELATED DEGREES

STEM-DEGREE CONFERRAL REBOUNDS IN 2024

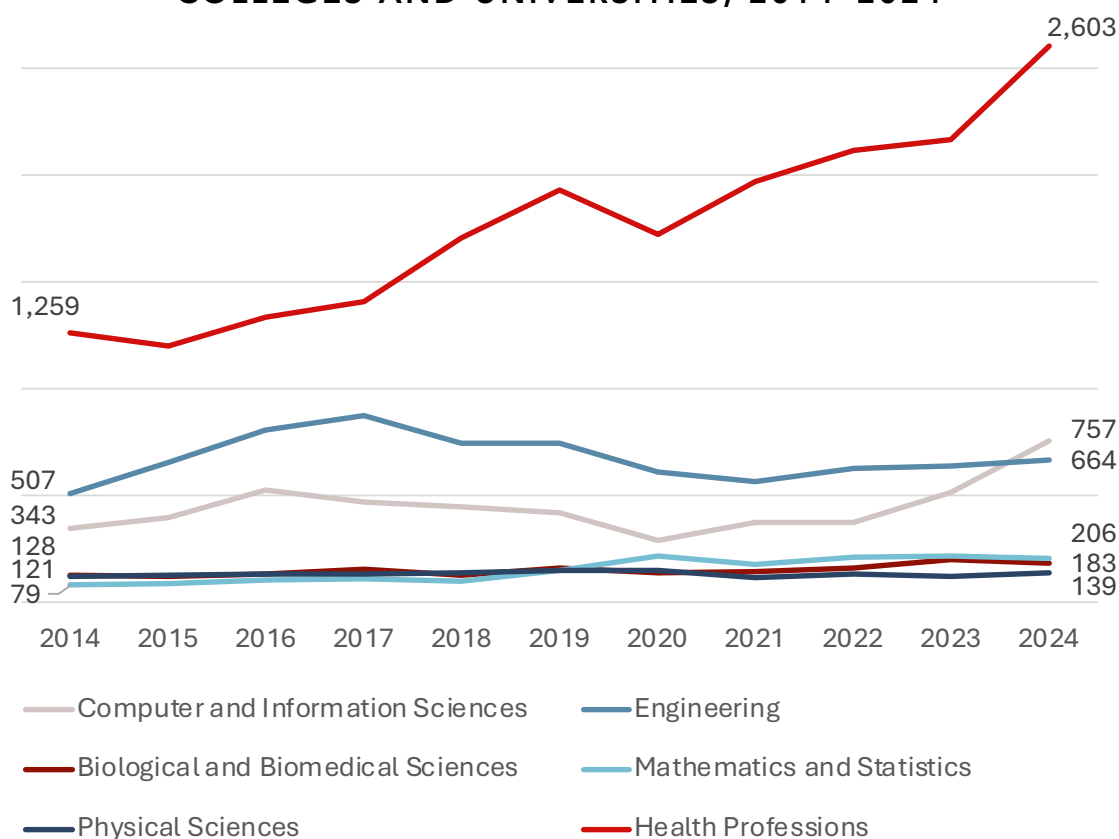
STEM-RELATED BACHELOR’S DEGREES CONFERRED AT ORANGE COUNTY COLLEGES AND UNIVERSITIES, 2014–2024



Source: Lightcast

STEM-related bachelor’s degrees in Orange County increased by 3.3 percent from 2023 to 2024. The largest increase occurred in Computer and Information, which saw a 23.7 percent increase in total bachelor’s degrees awarded. Health Professions and Related bachelor’s degrees also saw a significant improvement, increasing by 123 degrees or 4.2 percent. On the other hand, fewer Engineering and Mathematics and Statistics bachelor’s degrees were awarded in 2024 than 2023; total Engineering degrees fell by 13.4 percent while total Mathematics and Statistics degrees declined by 7.6 percent, as seen on the following page.

STEM-RELATED GRADUATE DEGREES CONFERRED AT ORANGE COUNTY COLLEGES AND UNIVERSITIES, 2014–2024



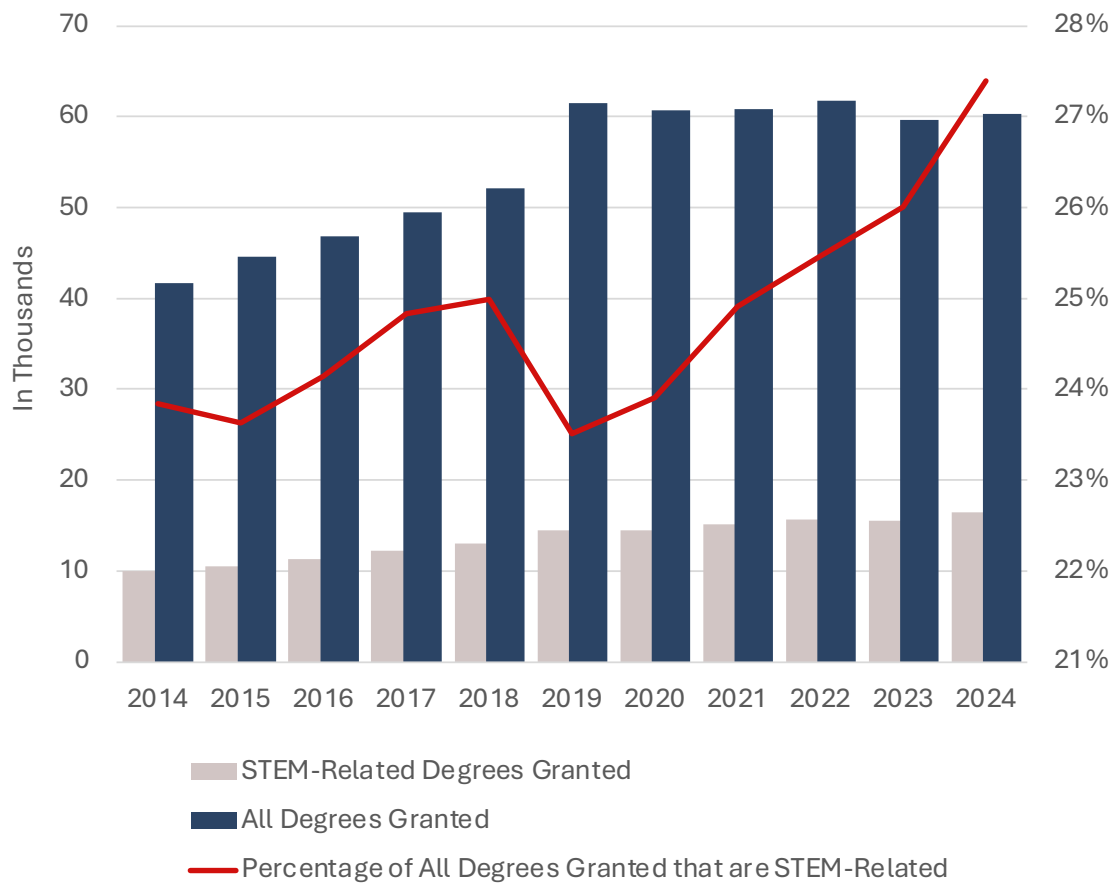
Source: Lightcast; Includes Master's and Doctorate Degrees.

The total number of STEM-related graduate and professional degrees also grew from 2023 to 2024: from 3,859 to 4,552, an 18.0 percent increase. Only two fields saw declines: Biological and Biomedical Sciences (-7.1 percent) and Mathematics and Statistics (-5.1 percent). Computer and Information saw the largest increase in graduate degrees, as its total rose by 46.7 percent or 241 total degrees to 757 in 2024. It was closely followed by Health Professions, which registered an increase of 20.0 percent (434 graduate degrees) to reach a total of 2,603 in 2024.

Overall, the number of STEM-related bachelor's degrees has increased by 45.5 percent since 2014, while the number of STEM-related graduate degrees has increased by 86.8 percent.

OC STEM-RELATED DEGREE GROWTH OUTPACES TOTAL DEGREES IN 2024

BACHELOR’S AND GRADUATE DEGREES GRANTED AND PROPORTION THAT ARE STEM-RELATED IN ORANGE COUNTY, 2014–2024



Source: Lightcast; Includes Associate’s, Bachelor’s, Master’s and Doctorate degrees.

The total number of STEM-related degrees (including associate’s, bachelor’s, master’s, and doctorate degrees) granted by Orange County academic institutions increased by 6.4 percent, from 15,519 in 2023 to 16,508 in 2024. Total degrees granted in Orange County also increased, but by a smaller amount: from 59,664 in 2023 to 60,251 in 2024, an increase of approximately 1.0 percent.

The faster growth of STEM-related degrees means that they also grew as a proportion of total Orange County degrees, accounting for 26.0 percent of all degrees awarded in 2023 and 27.4 percent in 2024.

DATA NOTES

“STEM” degrees are those granted in the fields of science, technology, engineering, and mathematics. Data are inclusive of associate’s, bachelor’s, master’s, and doctorate degrees granted at public, private, and for-profit 4-year degree granting institutions in Orange County. Data for 2019 and 2020 should be interpreted with caution due to the impact of COVID-19. Data for 2024 is a beta release and, as such, is likely to be revised next year.



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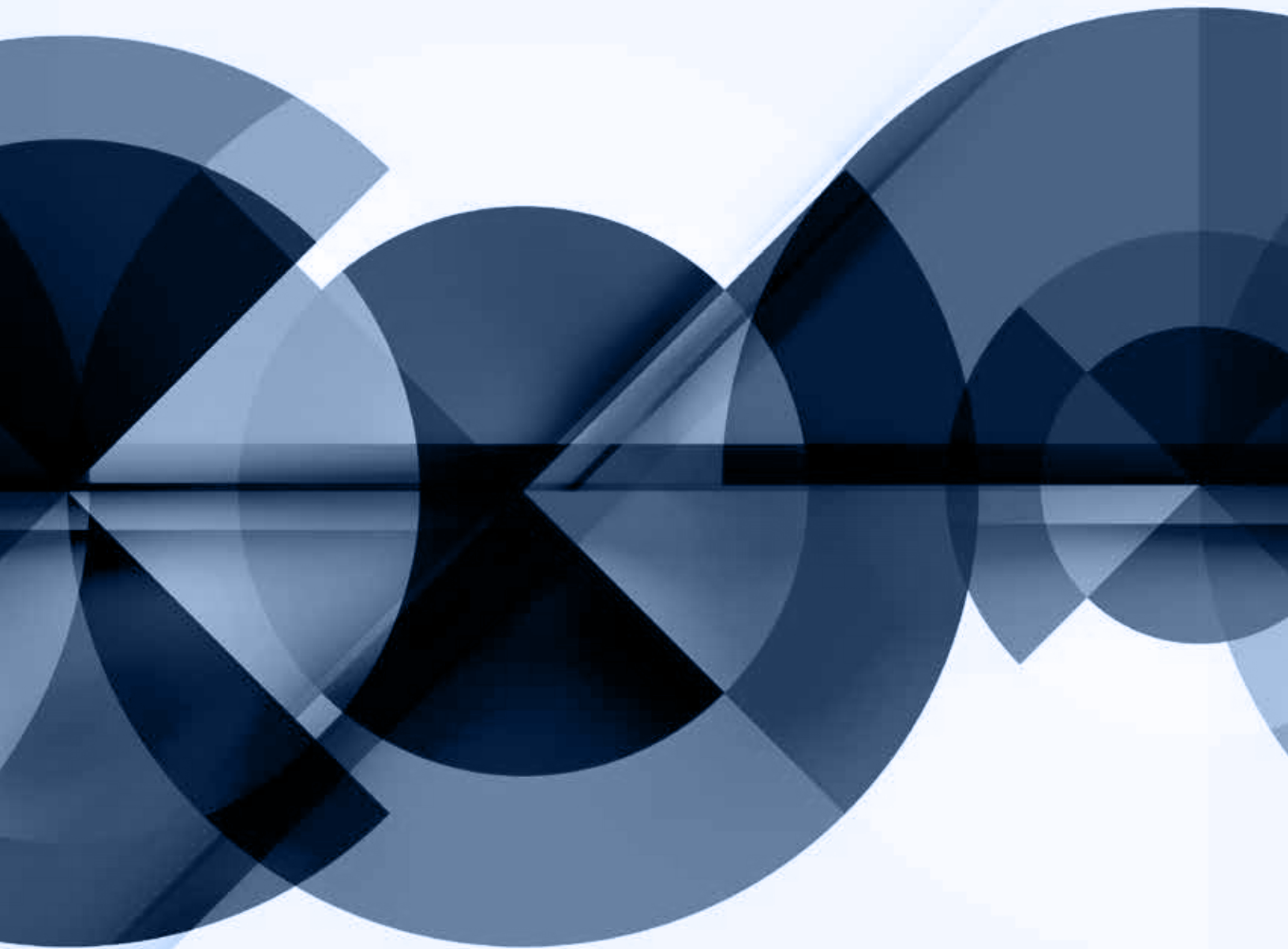
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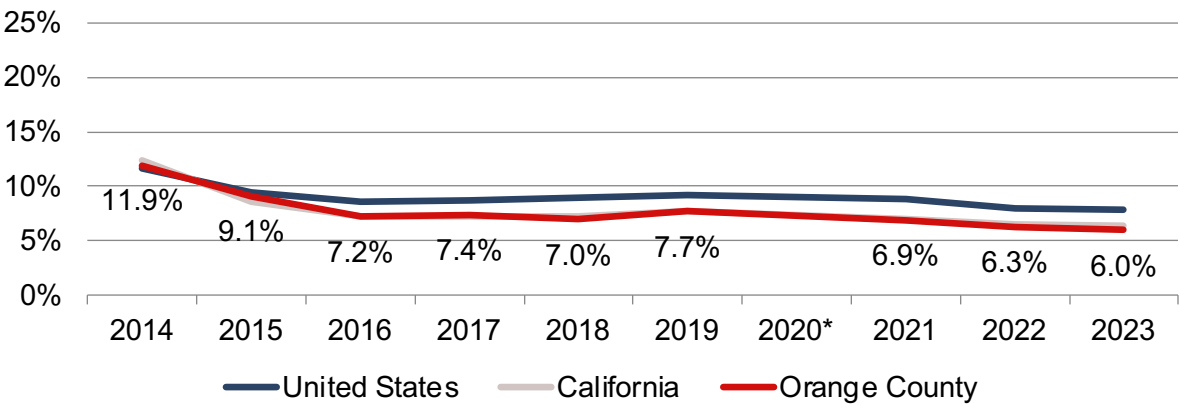
HEALTH



HEALTH CARE ACCESS

OC UNINSURED RATE CONTINUES TO DECLINE

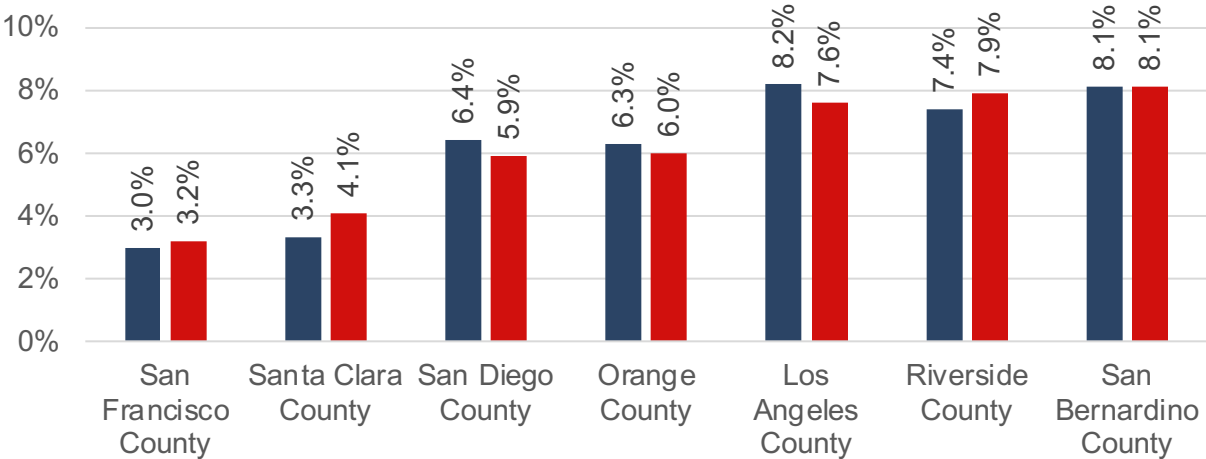
UNINSURED (ALL AGES) IN ORANGE COUNTY, CALIFORNIA, AND UNITED STATES, 2014–2023



**Data for 2020 is unavailable due to COVID-19-related impacts.
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates.*

The proportion of Orange County residents without health insurance continues to decline from 6.9 percent in 2021 to 6.3 percent in 2022 to 6.0 percent in 2023. The county’s rate is below the state and national averages of 6.4 and 7.9 percent, respectively.

UNINSURED (ALL AGES) IN ORANGE COUNTY AND PEER REGIONS, 2022 AND 2023

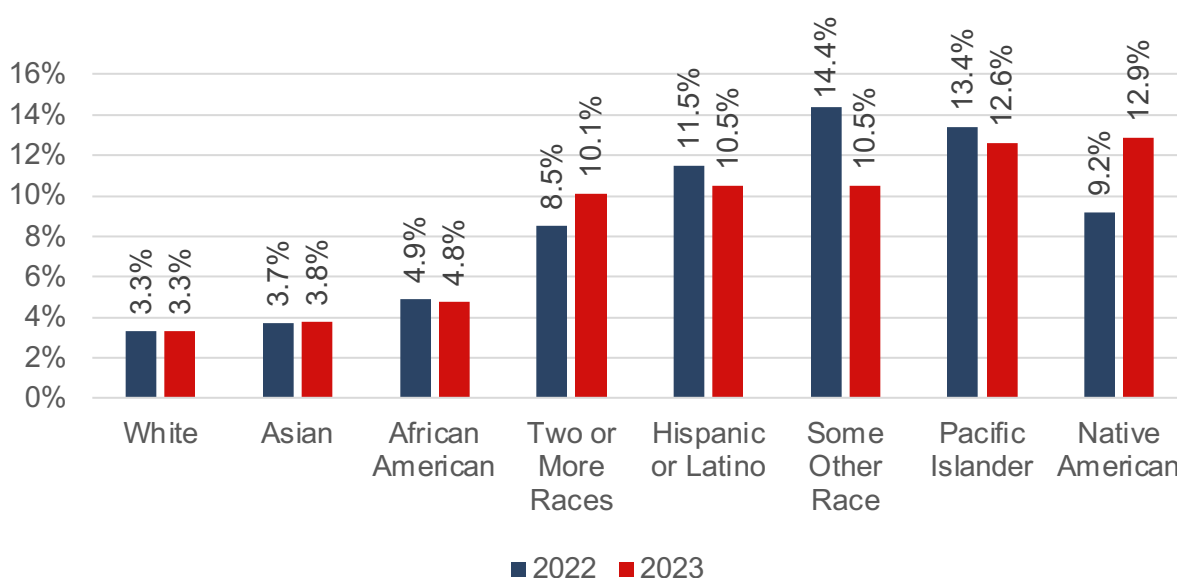


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Orange County's uninsured rate of 6.0 percent was higher than some neighbors and peers, such as San Francisco County (3.2 percent), Santa Clara County (4.1 percent), and San Diego County (5.9 percent). However, other neighboring counties had higher uninsured rates, including Riverside County (7.9 percent), San Bernardino County (8.1 percent), and Los Angeles County (7.6 percent).

In addition to Orange County, whose uninsured rate fell by 0.3 percent, several neighboring regions saw similar decreases: San Diego County (-0.5 percentage points) and Los Angeles County (-0.6 percentage points). Santa Clara saw the largest increase in the rate of uninsured residents (+0.8 percentage points), followed by Riverside County (+0.5 percentage points) and San Francisco County (+0.2 percentage points). San Bernardino County saw no change over the past year.

PERCENT UNINSURED IN ORANGE COUNTY BY RACE/ETHNICITY, 2022 AND 2023



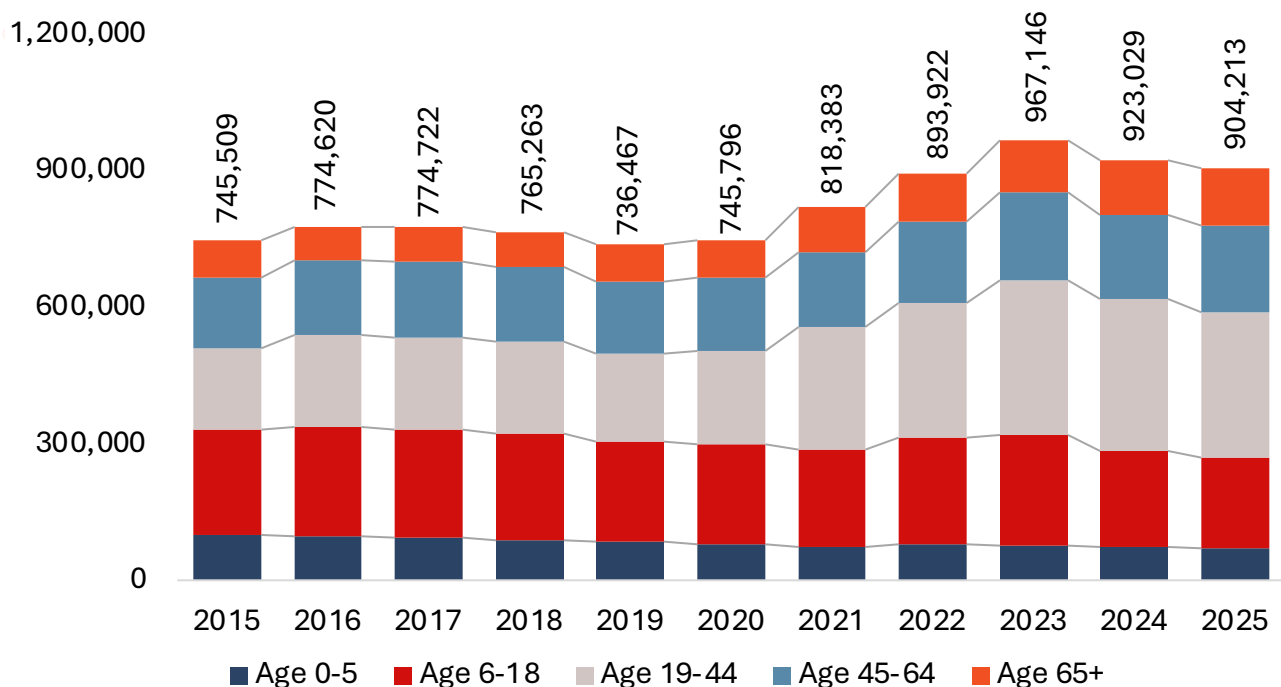
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Within Orange County, White residents had the lowest rate of uninsured residents at 3.3 percent, a rate that saw no change between 2022 and 2023. Asian residents had the second lowest rate of 3.8 percent, followed by African American residents at 4.8 percent. In 2023, Native American residents had the highest rate of uninsured residents after seeing the largest year-over-year increase: from 9.2 percent to 12.9 percent.

Residents who identify as 'Some Other Race' saw the largest improvement; the percentage of uninsured residents fell by 3.9 percentage points to 10.5 percent. Rates also fell for Hispanic or Latino residents (from 11.5 percent to 10.5 percent), Pacific Islander residents (from 13.4 percent to 12.6 percent), and African American residents (from 4.9 percent to 4.8 percent). Uninsured rates rose for residents of Two or More Races (by 1.6 percentage points) and Asian residents (by 0.1 percentage points).

MEDI-CAL MEMBERSHIP SEES 2ND YEAR OF DECLINE

MEDI-CAL MEMBERSHIP IN ORANGE COUNTY, 2015–2025

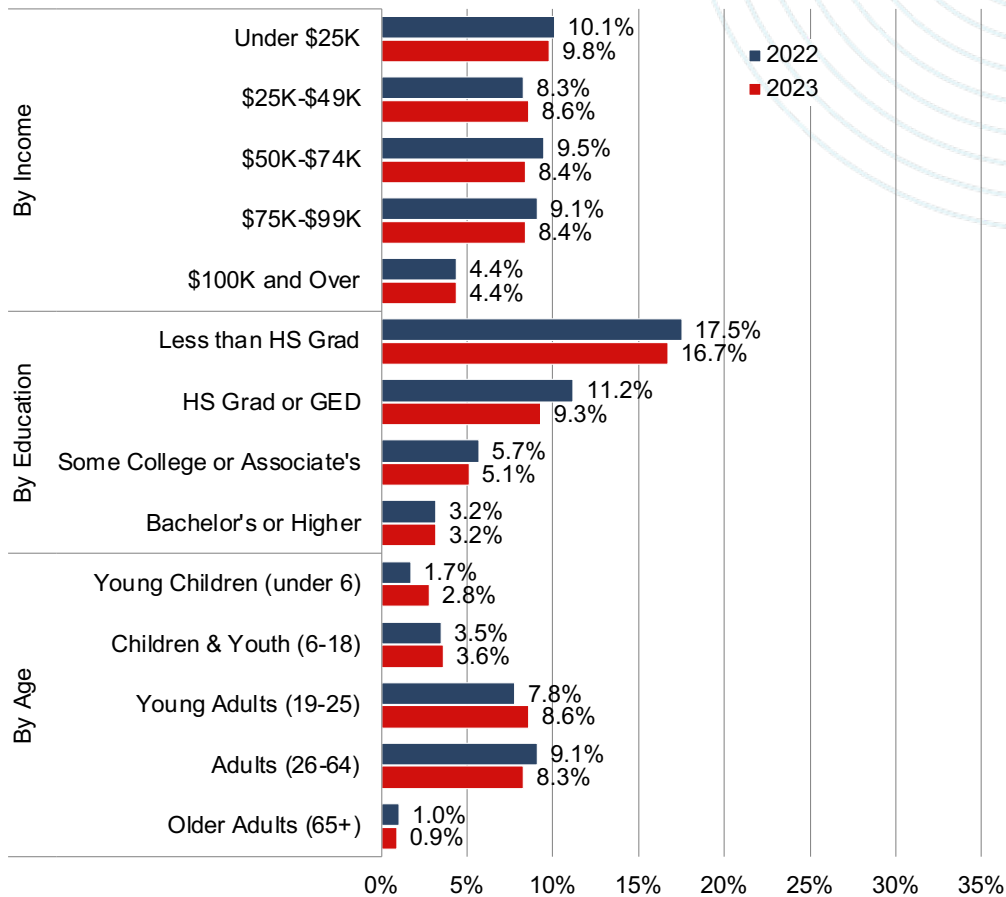


Source: CalOptima Health, Monthly Fast Facts, August 2025

As of August 2025, Orange County Medi-Cal membership totaled 904,213, a decline of 18,816 members or 2.0 percent compared to the year before. The 19–44-year-old age group represented the largest decline at 4.8 percent or 15,815 members, followed by the 6–18 age group (-13,370 or -6.3 percent, the largest percentage decline) and the 0–5 age group (-1,505). The 65+ age group saw the largest increase (by 6,596 members or 5.5 percent), followed by the 45–64 age group (+5,279 or 2.9 percent).

LOW INCOME AND LOW EDUCATIONAL ATTAINMENT COHORTS SEE UNINSURED RATES FALL; YOUNGER COHORTS SEE UNINSURED RATES RISE

UNINSURED IN ORANGE COUNTY BY INCOME, EDUCATION, AND AGE, 2022 AND 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates.

Uninsured rates increased for multiple Orange County resident cohorts:

- Residents making between \$25,000 and \$49,999 (from 8.3 percent to 8.6 percent);
- Young Children (1.7 percent to 2.8 percent);
- Children & Youth (3.5 percent to 3.6 percent);
- Young Adults (7.8 percent to 8.6 percent).

Uninsured rates declined for almost every other group, with the largest declines among residents who are high school graduates or have a GED (from 11.2 percent to 9.3 percent), residents making between \$50,000 and \$74,999 (9.5 percent to 8.4 percent), and Latino residents (11.5 percent to 10.5 percent). Other cohorts with significant declines included:

- Households with less than a high school diploma (17.5 percent to 16.7 percent);
- Adults aged 26-64 (9.1 percent to 8.3 percent);
- Households making between \$75,000 and \$99,999 (9.1 percent to 8.4 percent);
- Households making under \$25,000 (from 10.1 percent to 9.8 percent).

Groups with the lowest uninsured rates included residents with a bachelor's degree or higher (3.2 percent) and residents making over \$100,000 (4.4 percent).

CHRONIC DISEASE

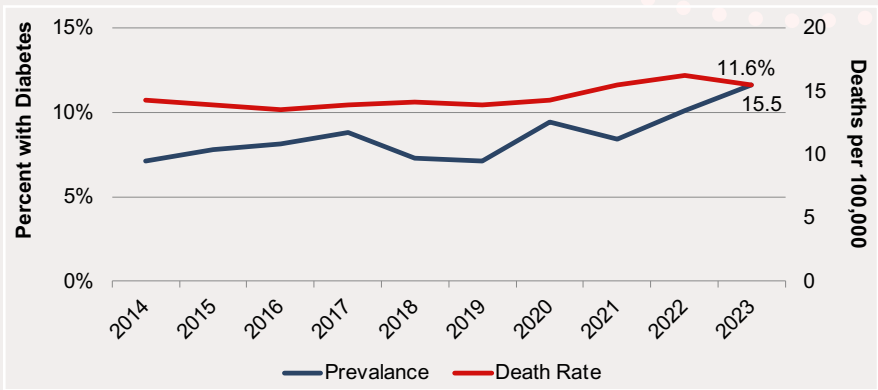
While Orange County is well known for outdoor activities like surfing, swimming, and hiking, its residents – like people across the nation – deal with sedentary lifestyles, poor nutrition, and tobacco, alcohol and substance use, all of which can cause and exacerbate chronic disease. Diabetes, heart disease, strokes, and chronic lower respiratory diseases are some of the most pressing public health issues facing the country, which means that preventing and treating these conditions – and further supporting the county’s world-class healthcare system – should be a major short, medium, and long-term priority.

From 2022 to 2023, the death rates for diabetes, heart disease, high blood pressure or stroke, and asthma or chronic lower respiratory disease all declined. This positive sign provides a clear illustration of the county’s strong healthcare system. On the other hand, the prevalence of diabetes and asthma or chronic lower respiratory disease increased, which points to remaining challenges and room for improvement.

DEATH RATES DECLINE ACROSS MOST CHRONIC DISEASES

DIABETES

DIABETES PREVALENCE AND DEATH RATE IN ORANGE COUNTY, 2014–2023

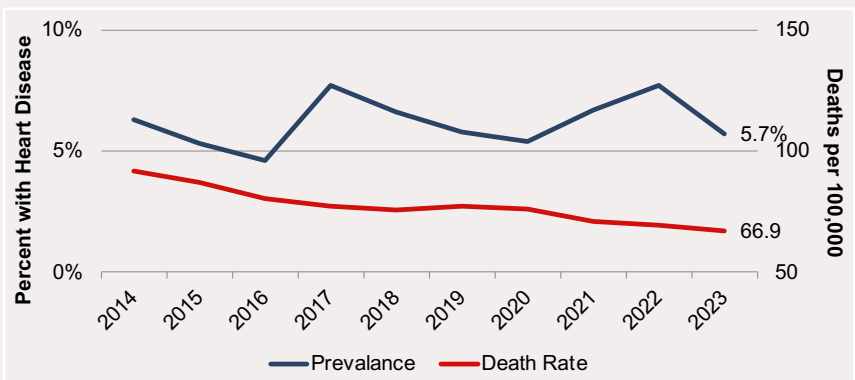


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

The prevalence of diabetes among Orange County adults increased from 8.4 percent in 2021 to 10.1 percent in 2022 to 11.6 percent in 2023. Fortunately, the death rate declined from 16.2 per 100,000 Orange County residents in 2022 to 15.5 in 2023, a drop of 4.3 percent.

HEART DISEASE

HEART DISEASE PREVALENCE AND DEATH RATE IN ORANGE COUNTY, 2014–2023

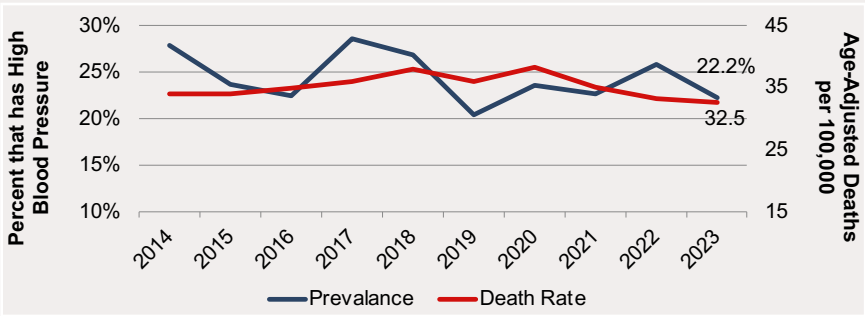


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

Fortunately, the prevalence and death rate of heart disease declined from 2022 to 2023. The prevalence of heart disease fell from 7.7 percent to 5.7 percent from 2022 to 2023 while the death rate declined from 69.5 per 100,000 residents to 66.9 per 100,000 residents, a drop of 3.7 percent.

HIGH BLOOD PRESSURE/STROKE

HIGH BLOOD PRESSURE PREVALENCE AND STROKE DEATH RATE IN ORANGE COUNTY, 2014–2023

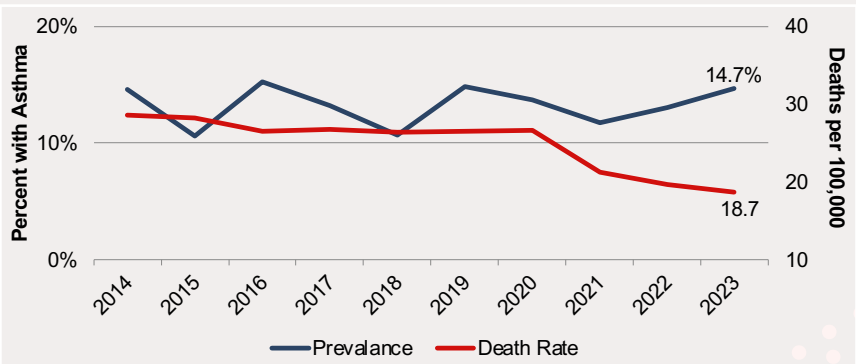


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

As with heart disease, the incidence of high blood pressure and stroke declined: from 25.8 percent in 2022 to 22.2 percent in 2023. The death rate fell by 2.1 percent over the same time period, from 33.2 per 100,000 residents to 32.5 per 100,000 residents.

ASTHMA/CHRONIC LOWER RESPIRATORY DISEASE

ASTHMA PREVALENCE AND CHRONIC LOWER RESPIRATORY DISEASE DEATH RATE IN ORANGE COUNTY, 2014–2023



Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

The prevalence of asthma or chronic lower respiratory disease increased for the second year in a row: from 11.7 percent in 2021 to 13.0 percent in 2022 and further to 14.7 percent in 2023. The death rate, on the other hand, registered a 4.6 percent decline from 2022 to 2023, falling from 19.6 per 100,000 residents to 18.7 per 100,000 residents.

DATA NOTES

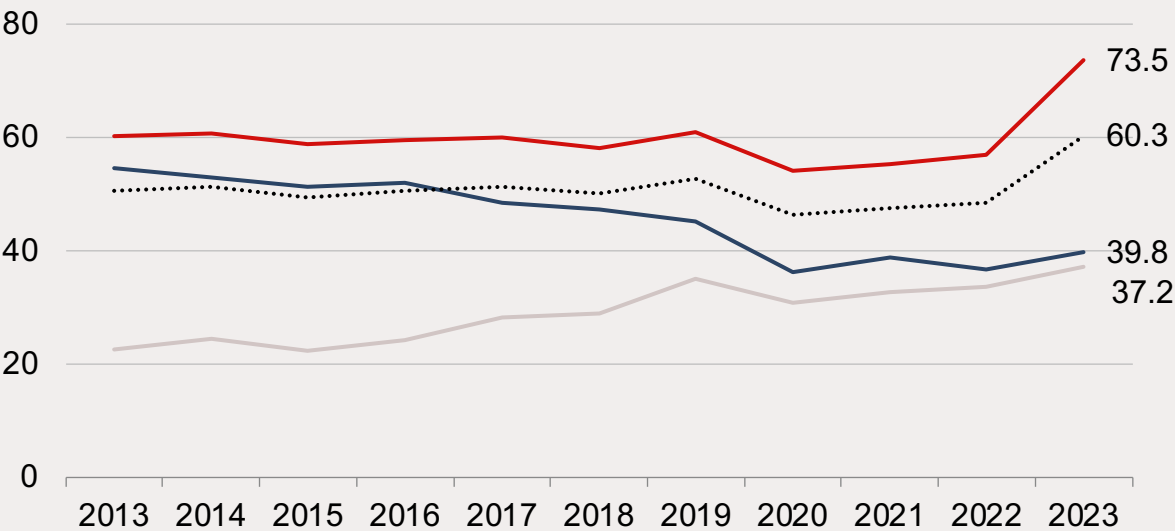
Asthma prevalence and death data reflect rolling (overlapping) three-year averages. For example, “2020” is an average of 2018, 2019, and 2020 data, and “2019” is an average of 2017, 2018, and 2019 data. The death data shown are age-adjusted rates, which controls for regional variability in age composition. Data points from 2014 to 2020 have been revised and as such should not be compared to data points from previous reports. Due to the disruptions caused by the COVID-19 pandemic, healthcare data may undergo future revisions. Death rates are age-adjusted.

MENTAL HEALTH AND SUBSTANCE USE

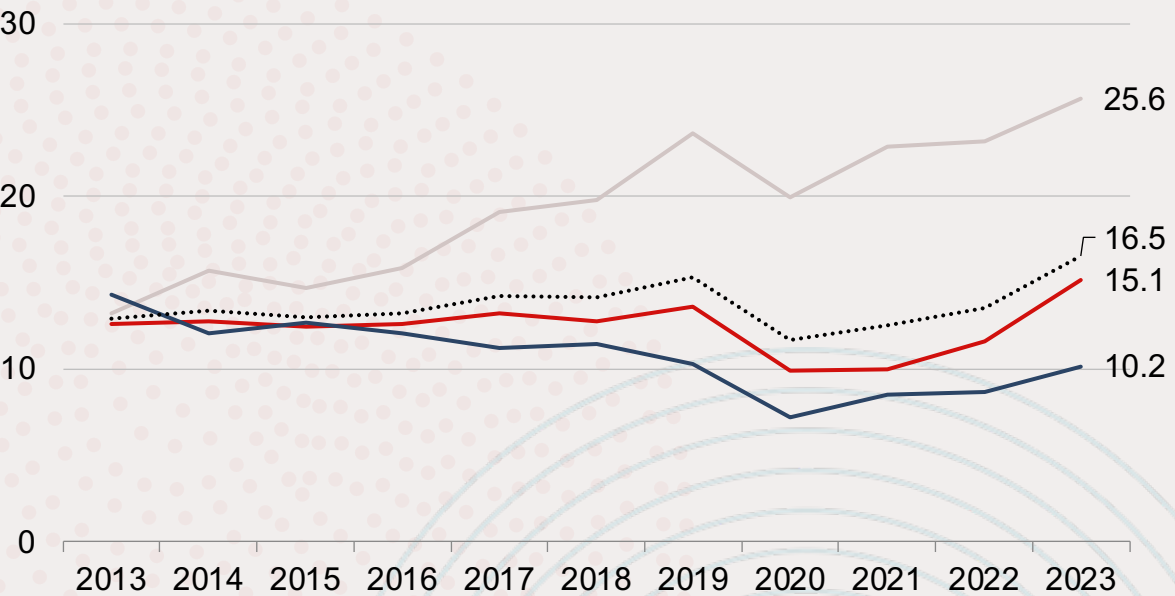
HOSPITALIZATIONS INCREASE ACROSS ALL MEASURED ILLNESSES AND AGE GROUPS

Children and Youth Adults Older Adults All

OVERALL MENTAL HEALTH AND SUBSTANCE USE HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2013-2023

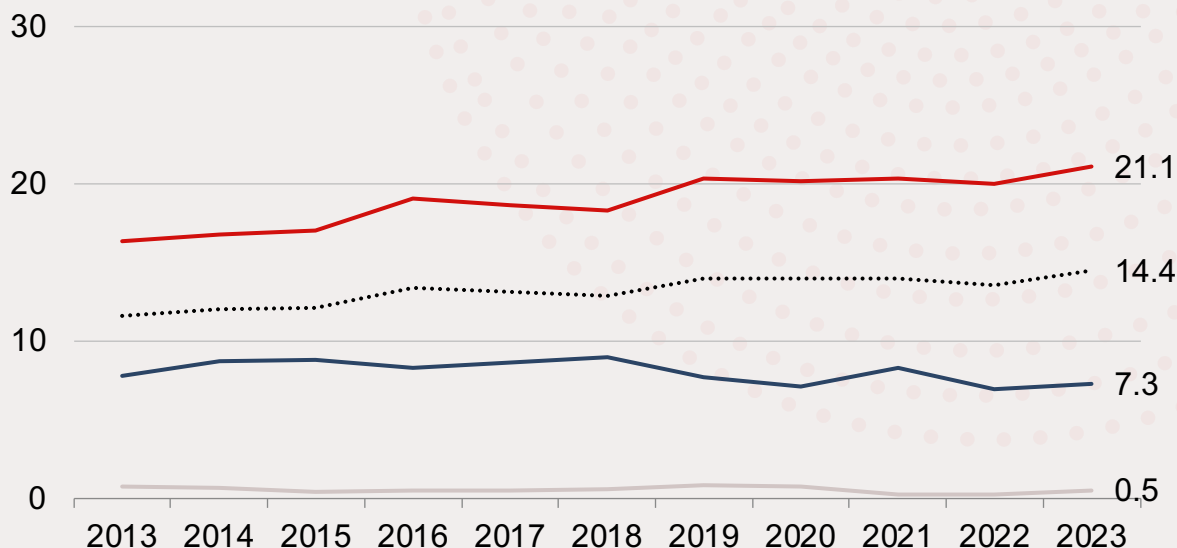


MAJOR DEPRESSION AND MOOD DISORDERS HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2013-2023

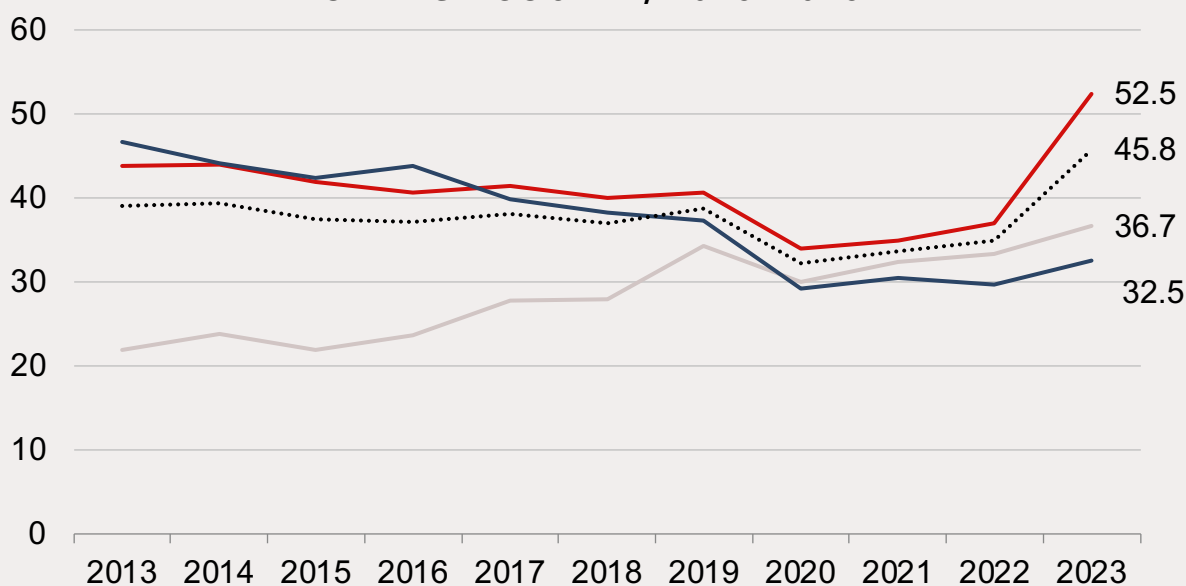


Children and Youth Adults Older Adults All

SUBSTANCE USE HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2013–2023



MENTAL HEALTH-RELATED HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2013–2023



Sources: Office of Statewide Health Planning & Development Patient Discharge Data prepared by Orange County Health Care Agency, Research and Planning; California Department of Finance; U.S. Census Bureau, American Community Survey.

Overall mental health and substance use hospitalizations in Orange County rose from 48.4 per 10,000 residents in 2022 to 60.3 in 2023. The largest increase occurred in county residents aged 18 to 64 (+56.9 percent to 73.5 hospitalizations per 10,000), followed by children and youth aged under 17 (+10.7 percent to 37.2 hospitalizations) and adults aged 65 and older (+8.7 percent to 39.8).

This increase was driven by mental health-related hospitalizations, which rose by 31.2 percent from 2022 to 2023, reaching 45.8 hospitalizations per 10,000. Hospitalization rates increased for every age group. Residents aged 18 to 64 again saw the largest increase (+42.3 percent), followed by children and youth (+9.9 percent) and adults over 64 (+9.4 percent).

Hospitalizations related to major depression or mood disorders increased across all age groups, from 13.5 per 10,000 in 2022 to 16.5 in 2023. As with overall mental health hospitalizations, adults aged 18 to 64 saw the largest increase (+30.2 percent). The hospitalization rate for adults over 64 rose by 17.2 percent while the hospitalization rate for children and youth rose by 10.3 percent.

Substance abuse-related hospitalizations also increased for all age groups, but from a much lower baseline. Hospitalizations for children and youth aged 17 years and younger increased from 0.3 per 10,000 residents to 0.5 (+66.7 percent), with older age groups seeing relatively small increases of 5.8 percent (for adults over 64) and 5.5 percent (for adults aged 18 to 64). The overall rate of substance abuse-related hospitalizations in Orange County increased by 6.7 percent from 2022 to 2023; there were 14.4 hospitalizations per 10,000 residents in 2023.

CHOC, PART OF RADY CHILDREN'S HEALTH, OPENS OUTPATIENT AND RESEARCH TOWER

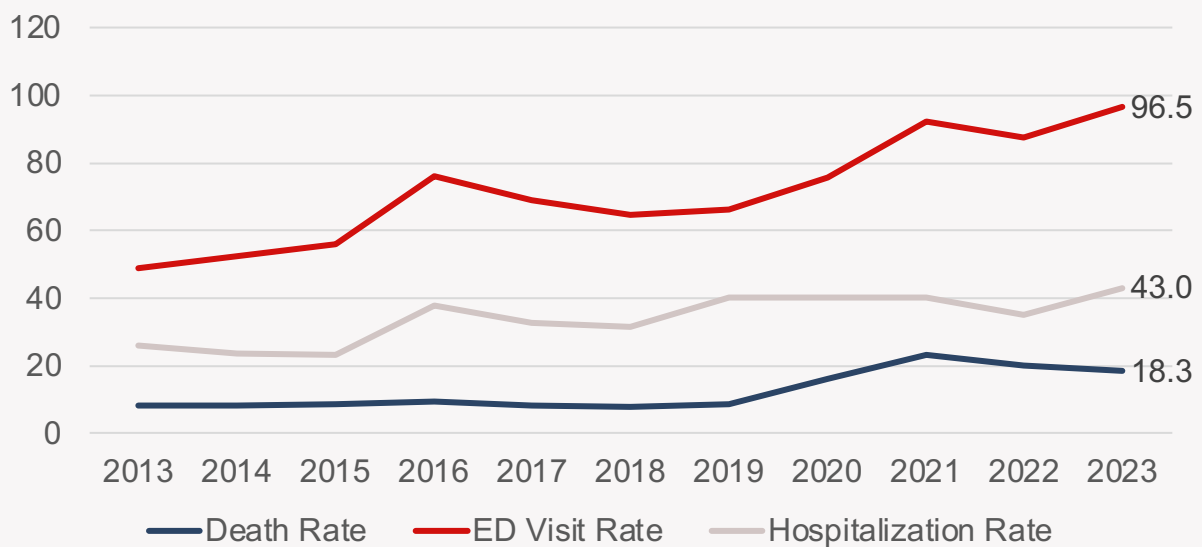
Bringing together more than 25 specialty clinics ranging from advanced imaging to orthopedic rehab, Children's Hospital of Orange County (CHOC) recently opened a nine-story, 330,000 square foot outpatient facility at its Orange campus. With an entire floor dedicated to pediatric research, this new tower was designed specifically for children with natural light, calming colors, and a partnership with Mattel who has already provided generous support. Mattel plans to include an immersive lobby and innovative floor displays which help support children's imagination and create an uplifting environment. Alongside Mattel's contributions, the tower will include two new MRI machines designed to be less scary for children with dynamic lighting and sounds, multi-lingual systems to streamline visits, and display windows where visitors can observe CHOC's Wet Lab and Maker Space.

Source: Children's Hospital of Orange County; Press Release, June 20, 2025

OPIOIDS IN ORANGE COUNTY

- Between 2022 and 2023, Orange County's opioid-related death rate fell from 20.2 to 18.3, a decline of 9.4 percent.
- Despite these recent improvements, the opioid-related death rate remains 129 percent higher than a decade ago.
- Hospitalization rates for opioid-related emergencies jumped from 35.1 per 100,000 residents in 2022 to 43.0 in 2023, an annual increase of 22.5 percent.
- Emergency department visits also increased, rising from 87.5 per 100,000 residents in 2022 to 96.5 in 2023.

RATE OF OPIOID-RELATED EMERGENCY DEPARTMENT (ED) VISITS, HOSPITALIZATIONS, AND DEATHS IN ORANGE COUNTY PER 100,000 RESIDENTS, 2013–2023



Sources: California's Office of Statewide Health Planning and Development Emergency Department and Patient Discharge Data (ED/hospitalization data); CDC Wonder (death data).



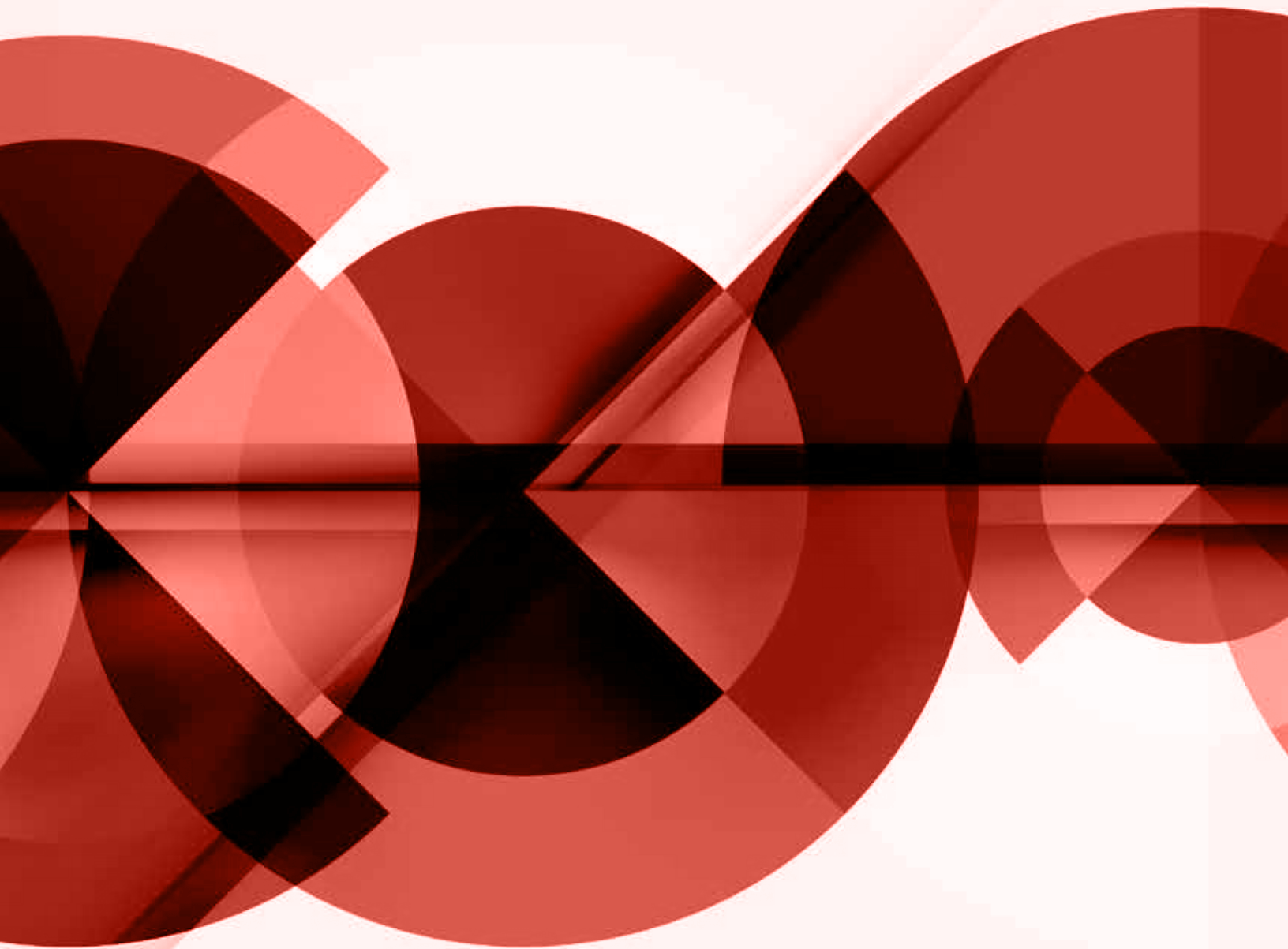
The power of collective caring is an amazing thing.

At Kaiser Permanente, we make it our mission to help build healthy communities, and we couldn't do it alone. We'd like to extend our heartfelt appreciation to Orange County Business Council for their effort and hard work towards the partnerships, progress, and innovation that have shaped our region.

Learn more at kp.org/community.



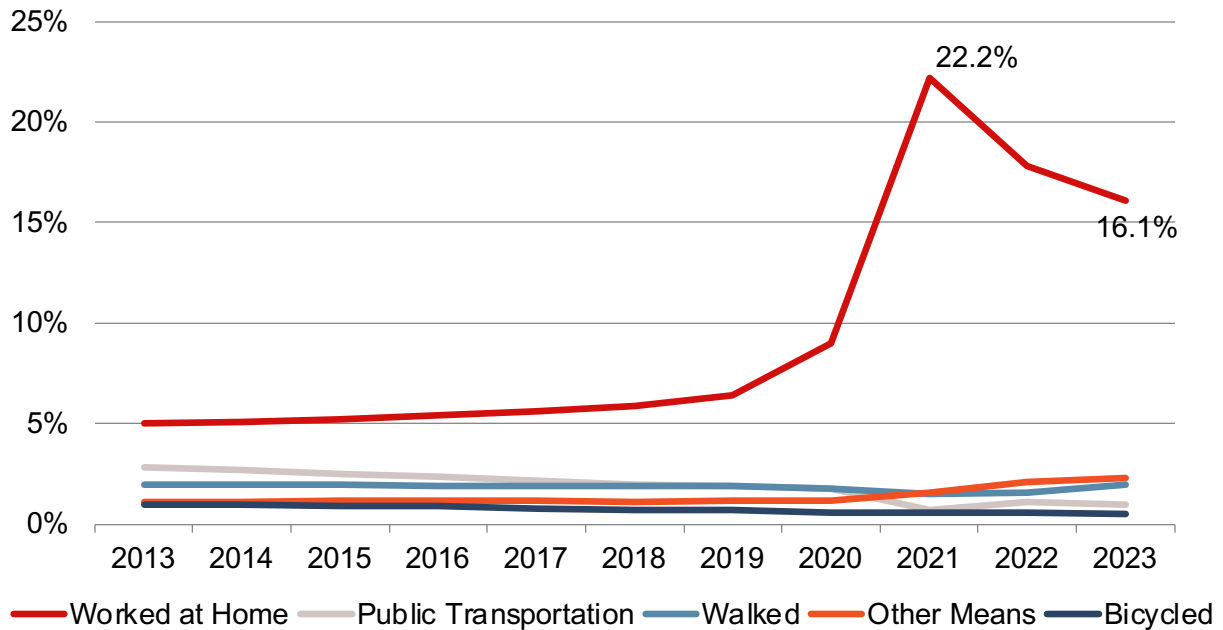
INFRASTRUCTURE



TRANSPORTATION

REMOTE WORK DROPS IN 2023

SELECTED MODES OF TRAVEL TO WORK IN ORANGE COUNTY, 2013–2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

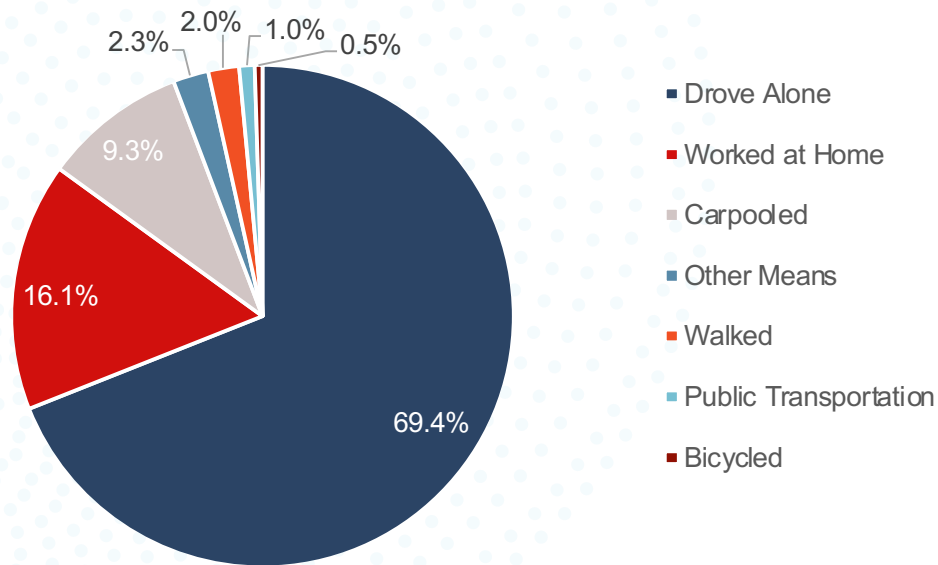
Remote work continues to fall in the post-pandemic years. Of Orange County workers, 22.2 percent worked from home in 2021, which fell to 17.8 percent in 2022 and 16.1 percent in 2023. The percentage of county workers who walked to work saw a corresponding increase, from 1.6 percent to 2.0 percent, while the proportion of workers who used 'other means' (including taxis and motorcycles) increased from 2.1 percent to 2.3 percent.

These trends mirror shifts in the proportion of Orange County workers who drove alone which increased from 64.9 percent in 2021 to 68.1 percent in 2022 and further to 69.4 percent in 2023. This compares to a pre-pandemic high of 77.3 percent measured in 2019. The proportion of workers carpooling, on the other hand, has surpassed its pre-pandemic total measured at 9.1 percent in 2019 compared to its most recent estimate of 9.3 percent in 2023. This helps to highlight the continuing impact of remote work on commuting, especially for workers who typically drive alone rather than carpool or use public transportation.

Despite continued demand for remote work, employer efforts to get workers back to the office have been successful. According to LinkedIn Market Research and Indeed data, remote job postings have fallen across 46 percent of all sectors, and remote work rates have declined from 46 percent of employees in October 2020 to just 26 percent in February 2025.

PROPORTION OF WORKERS DRIVING ALONE INCREASES

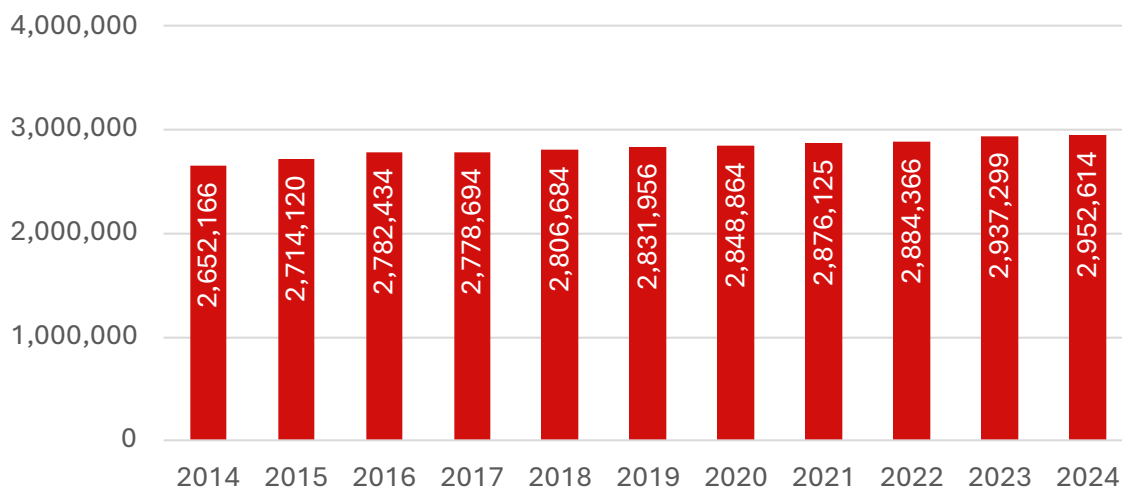
MODE OF TRAVEL TO WORK IN ORANGE COUNTY, 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

VEHICLE REGISTRATIONS INCREASE BY 0.5 PERCENT

VEHICLE REGISTRATIONS IN ORANGE COUNTY, 2014–2024

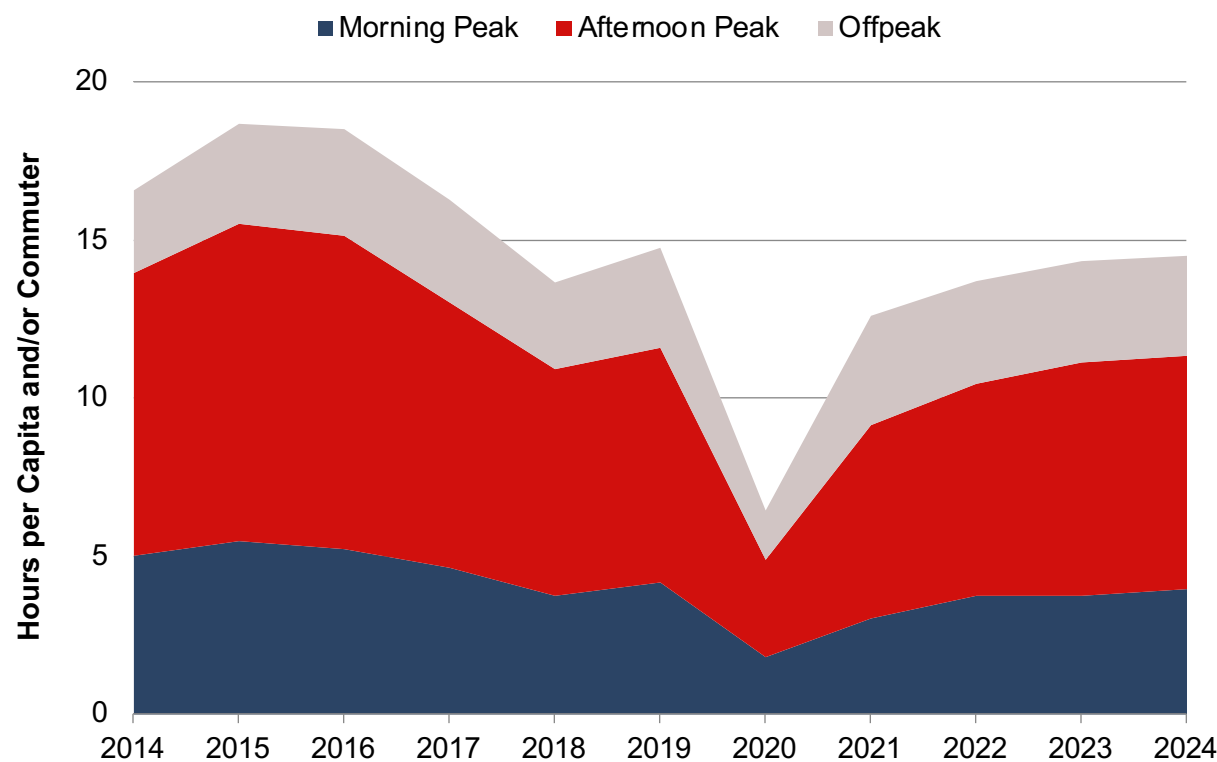


Source: California Department of Motor Vehicles

Vehicle registrations in Orange County increased by 300,448 or by 11.3 percent from 2014 to 2024. Over the past year, vehicle registrations increased by 15,315 or by 0.5 percent, a larger increase than San Bernardino (+0.1 percent) and San Diego counties (+0.3 percent), yet behind peer and neighboring regions including Riverside (+1.2 percent) and Santa Clara counties (+0.8 percent). At the same time, Los Angeles and San Francisco counties saw a contraction in registered vehicles falling by 0.5 percent and 0.1 percent, respectively. Statewide, vehicle registrations increased by 255,420 over the past year, an increase of 0.7 percent.

FREEWAY DELAYS INCREASE IN 2024

ANNUAL HOURS OF FREEWAY DELAY PER CAPITA OR COMMUTER IN ORANGE COUNTY, 2014–2024



Source: Caltrans, Performance Measurement System; U.S. Census Bureau, American Community Survey, 1-Year Estimates.

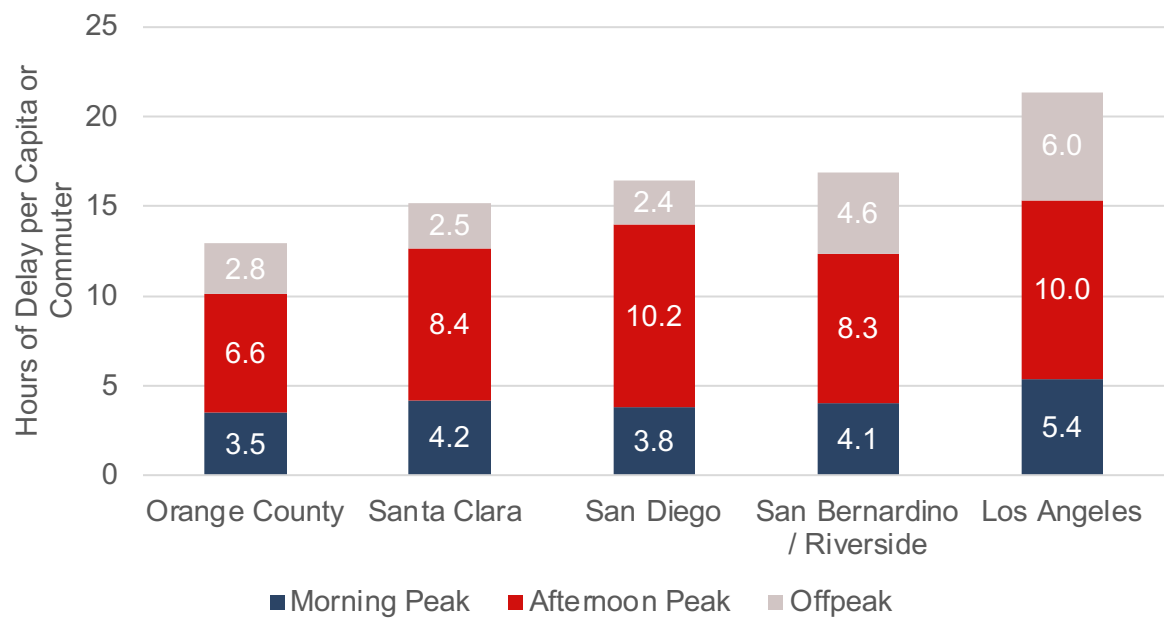
Orange County freeway congestion increased for the second consecutive year, with average delays rising by 1.2 percent from 14.3 hours in 2023 to 14.5 hours in 2024. This correlates with the ongoing decline in the proportion of workers working from home and the rise in the proportion of workers driving alone. Over the past year, while the proportion of workers 16 years and older who carpooled remained consistent at 9.3 percent, the proportion of workers who drove alone increased from 68.1 percent to 69.4 percent, indicating additional vehicles on Orange County roads and freeways. Encouraging the use of public transportation, especially in communities located in close proximity to public transportation arterials, will serve to not only help reduce traffic and congestion but also allow residents to potentially save on vehicle purchase and maintenance costs.

NOTE

Data for peak hours reflect annual hours of delay per commuter at speeds of 60 miles per hour on freeways in Orange County. Commuter data uses U.S. Census Bureau American Community Survey estimates of residents 16 and over who ‘drove alone’ and, as such, should not be compared to prior years.

OC CONTINUES TO SEE REGION’S LOWEST TRAFFIC CONGESTION

REGIONAL COMPARISON OF ANNUAL HOURS OF FREEWAY DELAY PER COMMUTER. 2024



Source: Caltrans, Performance Measurement System; U.S. Census Bureau, American Community Survey, 1-Year Estimates.

As expected, afternoon peak traffic congestion represented the largest delays for workers across the state. In Orange County, 6.6 hours or 50.7 percent of delay was attributable to the afternoon peak, while nearly 27.3 percent was attributable to the morning peak. This compares to San Diego County, where 62.3 percent of delay was attributable to the afternoon peak and only 23.1 percent attributable to the morning peak. Orange County’s elevated morning peak delays might be attributable to the fact that many workers commute into Orange County for work – a trend which is explored further in this section. As workers commute into Orange County, the region sees elevated morning delays; as these workers return home, those neighboring regions experience elevated delays during their afternoon peak. Average congestion (12.9 hours) in Orange County was lower than in any of its regional neighbors and peers:

- Santa Clara (15.1 hours)
- San Diego (16.4 hours)
- Inland Empire (17.0 hours)
- Los Angeles (21.4 hours)

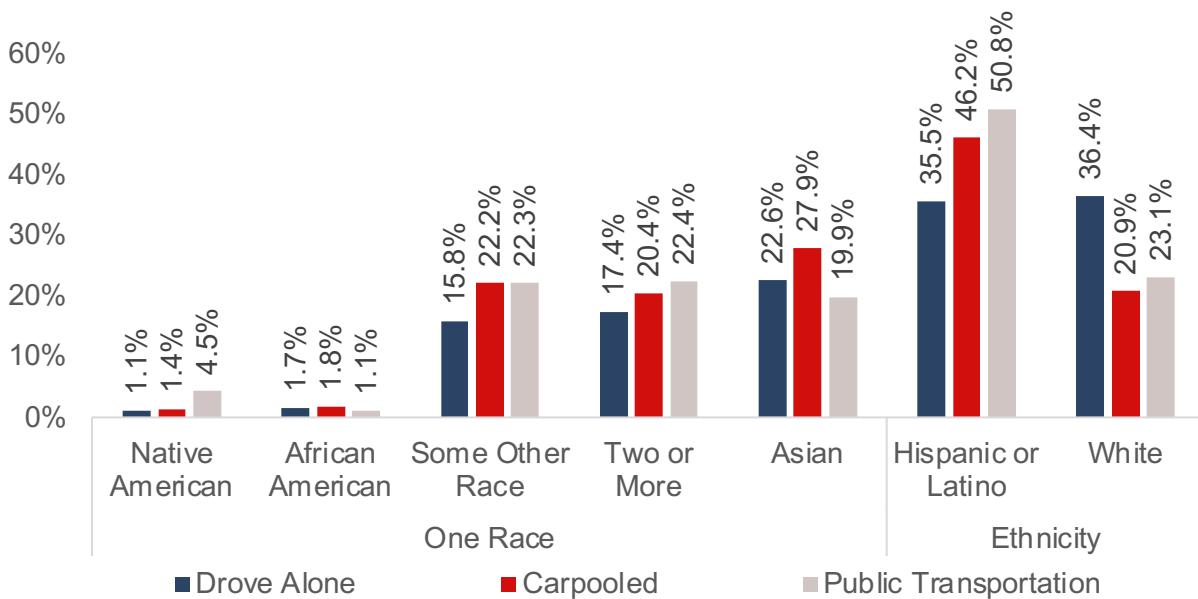
As more workers across the state returned to the office to work, congestion increased across all peer and neighboring counties measured over the past year.

NOTE

Data for peak hours reflect annual hours of delay per commuter at speeds of 60 miles per hour on freeways in Orange County. Commuter data uses U.S. Census Bureau American Community Survey estimates of residents 16 and over who ‘drove alone’ and, as such, should not be compared to prior years.

PUBLIC TRANSPORTATION REMAINS ESSENTIAL FOR ORANGE COUNTY'S HISPANIC/LATINO COMMUNITIES

PROPORTION OF RESIDENTS BY RACE OR ETHNICITY BY MODE OF TRANSPORTATION TO WORK, 2023



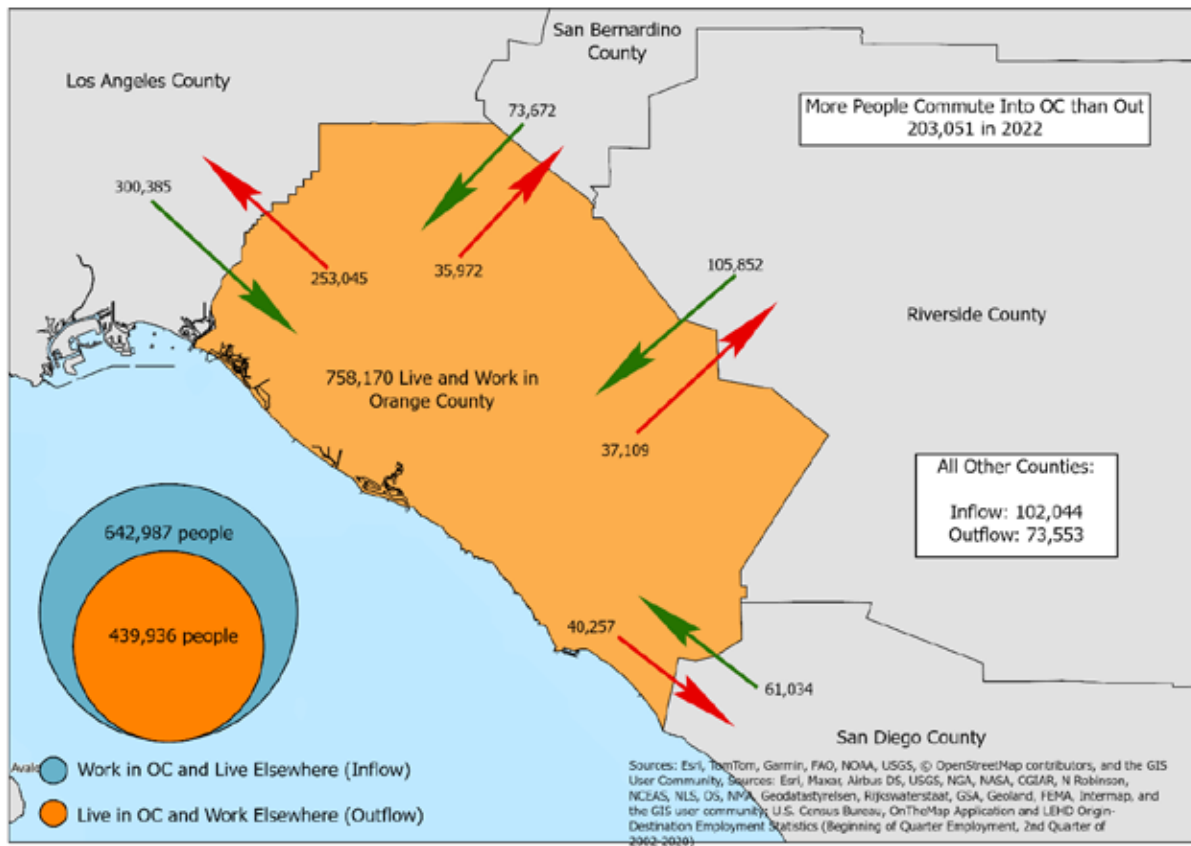
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates; Totals may not sum to 100 due to how the U.S. Census Bureau breaks down racial and ethnic groups.

The proportion of Hispanic or Latino residents who used public transportation in Orange County declined from 70.2 percent in 2022 to 50.8 percent in 2023 but remained significantly higher than ridership among White (23.1 percent) and Asian (19.9 percent) residents. Looking at other groups, 22.4 percent of residents who identify as 'Two or More Races' used public transportation compared to 22.3 percent of residents who identify as 'Some Other Race.'

As remote work continues to decline and the labor market continues to evolve, the use of public transportation is likely to increase, highlighting the need for additional infrastructure investments into the region. Public infrastructure investments are likely to be especially important for lower-income or disinvested communities, both in terms of getting workers to their workplaces and in terms of increasing freedom of movement and access to services such as healthcare and education.

OC NET INFLOW GROWS TO OVER 200,000

INTERCOUNTY COMMUTING PATTERNS BETWEEN ORANGE AND NEIGHBORING COUNTIES, 2022



Source: U.S. Census, OnTheMap, Includes Primate Primary Jobs

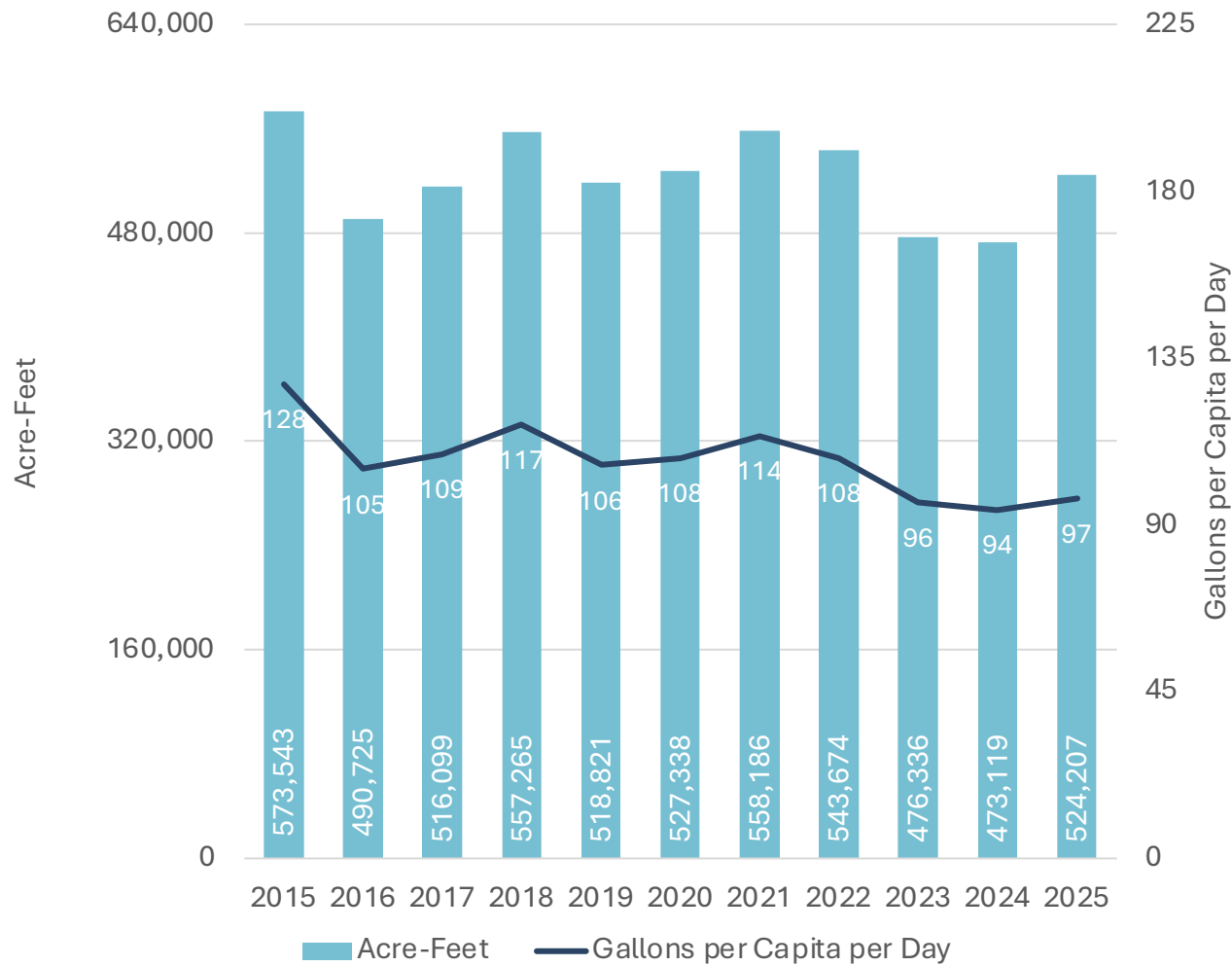
In 2022, 758,170 county residents both lived and worked in Orange County, while 642,987 workers commuted into the county from other areas and 439,936 county residents commuted to other counties for work. Orange County therefore had a net surplus of 203,051 commuters, the largest surplus of measured regions in Southern California, which illustrates both its role as a job-creating economic engine and its extremely expensive housing market. This compares to Los Angeles County which, despite its significant comparative size, only had a surplus of 159,578 commuters. At the same time, all other neighboring regions had a deficit of commuters led by Riverside County with 190,292, followed by San Bernardino County with 74,679 and San Diego County with 15,654.

Los Angeles had the largest flow of commuters in and out of Orange County: 300,385 from Los Angeles to Orange County and 253,045 going the opposite direction. 105,852 Riverside County residents commuted to Orange County, with only 37,109 Orange County workers commuting to Riverside County; this was the largest gap among any of Orange County's neighbors.

WATER USE AND SUPPLY

A DRIER 2025 LEADS TO HIGHER OC WATER CONSUMPTION

URBAN WATER USAGE IN ACRE-FEET AND GALLONS PER CAPITA PER DAY
IN ORANGE COUNTY, 2015–2025

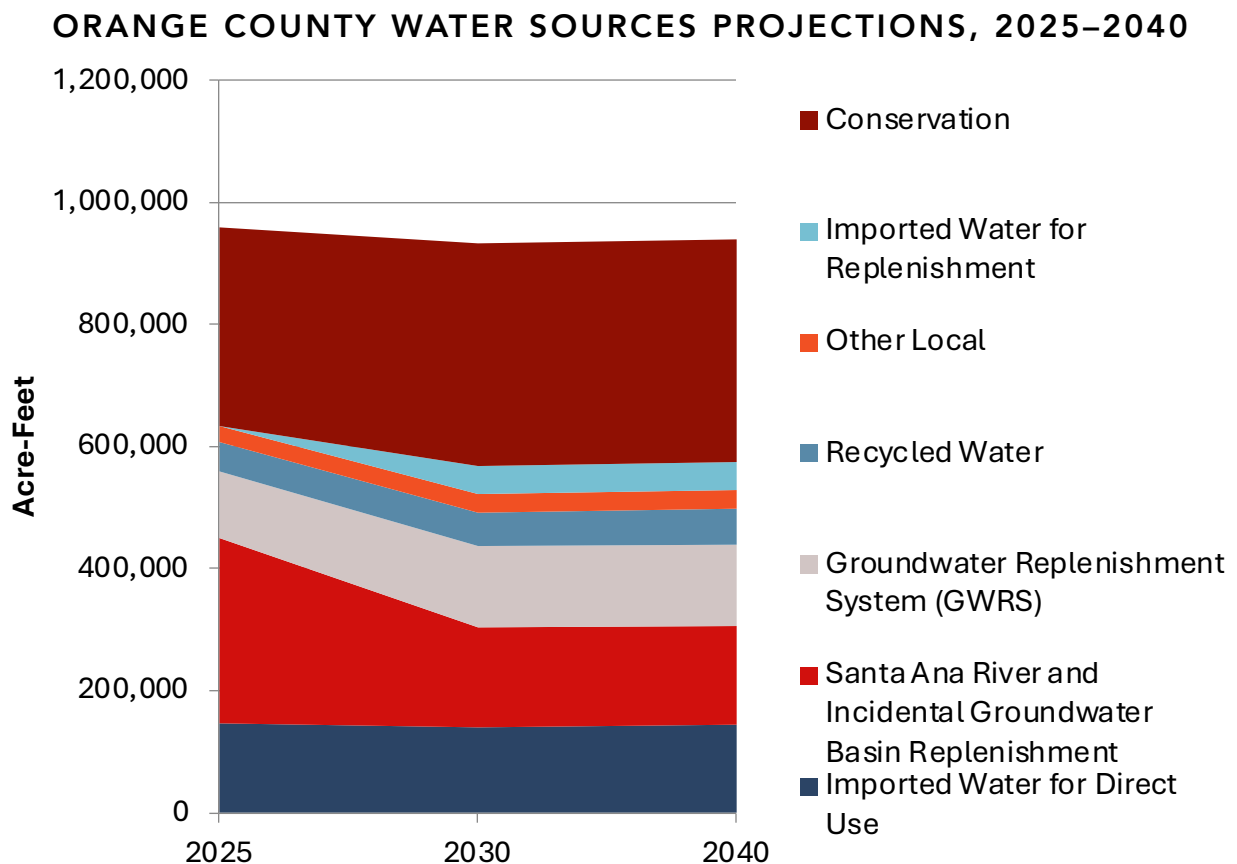


Source: Municipal Water District of Orange County; Data for 2023 has been revised.

Water usage across the county increased over the past year as a result of recent dry weather conditions; gallons per capita per day (GPCD) increased slightly from 94 in 2024 to 97 in 2025, an increase of 3.2 percent. Total consumption also increased from 473,119 acre-feet to 524,207 acre-feet, a year-over-year jump of 10.8 percent.

Looking at the past decade, total GPCD has decreased by 24.2 percent since 2015, providing a clear illustration of the county’s successful water-saving strategies. The county’s water consumption remains well below both pre-2015 levels and the Water Conservation Act of 2009 (SB X7-7) target of 158 GPCD.

CONSERVATION EFFORTS REMAIN STEADY

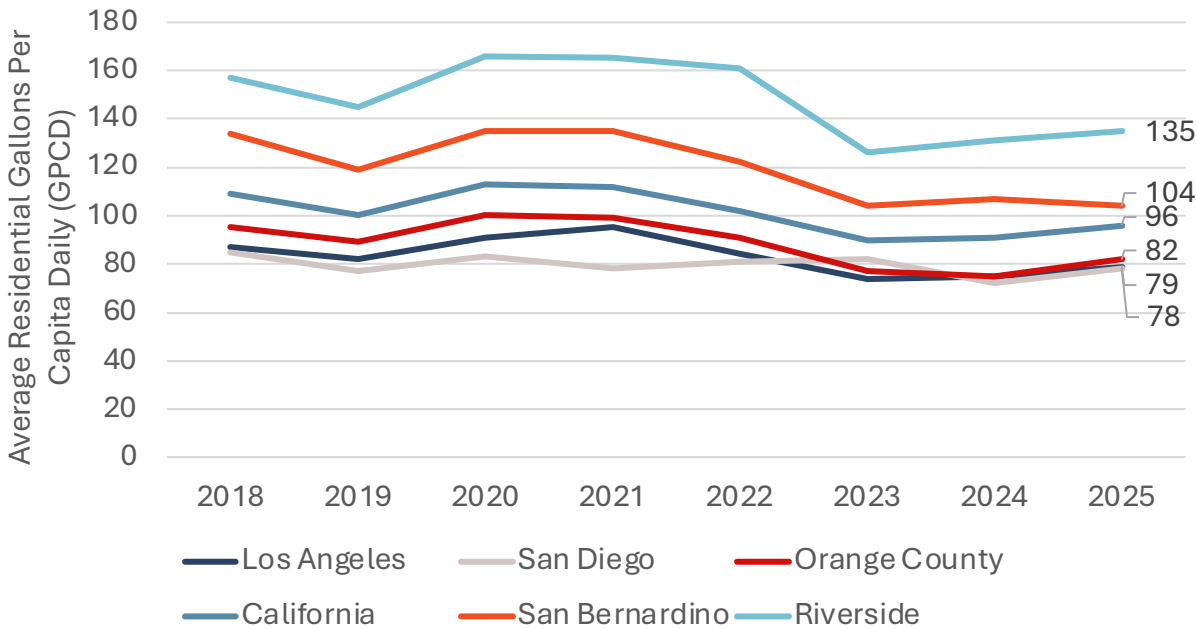


Sources: Municipal Water District of Orange County; Orange County Water District.

Total water conservation efforts in Orange County remained consistent over the past year, with the region conserving 323,703 acre-feet of water. Total water conserved is expected to increase by 12.8 percent to 365,277 acre-feet in 2030 before declining slightly to 364,360 acre-feet by 2040. As the region, state, and nation continue to contend with shifting climate change trends, ensuring residents have ready access to clean, potable water remains a major regional priority.

OC USES LESS WATER THAN STATE BUT MORE THAN LOS ANGELES OR SAN DIEGO COUNTIES

WATER USAGE IN GALLONS PER CAPITA PER DAY (GPCD) BY SOUTHERN CALIFORNIA COUNTY, JUNE 2018 – JUNE 2025

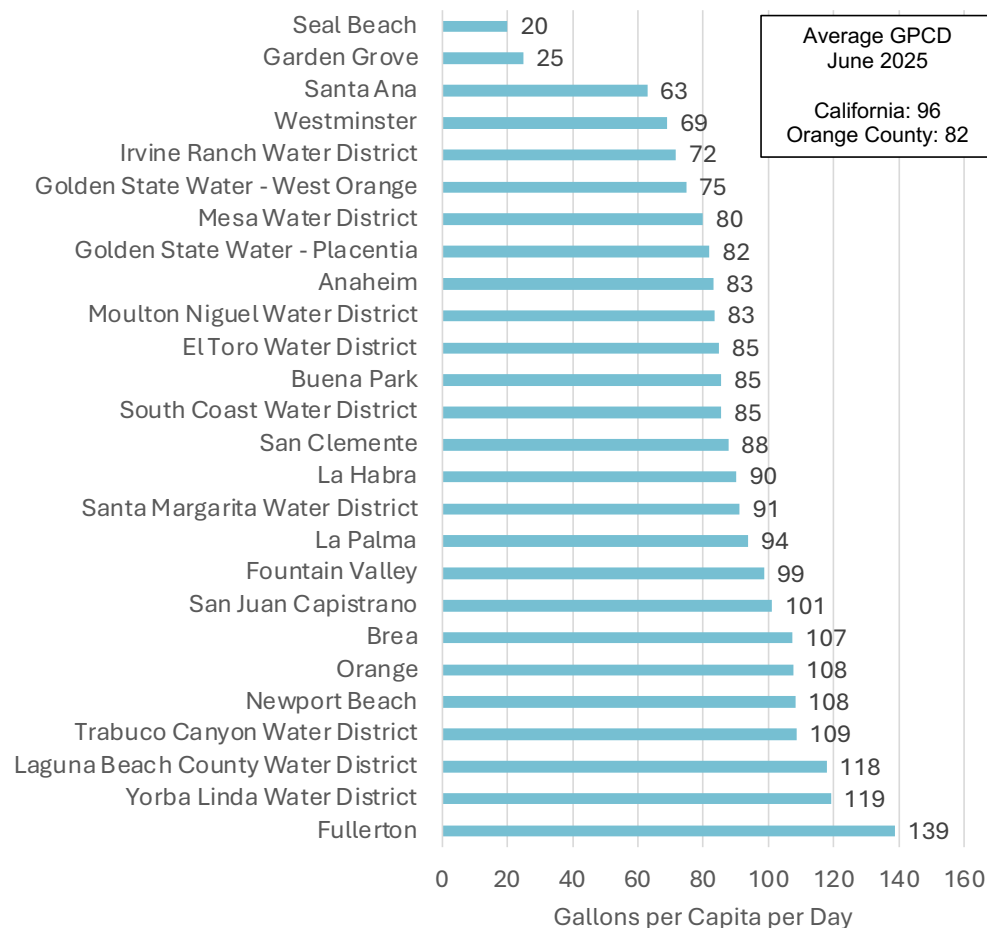


Source: State Water Resources Control Board

Over the past year, total GPCD in Orange County increased from 75 to 82, an increase of 9.3 percent, the largest percentage compared to regional peers. In San Diego County, for instance, GPCD increased by 8.3 percent over the past year to 78 GPCD, followed by the overall state average which rose 5.5 percent to 96 GPCD, Los Angeles County which increased 5.3 percent to 79 GPCD, and Riverside which increased 3.1 percent to 135 GPCD. San Bernardino County was alone in seeing declining water use as its consumption fell from 107 to 104 GPCD, a decline of 2.8 percent.

17 OC WATER RETAILERS SEE LOWER WATER USAGE THAN STATEWIDE MAY AVERAGE

WATER USAGE IN GALLONS PER CAPITA PER DAY (GPCD) BY ORANGE COUNTY WATER RETAILER, JUNE 2025



Source: State Water Resources Control Board

In June 2025, 17 of Orange County’s 26 reporting water districts had lower usage than the state’s 96 GPCD target. Seal Beach, Garden Grove, and Santa Ana had the county’s lowest usage rates at 20, 25, and 63 GPCD, respectively. Fullerton (139 GPCD), Yorba Linda Water District (119 GPCD), and Laguna Beach County Water District (118 GPCD) had the highest consumption.

DATA NOTES

Urban water usage data in acre-feet includes residential, industrial, and commercial water use in a fiscal year (July-June); data identified as 2018, for example, reflects water use in FY 2017/18. The gallons per capita per day (GPCD) calculations for Orange County overall, provided by the Municipal Water District of Orange County, are calculated to comply with SB X7-7. These GPCD calculations include potable water, less recycled water and indirect potable reuse water for the entire fiscal year. This measure of GPCD differs from GPCD reported in Community Indicators Reports prior to 2017. The GPCD figures by water supplier from the State Water Resource Control Board reflect residential water use only and report water usage for a single month. Reporting to the state is currently voluntary for water suppliers. Water conservation savings are calculated based on annual difference between the 240 average GPCD between the year 1980 to 1989 vs the present year [ex. (240 GPCD X – FY 2021 GPCD) X 365 Days X 325851 Gallons = Annual Savings in Acre Feet].

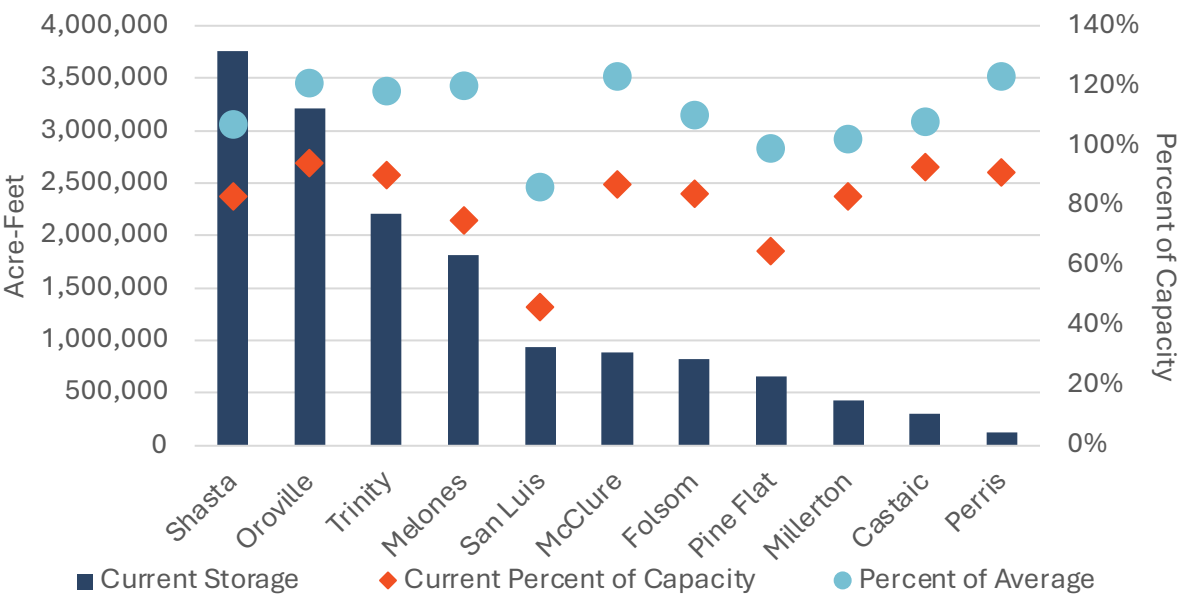
DROUGHT STATUS

CALIFORNIA SNOWPACK HAS THIRD CONSECUTIVE STRONG YEAR

California’s snowpack was at 96 percent of historical averages as of April 2025, marking the third consecutive year at or above an average of approximately 30 inches of snowpack, a feat not seen in 25 years.¹² Late season storms added some much-needed snow in February and March, helping California avoid what many expected to be a much drier year.¹³

As of July 3rd, statewide precipitation was at 105 percent of historical averages, according to the U.S. Drought Monitor, with only 23 percent of the state in ‘severe drought.’ Despite the relatively low drought concern, other concerns remain as fire season begins.

CURRENT TOTAL STORAGE AND CAPACITY FOR MAJOR RESERVOIRS IN CALIFORNIA, JULY 4, 2025



Source: California Department of Water Resources, Current Conditions for Major Reservoirs

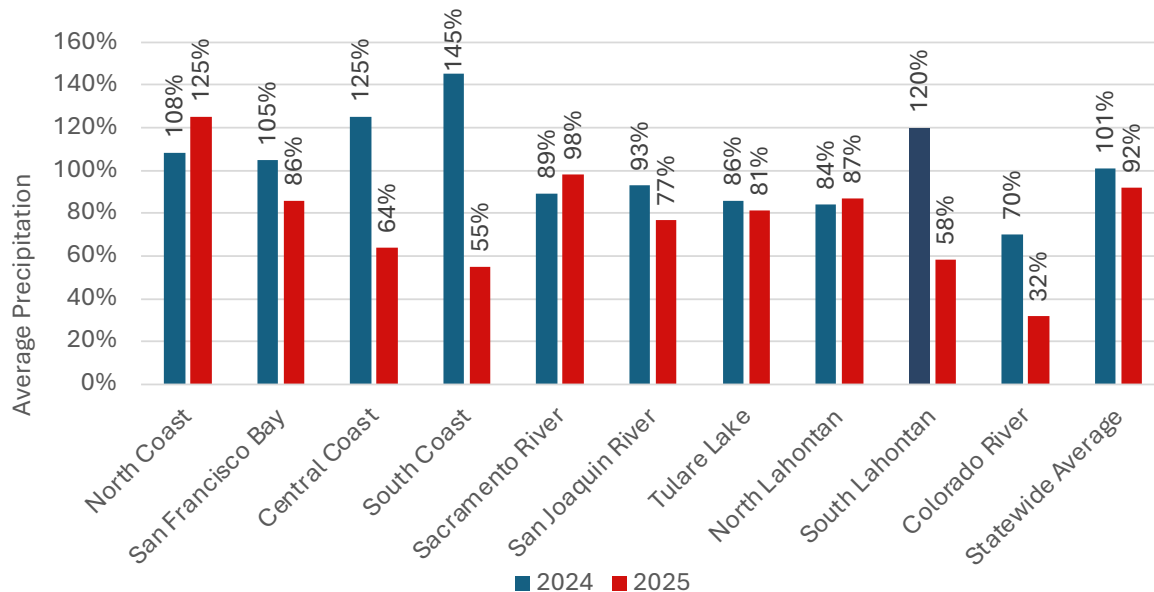
Fortunately, four of the states’ largest reservoirs have above average supply due to recent rainfall. Shasta, the state’s largest reservoir, is at 107 percent of its storage average. Oroville (121 percent), Trinity (118 percent), and Melones (120 percent) also have above average water supply, as do the smaller McClure and Perris reservoirs (both at 123 percent of historical average).

¹² <https://www.latimes.com/environment/story/2025-04-02/california-near-average-snowpack-2025>

¹³ <https://www.courthousenews.com/california-marks-third-year-of-decent-sierra-snowpack/>

The California Department of Water Resources defines a 'Water Year' as the 12-month period from October 1st to September 30th. This differs from a rainfall year which is typically started on July 1st. Alternatively, totals are also reported from October of the previous year to the most recent measured month, in this case from October to June. As such, for the table below, 2024 is measured from October 2023 to June 2024 while 2025 is measured from October 2024 to June 2025.

PERCENT OF HISTORIC AVERAGE PRECIPITATION BY HYDROLOGICAL REGION IN CALIFORNIA, PERIOD MEASURED FROM OCTOBER TO JUNE 2024 AND 2025



Source: California Department of Water Resources, Statewide Precipitation Data

For the year measured from October to June, the historic statewide weighted average for precipitation fell slightly from 101 percent in 2024 to 92 percent. Regions with the largest shifts included:

- The North Coast, with the highest precipitation compared to historical averages (+125 percent);
- South Coast, where average precipitation fell from 145 percent of historic average to 55 percent;
- Central Coast, which fell from 125 percent to 64 percent; and
- South Lahontan, which fell from 120 percent to 58 percent of historic averages.

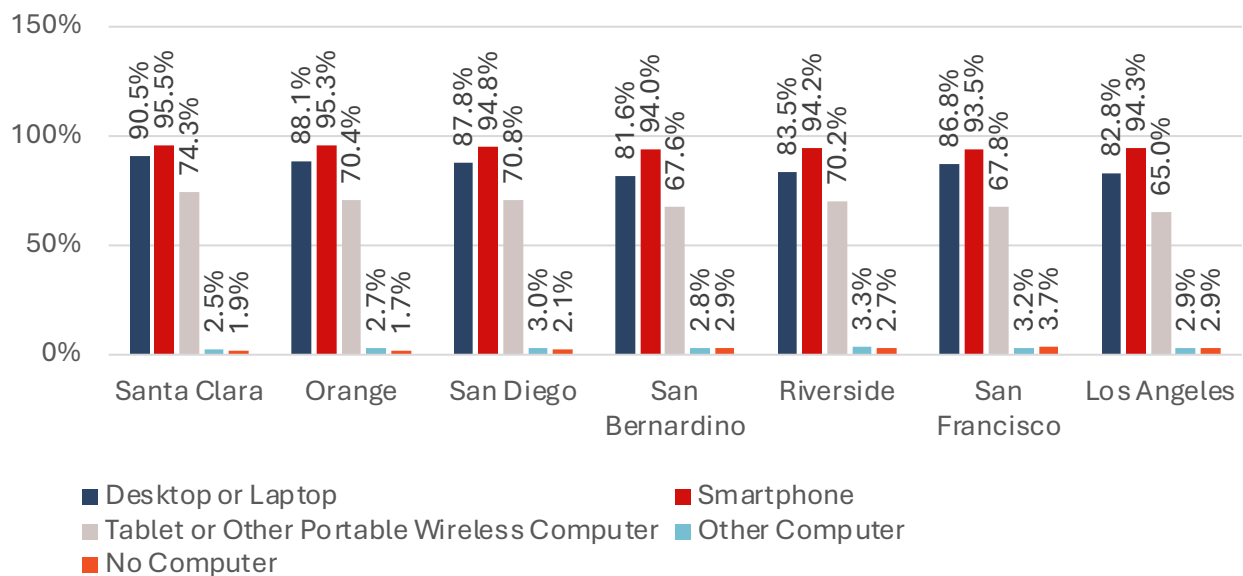
As reservoir storage and average precipitation levels began to decline in recent years, drought concerns have been making a comeback. This means that ensuring snowpack and water storage are effectively managed will remain a crucial priority for stakeholders across the state.

Fortunately, Orange County remains a leader in smart water management, as exemplified by the Groundwater Replenishment System (GWRS). A joint program between Orange County Water District (OCWD) and Orange County Sanitation District (OC San), the GWRS remains the world's largest advanced water purification system for potable reuse, capable of providing 130 million gallons of water per day. This represents 35 percent of total regional water demand, representing the water needs of one million residents.

BROADBAND INTERNET ACCESS

OC RETAINS BEST CONNECTIVITY IN SOCIAL

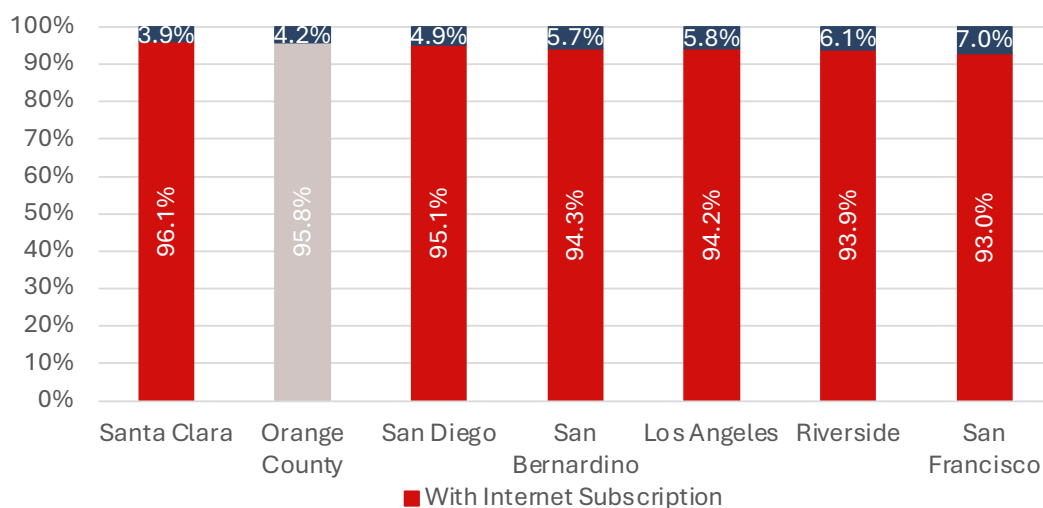
TYPES OF COMPUTERS IN HOUSEHOLDS BY COUNTY, 2023



Source U.S. Census Bureau, American Community Survey, 1-Year Estimates

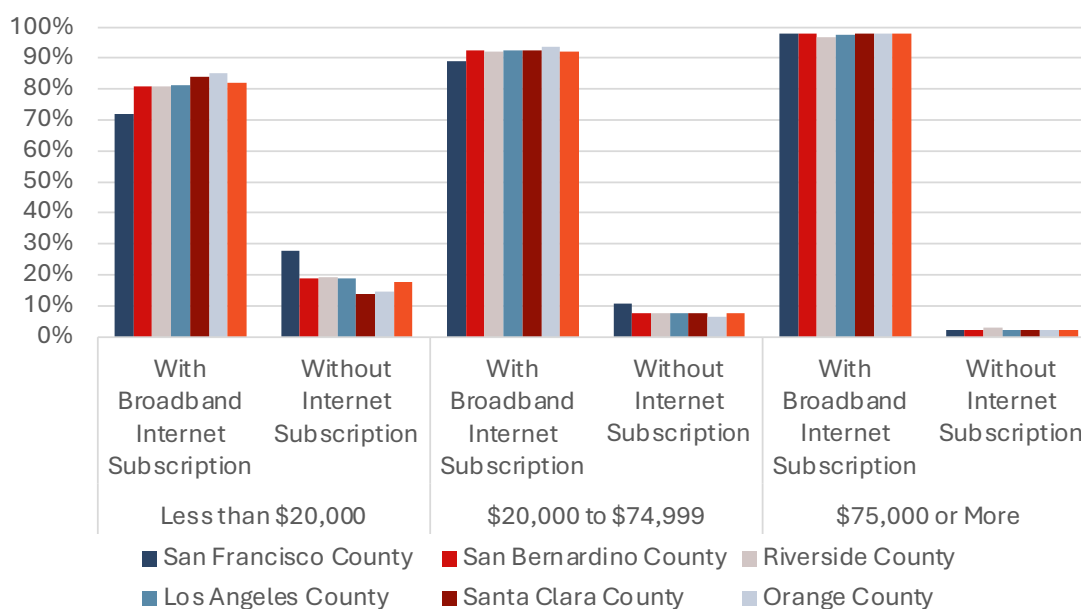
As remote work and meetings of all types remain significantly more prevalent than before the COVID-19 pandemic, high-speed internet access remains a key economic infrastructure: a key resource for residents, workers, businesses, students, and governments. Smartphones remain the primary method of internet access; 95.3 percent of county households own a smartphone, while 88.1 percent own a desktop or laptop and 70.4 percent own a tablet or other wireless device. As technologies continue to evolve, and more activities are performed online, uninterrupted access will remain vital.

PERCENTAGE OF HOUSEHOLDS WITH AND WITHOUT INTERNET SUBSCRIPTIONS BY COUNTY, 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

INTERNET SUBSCRIPTION ACCESS BY INCOME LEVEL BY COUNTY, 2023

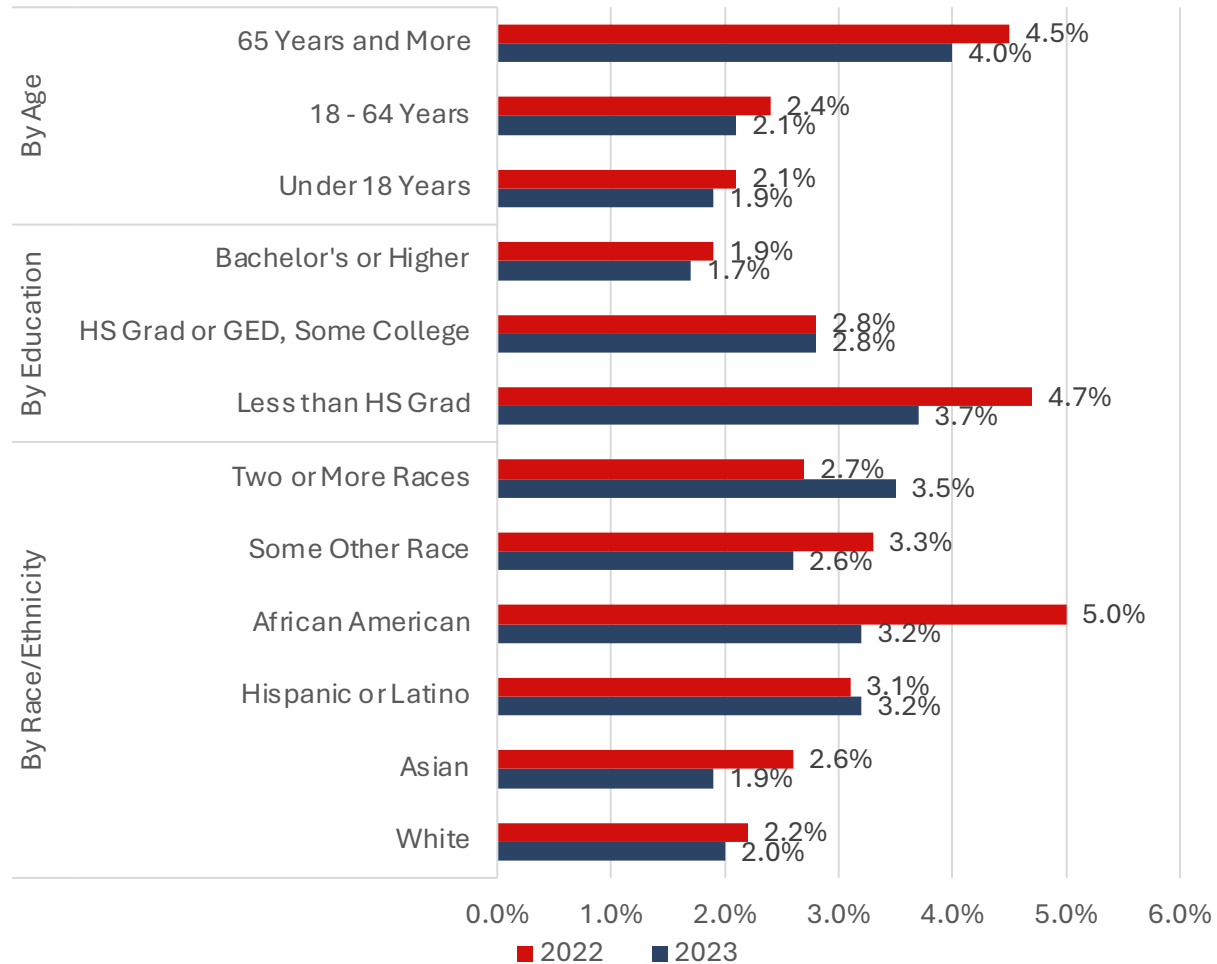


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Despite high connectivity levels, internet access did vary between Orange County populations. For example, only 85.0 percent of Orange County households making under \$20,000 had a broadband internet connection compared to 93.6 percent of households making between \$20,000 to \$74,999 and 97.9 percent of households making \$75,000 or more. Overall, Orange County had the highest rates of broadband connectivity across all income groups when compared to neighbors and peer regions.

Further increasing the county's already elevated levels of internet access could help the county's most disadvantaged communities by providing instant access to job listings, education, training, and other resources.

PERCENTAGE OF HOUSEHOLDS WITHOUT INTERNET SUBSCRIPTION BY AGE, EDUCATION, AND ETHNICITY, 2022 AND 2023



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

As seen above, internet access has improved for all age groups, with the largest improvement occurring for residents 65 and older. Access also improved or stayed the same for all educational attainment cohorts. For instance, it improved by 1.0 percentage points for households with less than a high school diploma and by 0.2 percentage points for households with a bachelor's degree or higher.

Lack of broadband internet access increased for two ethnic population cohorts:

- The percentage of Hispanic or Latino households lacking broadband access increased by 0.1 percentage points, from 3.1 percent to 3.2 percent.
- The percentage of households identifying as being of Two or More Races that lacked broadband access increased by 0.8 percentage points from 2.7 percent to 3.5 percent.

Access improved for all other groups, except residents who were High School Graduates, had their GED or some college, which remained consistent at 2.8 percent without an internet subscription, while the largest increases occurred for African American households (+1.8 percentage points), Asian households (0.7 percentage points), and households identifying as Some Other Race (0.7 percentage points).

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