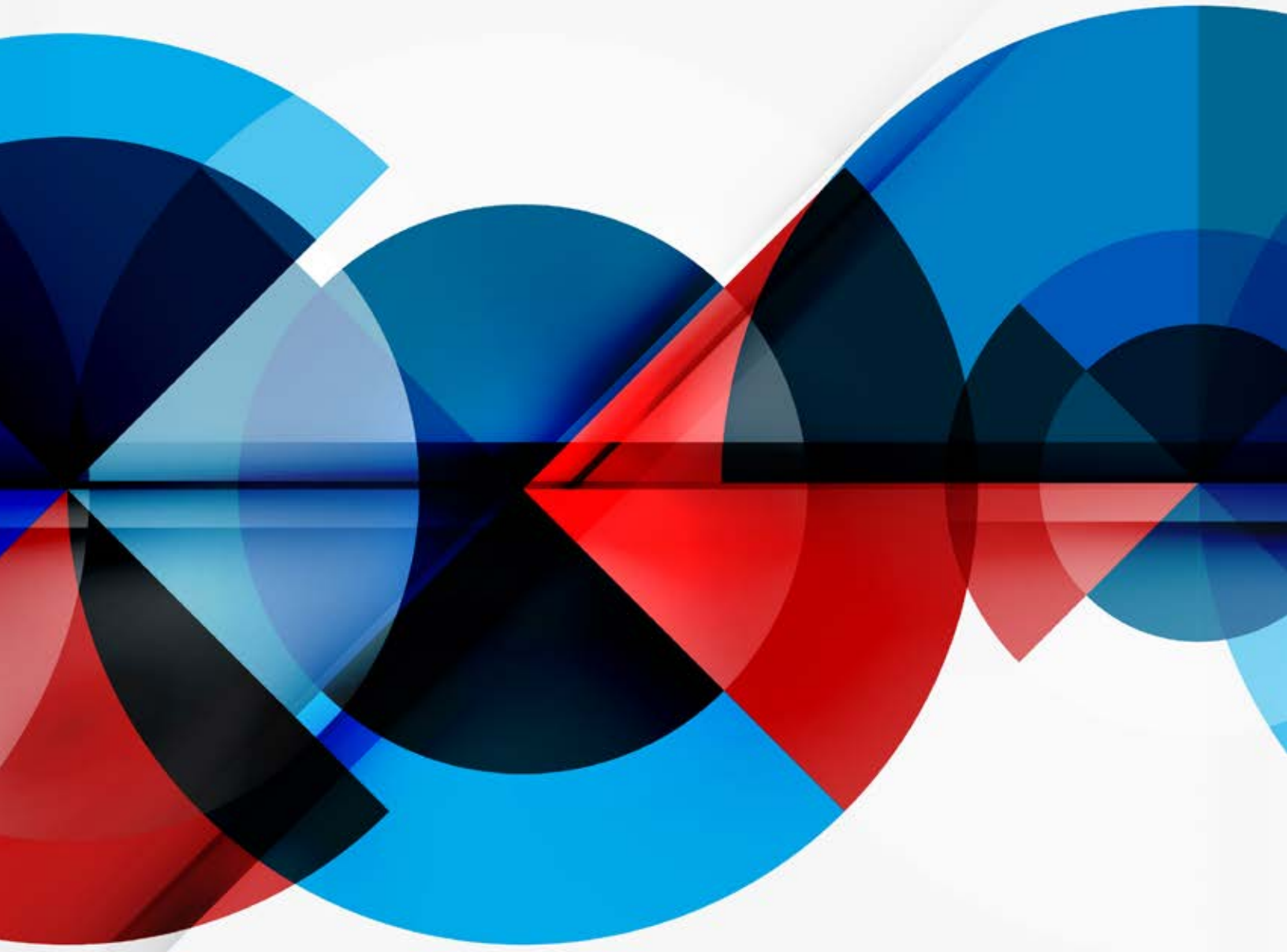
2027 ORANGE COUNTY COMMUNITY INDICATORS



ORANGE COUNTY BUSINESS COUNCIL

CalOptima Health

Orange County UNITED WAY

FIRST 5 ORANGE COUNTY

Orange County Community Foundation

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DEAR COMMUNITY PARTNER,

Welcome to the 2027 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 2027 Orange County Community Indicators Report.

Orange County's enduring strength is its ability to turn ideas into opportunity. That strength depends on more than individual achievement—it grows through the connections among businesses, educators, health care providers, public agencies and community organizations. Our shared responsibility is to build on these relationships, respond thoughtfully to emerging challenges and ensure that economic success strengthens the communities we serve.

This year's report explores one of Orange County's defining competitive advantages: its industry clusters. Aerospace and Defense, MedTech, Healthcare and Tourism demonstrate how interconnected industries can support innovation, attract investment and create pathways to employment. These clusters are more than concentrations of businesses; they are networks of talent, research, entrepreneurship and collaboration that help position our region for long-term success.

Sustaining that success requires continued attention to three interconnected priorities: a skilled workforce, housing affordability and modern infrastructure. We must strengthen pathways from education to employment, expand opportunities for workers and families to make their homes here and invest in the transportation, water and digital systems that support daily life and economic activity. Our ability to attract new investment must be matched by our commitment to preparing and retaining the people who make that investment productive.

The indicators also remind us that prosperity must be understood at the household level. Behind every measure is a child preparing for kindergarten, a student pursuing a career, a family seeking financial stability or an older adult navigating healthcare needs. A strong economy and a healthy community are not separate objectives. Together, they define the quality of life we seek to sustain and extend to future generations.

This report provides an opportunity to recognize progress while remaining clear-eyed about the work ahead. Its value lies not simply in documenting trends but in helping us ask better questions, establish shared priorities and direct resources where they can make a meaningful difference. We encourage business leaders, policymakers, educators and community partners to use these findings to inform decisions and translate collaboration into measurable results.

Orange County's future will be shaped by the choices we make together. Let us use the 2027 Orange County Community Indicators Report to build on our strengths, address our challenges and ensure that the next generation can see a future for itself here.

Sincerely,



JEFFREY BALL
President and CEO
Orange County Business Council



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ACKNOWLEDGEMENTS

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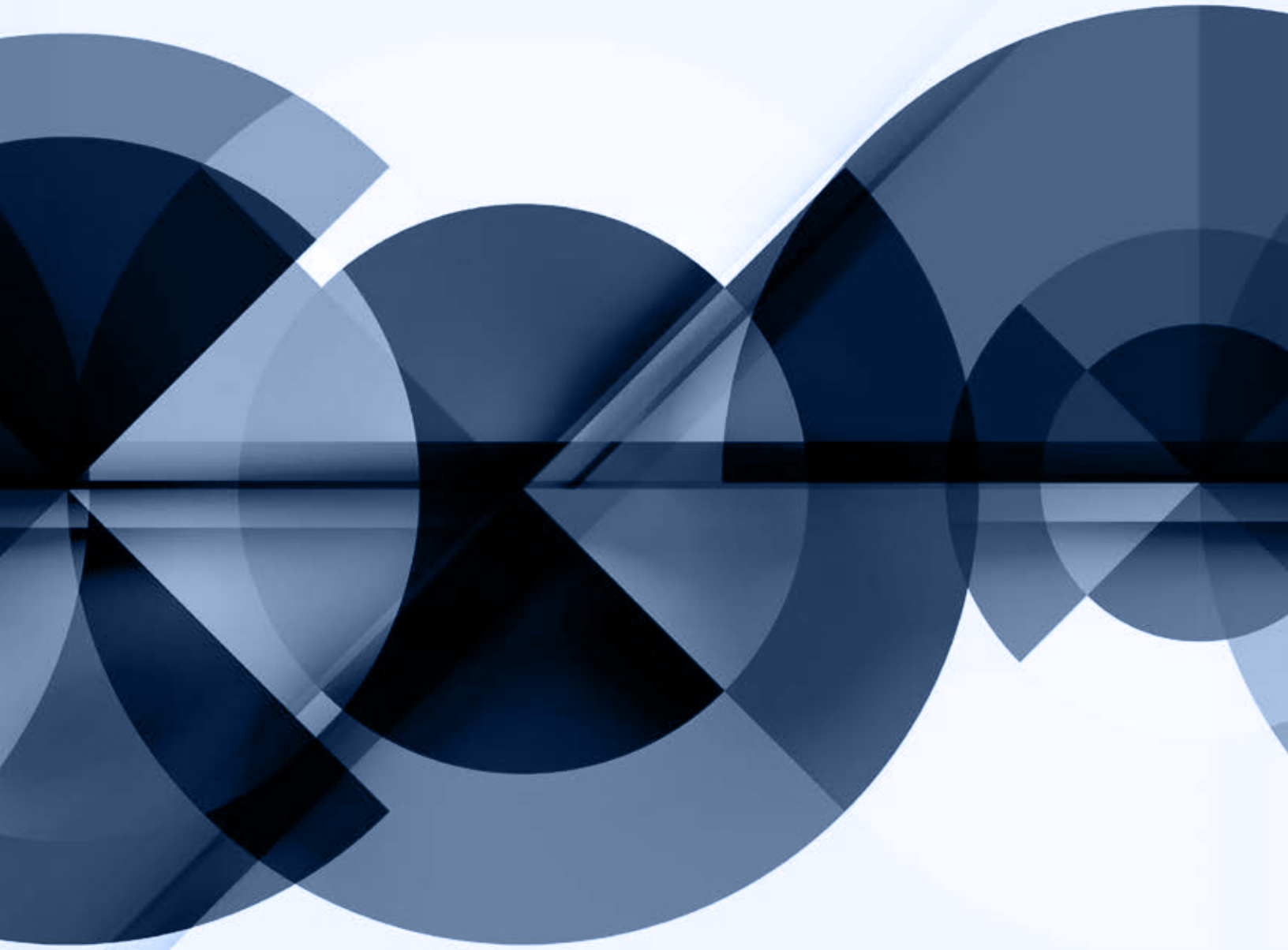
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ORANGE COUNTY PROFILE



PLACE/LAND USE

799 land area (square miles)

42 miles of coastline

3,960 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.**

Situated along Southern California's iconic shoreline, Orange County continues to be a premier draw for families, tourists, businesses and investors. Spanning 799 square miles, it boasts 42 miles of scenic beaches, 12 miles of Marine Protected Areas (MPAs) and vast expanses of dedicated nature preserves. It remains a global tourist destination, with attractions ranging from the Disneyland Resort to retail experiences such as South Coast Plaza and Fashion Island. Other key strengths include:

- A diverse, highly educated population
- A robust, resilient labor market
- High median household incomes
- Innovative, lucrative industry clusters such as Medical Device manufacturing and Aerospace & Defense

These attributes help Orange County attract and retain talent from around the country and the world. Despite its overall strength, Orange County also faces some key short- and long-term challenges both locally and from global trends. For example, while the full impacts of artificial intelligence (AI) or automated systems and services on total employment remain to be seen, layoffs so far in 2026 have reached nearly 120,000[1] and five companies (Alphabet, Amazon, Meta, Microsoft and Oracle) have added $350 billion in debt over five years to fund data centers.[2] This suggests AI adoption and, potentially, the associated layoffs are likely to accelerate. Adding to domestic concerns, shifting federal regulations alongside creeping inflation and interest rate uncertainty have impacted many businesses, especially small businesses. Small business bankruptcies have increased 50 percent in the first six months of 2026 compared to 2025.[3]

[1] https://techcrunch.com/2026/07/06/the-running-list-major-tech-layoffs-in-2026-where-employers-cited-ai/

[2] https://www.msn.com/en-us/news/insight/big-tech-s-ai-debt-hits-350b-as-investor-caution-grows/gm-GM82DEE9FE?gemSnapshotKey=GM82DEE9FE-snapshot-1&uxmode=ruby

[3] https://www.forbes.com/advisor/business-loans/small-business-bankruptcies-rise-lmandp5/

Adding to these national concerns, Orange County continues to wrestle with its own issues as stubbornly high housing costs and low housing supply continue to act as a drag on the local economy. In Q1 2026, only 23 percent of first-time home buyers in Orange County could afford an 'entry-level' home, which compares to 38 percent for the state and 62 percent for the nation. While this marks an improvement from the first quarter of 2025, when just 19 percent of Orange County first-time home buyers could afford an entry-level home, affordability remains well below state and national levels and trails regional peers such as San Diego and Los Angeles, where 34 percent of first-time buyers could afford an entry-level home.[4] Traditional home buyers face even lower affordability rates in Orange County; only 16 percent of Orange County residents could afford a median-priced home estimated at an average of $1,442,930 in Q1 2026.[5]

Orange County's commercial real estate sector saw measured improvements since 2025 as leasing activity returned, reducing vacancy rates and pushing asking rental rates higher. Total office vacancy in Orange County fell from a peak of 15.3 percent in Q1 2025 to 13.3 percent as of Q2 2026, while the average asking lease rate reached $2.89 full-service gross (FSG) per square foot per month, an increase of $0.06 over the past year. Though leasing activity remains strong, with two million square feet signed, pushing availability rates down to 18 percent in Q2 2026, net absorption remains negative as most tenants continue to downsize their footprints. Orange County's retail commercial real estate sector continues to contend with a lack of available inventory as obsolete properties are taken down, and new developments remain limited. The average net asking rent increased $0.02 to $2.56 in Q1 2026 as only 5,000 square feet of new construction were delivered. Tenant demand remains strong.

Developers remain reluctant to break ground on new construction due to rising and often unpredictable construction costs,[6] which is likely a major contribution to the recent lack of new deliveries in Orange County as well. OCVIBE, a $4 billion mixed-use development situated on 100 acres in Anaheim,[7] remains one of the only major developments currently under construction in the region.

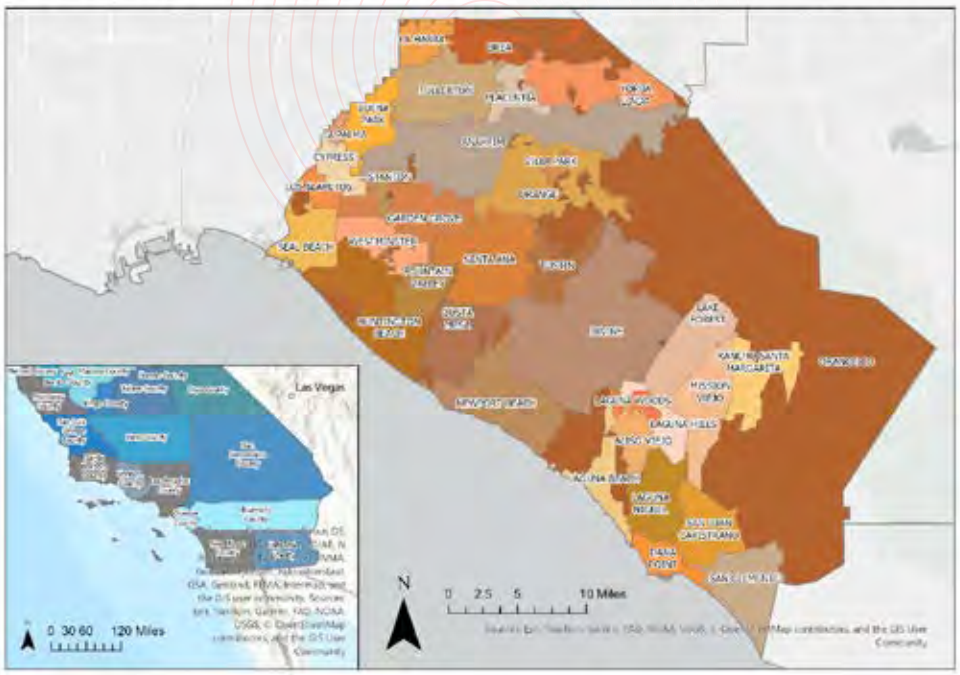
[4] https://www.car.org/marketdata/data/ftbhai

[5] https://www.car.org/marketdata/data/haitraditional

[6] https://www.minneapolisfed.org/article/2026/construction-activity-softens-under-rising-costs-and-uncertainty

[7] https://www.cbre.com/insights/figures/orange-county-office-figures-q4-2024

SOUTHERN CALIFORNIA AND ORANGE COUNTY CITIES, 2026



With a population of more than 3.16 million, 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.

Orange County's population fell from 3,186,989 residents in 2020 to 3,148,506 residents in 2023 as a result of the COVID-19 pandemic and skyrocketing home prices, before rebounding to 3,175,427 in 2025. The county's 2026 population has seen a slight decline to 3,163,696. While this 0.4 percent decline matched trends in Los Angeles County, whose population fell by 0.6 percent, and the state as a whole, down 0.1 percent, more affordable neighbors such as Riverside, San Bernardino and San Diego counties all saw population increases.

POPULATION DENSITY

Orange County has an average population density of 3,960 residents per square mile, 5.1 percent more than in 2010 and 0.4 percent less than in 2025. As seen above, it remains significantly denser than its neighboring counties. While Orange County was once a rural county and then long considered an unofficial suburb of Los Angeles, it has long since become a major urban area in its own right.

COUNTY POPULATION PER SQUARE MILE, 2026

COUNTY	POPULATION PER SQUARE MILE
Orange	**3,960**
Los Angeles	2,424
San Diego	848
Riverside	348
California (Statewide)	254
San Bernardino	111

Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2021-2026, with 2020 Census Benchmark. Sacramento, California, May 2026.

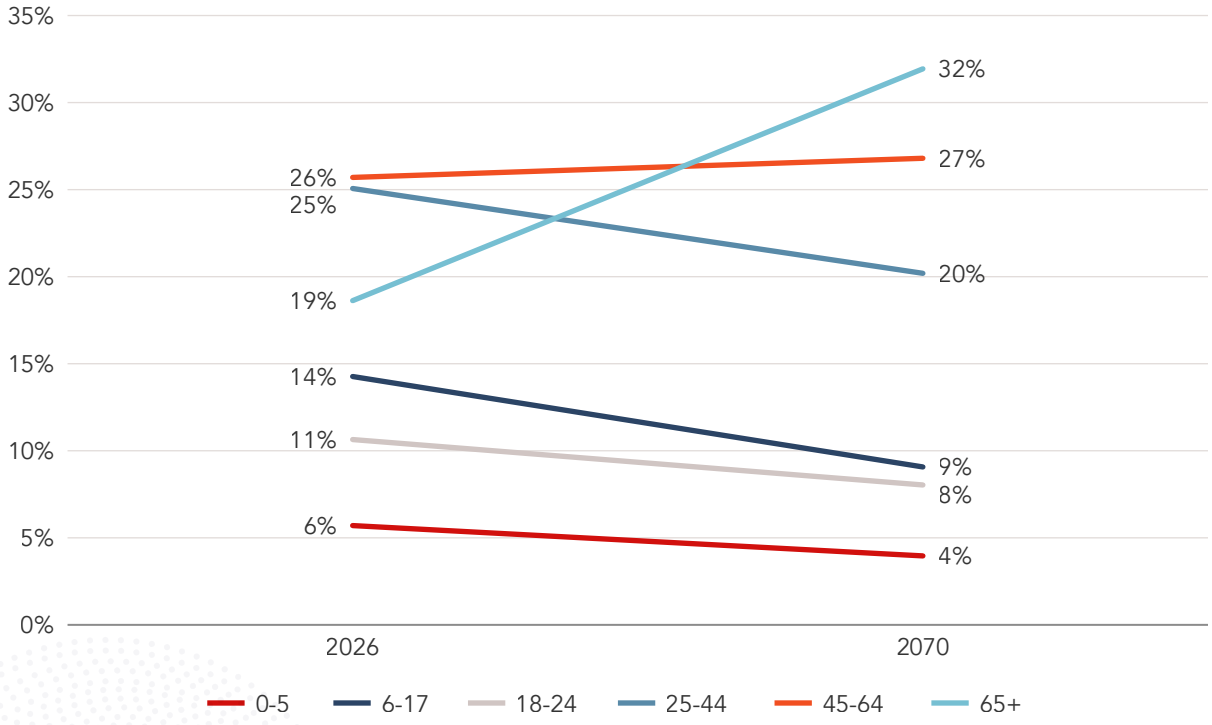
DEMOGRAPHICS/ DIVERSITY

ORANGE COUNTY'S 65+ AGE GROUP EXPECTED TO EXPAND SIGNIFICANTLY

Orange County's median age continues to increase, and the trend is accelerating, rising from 39.5 in 2022 to 39.7 in 2023 to 40.2 in 2024. This follows a similar trend at the state level, where the median age increased from 37.9 to 38.2 and further to 38.4 over the same time period. Since 2014, median ages have increased by 1.5 years nationally, 2.4 years statewide and 3.0 years in Orange County. The share of Orange County residents under the age of 18 declined from 23.8 percent in 2014 to 20.3 percent in 2024, while the share of residents age 65 and older increased from 13.1 percent to 17.4 percent.

These age trends are expected to continue, with all age groups below 45 years proportionally declining between now and 2070. At the same time, the percentage of residents aged 65 and older is expected to increase from 19 percent of the county population to 32 percent in 2070.

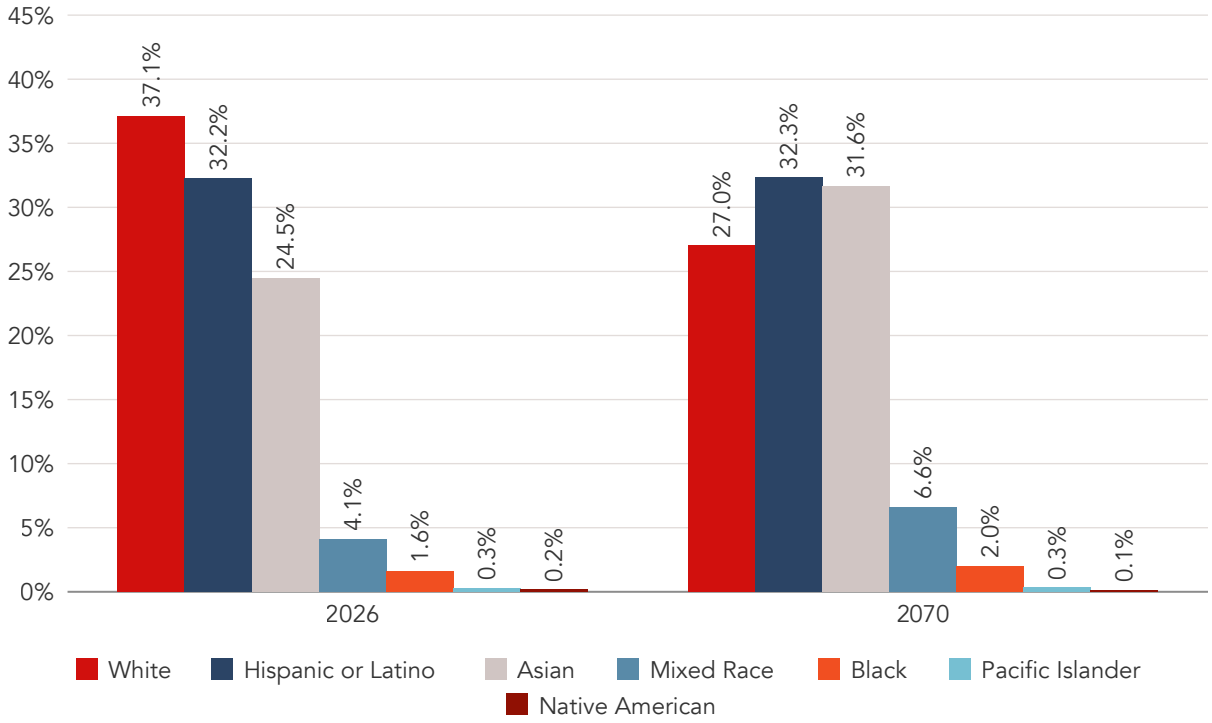
PROJECTED CHANGE IN AGE GROUP PROPORTIONS OF TOTAL ORANGE COUNTY POPULATION, 2026 AND 2070



Source: California Department of Finance. Demographic Research Unit. Report P-2B: Total Population Projections, California Counties, 2020-2070 (Baseline 2024 Population Projections; Vintage 2026 Release). Sacramento, California, March 2026.

INCREASING DIVERSITY EXPECTED IN ORANGE COUNTY

PROJECTED CHANGE BY RACIAL AND ETHNIC GROUPS AS PROPORTIONS OF THE TOTAL ORANGE COUNTY POPULATION, 2026 AND 2070



Source: California Department of Finance. Demographic Research Unit. Report P-2D: Total Population by Race and Ethnicity, California Counties, 2020-2070 (Baseline 2024 Population Projections; Vintage 2026 Release). Sacramento, California, March 2026. All racial/ethnicities besides Hispanic or Latino are non-Hispanic or Latino.

Orange County's population will also continue to become more diverse. White residents currently account for 37.1 percent of county residents; this figure is expected to decline to 27.0 percent by 2070. The proportion of Hispanic or Latino residents (currently 32.2 percent) is expected to remain consistent (32.3 percent in 2070), while the percentage of Asian residents is projected to increase from 24.5 percent in 2026 to 31.6 percent in 2070. Mixed Race residents (currently 4.1 percent) are projected to account for 6.6 percent of the county population in 2070, with Black or African American residents also seeing population growth. Orange County's Pacific Islander community is expected to remain steady at 0.3 percent of the population while the county's Native American communities are projected to fall from 0.2 percent of the population to 0.1 percent.

INTERNATIONAL RESIDENTS

31.6% of county residents were born in other countries

48.1% of all residents over age five speak a language other than English at home

FOREIGN-BORN POPULATION IN ORANGE COUNTY CROSSES 1 MILLION

FOREIGN-BORN POPULATION METRICS BY SOUTHERN CALIFORNIA COUNTY, 2024

COUNTY	FOREIGN-BORN POPULATION	% FOREIGN-BORN POPULATION
Los Angeles	3,317,967	34.0%
Orange	**1,000,380**	**31.6%**
Riverside	564,876	22.3%
San Bernardino	492,042	22.2%
San Diego	782,179	23.7%
California	10,902,022	27.6%

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

TOP 10 COUNTRIES OF ORIGIN, 2024

	POPULATION IN ORANGE COUNTY
Mexico	298,215
Vietnam	164,872
Korea	67,873
Philippines	61,379
China*	53,255
Iran	44,015
India	35,577
Taiwan	23,544
Guatemala	16,478
El Salvador	15,646

**Note: Foreign-born population from China excludes residents from Hong Kong and Taiwan.*
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

In 2024, Orange County's foreign-born population surpassed 1 million for the first time; after an increase of just above 33,000 from 2023 to 2024, it reached 1,000,380, and foreign-born residents now account for 31.6 percent of the county's population. In total, Orange County's foreign-born population represents 9.2 percent of the estimated 10,902,022 foreign-born California residents and 2.0 percent of the estimated 50,234,858 foreign-born American residents.

Between 2014 and 2019, Orange County's foreign-born population declined from 955,138 to 949,825, representing a decline from 30.4 percent to 29.9 percent of the population. However, the foreign-born population has since rebounded, climbing to 31.6 percent of the population by 2024. Overall, between 2019 and 2024, Orange County's foreign-born population increased by 50,555 residents, representing growth of 5.3 percent over the past five years, while, at the same time, Orange County's total population declined by 0.2 percent.

Compared to 2014, Orange County has seen the most significant percentage of growth in foreign-born populations compared to the state and neighboring counties. While Orange County's foreign-born population increased by 1.2 percentage points, from 30.4 percent in 2014 to 31.6 percent in 2024, California only saw an increase of 0.6 percentage points, followed by both San Bernardino and San Diego counties seeing increases of 0.5 percentage points and Riverside seeing growth of 0.2 percentage points. Los Angeles was the only neighboring region to see a decline in the proportion of foreign-born populations over the past decade, shrinking by 0.8 percentage points. While Los Angeles lost a total of 200,492 foreign-born residents since 2014, California added 389,623, Riverside County added 49,890 foreign-born residents, Orange County added 45,242 and San Bernardino County added 32,818.

One interesting trend is that foreign-born populations in Orange County are expanding faster than its total population while more inland counties are seeing more rapid growth in both foreign-born and total populations. Over the past 10 years, Orange County added 45,242 foreign-born residents while its total population only increased by 24,920, indicative of higher domestic outmigration. At the same time, Riverside County added 49,890 foreign-born residents and 200,662 total residents, while San Bernardino County added 32,818 foreign-born residents and its total population increased by 101,662.

ORANGE COUNTY POPULATION DROPS IN 2025

The California Department of Finance's Estimates and Components of Change, which also measures population growth, offers a slightly different estimate of the county's population. It found that Orange County's population fell from 3,173,633 in 2024 to 3,169,463 in 2025. Natural increase (births minus deaths) contributed 8,288 residents to population growth while the county lost 12,458 residents to negative net migration. While 13,173 international immigrants moved to Orange County, a net domestic outflow of 25,631 residents contributed to an overall population decline.

Over the past five years, net domestic migration has driven population loss. Orange County lost 118,459 residents to net domestic migration since 2021 and gained 62,957 through foreign immigration over the same period, resulting in a net migration loss of 55,502 residents. County policymakers and stakeholders must address the root causes of this population loss, namely the high cost of living, especially high housing costs, to better attract and retain residents.

OC POVERTY REBOUNDS; RIVERSIDE SEES LARGE DECLINE

BY THE NUMBERS SNAPSHOT

ORANGE COUNTY CHARACTERISTICS COMPARED TO REGIONAL PEERS

COUNTY	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	POVERTY LEVEL (%)	CHILD POVERTY (UNDER 18)	MEAN COMMUTE TIME (IN MINUTES)
Orange	**$115,229**	**40.2**	**9.7%**	**11.3%**	**27.3**
San Diego	$109,132	37.8	10.0%	11.0%	26.1
Los Angeles	$90,845	38.9	13.3%	16.5%	31.7
Riverside	$93,172	37.6	9.6%	10.7%	35.4
San Bernardino	$88,294	35.3	12.5%	16.4%	32.8
California (Statewide)	$100,149	38.4	11.8%	14.6%	29.7

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

After COVID and the high inflationary period which followed, Orange County's inflation-adjusted median household income declined: from $117,710 in 2019 to $115,229 in 2024. Orange County was the only Southern California region to see its median household income decline over the past five years. San Bernardino County led the region in increase for inflation-adjusted median household incomes, growing by 6.0 percent, followed by San Diego County at 5.9 percent, Riverside County at 3.7 percent, Los Angeles at 1.7 percent and the overall state of California at 1.5 percent. Looking back further over the past decade, Orange County's median household income increased by 14.0 percent on an inflation-adjusted basis from 2014 to 2024. At the same time, San Bernardino would see increases of 28.0 percent, followed by San Diego County (24.4 percent), Riverside County (23.3 percent), Los Angeles County (23.0 percent) and California (22.0 percent).

Alongside rising incomes, Orange County's median age has also seen considerable growth over the past five and ten years. Rising from 37.2 years in 2014 to 38.6 years by 2019, an increase of 1.4 years, followed by another increase of 1.6 years from 2019 to 2024, the median age in Orange County increased by three years over the past decade. This was second only to Los Angeles County where median ages increased by 3.1 years from 2014 to 2024, rising from 35.8 to 38.9 years. At the state level, median ages increased from 36.0 years in 2014 to 37.0 years in 2019 and again to 38.4 by 2024, representing an overall increase of 2.4 years from 2014 to 2024.

Despite these gains in income and broader economic well-being, poverty trends have been mixed in recent years. In Orange County, overall poverty rates sank from 12.8 percent in 2014 to 9.4 percent in 2019 before increasing slightly to 9.7 percent in 2024. Orange County was the only region to see an increase in overall poverty rates between 2019 and 2024, while California's overall poverty rate remained steady at 11.8 percent over the same period. Orange County's increasing poverty rate is likely attributable to the rapidly increasing cost of living in the area, buoyed primarily by rising housing costs. According to the California Association of Realtors, the median price for an existing family detached home increased from $842,000 in June 2019 to $1,490,000 by June 2026, an increase of $648,000 or 77.0 percent. Over the past decade, San Bernardino County saw the largest decline in poverty rates, shrinking 8.1 percentage points from 20.6 percent in 2014 to 12.5 percent in 2024, followed by Riverside County falling by 7.5 percentage points and Los Angeles County by 5.4 percentage points.

In terms of child poverty, or poverty rates for residents under the age of 18, Orange County saw rates sink from 17.9 percent in 2014 to 12.5 percent by 2019 and further to 11.3 percent by 2024. The largest declines in child poverty rates over the past decade occurred in Riverside County, where child poverty rates declined 13.0 percentage points, followed by San Bernardino County (12.1 percentage points) and Los Angeles County (10.2 percentage points). Statewide, child poverty fell from 22.7 percent in 2014 to 14.6 percent by 2024.

Reinforced and better highlighted within this report's Transportation Section, traffic congestion in Orange County increased from 2014 to 2019, with average commute times rising from 27 minutes to 28.3 minutes before declining back to 27.3 minutes in 2024. Since 2014, Orange County has seen the smallest increase in overall commute times among neighboring counties, with an increase of 0.3 minutes. This compares with average increases of 1.1 minutes in San Diego County, 1.9 minutes in San Bernardino County, 1.6 minutes in both Los Angeles County and California and 3.5 minutes in Riverside County. Overall, Riverside County had the highest commute times at 35.4 minutes in 2024.

Orange County's comparably low commute times reflect the region's ongoing investment in roads, freeways and traffic systems through programs such as Orange County Transportation Authority's OC Go, also known as Measure M2, a half-cent sales tax dedicated to local transportation infrastructure improvements. In contrast, Riverside County's larger increase is likely attributable to the growing number of residents who commute to Orange County for more lucrative employment opportunities. In 2023, the latest year for which worker inflow and outflow data are available, 106,354 Riverside County residents commuted to Orange County for work, up from 90,089 in 2013, an increase of 18.1 percent.

EDUCATIONAL ATTAINMENT

12.8% of adults over age 25 have less than a high school diploma

44.7% of adults over age 25 have a bachelor's degree or higher

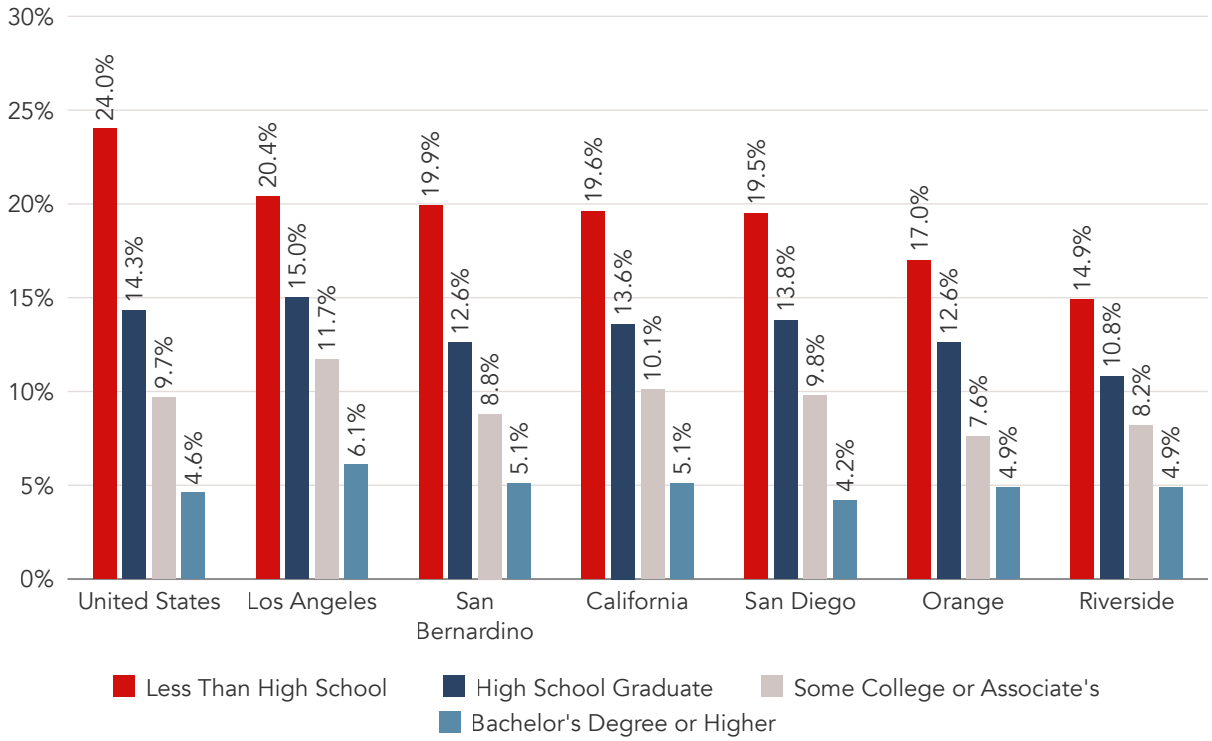
SAN DIEGO SURPASSES ORANGE COUNTY IN EDUCATIONAL ATTAINMENT

ORANGE COUNTY EDUCATIONAL ATTAINMENT COMPARED TO PEER REGIONS		
COUNTY	BACHELOR'S DEGREE OR HIGHER	PERCENT GRADUATE OR PROFESSIONAL DEGREE
Orange County	**44.7%**	**16.6%**
San Diego County	45.2%	18.5%
California	38.1%	14.9%
Los Angeles County	37.2%	13.4%
United States	36.8%	14.7%
Riverside County	26.2%	9.5%
San Bernardino County	24.1%	8.8%

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

Educational attainment is a foundation for economic success at the individual and group levels; it positively correlates with higher median earnings and lower poverty rates. From training or certificate programs at community colleges to bachelor's or graduate degrees at universities, pursuing higher education can have ripple effects for students, their families and their communities.

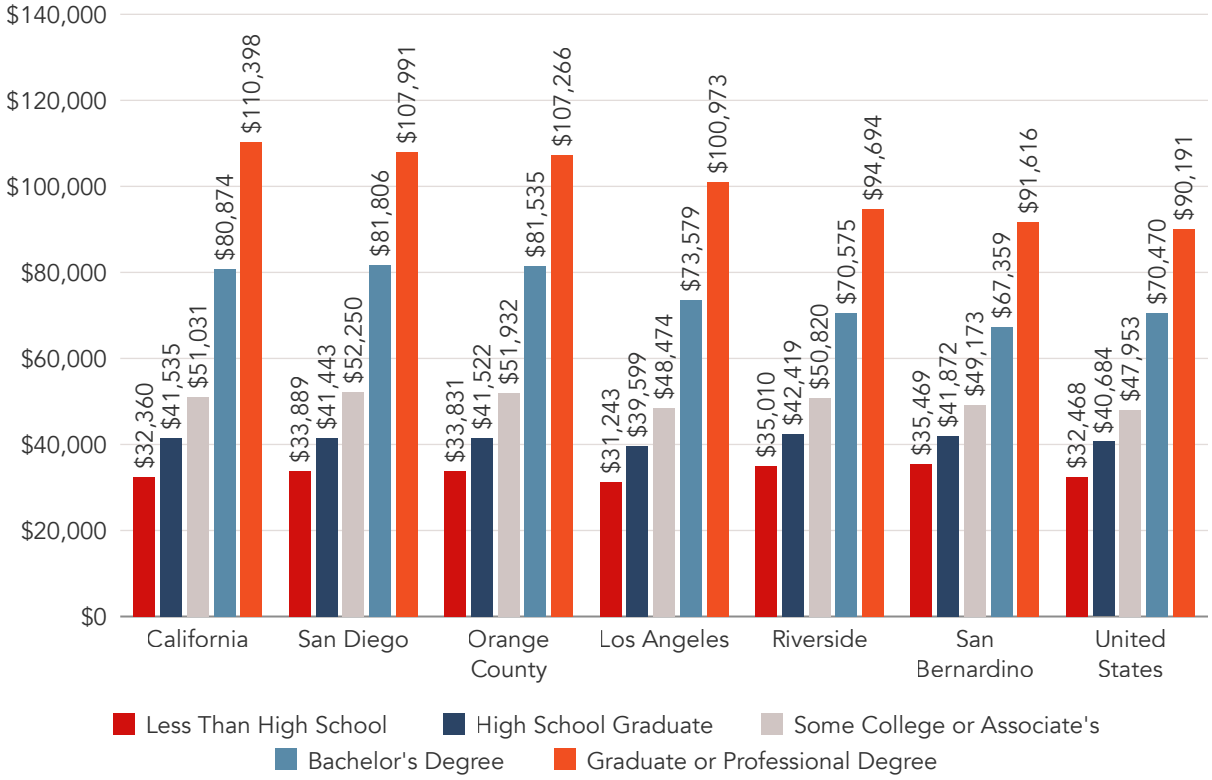
POVERTY RATES BY EDUCATIONAL ATTAINMENT, 2024



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

Riverside County saw the lowest poverty rates for residents with less than a high school diploma and high school graduates in 2024 at 14.9 percent and 10.8 percent, respectively, slightly beating out Orange County with poverty rates of 17.0 percent and 12.6 percent, respectively. While Orange County had the lowest poverty rate for residents with some college or associate's degrees at 7.6 percent, beating out Riverside County (8.2 percent) and San Bernardino County (8.8 percent), its poverty rate for residents with a bachelor's degree or above, at 4.9 percent, was tied with Riverside County yet above San Diego County (4.2 percent). Overall, poverty rates by educational attainment in Orange County were well below both national and state rates at every level of educational attainment except for bachelor's or higher at the national level.

MEDIAN EARNINGS BY EDUCATIONAL ATTAINMENT, 2024



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

In terms of median annual earnings by educational attainment, California saw the largest earnings for residents with graduate or professional degrees at $110,398, buoyed by large annual earnings in areas such as San Francisco ($153,014) and Santa Clara ($171,251) counties. Overall, median earnings for graduate or professional degrees in Orange County were 2.8 percent, or $3,132, lower than the state and 0.7 percent, or $725, lower than San Diego County. At the same time, median earnings for residents with less than a high school diploma in Orange County were 4.5 percent, or $1,471, higher than the state average, while earnings for residents with some college or associate's degree were 1.8 percent higher and earnings for residents with a bachelor's degree or higher were 0.8 percent higher.

From 2023 to 2024, Orange County residents with less than a high school diploma saw the largest growth in earnings on an inflation-adjusted basis at 2.6 percent, followed by residents with a graduate or professional degree at 1.8 percent and high school graduates at 0.2 percent. Residents with a bachelor's degree and some college or associate's degree saw earnings decline over the past year, by 1.4 percent and 0.6 percent, respectively.

LABOR MARKET/BUSINESS COMMUNITY

OC MEDIAN HOUSEHOLD INCOMES 15 PERCENT ABOVE STATE, 41 PERCENT ABOVE NATION

LABOR MARKETS REMAIN STRONG ACROSS THE COUNTY

$115,229 Median household income (2024)

$1,490,000 Median existing single-family home price (June 2026)

4.1% Unemployment rate (June 2026)

EMPLOYMENT

ORANGE COUNTY OUTPERFORMS NEIGHBORING COUNTIES, STATE AND NATION

ORANGE COUNTY LABOR MARKET OVERVIEW, JUNE 2026

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
Los Angeles	4,951,000	4,689,000	262,100	5.3%
Orange	**1,596,100**	**1,531,300**	**64,800**	**4.1%**
Riverside	1,176,200	1,112,500	63,700	5.4%
San Bernardino	1,015,900	963,100	52,800	5.2%
San Diego	1,640,500	1,567,600	72,900	4.4%
San Francisco	496,600	478,000	18,600	3.7%
Santa Clara	1,020,300	979,900	40,400	4.0%
California	19,380,900	18,382,100	998,800	5.2%

Source: California Employment Development Department

As of June 2026, Orange County had one of the lowest unemployment rates in Southern California at 4.1 percent, well below its regional neighbors, the state and nation, yet above its Northern California peers, including San Francisco (3.7 percent) and Santa Clara (4.0 percent). Over the past year, Orange County's labor force declined by 2.1 percent, while total employment fell 1.8 percent and the number of unemployed residents decreased 8.3 percent to 64,800. Despite these year-over-year improvements, the total number of unemployed residents in Orange County rose sharply over the past month, jumping 17.2 percent, or by 9,500 workers, while total employment declined by 0.8 percent and the labor force shrank by 0.2 percent. This helps to explain why Orange County's unemployment rate spiked from 3.5 percent in May 2026 to 4.1 percent in June 2026.

DISNEY, UCI AND PROVIDENCE REMAIN OC'S LARGEST EMPLOYERS

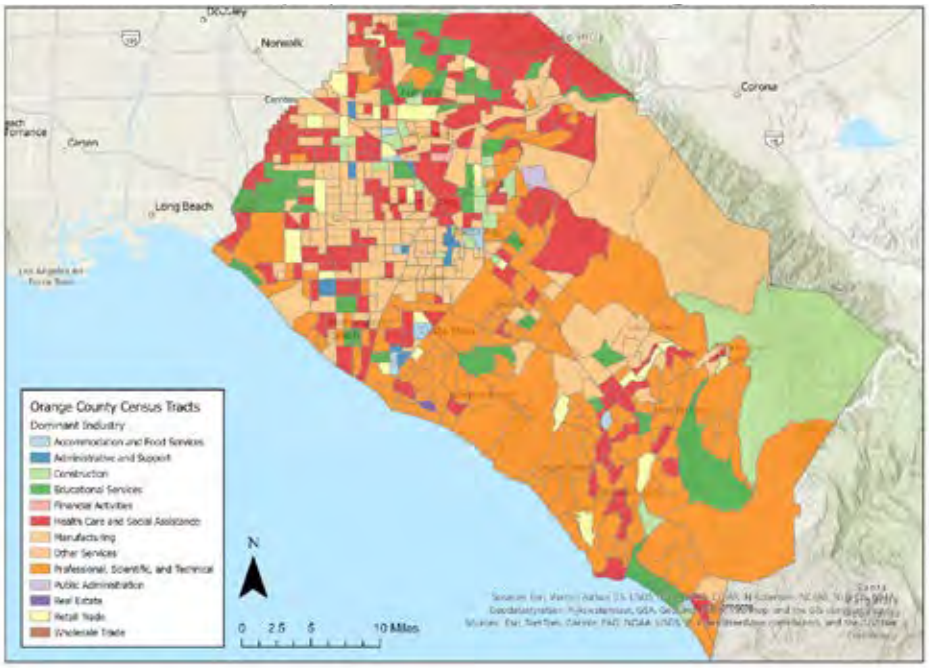
LARGEST EMPLOYERS IN ORANGE COUNTY, 2026	
COMPANY	EMPLOYMENT IN ORANGE COUNTY
Disneyland Resort	36,000
University of California, Irvine	34,300
Providence South Division (California)	25,155
County of Orange	18,000
Kaiser Permanente	11,272
Hoag Memorial Hospital Presbyterian	7,864
Allied Universal	7,487
Albertsons Southern California Division	7,048
MemorialCare	6,782
CHOC (Children's Hospital of Orange County)	6,131
The Boeing Company	5,306
Edwards Lifesciences	5,109
Six Flags Entertainment Corp.	5,000
Costco Wholesale Corp.	4,994
California State University, Fullerton	4,319
In-N-Out Burger Inc.	4,005
Applied Medical Resources Corp.	3,787
Automobile Club of Southern California	3,317
Northgate Gonzalez Market	3,000
KPC Healthcare Inc.	2,803

Source: Orange County Business Journal, 2026 Book of Lists

HEALTHCARE AND PROFESSIONAL SERVICES DOMINATE ORANGE COUNTY; MANUFACTURING FOCUSED IN NORTH AND CENTRAL PORTIONS OF COUNTY

Orange County's highly educated workforce fuels the continued growth and success of a diverse mix of high-performing industry clusters, including Tourism, Medical Devices and Aerospace & Defense. These innovative sectors catalyze regional growth, capital investment and high-wage employment. They also accelerate technological advancement by fostering strategic, collaborative networks between private companies and the county's world-class academic and research institutions, which provide a robust incubator environment for startups and entrepreneurial ventures.

DOMINANT INDUSTRY BY CENSUS TRACT IN ORANGE COUNTY, 2026



This is epitomized by the University of California, Irvine's The Cove, a state-of-the-art, 100,000-square-foot collaborative hub designed to accelerate the commercialization of university research into high-growth startups. This facility bridges the gap between academics and industry by providing prototyping labs, co-working spaces and advanced presentation venues such as The Beach, which features a signature 180-degree LED video wall for investor pitches and regional tech events.

Employment concentrations highlight an industry cluster's size in a given region compared to the national average. An employment concentration of 10, for instance, means that an industry is 10 times more concentrated in that region than in the nation as a whole. Orange County's existing and emerging industry clusters will be explored in more depth later in this report.

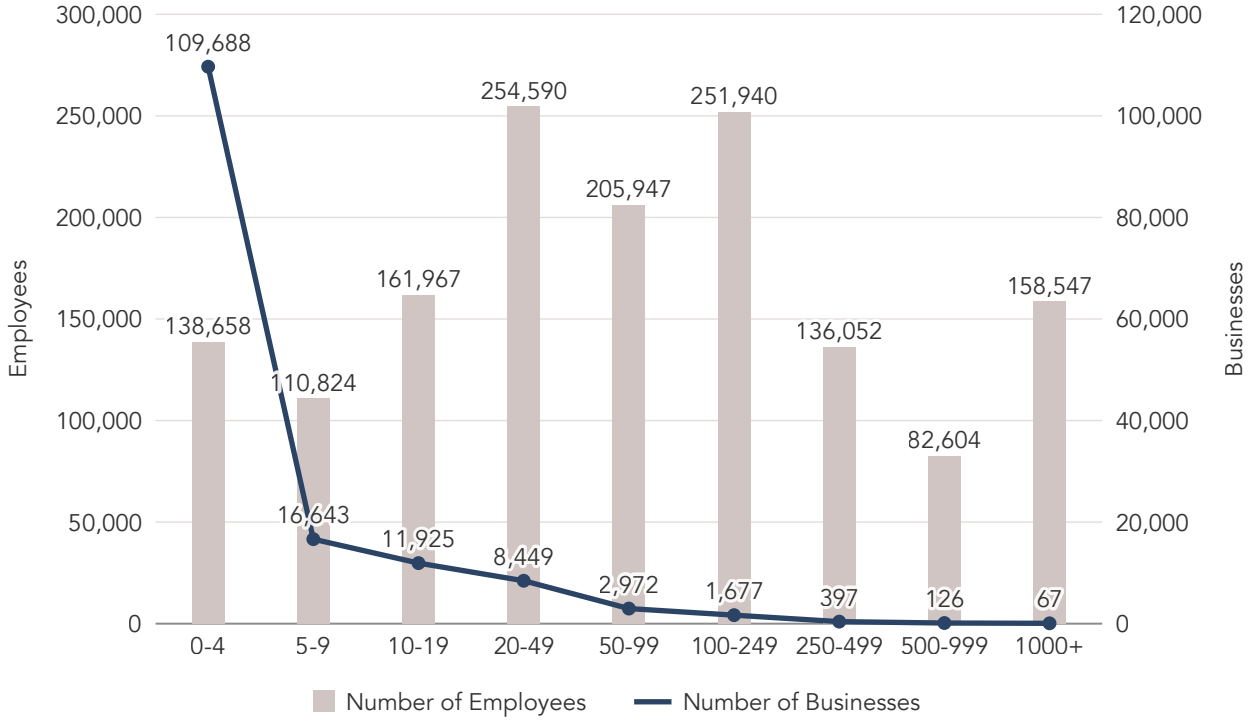
TOP ORANGE COUNTY INDUSTRIES BY EMPLOYMENT CONCENTRATION, 2026	
INDUSTRY	EMPLOYMENT CONCENTRATION
Amusement and Theme Parks	15.57
Computer Storage Device Manufacturing	11.09
Dental Equipment and Supplies Manufacturing	9.77
Dental Laboratories	9.77
Electromedical and Electrotherapeutic Apparatus Manufacturing	9.68
Nonferrous Forging	9.66
Bare Printed Circuit Board Manufacturing	8.49
Fluid Power Pump and Motor Manufacturing	7.57
Plumbing Fixture Fitting and Trim Manufacturing	7.04
Surgical and Medical Instrument Manufacturing	6.87
Bolt, Nut, Screw, Rivet and Washer Manufacturing	6.53
Electric Lamp Bulb and Other Lighting Equipment Manufacturing	6.00
Computer Terminal and Other Computer Peripheral Equipment Manufacturing	5.57
Electronic Connector Manufacturing	5.48
Other Electronic Component Manufacturing	5.34
Ophthalmic Goods Manufacturing	5.21
Audio and Video Equipment Manufacturing	5.10
Photographic Equipment and Supplies Merchant Wholesalers	5.03
Guided Missile and Space Vehicle Manufacturing	4.72
Transportation Equipment and Supplies (except Motor Vehicle) Merchant Wholesalers	4.50

Source: Lightcast

BUSINESSES OF ALL SIZES THRIVE IN ORANGE COUNTY

97 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, 2025



Source: California Employment Development Department, Size of Business Data 2025

Small businesses, defined as those with 50 or fewer employees, represent the vast majority (96.6 percent) of Orange County businesses. Predominantly family-owned, they employed 666,039 workers in 2025, accounting for 44.4 percent of the county's workforce.

While the number of businesses with more than 500 employees declined from 187 in 2022 to 180 in 2023, it has since jumped back to 193 in 2024 and stayed steady in 2025. At the same time, the number of businesses with more than 1,000 employees declined from 70 in 2023 to 68 in 2024 and further to 67 as of 2025.

ORANGE COUNTY GRP GREATER THAN THAT OF 26 STATES

GROSS REGIONAL PRODUCT RISES TO $363 BILLION IN OC

Orange County's gross regional product (GRP), a county-level equivalent of gross domestic product (GDP), jumped from $325 billion in 2023 to $345 billion in 2024, a substantial increase of 6.3 percent. In 2025, GRP grew an additional 5.1 percent to $363 billion and remained larger than the economies of 26 states, including Oregon, Alabama, Louisiana and Utah.

GROSS REGIONAL PRODUCT AND EMPLOYMENT COMPARISON BY SOUTHERN CALIFORNIA COUNTY

COUNTY	TOTAL POP. (2026)	TOTAL EMP. (JUNE 2026)	TOTAL GRP ($ IN B)	EMP. PER SQUARE MILE	EMP. PER CAPITA	GRP PER SQUARE MILE	GRP PER CAPITA
Orange	**3,163,696**	**1,531,300**	**$363**	**1,917**	**0.48**	**$454,062,548**	**$114,675**
San Diego	3,344,322	1,567,600	$344	398	0.47	$87,358,087	$102,970
Los Angeles	9,837,286	4,689,000	$1,013	1,155	0.48	$249,579,509	$102,955
San Bernardino	2,216,685	963,100	$138	48	0.43	$6,869,405	$62,156
Riverside	2,506,824	1,112,500	$131	154	0.44	$18,207,733	$52,339

Source: Lightcast; California Employment Development Department; State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2021-2026, with 2020 Census Benchmark. Sacramento, California, May 2026.

EMPLOYMENT PER SQUARE MILE BY SOUTHERN CALIFORNIA COUNTY, 2026

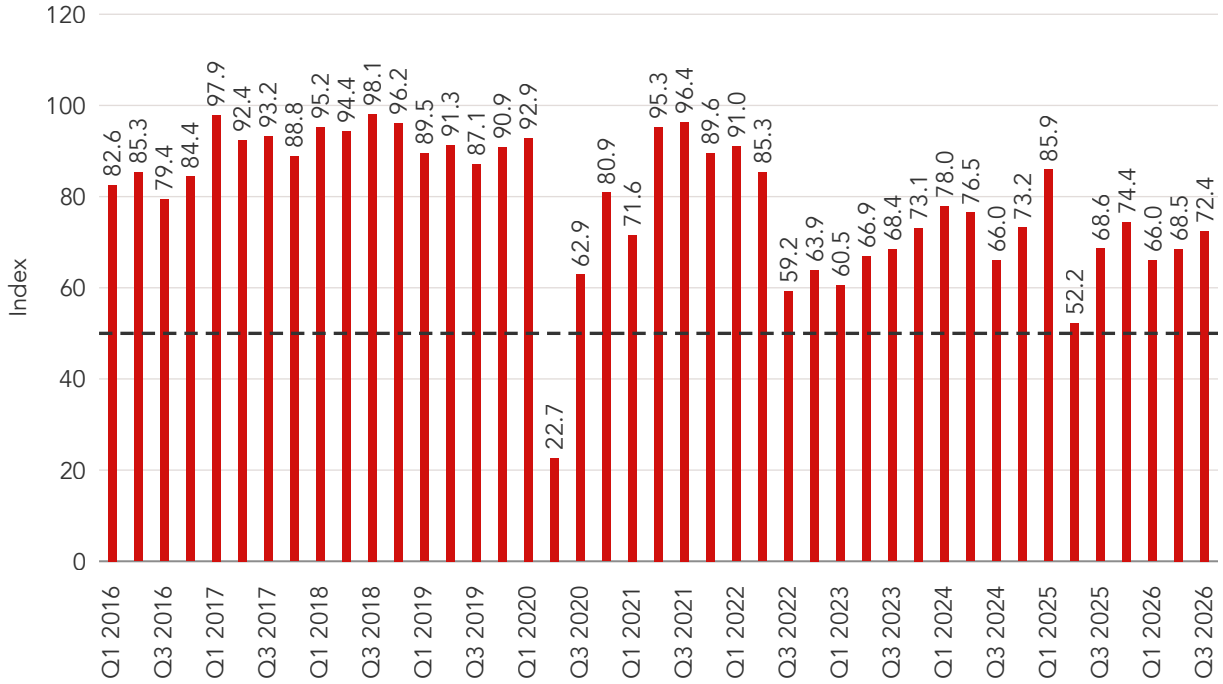


GROSS REGIONAL PRODUCT (GRP) PER SQUARE MILE BY SOUTHERN CALIFORNIA COUNTY, 2026



OC BUSINESS EXPECTATIONS INDEX CLIMBS STEADILY IN 2026

ORANGE COUNTY BUSINESS EXPECTATIONS INDEX, Q1 2016–Q3 2026



Dashed line at 50: an index above 50 indicates expansion.

Source: California State University, Fullerton

California State University, Fullerton's (CSUF) Orange County Business Expectations Index (OCBX) is a survey of local business executives on the potential for future economic growth or contraction. The index reached 72.4 in Q3 2026, representing an increase from the previous quarter's score of 68.5, and a year-over-year increase of 3.8 points. Overall, despite recent uncertainty, 32.1 percent of surveyed executives expect overall business activity to improve, an increase of more than 27.7 percent from the previous quarter, while 41.5 percent expect business conditions to remain stable. Meanwhile, the share of executives expecting a downturn declined from 38.5 percent to 26.4 percent.

The majority of executives (67.9 percent) expect stable hiring, while 17.0 percent expect increased hiring and 15.1 percent expect employment contraction. When it comes to labor costs, 58.5 percent expect stability and 41.5 percent expect increased costs. Surveyed executives' biggest concerns included:

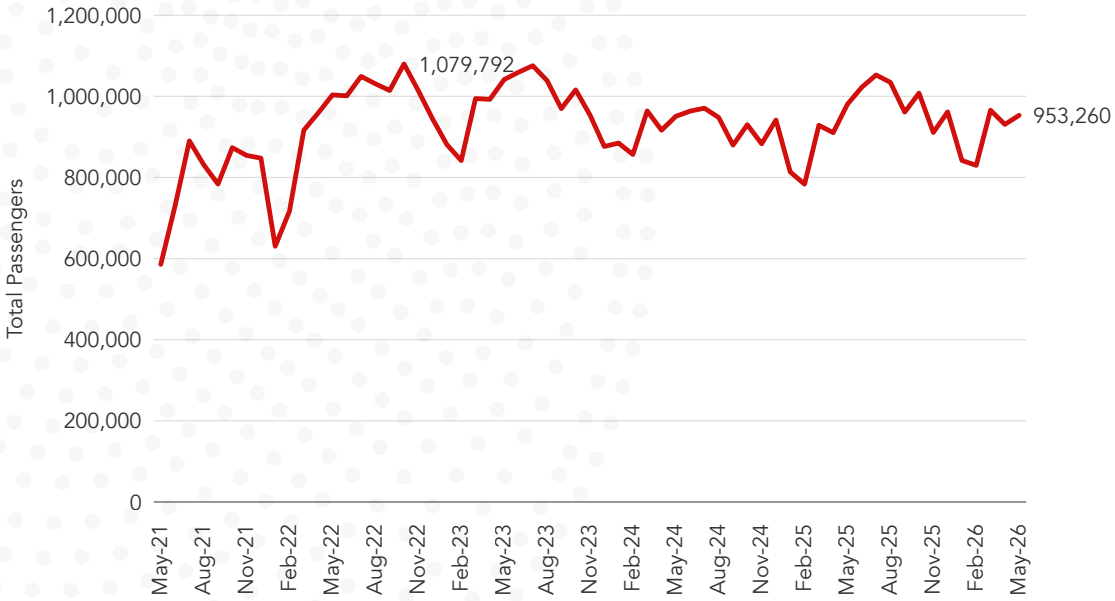
- Inflation (20.8 percent);
- Government deficits (13.2 percent);
- Shifts in interest rates (11.3 percent);
- The Iran War (11.3 percent);
- Stock market volatility (11.3 percent);
- Fuel costs (7.5 percent);
- Lack of housing supply (5.7 percent);
- AI job replacement (1.9 percent); and
- Tariffs (1.9 percent).

This list of concerns speaks to a volatile economic climate that will likely continue for the foreseeable future.

TRAVEL/TOURISM

MONTHLY PASSENGER VOLUME ON AVERAGE 2.4 PERCENT HIGHER IN FIRST 5 MONTHS OF 2026 COMPARED TO 2025

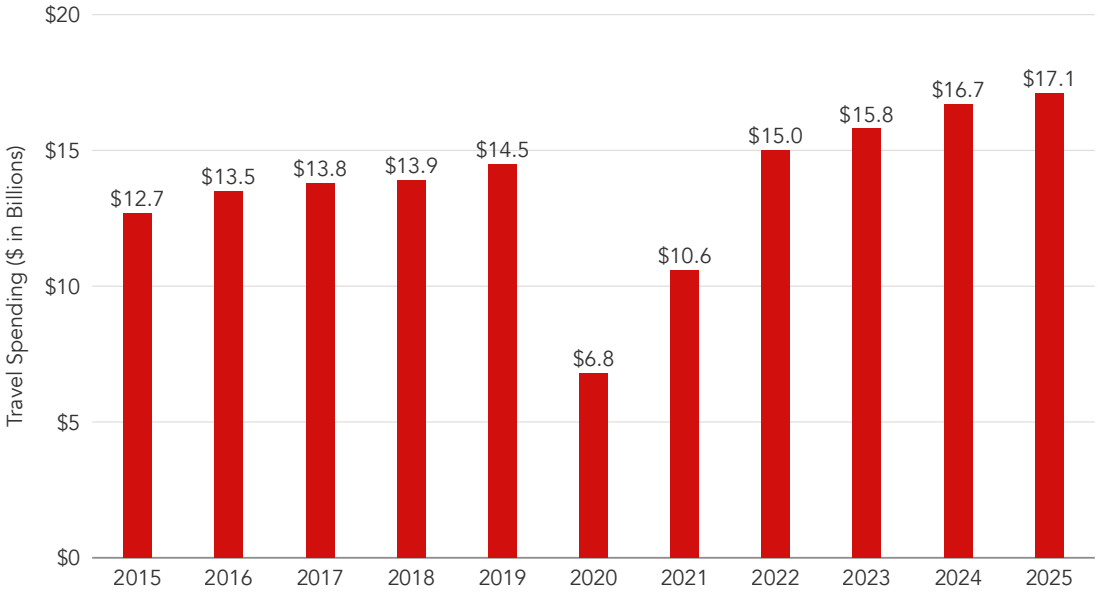
TOTAL MONTHLY PASSENGERS SERVED AT JOHN WAYNE AIRPORT, MAY 2021–MAY 2026



Source: OCair.com

Monthly passenger traffic at John Wayne Airport (JWA) was 953,260 as of May 2026. This represents a 2.4 percent monthly increase and a 2.8 percent year-over-year decrease. Over the first five months of 2026, monthly passenger traffic averaged 904,304, which is higher than both the first five months of 2025 (883,359) and the first five months of 2019 (874,913) before the pandemic. Orange County remains a world-class tourist destination and will likely continue to see increased air traffic.

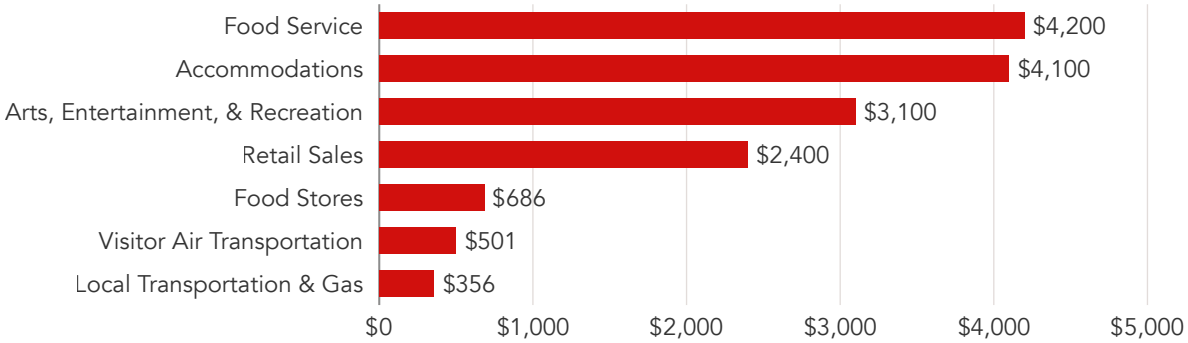
ORANGE COUNTY TRAVEL SPENDING, 2015–2025



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2015-2025

Following the rising average monthly passenger volume, visitor spending continues to hit new records. Visitors spent an estimated $17.1 billion in Orange County in 2025, an increase of 2.4 percent more than the $16.7 billion measured in 2024 and well above the $12.7 billion measured back in 2015. Overall, visitor spending has increased by a compound annual growth rate (CAGR) of 3.0 percent from 2015 to 2025.

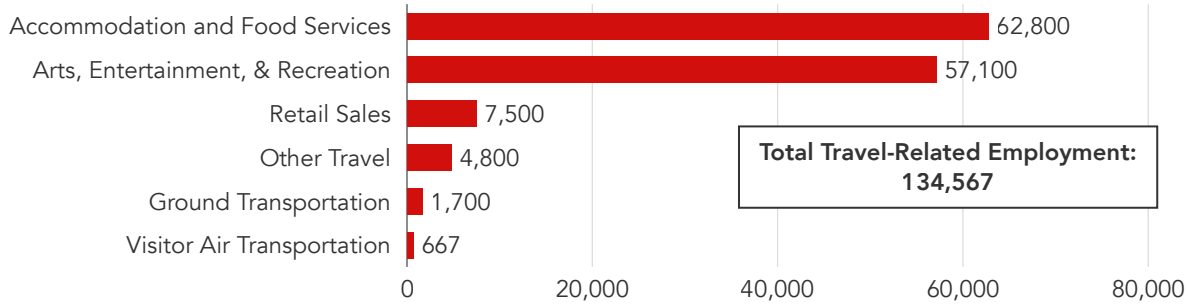
ORANGE COUNTY TRAVEL SPENDING BY SEGMENT, 2025



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2025
**Visitor spending by segment totals may not equal $17.1 billion.*

Of the $17.1 billion in visitor spending in the region, Food Service accounted for 24.6 percent or $4.2 billion, followed by Accommodations (24.0 percent) and Arts, Entertainment and Recreation (18.1 percent). Accommodations saw the largest increase in visitor spending, jumping by 7.9 percent, followed by Food Service at 7.7 percent and Visitor Air Transportation at 6.3 percent.

ORANGE COUNTY TRAVEL-RELATED EMPLOYMENT BY SEGMENT, 2025



Source: VisitCalifornia.com, Economic Impact of Travel in California, 2025

Visit California estimates that Orange County's tourism-related employment totaled approximately 134,567 in 2025. The Accommodation and Food Services segment enjoyed the lion's share of travel-related employment at 62,800 jobs or 46.7 percent of the total, followed by Arts, Entertainment and Recreation with 57,100 jobs (42.4 percent) and Retail Sales with 7,500 jobs (5.6 percent).

QUALITY OF LIFE

ORANGE COUNTY SEES TOTAL CRIME INDEX DECLINE IN 2026

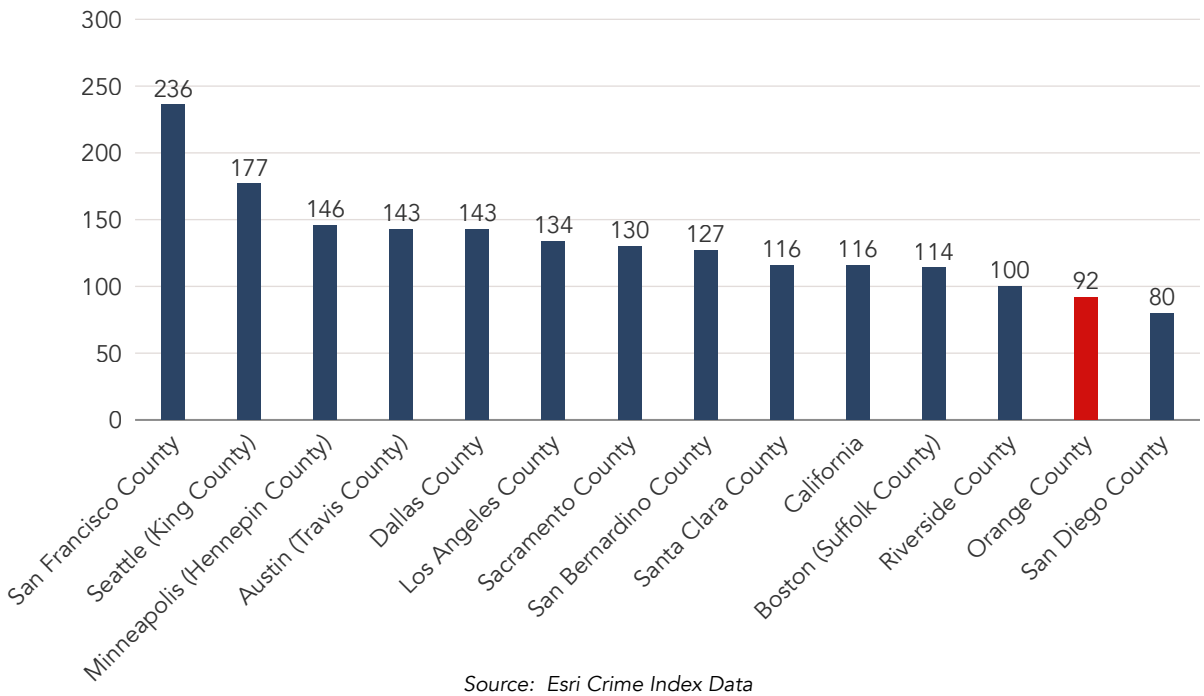
ORANGE COUNTY, SAN DIEGO AND RIVERSIDE CRIME INDEXES IMPROVE

ORANGE COUNTY AND REGIONAL CRIME INDEXES, 2026			
COUNTY	TOTAL CRIME INDEX	PERSONAL CRIME INDEX	PROPERTY CRIME INDEX
San Diego County	80	90	78
Orange County	**92**	**75**	**95**
Riverside County	100	101	100
Boston (Suffolk County)	114	176	102
Santa Clara County	116	96	120
California	116	125	115
San Bernardino County	127	147	123
Sacramento County	130	141	128
Los Angeles County	134	163	128
Austin (Travis County)	143	108	149
Dallas County	143	129	145
Minneapolis (Hennepin County)	146	125	151
Seattle (King County)	177	106	191
San Francisco County	236	163	251

Note: An index value of 100 represents the national average.
Source: Esri Crime Index Data

While still second to San Diego County, which has a Total Crime Index of 80, Orange County's Total Crime Index improved over the past year, falling from 95 to 92. Its Personal Crime Index increased slightly from 70 to 75, while its Property Crime Index decreased from 99 to 95. As neighboring counties such as San Diego and Riverside also saw improvements, with their Total Crime Indexes declining from 82 to 80 and 110 to 100, respectively, other regional neighbors experienced increases. Los Angeles County's Total Crime Index rose significantly from 120 to 134, while San Bernardino County's increased from 110 to 127. Orange County's northern peers, such as Santa Clara and San Francisco counties, also saw increases, with Santa Clara rising by 13 points to 116 and San Francisco increasing 4 points to 236. Overall, a testament to the region's safety, Orange County's Total Crime index of 92 remained well below the state (116) and national (100) indexes.

CRIME INDEX COUNTY COMPARISON, 2026



Source: Esri Crime Index Data

WALLETHUB'S BEST PLACES TO RAISE A FAMILY - ORANGE COUNTY CITIES AND SCORES, 2026							
RANK	CITY	TOTAL SCORE	FAMILY FUN	HEALTH & SAFETY	EDUCATION & CHILD CARE	AFFORD-ABILITY	SOCIO-ECONOMICS
3	Irvine, CA	70.16	11	1	4	71	6
20	Huntington Beach, CA	61.95	88	17	7	119	12
52	Garden Grove, CA	56.01	47	12	12	175	40
101	Anaheim, CA	50.73	46	32	55	177	51
127	Santa Ana, CA	47.97	92	47	62	180	36

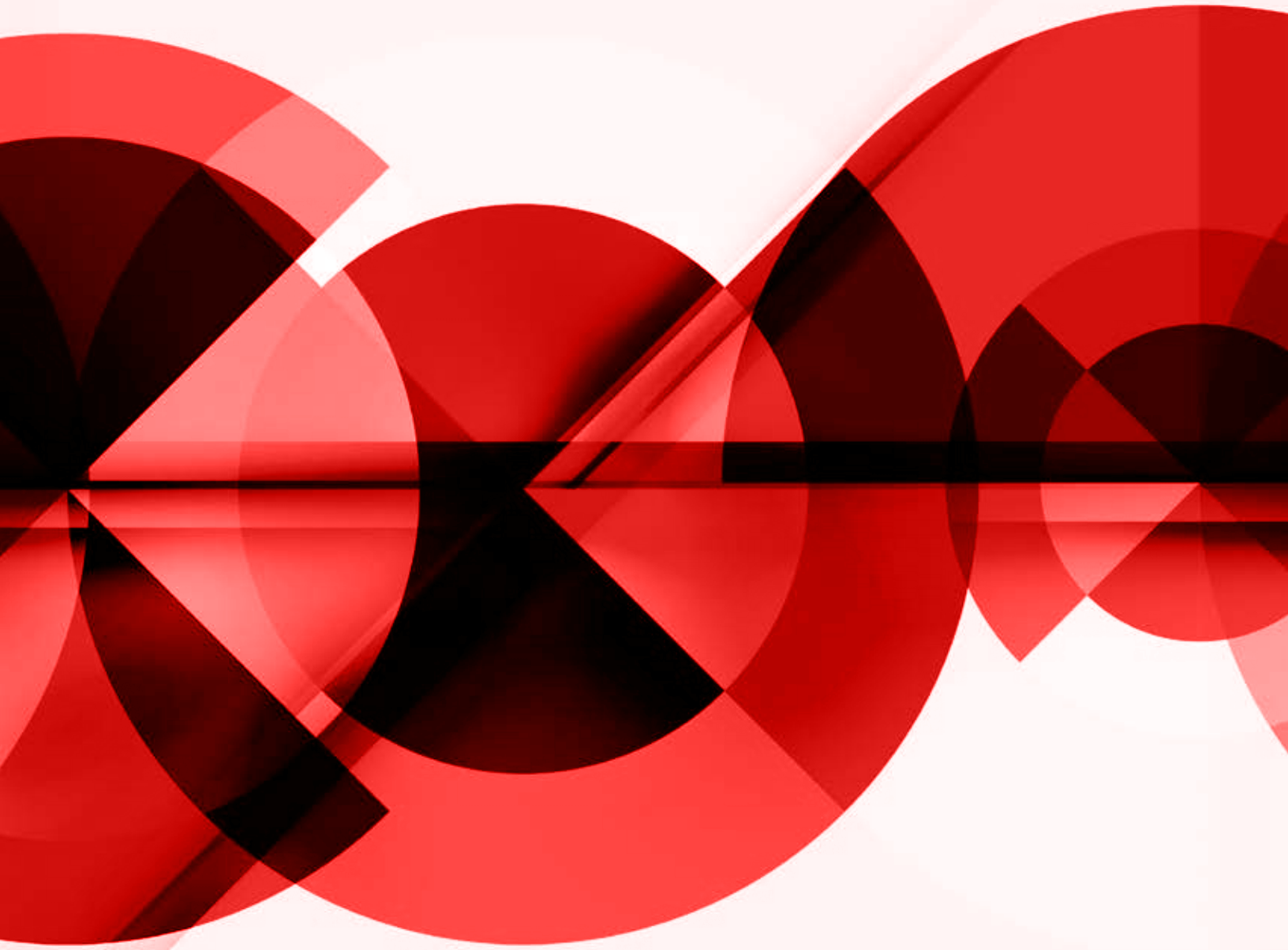
Source: WalletHub

Irvine rose from 4th to 3rd place in WalletHub's ranking of the *Best Places to Raise a Family in 2026*, despite falling from 3rd to 11th in Health & Safety and from 11th to 71st in Socioeconomics. These declines were offset by improvements in Education & Child Care, where Irvine moved from 3rd to 1st, and Affordability, where it climbed from 52nd to 4th. Huntington Beach experienced challenges this year, declining from 11th to 20th overall, weighed down by ranking declines in Health & Safety (17th to 88th), Education & Child Care (4th to 17th) and Socioeconomics (7th to 119th), although it still saw a substantial improvement in Affordability (103rd to 7th).

Anaheim was the only other Orange County city on the list to see an improvement in its rank, from 102nd to 101st, thanks to improving Education & Child Care and Affordability. Garden Grove's ranking slipped from 48th in 2025 to 52nd in 2026, largely due to lower scores in Health & Safety and Socioeconomics. Santa Ana also moved down the rankings, falling from 123rd to 127th, with declines in similar categories.

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-4 Population Estimates for Cities, Counties, and the State, 2021-2026, with 2020 Census Benchmark. Sacramento, California, May 2026.
People–California Department of Finance. Demographic Research Unit. Report P-2D: Population by Race and Ethnicity, California Counties, 2020-2070 (Baseline 2024 Population Projections; Vintage 2026 Release). Sacramento, California, April 2026. California Department of Finance. Demographic Research Unit. Report P-2B: Total Population Projections by Single Year of Age, California Counties, 2020-2070 (Baseline 2024 Population Projections; Vintage 2025 Release). Sacramento, California, April 2026.
Foreign Born, Language: U.S. Census Bureau, American Community Survey, 1-Year Estimates, Table DP02; When referencing U.S. Census Bureau Race or Ethnicity data, White, Asian, Black or African American, Native Hawaiian or Pacific Islander, American Indian or Alaska Native, Two or More Races, or Some Other Race are all Non-Hispanic or Latino unless otherwise stated.
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, 2021-2026. Sacramento, California, May 2026; Unemployment Rate: California Employment Development Department Labor Market Information, May 2026; Median Existing Single-Family Home Price: California Association of Realtors, Current Sales and Price Statistics.

SPECIAL FEATURE:
ORANGE COUNTY'S INDUSTRY CLUSTERS



WHY INDUSTRY CLUSTERS ARE ORANGE COUNTY'S REAL COMPETITIVE ADVANTAGE

Orange County's early history, from the late 1800s to the middle of the 20th century, is a story of gradual growth, marked by a transition from an agricultural economy centered on citrus and cattle to one shaped by oil production, commuter development and expanding transportation networks. In the 1940s and 1950s, the combination of a booming World War II defense industry, the interstate highway system and the opening of Disneyland led to rapid economic and population growth.[8] Orange County became an international tourist destination and a growing economic power. As demand for upscale experiences grew among both visitors and residents, luxury retail destinations soon followed, helping establish Orange County as a premier luxury destination and strengthening this industry cluster's role in the region's expanding economy.

This rapid population growth fueled the rise of Orange County's Healthcare sector, which is currently growing to meet the needs of the county's aging population. Home to the University of California, Irvine's UCI Health, Hoag Hospital, Rady Children's Health (formed through the merger of Children's Hospital of Orange County and Rady Children's Hospital San Diego), City of Hope Orange County, Providence, MemorialCare and others, Orange County has become a regional and national Healthcare leader.

It has also specialized in a specific aspect of Healthcare, MedTech. Supported by local colleges and universities, business organizations such as Orange County Business Council and Octane, venture capital and entrepreneurial resources, and a critical mass of leading medical research institutions, Orange County has developed a hospitable environment for new and emerging businesses. Edwards Lifesciences, with 5,109 employees in Orange County, Masimo, B. Braun Medical and Johnson & Johnson all call Orange County home, helping to demonstrate how strong this industry cluster has become.

Alongside these major players there exists a long list of small businesses as well as emerging startups such as Magellan Biomedical, Makani Science and Piezolabs Medical. Both small and large businesses benefit tremendously from the collaborative and competitive environment cultivated for this industry cluster, while startups can find additional support from local incubators and accelerators such as Octane and EvoNexus.

Orange County's Aerospace and Defense cluster traces its roots to some of the nation's most significant technological achievements, including the Apollo booster rockets built in Seal Beach and Huntington Beach by North American Rockwell and McDonnell Douglas, work on Skylab, the nation's first space station and development of the earliest Global Positioning System (GPS).[9] After declining in the post-Cold War era, the industry is once again experiencing strong growth.

Drones, as seen in the Russia-Ukraine war as well as in more commercial settings, have grown rapidly in popularity in recent years, transforming several industries as well as the military landscape. Anduril Industries, an advanced autonomous systems and defense technology manufacturer, recently established a presence in Costa Mesa and has attracted billions of dollars in venture capital funding. The company, led by Palmer Luckey, founder and owner of Oculus VR, is one of many organizations driving growth in the aerospace and defense sector and creating new opportunities for Orange County residents. Evidence of this rising demand can be seen in Fullerton College's Drone Lab, one of the nation's most comprehensive educational and workforce development pathways into drone and autonomous systems technology.[10]

[8] https://www.orangecountyhistory.org/wp/?page_id=38

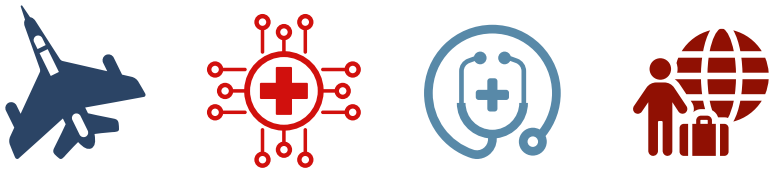
[9] https://www.ocregister.com/2016/08/05/100-years-of-boeing-how-orange-county-played-a-role-in-aerospace-firsts/

[10] https://drones.fullcoll.edu/

THE ARCHITECTURE OF LOCAL PROSPERITY — WHY ORANGE COUNTY'S INDUSTRY CLUSTERS MATTER

In the modern global economy, regional prosperity is rarely an accident. It is not merely the result of favorable geography or low operating costs, but rather the density, connectivity and collective momentum of local industries working in close physical and operational proximity. To build a resilient economy that withstands market volatility, attracts top-tier talent and yields high-paying jobs, business leaders and policymakers must look beyond traditional, isolated sector metrics and embrace the transformative power of industry clusters.

Unlike traditional economic models that view businesses in isolation, an industry cluster represents a geographic concentration of interconnected companies, specialized suppliers, service providers, academic institutions and support organizations. The core dynamic of a cluster lies in its unique combination of intense collaboration and competition among complementary and supplementary businesses. Global benchmarks, such as Silicon Valley for technology and Hollywood for entertainment, demonstrate how dense networks of competitors, specialized talent and local suppliers drive worldwide market leadership and innovation. While a single large employer can briefly boost a city's tax base, a mature industry cluster creates an enduring economic engine around an entire region.



For the broader business community, understanding the mechanics of clusters reveals how localized networks supercharge economic growth through three primary mechanisms.

- First, clusters create thick labor markets that accelerate talent attraction and retention. Specialized engineers, researchers and executives are drawn to regions with multiple target employers because career advancement does not require geographical relocation. In turn, companies settle where specialized workforce density is highest, generating a self-reinforcing recruitment loop.
- Second, clusters spur rapid innovation and commercialization. Proximity to specialized incubators, research universities and testing facilities allows knowledge to spill over quickly, significantly reducing the time required to bring new technologies to market.
- Third, clusters generate supply chain efficiencies. Local suppliers and specialized professional services adapt specifically to meet the cluster's demands, lowering overhead and operational friction for every participating enterprise.

To evaluate the strength of an industry cluster, economic development professionals rely on employment concentration, measured through the Location Quotient. The Location Quotient compares an industry's share of local employment against its share of total national employment. A Location Quotient of 1.0 indicates that a region has the same proportion of employment in a given sector as the nation as a whole. An index significantly above 1.0 signals a localized cluster capable of producing goods or services for export and generating net-new regional wealth. When a Location Quotient surpasses 4.0, it indicates a world-class concentration where the local industry substantially dominates the national landscape.

Orange County serves as an exceptional real-world case study in how concentrated industry clusters can transform a local economy. Evolving from an agricultural region in the late 19th century into a global economic power, Orange County's modern economic momentum relies heavily on four high-impact clusters: Aerospace and Defense, MedTech, Healthcare and Tourism.

- Aerospace and Defense has transitioned from legacy prime contractors to venture-backed defense tech and autonomous systems, maintaining Location Quotients above 4.0 in key manufacturing subsectors.
- The MedTech cluster achieves Location Quotients approaching 10.0 in specialized equipment manufacturing, driven by global industry leaders and university-backed innovation centers.
- Healthcare continues to expand rapidly to support an aging demographic.
- Tourism anchors the region with substantial employment volume and an extraordinary Location Quotient of 15.57 in theme parks.

By understanding these regional dynamics, business leaders and community stakeholders can make smarter capital investments, align workforce development programs and craft economic policies that foster lasting growth.

The main difference between industry clusters and traditional industries is that clusters represent groups of complementary and supplementary businesses whose collaboration and competition lead to increased business activity and innovation.[11] While they might start small, these clusters can grow rapidly due to accelerated collaborative and competitive business activity, which in turn attracts and retains talent. Furthermore, they help drive regional innovation and entrepreneurship as new technologies and processes are developed and adopted, and new businesses form around them. If properly supported by local incubators and accelerators, along with access to capital, industry clusters can become economic engines.

Recognizing and identifying regional industry clusters helps paint a more detailed picture of a region's industrial specializations while also providing insight into potential future trends and disruptions. Industry clusters can include both long-established industries, such as Tourism, as well as completely new sectors, such as the rapidly growing Artificial Intelligence (AI). Understanding how these sectors become established and how best the county can support them should be a priority, as they help drive economic growth and activity.

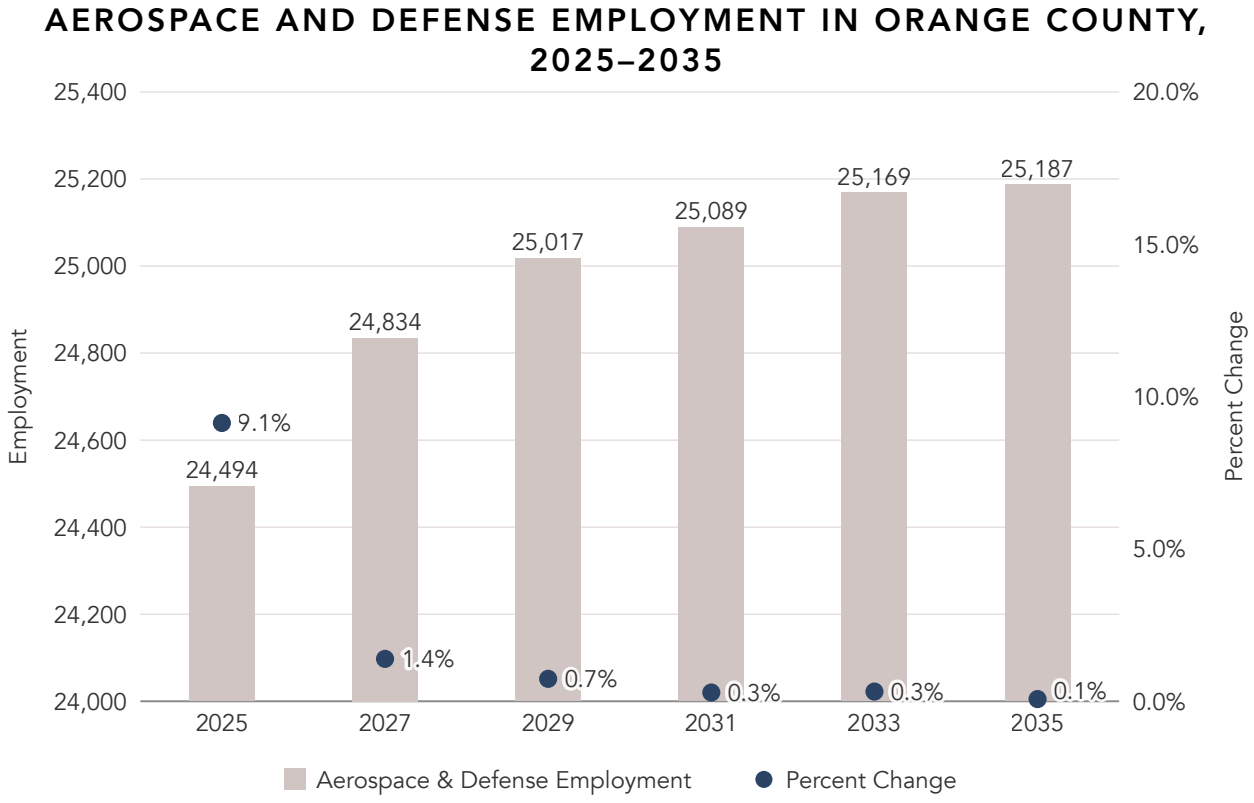
[11] https://www.nber.org/papers/w18250

AEROSPACE AND DEFENSE

Orange County has a long history of Aerospace and Defense, from rocket boosters to satellites and GPS to drones. It is home to several bases including the Naval Weapons Station in Seal Beach and Joint Forces Training Base in Los Alamitos; it is also quite close to San Diego County's Marine Corps Base Camp Pendleton, a 125,000-acre base supporting a daily population of 70,000 service members, families and staff. As of 2024, 84,771 veterans lived in Orange County representing 6.8 percent of the state's veteran population.[12]

While this industry cluster has seen fluctuations since the 1970s, the recent emergence of new drone technologies has reignited public interest and resulted in the creation of specialized training and courses aimed at preparing students for rapid entry into the field.

AEROSPACE AND DEFENSE INDUSTRY SNAPSHOT



Source: Lightcast

Orange County's Aerospace and Defense industry cluster employed 24,494 workers in 2025, which represents 9.1 percent growth over its 2023 total of 22,444. As seen above, it is expected to see continued growth over the next decade, reaching a total employment of 25,187 in 2035.

[12] U.S. Census Bureau. (2024). Veteran Status, American Community Survey 1-Year Estimates Subject Tables, Table S2101. Retrieved July 15, 2026, from https://data.census.gov/table/ACSST1Y2024.S2101?q=Veterans&g=050XX00US06059

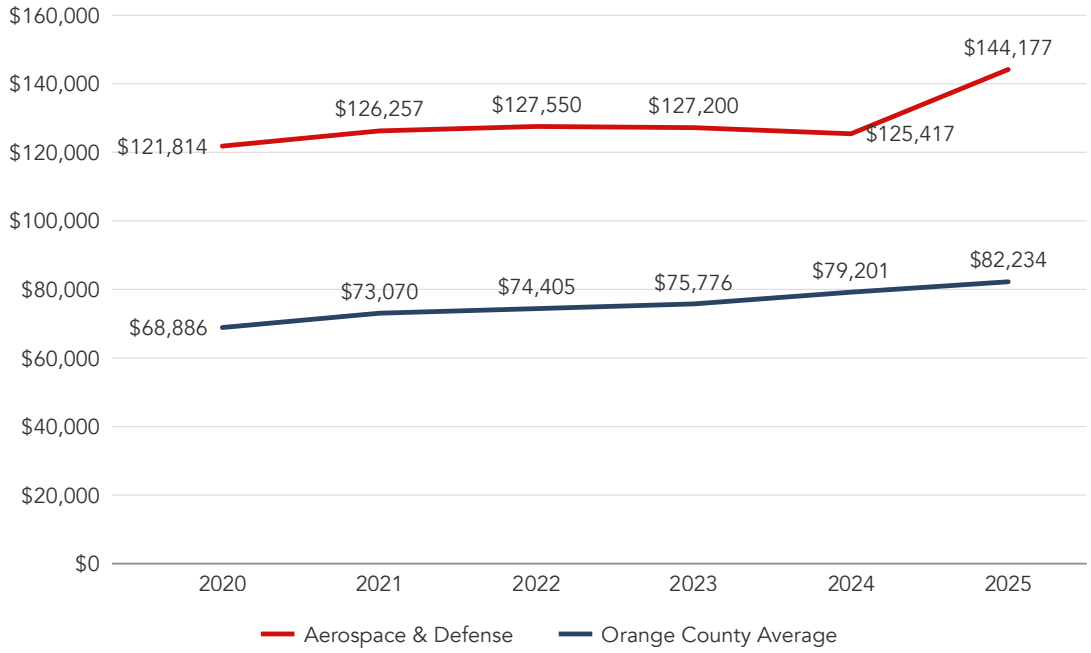
As companies such as Anduril Industries continue to innovate and the demand for newer, cutting-edge drone technologies continues to increase, this cluster will likely see accelerated growth, providing dramatic opportunities for both county residents and businesses. While drones and drone technologies are an attractive and growing option, Orange County's Aerospace and Defense sector offers a broad range of opportunities, including some of its most traditional and concentrated subsectors.

AEROSPACE AND DEFENSE EMPLOYMENT CONCENTRATIONS BY SUBSECTOR			
	2025	2030	2035
Guided Missile and Space Vehicle Manufacturing	4.72	4.17	3.87
Other Aircraft Parts and Auxiliary Equipment Manufacturing	4.37	4.24	4.16
Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing	4.20	4.35	4.41
Military Armored Vehicle, Tank and Tank Component Manufacturing	2.43	2.47	2.49
Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing	1.97	1.65	1.51
Commercial Air, Rail and Water Transportation Equipment Rental and Leasing	1.60	1.38	1.24
Research and Development in the Physical, Engineering and Life Sciences (except Nanotechnology and Biotechnology)	1.52	1.67	1.75
Carbon and Graphite Product Manufacturing	1.27	1.00	0.87
Search, Detection, Navigation, Guidance, Aeronautical and Nautical System and Instrument Manufacturing	1.17	0.57	0.24

Source: Lightcast

Even as Orange County maintains strong concentration in Guided Missile, Space Vehicle and Aircraft Parts Manufacturing (with Location Quotients above 4.0), local industry leaders are monitoring how the county's density compares to competing aerospace hubs nationally. While traditional defense clusters in the South and Southwest rely heavily on legacy prime contractors, Orange County's competitive edge is shifting toward venture-backed defense tech and autonomous systems.

AEROSPACE AND DEFENSE AVERAGE ANNUAL WAGE, 2020–2025



Source: Lightcast

This industry's higher-than-average salaries reflect its educational and technical requirements. In 2025, Aerospace and Defense had an average annual wage of $144,177 which was $61,943 or 75.3 percent above the average Orange County industry wage. Since 2020, the average annual wage has increased by an annual average of 3.6 percent. The largest year-over-year increase was from 2024 to 2025, when wages rose 15.0 percent, driven by wage gains in smaller subsectors such as "Other Nonscheduled Air Transportation."

ANDURIL INDUSTRIES

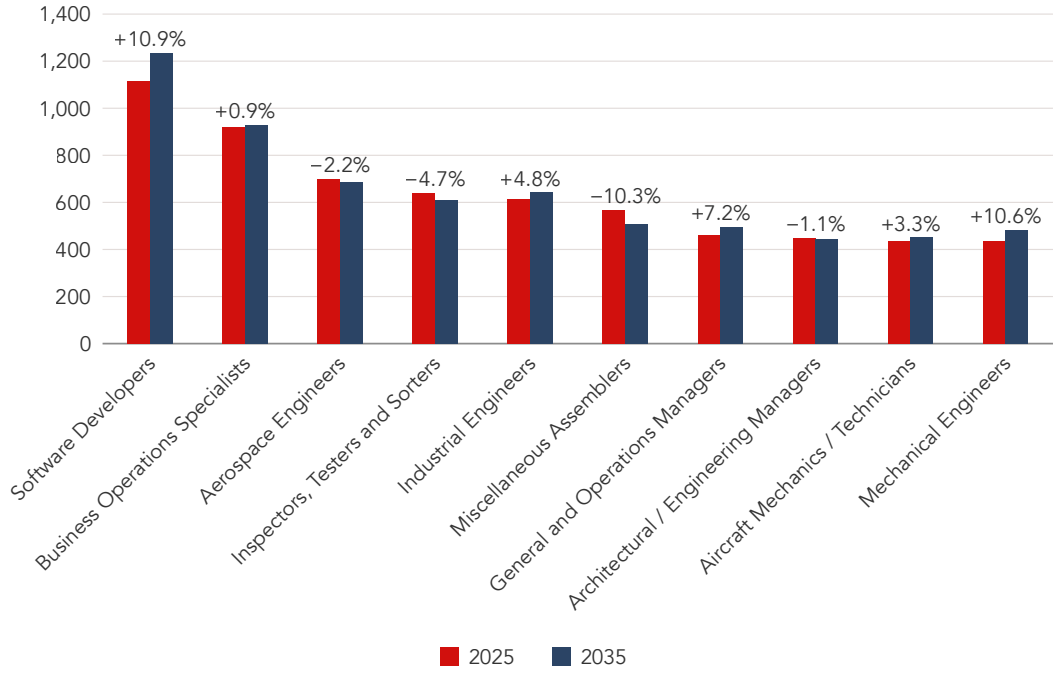
Founded in 2017 by Oculus VR creator Palmer Luckey, Anduril Industries initially operated out of a modest Irvine warehouse before expanding into the massive 640,000-square-foot former *Los Angeles Times* printing facility in Costa Mesa, which now serves as its global headquarters and high-tech research campus. This move revitalized a historic industrial site and firmly re-established Costa Mesa and the broader Orange County area as a primary industry cluster for modern, AI-driven aerospace and defense technology.

Originally known for its Sentry Towers powered by its proprietary Lattice AI software, the company expanded into autonomous aerial systems, underwater vehicles and advanced radar systems. This growth helped support the local job market as Anduril's employment surged from a handful of engineers into thousands of high-paying engineering, hardware, software and testing roles anchored in Orange County.

Anduril's overall trajectory has seen unprecedented venture capital investment from a number of sources. In August 2024, the company secured a $1.5 billion Series F round at a $14 billion valuation, followed by a $2.5 billion Series G round in June 2025 that doubled its valuation to $30.5 billion. Most recently, in May 2026, Anduril closed a large $5 billion Series H funding round led by Founders Fund, Andreessen Horowitz and Thrive Capital, driving its total private valuation to $61 billion.

AEROSPACE AND DEFENSE OCCUPATIONAL SUPPLY AND DEMAND

LARGEST CURRENT AND FORECASTED OCCUPATIONS IN AEROSPACE AND DEFENSE, 2025–2035



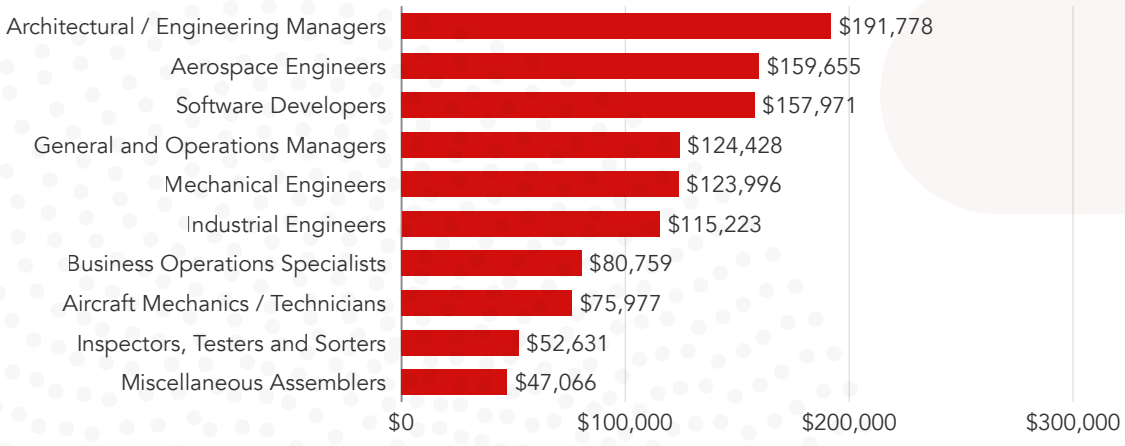
Labels above each pair show projected percent change in employment, 2025 to 2035.

Source: Lightcast

Software Developers were the largest occupation within Orange County's Aerospace and Defense industry cluster. They accounted for 1,114 jobs or 4.6 percent of total cluster employment. This occupation is expected to see the industry cluster's fastest growth over the next decade, as seen above, followed by Mechanical Engineers (10.6 percent growth) and General and Operations Managers (7.2 percent growth).

On the other hand, several of Aerospace and Defense's largest occupations are expected to see employment declines over the next decade: Inspectors, Testers and Sorters (a 4.7 percent employment contraction), Aerospace Engineers (2.2 percent) and Architecture and Engineering Managers (1.1 percent).

TOP OCCUPATIONS BY ANNUAL EARNINGS IN AEROSPACE AND DEFENSE, 2025



Source: Lightcast

Despite the projected employment decline, Architectural and Engineering Managers currently have the highest average annual wage in Aerospace and Defense: $191,778. As seen above, Aerospace Engineers and Software Developers also make significantly above average wages. Overall, seven of the ten occupations in the above chart require at least a bachelor's degree, and several require five or more years of experience. In other words, these occupations' higher-than-average salaries reflect higher than average qualification requirements.

THE FULLERTON DRONE LAB

Created as an innovative career-technical program setting out to provide hands-on flight instruction and real-world aerial data applications across multiple commercial sectors, Fullerton College's Drone Lab quickly earned prestigious national recognition, becoming certified as a Federal Aviation Administration (FAA) UAS-Collegiate Training Initiative participant, an Association for Uncrewed Vehicle Systems International (AUVSI) service provider and an ASTM International Certified Training Center. Focused on three core areas including Piloting, Manufacturing and Application, Fullerton College's Drone Lab prepares students for entry across several sectors ranging from infrastructure inspection and surveying to search and rescue and marine biology.

The program created one of the nation's first state- and federally registered drone piloting apprenticeships, the Hornet Drone Piloting Apprenticeship Program. Pairing students with major regional industry partners, such as Southern California Edison (SCE), students learn how to perform critical infrastructure inspections and wildfire mitigation. Additionally, the program recently expanded into drone repair, 3D manufacturing and payload application, which helped to launch Fullerton College's and the State of California's first-ever four-year degree program, a Bachelor of Science in Drones and Autonomous Systems. Combining hands-on flight operations with understanding advanced sensor technologies, autonomous platforms, data acquisition, regulations and safety, this new four-year degree provides a comprehensive assessment of the drone industry and prepares students for entry into this rapidly evolving sector. Connecting students with military pathways, Fullerton College recently established opportunities with Air Force ROTC at Loyola Marymount University and Army ROTC at California State University, Fullerton, creating opportunities for students interested in pursuing Drone and Autonomous Systems degrees while participating in ROTC.[13]

Orange County's extensive history in Aerospace & Defense, combined with these new and rapidly growing programs, indicates that the region is likely to see a strong resurgence in the sector in the coming years. As demand for drone and autonomous systems continues to increase, ensuring the region can more effectively provide a supply of skilled and well-qualified workers will not only help accelerate this industry cluster's growth but also help drive overall regional economic activity.

[13] https://drones.fullcoll.edu/rotc/

TOP OCCUPATIONS BY JOB POSTINGS IN AEROSPACE AND DEFENSE, JUNE 2025–JUNE 2026		
	TOTAL JOB POSTINGS	ANNUAL ADVERTISED SALARY
Software Developers	306	$186,112
Industrial Engineers	239	$126,976
Mechanical Engineers	176	$150,272
Computer Occupations, All Other	172	$170,496
Electrical Engineers	155	$150,272
Buyers and Purchasing Agents	120	$98,048
Inspectors, Testers, Sorters	99	$59,136
Managers, All Other	86	$150,016
Architectural and Engineering Managers	82	$165,376
Logisticians	63	$79,104

Source: Lightcast

From June 2025 to June 2026, Software Developers had more job postings (306) than any other Aerospace and Defense occupation, accounting for 7.7 percent of the industry cluster's approximately 4,000 job postings. Software Developers also had the highest average salary at $186,112. As shown above, five other occupations had at least 100 job postings, including Industrial Engineers (239 job postings) and Mechanical Engineers (176 job postings).

MEDTECH

Orange County's growing Healthcare sector is increasingly incorporating cutting-edge technologies developed by its thriving and highly concentrated MedTech sector. Irvine has emerged as the center of Orange County's MedTech cluster, anchored by industry leaders Edwards Lifesciences, Masimo, B. Braun Medical and Johnson & Johnson. Collectively, these companies generate thousands of high-tech jobs, drive significant research and development and reinforce Orange County's reputation as a global leader in MedTech innovation. Their contributions span groundbreaking technologies—from Edwards Lifesciences' artificial heart innovations and Masimo's noninvasive monitoring devices to B. Braun Medical's therapeutic and surgical products and Johnson & Johnson's global leadership in electrophysiology and vision care through Biosense Webster and J&J Vision.

These companies are supported by institutions such as the University of California, Irvine's UC Irvine School of Medicine, currently ranked among the top 50 medical schools in the nation by *U.S. News & World Report*. It collaborates with local medical institutions as well as local incubators and accelerators such as the University of California, Irvine's The Cove and OctaneOC. This strong mix of collaborative organizations has cultivated an exceptional environment, helping the region maintain one of the nation's strongest Medical Device industry clusters.

PIONEERS OF ORANGE COUNTY MEDTECH

MILES LOWELL EDWARDS (EDWARDS LIFESCIENCES)

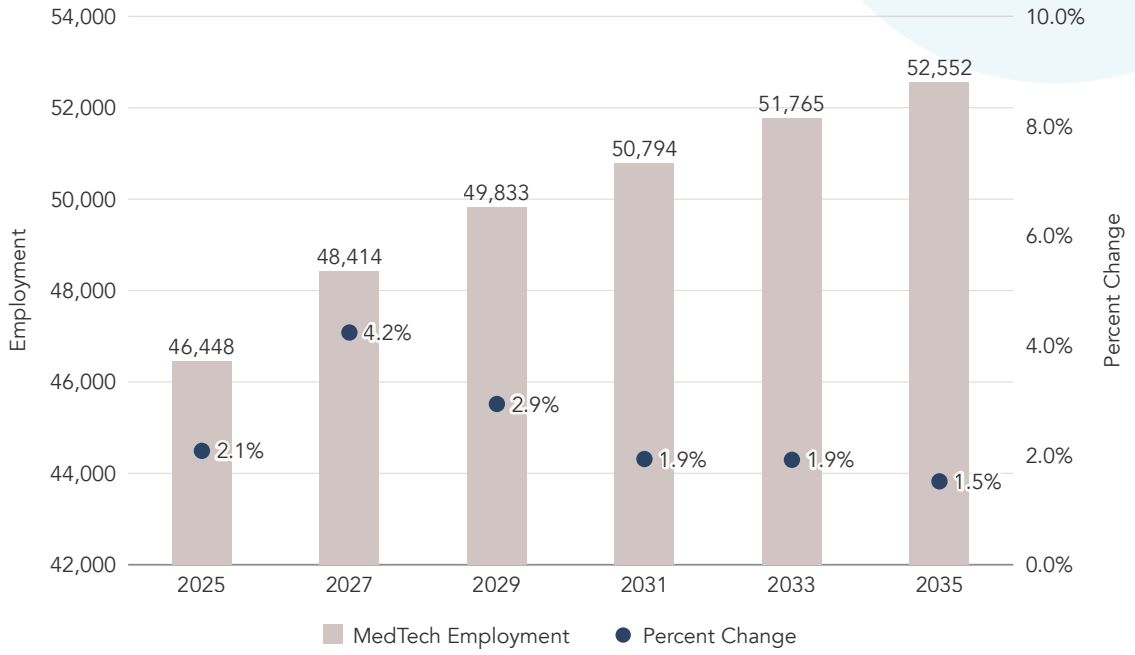
The origin of Orange County's MedTech cluster traces back decades to pioneering inventor Miles Lowell Edwards. Edwards co-developed the first commercially successful artificial heart valve, founding Edwards Lifesciences in Irvine. Today, Edwards Lifesciences remains Orange County's largest MedTech employer, anchoring the region's cardiovascular innovation ecosystem.

JOE KIANI (MASIMO)

Demonstrating the county's ongoing capacity for disruptive innovation, Joe Kiani founded Irvine-based Masimo, transforming patient monitoring worldwide. Best known for revolutionizing non-invasive pulse oximetry used across hospitals and clinics globally, Masimo highlights OC's leadership in sensor technology and digital health.

MEDTECH INDUSTRY SNAPSHOT

MEDTECH EMPLOYMENT IN ORANGE COUNTY, 2025–2035



Source: Lightcast

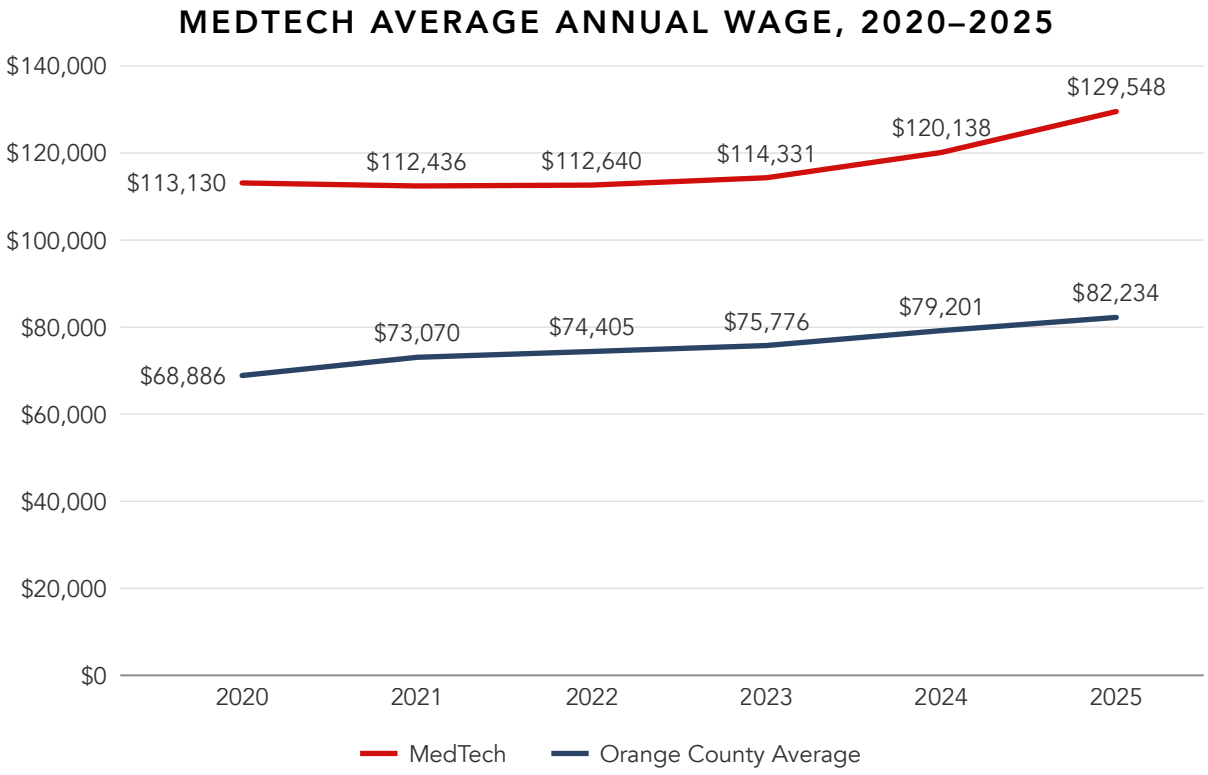
Orange County's MedTech industry cluster is expected to grow from 46,448 workers in 2025 to 52,552 in 2035, a 13.1 percent increase. Three subsectors will drive this growth:

- Research and Development in the Physical, Engineering and Life Sciences (except Nanotechnology and Biotechnology), which is projected to add 2,311 jobs;
- Electromedical and Electrotherapeutic Apparatus Manufacturing, which is projected to add 1,970 jobs; and
- Surgical and Medical Instrument Manufacturing, which is projected to add 1,178 jobs.

MEDTECH EMPLOYMENT CONCENTRATIONS BY SUBSECTOR			
	2025	2030	2035
Dental Equipment and Supplies Manufacturing	9.77	10.31	10.59
Dental Laboratories	9.77	10.26	10.54
Electromedical and Electrotherapeutic Apparatus Manufacturing	9.68	10.80	11.43
Surgical and Medical Instrument Manufacturing	6.87	7.02	7.09
Ophthalmic Goods Manufacturing	5.21	4.57	4.17
Medical Laboratories	2.67	2.61	2.58
Surgical Appliance and Supplies Manufacturing	1.77	1.82	1.85
Research and Development in the Physical, Engineering and Life Sciences (except Nanotechnology and Biotechnology)	1.52	1.67	1.75
Analytical Laboratory Instrument Manufacturing	1.46	0.71	0.29

Source: Lightcast

Dental Equipment and Supplies Manufacturing and Dental Laboratories currently tie for this cluster's highest employment concentration, 9.77; this means that they are almost ten times as concentrated in Orange County as in the United States as a whole. While they're expected to see increased concentration, as seen above, they are also expected to be overtaken by Electrotherapeutic Apparatus Manufacturing as the most concentrated subsector. Employers in this sector include those who manufacture medical devices that use electrical, electromagnetic or ultrasound technologies such as Medtronic or Abbott, both located in Irvine, CA.

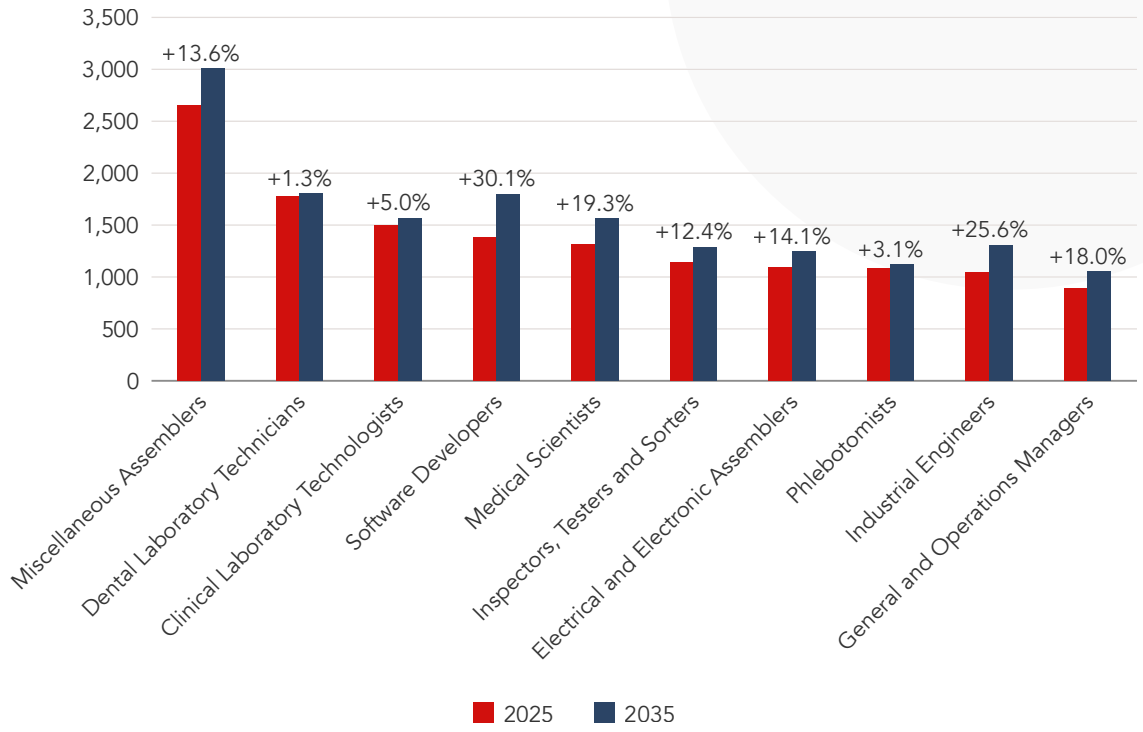


Source: Lightcast

MedTech average annual wages rose from $113,130 in 2020 to $129,548 by 2025, an increase of 14.5 percent, or $16,418. This represents an average annual increase of 2.8 percent between 2020 and 2025, which was slightly slower than the county average of 3.6 percent over the same time period. Despite this lag, Orange County's average MedTech salary is 57.5 percent higher than the state average.

MEDTECH OCCUPATIONAL SUPPLY AND DEMAND

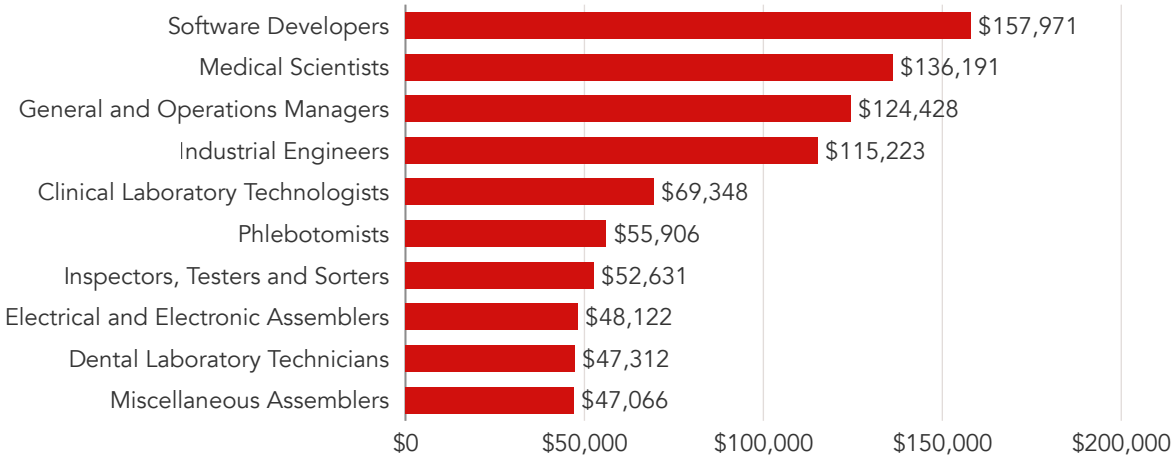
LARGEST CURRENT AND FORECASTED OCCUPATIONS IN MEDTECH, 2025–2035



Source: Lightcast

MedTech's largest occupations have a range of educational requirements, skills requirements and average wages. As seen above, all of these occupations are expected to see employment growth over the next decade. Miscellaneous Assemblers, the largest MedTech occupation, is expected to grow by 13.6 percent, adding 360 jobs. Software Developers are expected to add 416 jobs, followed by Industrial Engineers (267) and Medical Scientists (253).

TOP OCCUPATIONS BY ANNUAL EARNINGS IN MEDTECH, 2025



Source: Lightcast

The chart of top MedTech occupations by annual earnings shows the wide range in industry salaries, from Software Developers ($157,971) to the cluster's largest occupation, Miscellaneous Assemblers ($47,066).

THE COVE AT UNIVERSITY OF CALIFORNIA, IRVINE

Starting as a 1,500-square-foot facility, later renamed UCI Beall Applied Innovation following a $30 million infusion from the Beall Family Foundation, and eventually unveiled as The Cove @ UCI, the facility now covers three stories with nearly 100,000 square feet in one of the county's most in-demand regions. Located in University Research Park in Irvine, The Cove includes event space, meeting rooms, conference rooms and prototyping labs with 3D printers, laser cutters, CNC machines, workbenches, wet labs and more.

The Cove's most popular amenities include:

- The Beach, a purpose-built event space that can house more than 300 guests while providing 180 degrees of display technology for even the most demanding of presentations.
- Venture Cove, a dedicated pitching and presentation space with seating for 200 guests.
- Longboard Lounge & Tiki Bar, a fully designed entertainment space with wet bar and outdoor seating to be used as a networking space.
- Makerspace, a space providing 3D printers, CNC machines and other tools and equipment needed in building prototypes.
- Convergence Optical Sciences Initiative (COSI), a 10,000-square-foot space which aims to develop and commercialize biophotonics technologies.
- Wayfinder Coworking Space, created to accommodate more than 40 Wayfinder teams, is a large, open coworking space designed for teams to network and collaborate.
- University Lab Partners, a nonprofit program which provides economical wet labs and office space to local entrepreneurs and innovators.
- UCI Esports, a new esports facility that will replace the older facility, will provide dedicated rooms for staff, open coworking areas and soundproof spaces.

Acting as a link between new discoveries and commercialized products, The Cove helps bring together researchers, inventors, entrepreneurs, venture capitalists, students, advisors and other potential partners all under one roof. Additionally, The Cove is home to the Wayfinder Incubator, a 6-month accelerator program designed to help UC-affiliated entrepreneurs as well as a specialized center from the Orange County Inland Empire Small Business Development Corporation, which provides additional services to small businesses in the area.[14]

Alongside The Cove, the City of Irvine and the Stella and John Foundation recently announced the launch of the Irvine Center of Innovation & Entrepreneurship, a 25,000-square-foot center aimed at bringing together entrepreneurs, startups, investors, strategic partners and business resources to help drive innovation while creating high-wage jobs and sustainable economic development for residents. Expected to open in April 2027, the Center will act as a hub for innovation and entrepreneurship, serving as both a coworking and incubation space with collaborative areas for meetings, presentations and events, as well as flexible lab space to support product development and prototyping. Complementing the space, the Center will also support clients by providing technical assistance, business advising and connections to investors or industry leaders.[15]

[14] https://innovation.uci.edu/2020/01/the-skys-the-limit-at-the-cove/

[15] https://cityofirvine.gov/economic-development/center-innovation-entrepreneurship

TOP OCCUPATIONS BY JOB POSTINGS IN MEDTECH, JUNE 2025–JUNE 2026		
	TOTAL JOB POSTINGS	ANNUAL ADVERTISED SALARY
Clinical Laboratory Technologists and Technicians	280	$56,832
Phlebotomists	272	$55,808
Marketing Managers	248	$152,064
Industrial Engineers	242	$119,040
Medical and Health Services Managers	210	$126,720
Retail Salespersons	184	$38,400
Mechanical Engineers	183	$134,656
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	172	$105,216
Sales Managers	151	$150,272
Customer Service Representatives	150	$48,640

Source: Lightcast

As seen above, Clinical Laboratory Technologists and Technicians have had more job postings (280) than any other MedTech occupation over the past year. Phlebotomists (272) and Marketing Managers (248) were in second and third place. The variation in advertised salaries provides further illustration of how this industry cluster creates jobs at multiple educational and income levels. Adding to these valuable resources, the City of Irvine recently launched the Irvine Center of Innovation & Entrepreneurship, a 25,000-square-foot center providing office and lab coworking spaces meant to bring together innovators, entrepreneurs, mentors, small businesses and investors to help drive new business creation in the region. Expected to open in the second quarter of 2027, this center will provide a number of services ranging from business concierge services and capital access to educational programming and strategic partnerships.

HEALTHCARE

Orange County's Healthcare industry cluster has a long, rich history that accelerated alongside post-war population growth. In 1952, Hoag Memorial Hospital Presbyterian opened its doors on the bluffs of Newport Beach with just 75 beds and 60 employees. Named in honor of George Hoag—a founding partner of the J.C. Penney Company whose family foundation provided crucial initial funding—the hospital has grown from a local facility into one of the county's largest and most advanced health networks.[16] As the population continued to expand, and with support of amusement park creators Walt Disney of Disneyland and Walter Knott of Knott's Berry Farm, Children's Hospital of Orange County (CHOC) which was established in 1964 is now Rady Children's Health following the merger of Children's Hospital of Orange County with Rady's Children's Hospital San Diego in early 2025. Beginning with 62 beds, it now serves children from multiple Southern California counties.[17]

Nearly a decade later, University of California, Irvine purchased the former Orange County Medical Center and founded UCI Health which has since become the county's only:

- Level 1 Adult and Level 2 Pediatric Trauma Center;
- High-Risk Perinatal/Neonatal Program;
- National Cancer Institute-Designated Comprehensive Cancer Center;
- Gold Level 1 Geriatric Emergency Department; and
- Regional Burn Center.[18]

Adding to UCI Health, City of Hope, a nationally recognized leader in advanced cancer research and treatment and one of the 57 National Cancer Institute (NCI)-designated comprehensive care centers in the nation, serves Orange County residents, providing more than 700 clinical trials and a network of over 2,000 cancer experts. Alongside its five network locations, City of Hope also maintains its Orange County Lennar Foundation Cancer Center, which is connected to the Irvine Academic Research Campus providing advanced technology for screening, diagnosing and treating cancer, as well as the City of Hope Orange County Cancer Specialty Hospital, a general acute care hospital located next to the Lennar Foundation Cancer Center. These two centers offer Orange County residents a comprehensive cancer care network of specialized expertise, treatments and technologies.

In 2025, The Susan & Henry Samueli College of Health Sciences at the University of California, Irvine enrolled 4,196 students, received $407 million in research awards and maintained 1,460 licensed beds as part of one of the largest academic health systems in the state. The institution was also projected to generate more than 2,500 new jobs over the following three years.[19]

Similar to Tourism, Healthcare is a historical, established industry that has become a world class industry cluster in Orange County. As the county's population continues to age, Orange County Healthcare becomes even more vital to the growth and expansion of this industry cluster.

The county's aging population has also led to the development of numerous retirement communities throughout Orange County. The city of Laguna Woods epitomizes this trend; it is primarily a 55-plus gated active-adult community, where 83.1 percent of its nearly 17,000 residents were age 65 or older in 2024, compared with a countywide average of 17.4 percent. As these populations continue to grow and increase demand for services, Orange County remains well positioned to meet residents' needs.

[16] https://www.hoag.org/about-hoag

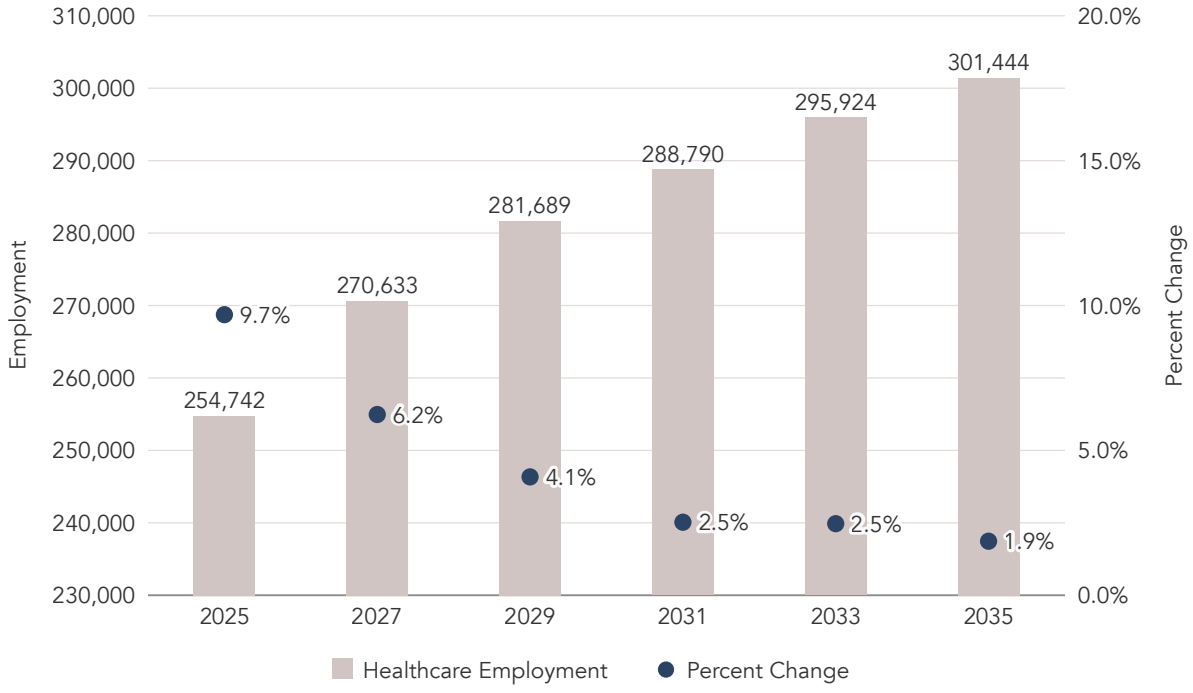
[17] https://choc.org/about/history/

[18] https://www.ucihealth.org/about-us/news/2025/07/uci-health-orange

[19] https://healthaffairs.uci.edu/about/

HEALTHCARE INDUSTRY SNAPSHOT

HEALTHCARE EMPLOYMENT IN ORANGE COUNTY, 2025–2035



Source: Lightcast

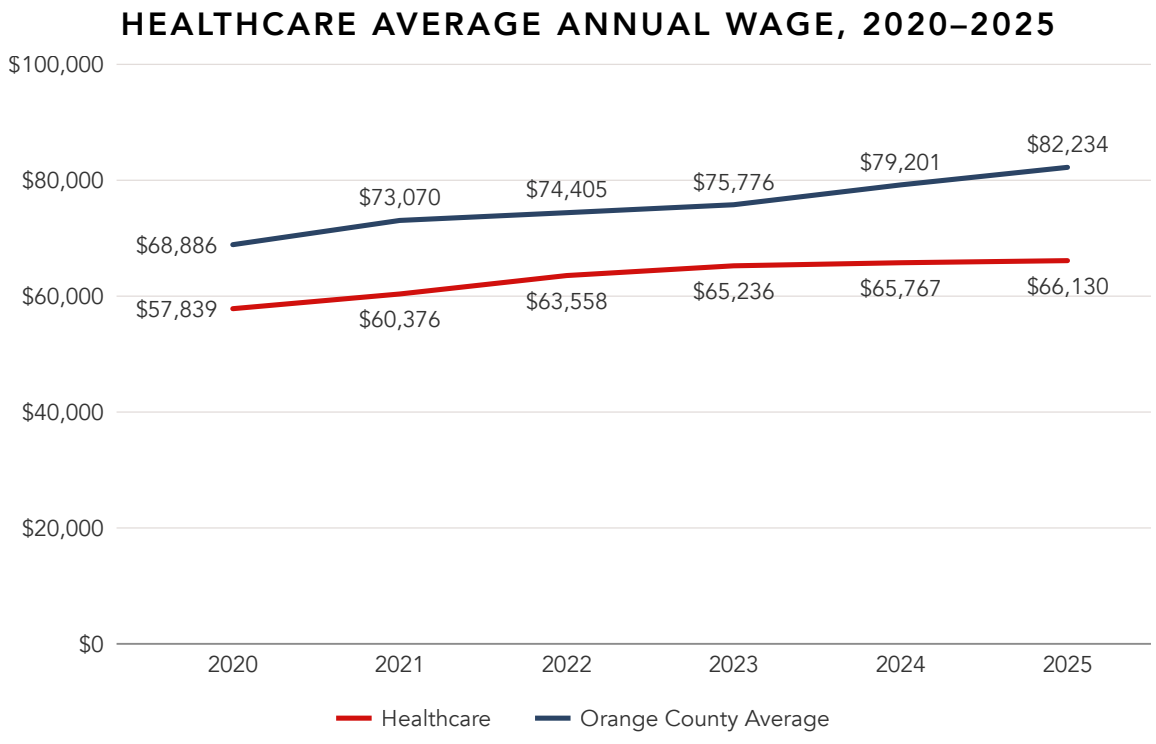
Orange County's Healthcare sector is expected to add just over 45,000 jobs over the next decade, as seen above; its employment is projected to increase from 254,742 in 2025 to 301,444 by 2035. Annual growth is expected to slow, which will likely be the result of improving efficiencies, including the integration of AI-related technologies into medical products and services.

Both AI and automation have the potential to transform Healthcare in multiple ways. Telehealth, which delivers medical services through phone, text and video, has expanded rapidly since the pandemic accelerated the adoption of digital communication technologies. The introduction of telehealth both helps doctors connect with more patients and allows patients to receive care from their own homes, reducing travel costs and concerns. The quality of these services, and many others, are likely to see significant benefit from the integration of AI.

HEALTHCARE EMPLOYMENT CONCENTRATIONS BY SUBSECTOR			
	2025	2030	2035
HMO Medical Centers	3.50	3.81	3.96
Medical Laboratories	2.67	2.61	2.58
Offices of All Other Miscellaneous Health Practitioners	2.50	2.60	2.65
Offices of Mental Health Practitioners (except Physicians)	1.86	1.88	1.90
Other Community Housing Services	1.79	1.96	2.06
Family Planning Centers	1.76	1.36	1.15
Ambulance Services	1.75	2.01	2.15
Services for the Elderly and Persons with Disabilities	1.72	1.82	1.87
Assisted Living Facilities for the Elderly	1.50	1.61	1.66

Source: Lightcast

Orange County's most concentrated Healthcare subsectors were HMO Medical Centers, with an employment concentration projected to increase from 3.50 in 2025 to 3.96 by 2035, followed by Medical Laboratories, projected to decline from 2.67 to 2.58, and Offices of All Other Miscellaneous Health Practitioners, including acupuncturists, dietitians and hypnotherapists, projected to rise from 2.50 to 2.65.

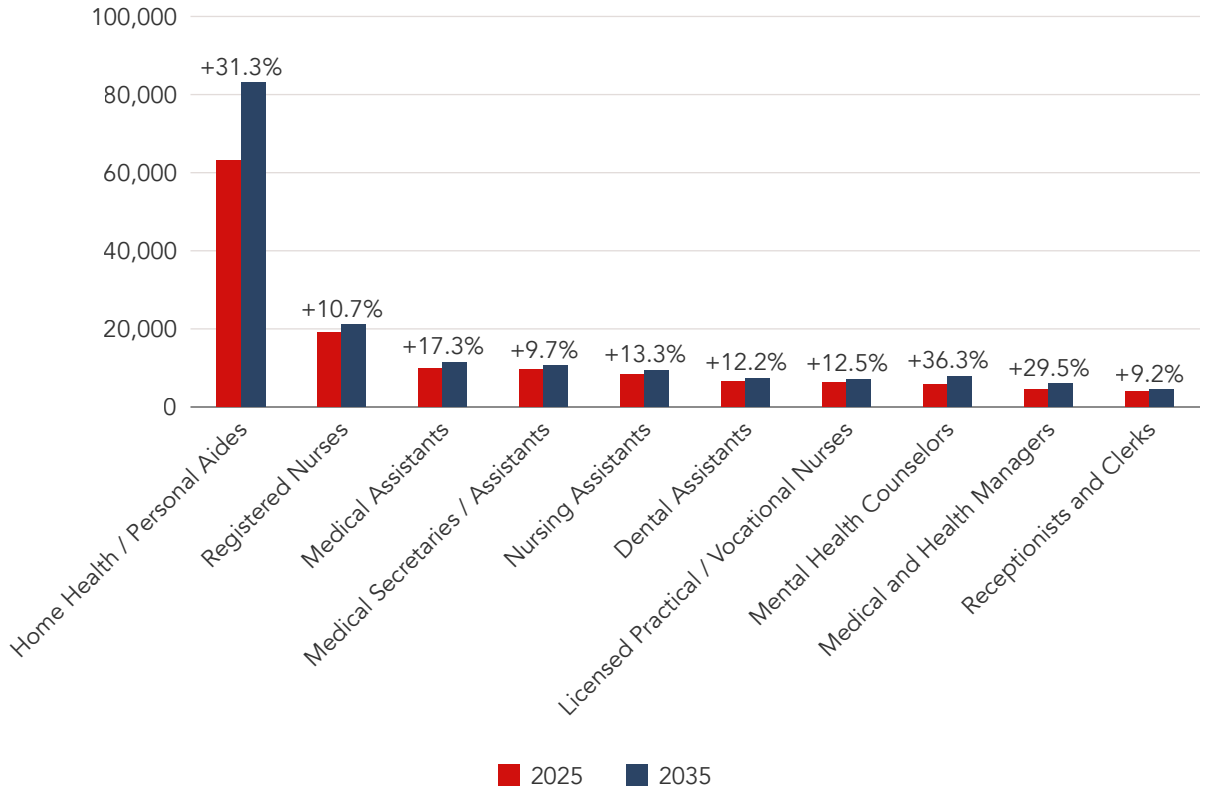


Source: Lightcast

Orange County's Healthcare industry cluster saw average annual wages increase from $57,839 in 2020 to $66,130 in 2025, an increase of 14.3 percent. During the same time period, the average wage across all Orange County industries reached $82,234, representing a growth of 19.4 percent. However, the Healthcare industry cluster's average annual wage was 19.6 percent below the county average.

HEALTHCARE OCCUPATIONAL SUPPLY AND DEMAND

LARGEST CURRENT AND FORECASTED OCCUPATIONS IN HEALTHCARE, 2025–2035



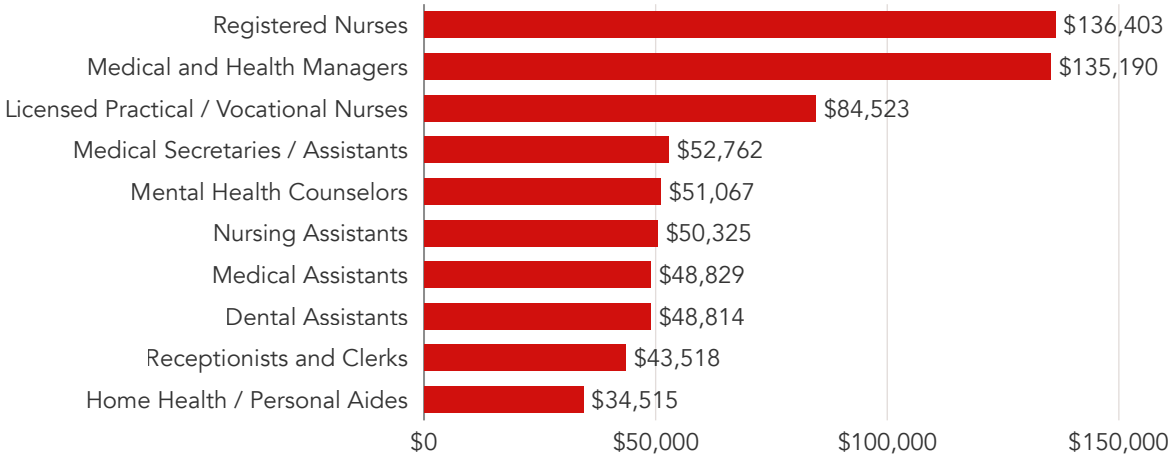
Labels above each pair show projected percent change in employment, 2025 to 2035.

Source: Lightcast

As shown above, Home Health and Personal Aides represent by far the largest occupation within this industry cluster. Their average annual wage of $34,515 highlights the relatively low wages earned in many of healthcare's largest occupations.

Home Health and Personal Aides are expected to see employment growth of 31.3 percent, adding almost 20,000 jobs over the next decade. Registered Nurses, the second largest Healthcare occupation, earn a significantly higher average salary of $136,403 but are expected to add only 2,041 jobs over the next decade.

TOP OCCUPATIONS BY ANNUAL EARNINGS IN HEALTHCARE, 2025



Source: Lightcast

Registered Nurses or Medical and Health Managers require more education and training, while Home Health and Personal Aides, who require a high school diploma for entry with short-term on-the-job training, have some of the lowest average annual wages. Despite their low wages, these occupations provide crucial stepping-stones for workers looking to break into the Healthcare industry cluster, imparting valuable knowledge and skills that workers can leverage for career growth.

RADY CHILDREN'S HEALTH – CHILDREN'S HOSPITAL OF ORANGE COUNTY (CHOC)

Now part of Rady Children's Health, Children's Hospital of Orange County (CHOC) opened its doors as a modest 62-bed facility in 1964, making it the first dedicated children's hospital in Orange County. The institution was built on the core principle that no child should be denied expert medical treatment regardless of a family's ability to pay, laying the foundation for what would become one of California's most vital pediatric institutions. Supported by local visionaries such as Walt Disney and Walter Knott, CHOC has evolved from a small community facility into a world-class, multi-county pediatric health system.

Over the past three years, CHOC's growth and research initiatives have been propelled by record-setting philanthropic support, private gifts and public grants. The CHOC Foundation secured $62.6 million in 2024 and nearly $57 million in 2025, driven by major events such as its annual CHOC Gala. On top of philanthropic gifts, CHOC also recently finished construction on a nine-story, $373 million hospital tower, which will include specialty clinics, oncology services, an imaging center and a research institute for clinical trials and pediatrics.[20] Nearby this new outpatient tower, CHOC also opened a new 24-bed cardiovascular intensive care unit and a 28-bed neuroscience unit.

With extensive and specialized knowledge and experience, Orange County's Healthcare industry is slated to see continued growth in the following decades. Whether supporting its aging population or driving pediatric care innovations, Orange County and its Healthcare partners will only see their importance increase.

[20] https://www.constructiondive.com/news/choc-hospital-tower-california-mccarthy-jacobs/751044/

TOP OCCUPATIONS BY JOB POSTINGS IN HEALTHCARE, JUNE 2025–JUNE 2026		
	TOTAL JOB POSTINGS	ANNUAL ADVERTISED SALARY
Registered Nurses	7,447	$119,040
Home Health and Personal Care Aides	4,330	$41,472
Medical and Health Services Managers	2,019	$82,688
Medical Assistants	1,360	$50,944
Health Technologists and Technicians, All Other	1,358	$54,016
Nursing Assistants	998	$46,080
Dental Assistants	862	$50,944
Physical Therapists	768	$112,640
Secretaries and Administrative Assistants, Except Legal, Medical and Executive	667	$49,408
Preschool Teachers, Except Special Education	636	$42,496

Source: Lightcast

One illustration of high Healthcare demand in Orange County is the large number of job postings over the past year, as seen above. There were almost 7,500 postings for Registered Nurses, more than for any other industry cluster job, followed by 4,330 for Home Health and Personal Care Aides and 2,019 for Medical and Health Services Managers. The top 10 Healthcare jobs had at least 600 job postings each.

TOURISM

From amusement parks to luxury shopping to beaches, Orange County is a global tourism powerhouse that attracts millions of visitors every year. It offers a diverse array of attractions, including Disneyland Resort, Knott's Berry Farm, South Coast Plaza, 42 miles of beaches, a thriving culinary scene, renowned arts and cultural institutions and professional sports led by the Los Angeles Angels and Anaheim Ducks.

In fact, last year marked the 70th anniversary of Disneyland, the pioneering destination that established the template for modern theme parks worldwide. Beyond pioneering innovations such as steel roller coasters and Audio-Animatronics, Disneyland anchored Orange County's transition into an international tourism powerhouse. With 70th anniversary celebrations continuing through 2026, the resort continues to drive record visitor volume, sales tax generation and employment across local hospitality businesses.

DEEP ROOTS: PRE-DISNEY HOSPITALITY

While Disneyland transformed Orange County into a global destination, the county's hospitality roots were planted decades earlier:

- **The Pacific Electric Trolley:** In the early 1900s, the "Red Cars" connected inland Southern California directly to OC's coastal communities, sparking the region's first tourism boom.
- **Laguna Beach Artist Colony:** Established in the 1910s, Laguna Beach grew into a famous artists' colony, creating a cultural tourism legacy that continues today with the Pageant of the Masters.
- **Classic Beach Resort Hotels:** Historic coastal hotels in towns such as Seal Beach, Huntington Beach and Laguna Beach laid the groundwork for today's luxury oceanfront resorts.

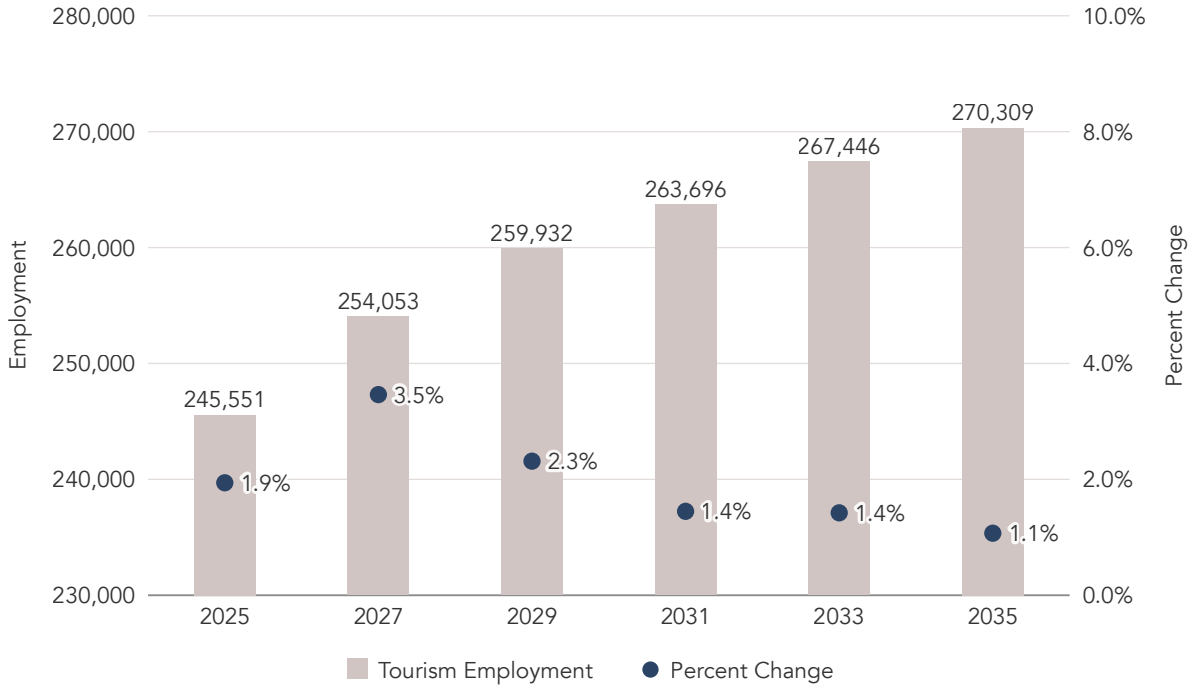
Complementing this leisure appeal is a robust sector for luxury retail and high-end travel. The region is home to world-class shopping centers such as South Coast Plaza in Costa Mesa, which is one of the highest-grossing retail destinations in the world, alongside the premier open-air Fashion Island in Newport Beach and Irvine Spectrum. These centers attract significant international tourism and high-net-worth spending, establishing Orange County as a vital hub for global luxury retail, upscale dining and premium hospitality services that cater to both business and leisure travelers.

Orange County is also home to a number of museums, including the Bowers Museum in Santa Ana and the Orange County Museum of Art (OCMA) in Costa Mesa, which offer significant educational and artistic value. As a result, Orange County's tourism industry remains well-rounded by balancing large-scale outdoor events with sophisticated cultural attractions.

As with Healthcare, Tourism is a traditional industry that has specialized and concentrated into an industry cluster. Largely spurred by Disneyland and Knott's Berry Farm, Orange County's tourism sector provides a significant number of employment opportunities to young workers just entering the workforce, serving as important rungs on many career ladders. Important soft skills such as communication, teamwork and leadership can be easily overlooked in favor of more technical skills, yet these soft skills are becoming increasingly important, especially as screen time increases for younger populations.

TOURISM INDUSTRY SNAPSHOT

TOURISM EMPLOYMENT IN ORANGE COUNTY, 2025–2035



Source: Lightcast

Tourism employment in Orange County is expected to grow from 245,551 in 2025 to 270,309 by 2035, which represents an average annual growth of 1.00 percent. Key growth subsectors include:

- Amusement and Theme Park (projected to add 5,624 jobs);
- Limited-Service Restaurants (4,444 jobs); and
- Hotels and Motels (3,153 jobs).

Subsectors expected to see employment declines, on the other hand, include Cafeterias, Grill Buffets and Buffets, which is expected to lose 443 jobs, Promoters of Performing Arts, Sports and Similar Events without Facilities (287 jobs) and Other Spectators Sports (247 jobs).

TOURISM EMPLOYMENT CONCENTRATIONS BY SUBSECTOR			
	2025	2030	2035
Amusement and Theme Parks	15.57	16.51	17.09
Promoters of Performing Arts, Sports and Similar Events with Facilities	1.93	2.13	2.23
Snack and Nonalcoholic Beverage Bars	1.68	1.74	1.78
Hotels (except Casino Hotels) and Motels	1.48	1.54	1.58
Fitness and Recreational Sports Centers	1.28	1.33	1.35
Promoters of Performing Arts, Sports and Similar Events without Facilities	1.27	0.94	0.74
Musical Groups and Artists	1.20	1.27	1.31
Sports Teams and Clubs	1.17	1.07	1.02
Full-Service Restaurants	1.16	1.17	1.17

Source: Lightcast

CROSS-COUNTY BENCHMARK: OC (CA) VS. ORANGE COUNTY (FL)

Comparing Orange County, California, to its East Coast counterpart—Orange County, Florida (Orlando)—highlights distinct structural differences in tourism reliance:

ORANGE COUNTY, FL

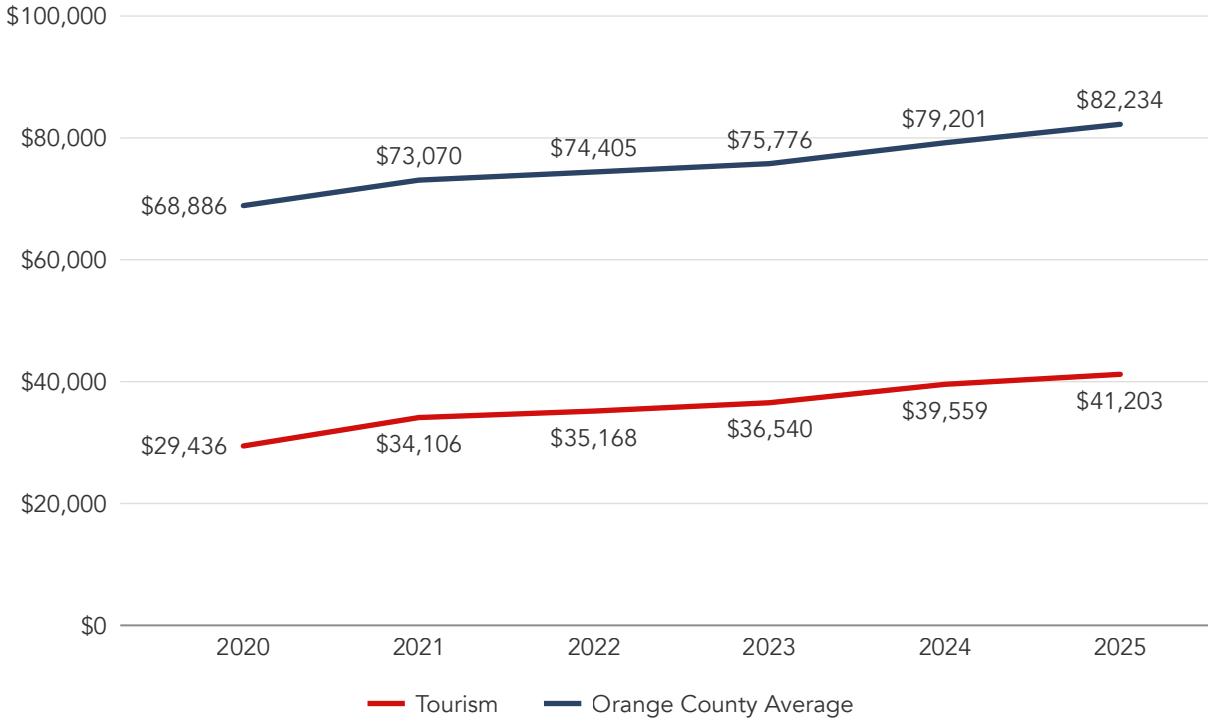
Features extreme employment concentration in theme parks and hospitality, heavily dominated by mega-resorts and high-volume leisure travel.

ORANGE COUNTY, CA

Displays a more diversified economic base. While maintaining an impressive 15.57 location quotient in Theme Parks, OC California seamlessly integrates tourism with high-end luxury retail (e.g., South Coast Plaza), arts institutions and major MedTech and Tech clusters, yielding higher overall wage resilience.

As expected in the home of Disneyland and Knott's Berry Farm, Orange County's most concentrated Tourism subsector was Amusement and Theme Parks with an employment concentration of 15.57 in 2025, growing to 16.51 by 2030 and 17.09 by 2035.

TOURISM AVERAGE ANNUAL WAGE, 2020–2025



Source: Lightcast

Dominated by entry-level occupations, the Orange County Tourism industry cluster commanded the lowest average annual wages of any industry cluster at $41,203 in 2025, 49.9 percent lower than the county industry average. Despite this low wage, Tourism has seen average annual wage growth of 7.1 percent since 2020, compared with average annual wage growth of 3.6 percent across all Orange County industries.

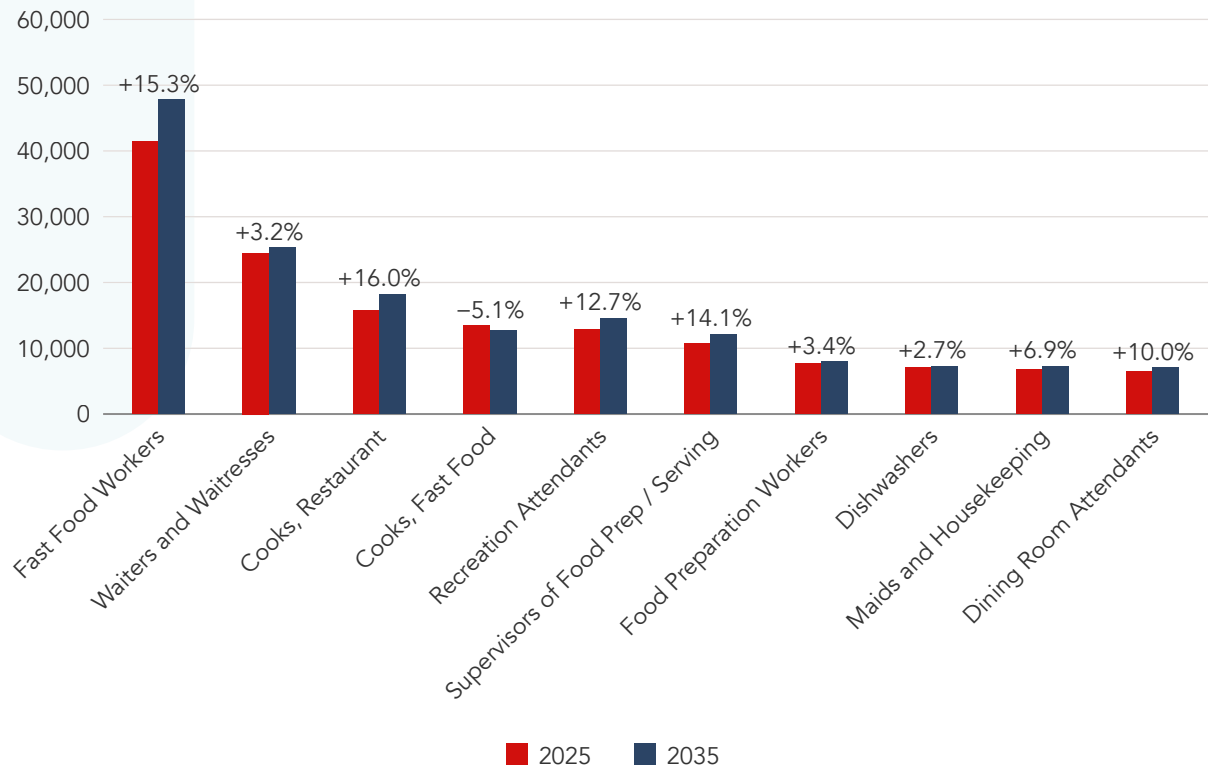
PHYSICAL HOSPITALITY ASSETS: OC'S LARGEST HOTELS

Orange County's lodging ecosystem balances large convention/resort properties with premier luxury oceanfront destinations:

- **Convention & Theme Park Hubs:** Properties such as the Hilton Anaheim (1,572 rooms), the Marriott Anaheim (1,033 rooms) and the Westin Anaheim Resort (618 rooms) anchor the Anaheim Resort District, supporting both Anaheim Convention Center attendees and theme park visitors.
- **Coastal Luxury Destinations:** High-value coastal resorts, including The Resort at Pelican Hill (Newport Coast), The Ritz-Carlton, Laguna Niguel and Montage Laguna Beach, generate significant transient occupancy tax (TOT) revenue and fuel luxury visitor spending.

TOURISM OCCUPATIONAL SUPPLY AND DEMAND

LARGEST CURRENT AND FORECASTED OCCUPATIONS IN TOURISM, 2025–2035

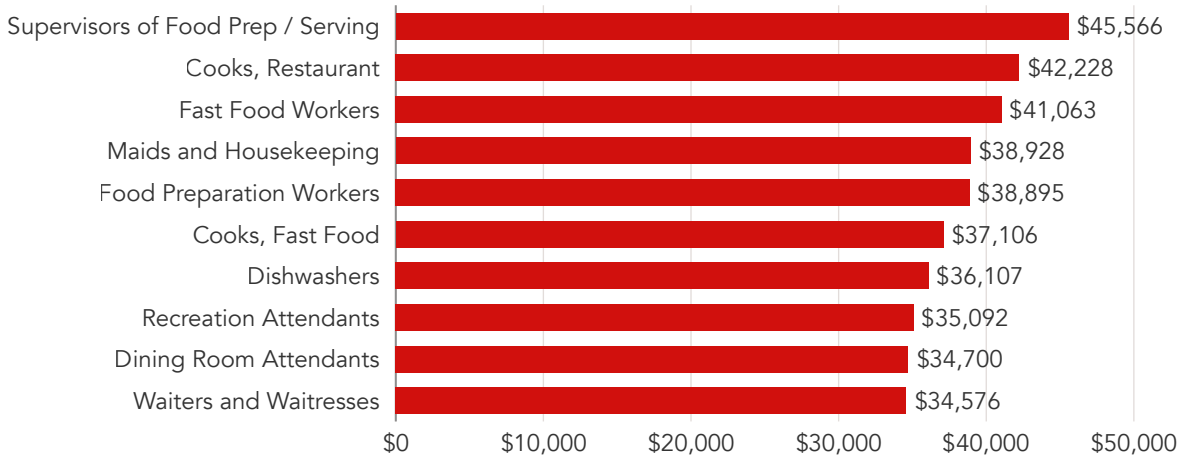


Labels above each pair show projected percent change in employment, 2025 to 2035.

Source: Lightcast

Fast Food Workers are expected to see more employment growth over the next decade than any other Tourism occupation. This occupation is expected to add 6,330 jobs by 2035, followed by Cooks, Restaurant, adding 2,514 jobs and Recreation Attendants adding 1,637 jobs. Cooks, Fast Food are the only major Tourism occupation expected to experience job losses; employment is projected to fall from 13,422 in 2025 to 12,731 by 2035, a decline of 5.1 percent, or 691 jobs.

TOP OCCUPATIONS BY ANNUAL EARNINGS IN TOURISM, 2025



Source: Lightcast

None of the ten largest Tourism occupations in Orange County had average wages of more than $46,000 in 2025, as seen above. Fast Food Workers, who currently make just above $41,000 on average, are projected to see the largest employment increase over the next decade.

MAJOR ORANGE COUNTY DEVELOPMENTS– DISNEYLANDFORWARD AND OCVIBE

Already recognized as a hotspot for tourism and recreation, Orange County continues to improve and enhance its attractions and amenities for both visitors and residents. Two major developments currently underway include Disney's DisneylandForward and OCVIBE. Together, they represent a combined investment of approximately $6 billion. These developments not only help improve regional tourism offerings but also help drive job growth and economic activity across the region.

Unanimously approved in 2024, DisneylandForward represents a long-term improvement project estimated to cost between $1.9 billion and $2.5 billion, including new and improved attractions, hotels, parks, open space and retail districts. On top of new attractions, the improvement project allocates nearly $85 million for street and transportation improvements, $30 million for affordable housing projects, $10 million for sewer improvements and $8 million for city parks.[21] Over the life of the project, assuming a full buildout that maximizes entitlements, Disneyland estimates the construction phase would contribute approximately 5,171 jobs annually with total labor income of $441.5 million representing economic output of approximately $1.2 billion. Following a similar scenario for the operations phase, DisneylandForward would contribute 28,352 annual jobs in Orange County, with total labor income of $1.8 billion and annual economic output of $3.7 billion.[22] Already, Disneyland contributes more than 100,000 direct and indirect jobs in Southern California, $1.3 billion in state and local tax revenue and $279 million in tax revenue for the city of Anaheim.

OCVIBE, located in Anaheim's Platinum Triangle and approved in 2022, is a multi-year project representing an estimated investment of $4 billion in the region. In total, this project includes more than 2000 affordable homes, 168,000 square feet of commercial office space, more than 500 hotel rooms, more than 35 restaurants, 20 acres of parks and plazas and three miles of connected walking trails.[23] Alongside the development of OCVIBE, the Honda Center is also undergoing improvements, specifically through the Honda Center Encore project, a $1 billion improvement aimed at preparing the venue for the 2028 Olympics, which will include a five-story glass atrium, 6,000 additional parking spaces across three new garages, additional dining options and enhanced suites.[24]

With the 2028 Olympics taking place in Los Angeles, Orange County is set to benefit dramatically from associated events and spillover effects as both tourists and southern California residents explore the region or try to escape the crowds.

[21] https://www.anaheim.net/5961/DisneylandForward

[22] https://disneyexperiences.com/disneyland/our-impact/economic/

[23] https://www.ocvibe.com/

[24] https://ktla.com/news/local-news/1b-renovations-planned-for-honda-center-in-anaheim/

TOP OCCUPATIONS BY JOB POSTINGS IN TOURISM, JUNE 2025–JUNE 2026		
	TOTAL JOB POSTINGS	ANNUAL ADVERTISED SALARY
Fast Food Workers	2,104	$42,496
Supervisors of Retail Sales Workers	1,688	$58,112
Food Service Managers	1,671	$64,768
Waiters and Waitresses	1,553	$35,072
Cooks, Restaurant	1,148	$46,592
Food Preparation Workers	1,050	$42,496
Supervisors of Food Preparation / Serving Workers	935	$47,616
Dining Room and Cafeteria Attendants and Bartender Helpers	822	$39,424
Hotel, Motel and Resort Desk Clerks	776	$41,472
Dishwashers	769	$37,888

Source: Lightcast

The most in-demand occupations in Orange County's Tourism industry cluster included Fast Food Workers with 2,104 job postings, followed by Supervisors of Retail Sales Workers with 1,688 job postings and Food Service Managers with 1,671 job postings. While advertised annual salaries remain below the county average, they are above current average annual salaries for several occupations, indicating that employers may be beginning to increase wages to attract workers.

CONCLUSION: A STRATEGIC ROADMAP FOR REGIONAL ECONOMIC LEADERSHIP

Four clusters, four very different stories and one shared lesson. Aerospace & Defense shows how a mature industry can reinvent itself. Decades after the Cold War boom faded, a wave of venture-backed drone and autonomous systems companies, anchored by Anduril's rise to a $61 billion valuation, has positioned Orange County once again as a significant player in defense technology. MedTech demonstrates the power of deep specialization, with dental and electromedical device manufacturing concentrated at nearly ten times the national average, a level of industry density that is difficult for other regions to replicate overnight. Healthcare illustrates the power of sheer scale, with the industry on track to add nearly 50,000 jobs over the next decade to meet the needs of a growing and aging population. Tourism shows how a legacy industry can continue to evolve while serving as an important entry point into the workforce for thousands of young workers every year.

The data and strategic analysis presented throughout this section reinforces that a region's long-term economic prosperity depends directly on the vitality, adaptiveness and support of its key industry clusters. Clusters do not merely reflect past industrial achievements; they function as the primary economic engines that drive future opportunity, technical innovation and high-wage job growth.

Orange County's current economic portfolio demonstrates a well-balanced blend of mature foundational sectors and rapidly expanding high-tech industries. In Aerospace and Defense, the region is experiencing a major resurgence propelled by venture-backed defense tech, autonomous systems and advanced software engineering. With an average annual wage of $144,177—75.3 percent above the county average—this cluster stands as a paramount driver of high-earning potential and technological capability. Similarly, the MedTech cluster generates high-value exports and breakthrough innovations in cardiovascular devices, patient monitoring and surgical instruments. Backed by an average annual wage of $129,548, MedTech pairs deep scientific research with rapid commercialization. Meanwhile, Healthcare serves as a vital stabilizing anchor projected to employ more than 300,000 workers by 2035, catering to crucial public health and aging population requirements. Finally, Tourism and Hospitality provides essential workforce volume, projected to reach more than 270,000 jobs by 2035, offering crucial entry-level opportunities and foundational soft-skill development for emerging workers.

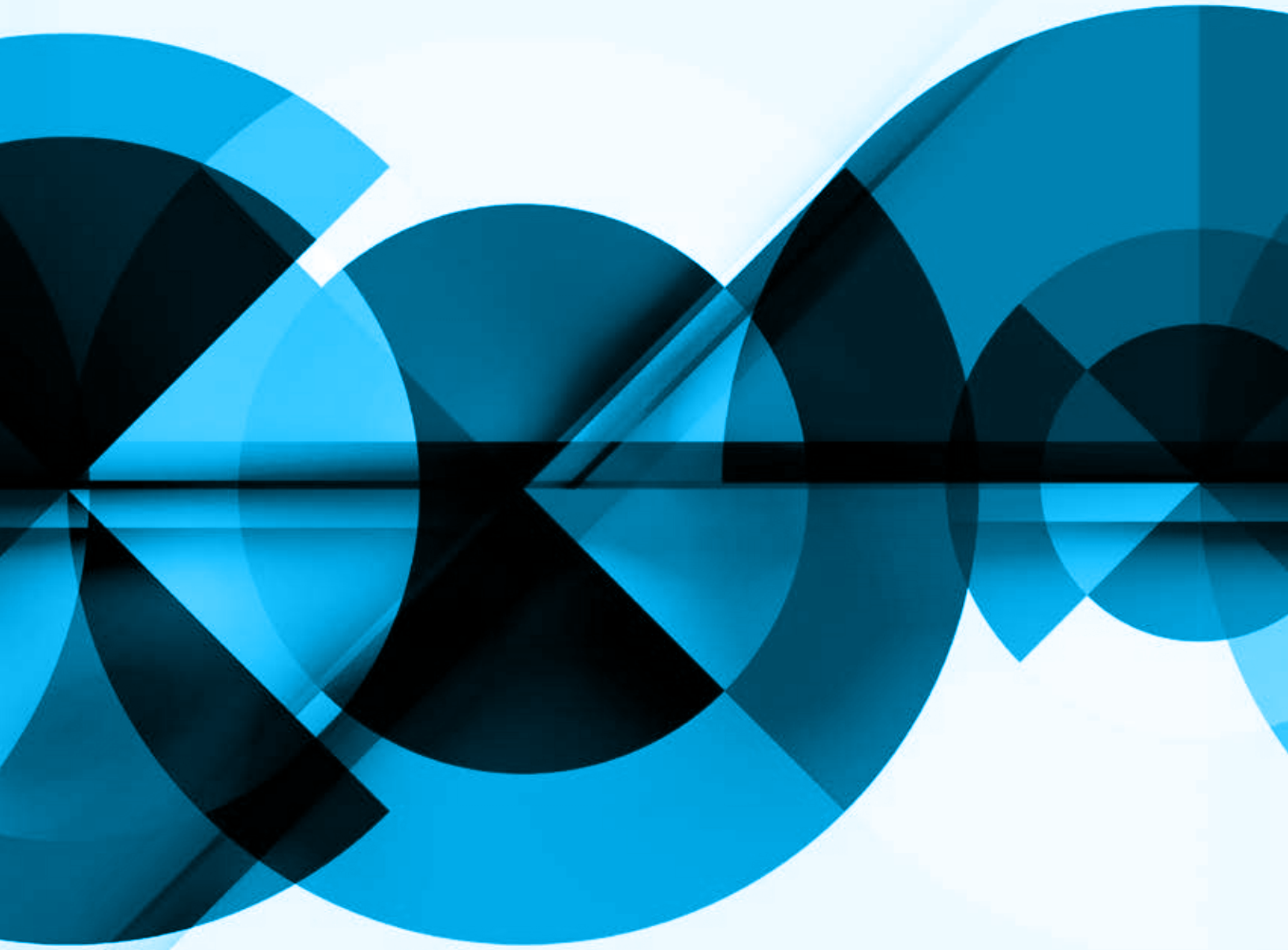
To safeguard these competitive advantages and prevent cluster stagnation, the business community, academic institutions and regional policymakers must pursue three strategic imperatives. First, stakeholders must actively align and invest in workforce development talent pipelines to meet emerging industry needs. As artificial intelligence and automation reshape sectors ranging from healthcare diagnostics to precision manufacturing, educational programs must adapt. Expanding innovative technical pathways, such as Fullerton College's Drone Lab and specialized apprenticeships, ensures that the local talent pipeline keeps pace with rapid technological shifts.

Second, the region must expand its incubator, accelerator and research infrastructure. High-tech startups require access to wet labs, prototyping spaces and early-stage capital to scale locally. Continued investment in assets such as UCI Beall Applied Innovation at The Cove and University Lab Partners is essential for retaining intellectual property and emerging high-growth firms within the region. Third, business leaders should foster cross-cluster collaboration. The most transformative economic opportunities now occur at the intersections of established industries, such as integrating artificial intelligence and autonomous systems from aerospace and defense into medical devices and healthcare delivery.

Orange County's economy has never been defined by a single industry, and the data in this report make it clear that it doesn't need to be. Its strength lies in the balance between high-wage, innovation-driven clusters such as Aerospace & Defense and MedTech and high-volume, foundational clusters such as Healthcare and Tourism, which employ hundreds of thousands of residents and help train the next generation of the workforce. Sustaining that mix will take deliberate effort from the entire business community: continued investment in education and training; sustained support for local entrepreneurs, innovators and investors; and a clear-eyed view of where the data show the county's advantages truly lie.

Economic leadership is never permanent; regions that rely solely on historical achievements risk being displaced by more dynamic markets. By recognizing the importance of industry clusters, measuring their local concentration and investing in the ecosystems that support them, Orange County can help ensure sustained wage growth, economic resilience and global competitiveness for decades to come.

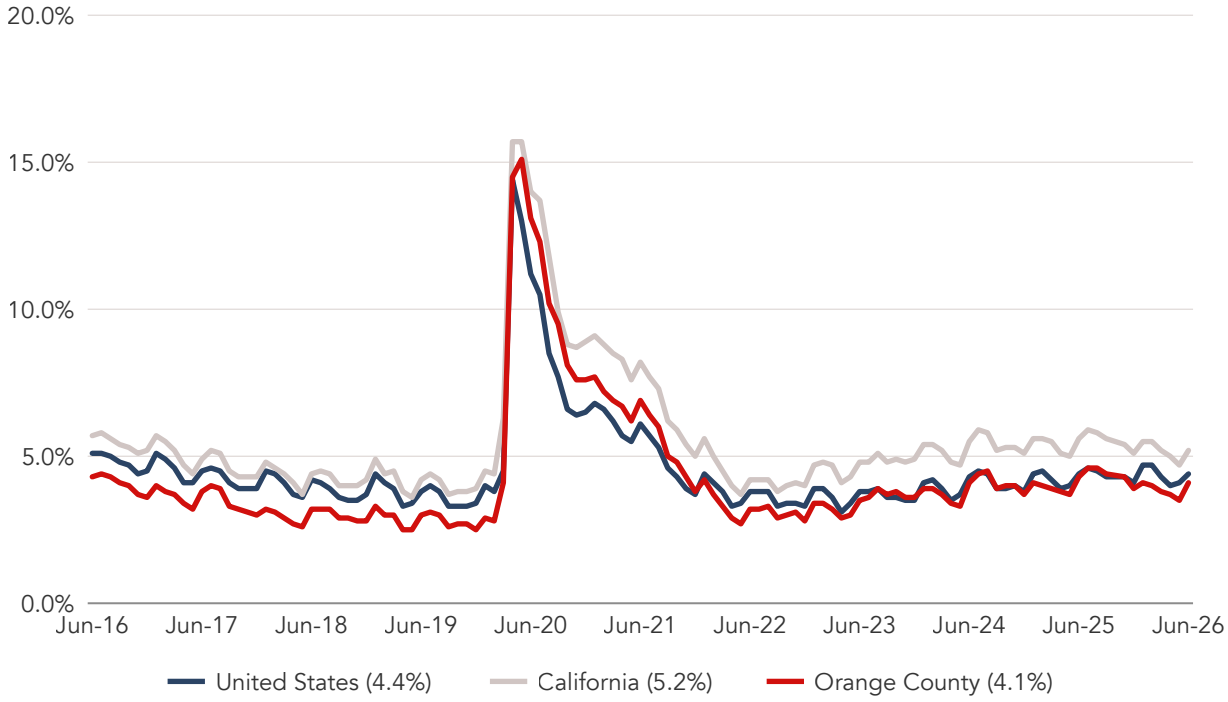
ECONOMY



EMPLOYMENT

OC'S UNEMPLOYMENT RATE OUTPERFORMS STATE AND NATION

UNEMPLOYMENT RATE IN ORANGE COUNTY, CALIFORNIA AND UNITED STATES, JUNE 2016–JUNE 2026



Source: California Employment Development Department, Bureau of Labor Statistics

Over the past month, Orange County saw a large jump in its unemployment rate as it rose from 3.5 percent to 4.1 percent, largely due to a sharp increase in the number of unemployed residents alongside a decline in its labor force. California saw a similar trend, increasing from 4.7 percent to 5.2 percent while the nation saw a more moderate movement, only rising from 4.1 percent to 4.4 percent.

Looking over the past year, the national unemployment rate increased slightly while California's unemployment rate was 0.4 percentage points lower than its June 2025 total (5.6 percent) and Orange County was 0.2 percentage points lower (4.3 percent). As of June 2026, Orange County had the 7th lowest unemployment rate in the state, right behind Santa Clara (4.0 percent) yet well ahead of its regional neighbors including San Diego (4.4 percent), San Bernardino (5.2 percent), Los Angeles (5.3 percent) and Riverside (5.4 percent). California counties with the lowest unemployment rates included smaller counties such San Mateo (3.6 percent), San Francisco (3.7 percent), as well as the much smaller Marin, Mono and Napa counties (all tied with Santa Clara at 4.0 percent).

Education and Health Services continue to drive employment growth. It added 13,600 jobs between June 2025 and June 2026, significantly more than any other sector. Leisure and Hospitality (7,200), Professional and Business Services (2,000), Trade, Transportation and Utilities (1,100), Financial Activities (400) and Other Services (800) all saw job growth, while every other sector saw declining employment. Sectors with declines included:

- Government (17,100 jobs, by far the largest loss),
- Manufacturing (3,300 jobs),
- Construction (1,600 jobs) and
- Information (1,000 jobs).

Between June 2025 and June 2026, Orange County's labor force fell from 1,630,800 to 1,596,100, a decline of 34,700 workers, or 2.1 percent. Total civilian employment also fell, from 1,560,000 to 1,531,300, a decline of 28,700 jobs, or 1.8 percent. Total unemployment also fell by 8.3 percent from 70,700 to 64,800 individuals, which suggests a declining labor force participation rate. Over the past month, while the labor force and total employment declined by 0.2 percent and 0.8 percent, respectively, the number of unemployed residents increased sharply, jumping from 55,300 to 64,800, a rise of 17.2 percent, pushing the unemployment rate from 3.5 percent to 4.1 percent. It should be noted that this increase is likely attributable to graduations and the closing of schools for the summer months, which leads to a sharp increase in the number of available workers as young adults and students search for jobs.

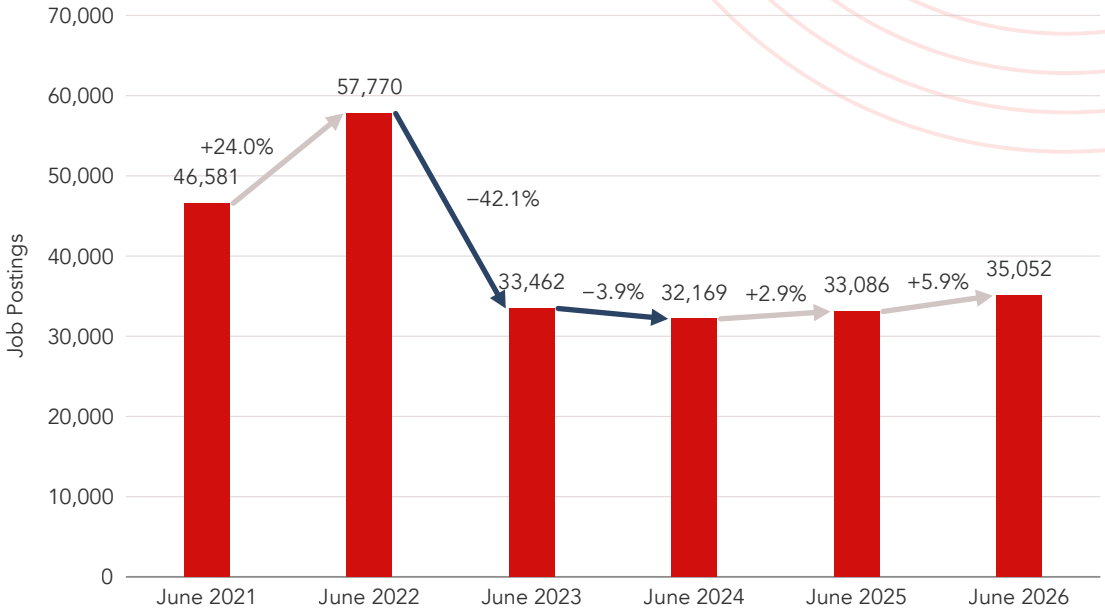
Looking a bit further, over the past five years, and following the significant impacts of the COVID-19 pandemic, Orange County's labor force is currently 2.0 percent, or 31,300 workers, larger than in June 2021. At the same time, total employment has recovered by 74,600 jobs, or by 5.1 percent, while the total number of unemployed residents dropped dramatically by 43,300, or 40.1 percent. This pushed the unemployment rate lower from 6.9 percent in June 2021 to 4.1 percent as of June 2026.

Compared with June 2016, performance becomes somewhat more uneven. Orange County's labor force and employment base were both smaller than a decade ago, yet the county also had fewer unemployed workers. From June 2016 to June 2026, Orange County's labor force shrank by 5,500 workers, or by 0.3 percent while its civilian employment declined by 1,000 workers, or 0.1 percent. At the same time, the number of unemployed workers fell by 4,600, or by 6.6 percent, helping to reduce unemployment rates from 4.3 percent to 4.1 percent. Overall, Orange County's labor market remains significantly stronger than in the years immediately following the pandemic, yet largely in line with conditions from a decade ago.

California as a whole saw similar trends; its labor force, civilian employment and unemployed individuals declined by 1.8 percent, 1.4 percent and 9.2 percent, respectively, from June 2025 to June 2026. From May 2026 to June 2026, the state also experienced declines in its labor force (0.5 percent) and civilian employment (0.9 percent) while number of unemployed workers increased by 8.2 percent.

MID-YEAR JOB POSTINGS REGISTER TWO CONSECUTIVE YEARS OF GROWTH

TOTAL JOB POSTINGS IN ORANGE COUNTY, JUNE 2021–JUNE 2026



Source: Lightcast

After two consecutive years of declines, mid-year job postings in Orange County increased for the second year in a row. Total job postings increased by 2.9 percent between June 2024 and June 2025, and again by 5.9 percent between June 2025 and June 2026. Job postings over the past year had a median post duration of 22 days while offering a median annual salary of $62,500, an increase over the $59,900 median advertised salary seen from the previous year.

Education requirements varied greatly among job postings. While 37 percent of job postings between June 2025 and June 2026 had no listed educational requirements, 20 percent required a high school diploma or GED, 5 percent required an associate's degree, 27 percent required a bachelor's degree and the remaining 11 percent required a master's, Ph.D. or professional degree.[25] Similarly, half of job postings had no experience listed, while 15 percent required zero to one year, 18 percent required two to three years, 11 percent required four to six years and 6 percent required more than seven years.

Costa Mesa-based Anduril Industries had 5,333 job postings between June 2025 and June 2026, more than any other county employer. The cutting-edge defense contractor and autonomous drone manufacturer recently raised $5 billion in its latest funding round, pushing its valuation to $61 billion.[26] It will likely remain a major job creator in the county economy moving forward. Other top employers included:

- Providence (4,158 unique postings),
- University of California, Irvine (4,084 unique postings) and
- Aerotek (2,651 unique postings).

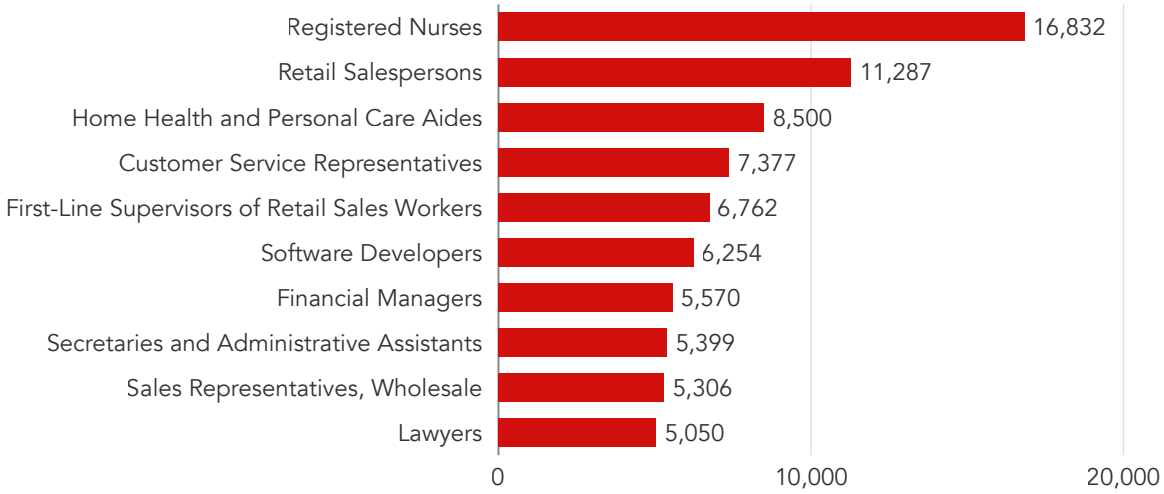
Irvine accounted for 21 percent of the county's total job postings (88,491 unique postings), which is more than any other Orange County city. It was followed by Anaheim (37,690 unique postings), Santa Ana (33,704 unique postings) and Costa Mesa (29,518 unique postings).

[25] Percent total may not sum to 100% due to how Job Postings data is compiled.

[26] https://www.reuters.com/legal/transactional/us-defense-firm-anduril-raises-5-billion-doubling-its-valuation-61-billion-2026-05-13/

REGISTERED NURSES REMAIN MOST IN-DEMAND OCCUPATION IN OC

MOST IN-DEMAND OCCUPATIONS IN ORANGE COUNTY BY JOB POSTINGS, JUNE 2025 TO JUNE 2026



Source: Lightcast

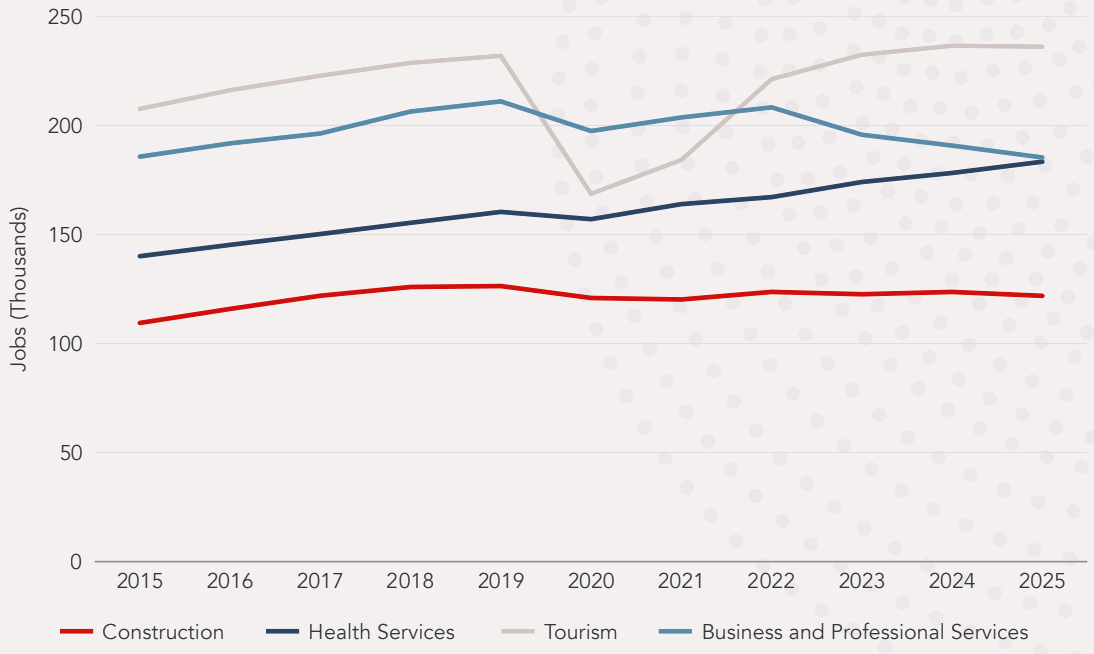
Registered Nurses continue to be the most in-demand occupation in Orange County. They had 16,832 unique job postings between June 2025 and June 2026, which represents a year-over-year increase of 1.4 percent, or 226 postings. As seen above, Retail Salespersons were the county's second most in-demand occupation, despite a 9.1 percent year-over-year decline in total postings. Their 2025–2026 total of 11,287 postings was still almost 3,000 higher than the next occupation, Home Health and Personal Care Aides.

In-demand jobs with the largest increases in job postings included:

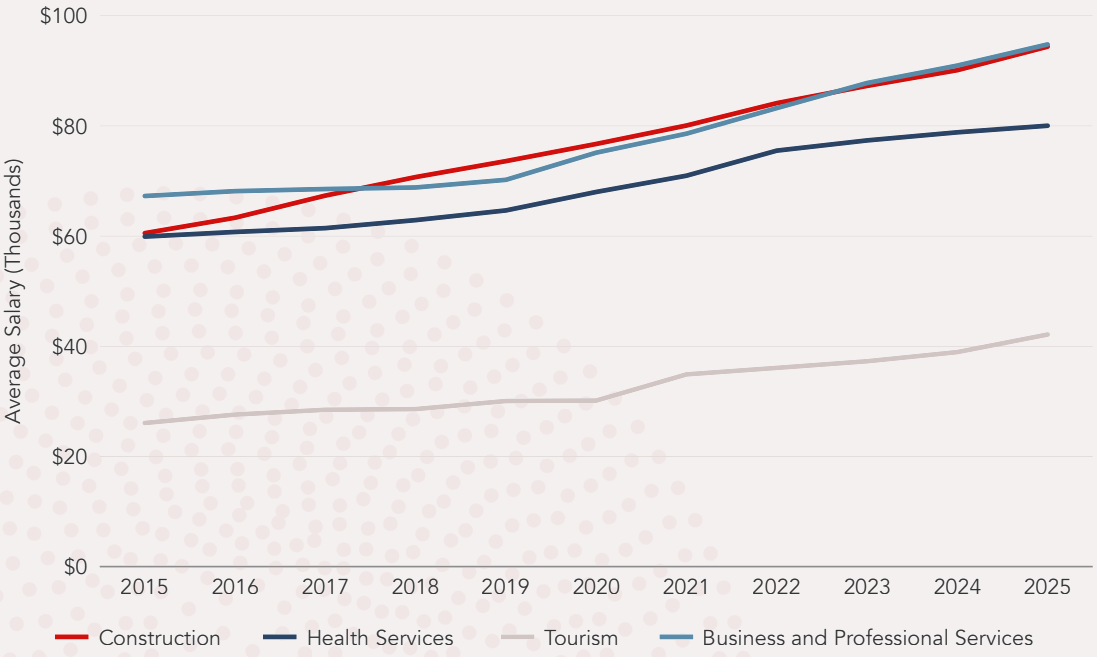
- Financial Managers (21.0 percent growth, 966 job postings),
- Lawyers (16.2 percent growth, 703 job postings) and
- Software Developers (8.4 percent growth, 484 job postings).

HEALTH SERVICES ONLY MAJOR INDUSTRY CLUSTER TO SEE EMPLOYMENT GROWTH IN 2025

EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS WITH MORE THAN 50,000 JOBS, 2015–2025 (JOBS)



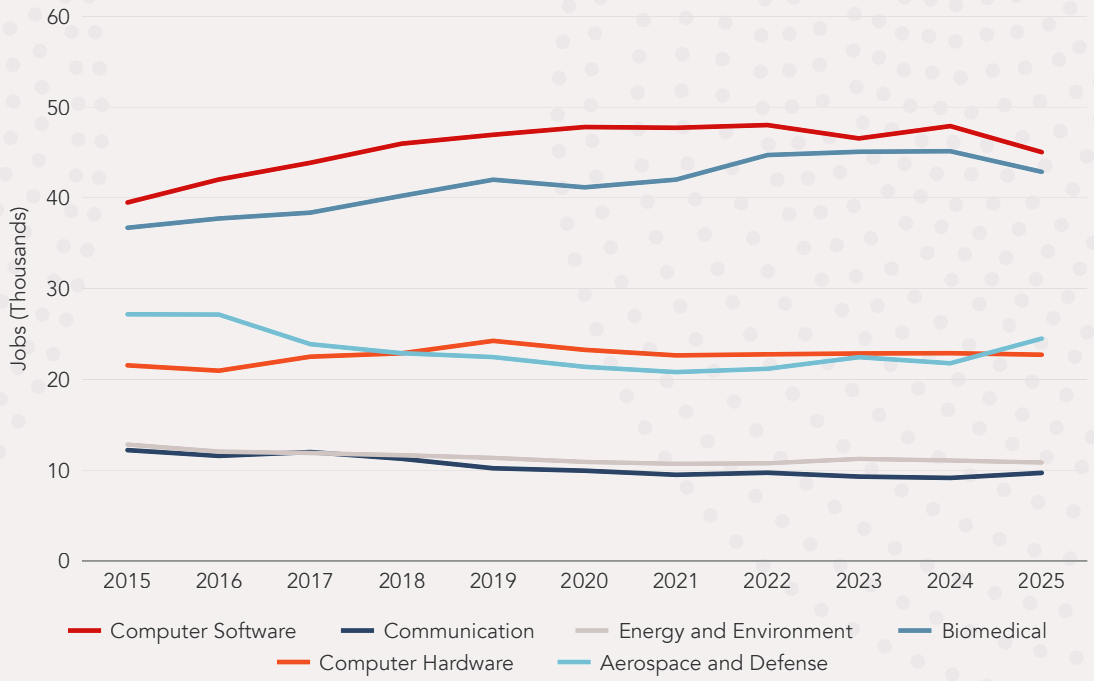
EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS WITH MORE THAN 50,000 JOBS, 2015–2025 (SALARIES)



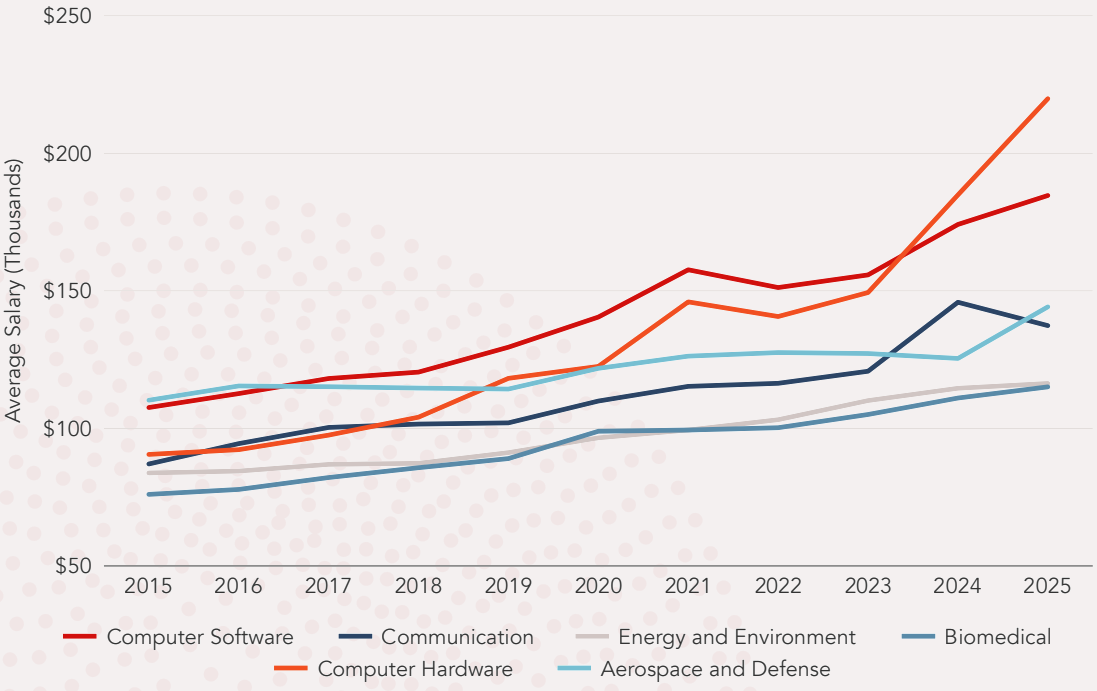
Sources: Data has been updated from California Employment Development Department to Lightcast and, as such, should not be compared to previous years' data.

MAJORITY OF SMALLER CLUSTERS SEE EMPLOYMENT DECLINES YET SALARY INCREASES

EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS WITH 50,000 JOBS OR FEWER, 2015–2025 (JOBS)



EMPLOYMENT AND AVERAGE SALARIES IN ORANGE COUNTY CLUSTERS WITH 50,000 JOBS OR FEWER, 2015–2025 (SALARIES)



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 declined from 886,993 in 2024 to 882,187 in 2025, representing a decrease of 0.5 percent, or 4,806 jobs. As shown above, Orange County's industry clusters have experienced significant employment growth since the COVID-19 pandemic. While total industry cluster employment in 2024 exceeded 2019's pre-pandemic total of 886,795, it has since retreated slightly.

Nearly all large (more than 50,000 employees) and small (fewer than 50,000 employees) industry clusters experienced employment declines and average salary increases over the past year. Employment in large industry clusters declined by an average of 0.3 percent, while small industry clusters experienced a more significant decrease of 1.4 percent.

Only three industry clusters saw employment growth from 2024 to 2025:

Aerospace & Defense	Communications	Health Services
+12.5%	+6.0%	+2.9%

Industries with the largest employment declines included:

Computer Software	Biomedical	Business and Professional Services	Energy and Environment	Construction	Computer Hardware	Tourism
-6.0%	-5.0%	-2.9%	-2.0%	-1.5%	-0.7%	-0.2%

Average annual salaries increased by 4.2 percent in large industry clusters and by 7.2 percent in small industry clusters. Nearly all of Orange County's industry clusters saw wage growth between 2024 and 2025. The top 5 industry clusters by wage growth included:

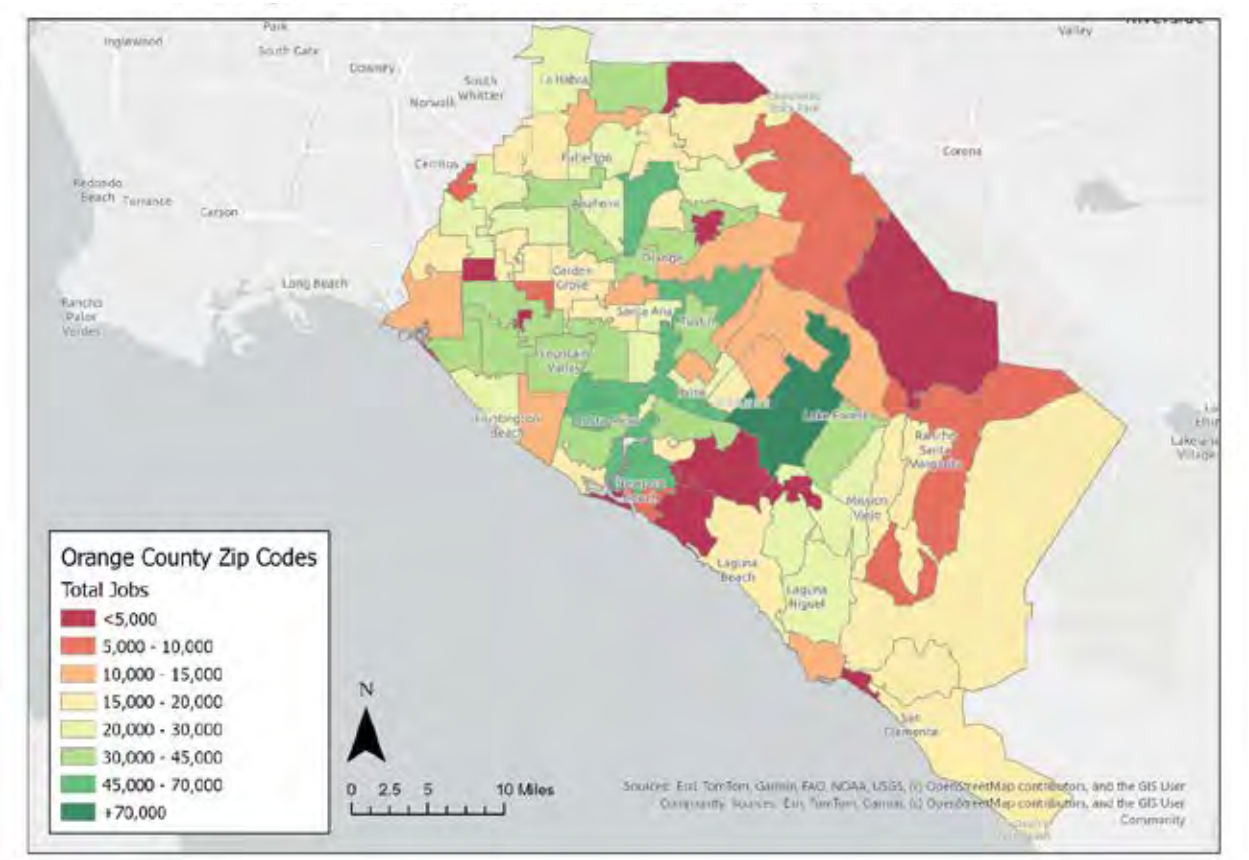
Computer Hardware	Aerospace & Defense	Tourism	Computer Software	Construction
+18.9%	+15.0%	+8.2%	+6.0%	+4.7%

Only one Orange County industry cluster saw wage declines between 2024 and 2025:

Communications
-5.8%

OC JOBS FOCUSED IN IRVINE, ANAHEIM AND SANTA ANA

ORANGE COUNTY TOTAL JOBS BY ZIP CODE, 2026



The City of Irvine continues to act as a regional hotspot for employment with an estimated 305,487 jobs in 2026, followed by Anaheim (201,731 jobs) and Santa Ana (170,491). Approximately 53.9 percent of Irvine workers were residents, an increase of 1.1 percentage points over the past year, while the proportion of commuters declined from 47.2 percent to 46.1 percent.

HIGH-TECH DIVERSITY AND GROWTH

ORANGE COUNTY JUMPS 8 PLACES IN BEST PERFORMING CITIES RANK

OVERALL BEST PERFORMING CITY INDEX RANK IN ORANGE COUNTY AND PEER METRO AREAS, 2022–2026						
METRO REGIONS	2022	2023	2024	2025	2026	2025-2026 CHANGE
Austin, TX	2	2	1	6	9	-3
Seattle, WA	6	34	24	25	21	+4
Dallas, TX	10	6	8	19	35	-16
Riverside/San Bernardino, CA	22	15	68	53	49	+4
San Jose, CA	7	14	44	108	57	+51
San Diego, CA	42	38	37	71	94	-23
Orange County, CA	**69**	**56**	**78**	**113**	**105**	**+8**
Minneapolis, MN	119	103	102	125	128	-3
Los Angeles, CA	87	68	122	151	138	+13
Boston, MA	114	75	96	119	143	-24
San Francisco, CA	35	35	27	126	155	-29
Oakland, CA	53	61	112	131	179	-48

Source: Milken Institute, 2026 Best Performing Cities Report

Orange County rebounded in the Milken Institute's 2026 Best Performing Cities rankings, climbing by eight places from 113th in 2025 to 105th in 2026. This was fueled by significant improvements in three areas:

- High-Tech GDP Output (where Orange County rose from 108th to 83rd);
- Wage Growth (where it jumped from 174th place to 56th); and
- Gini Index Rank, which measures income inequality (and where Orange County improved from 146th to 95th).

Overall, results were largely mixed across the state. As Orange County saw its Best Performing Cities rank improve, San Diego County saw a dramatic decline, falling 23 places to 94th in 2026, and San Francisco County fell 29 places to 155th. On the other hand, San Jose rocketed up 51 places to 57th, Los Angeles County registered an improvement of 13 places (from 151st to 138th) and Riverside/San Bernardino climbed another four places to 49th. San Jose's significant rise was fueled by its meteoric rise in Wage Growth, skyrocketing from 191st in 2025 to first place in 2026.

ORANGE COUNTY IMPROVES FROM 3RD TO 2ND IN LOCATION QUOTIENT COUNTS

A Location Quotient (LQ) measures an industry's specialization or concentration in a given area compared to the national average. For instance, if retail accounts for five percent of jobs in the region but only one percent of jobs nationally, then that industry has a location quotient of five, indicating that this industry is five times more specialized or concentrated than the national average.

As shown below, Orange County currently ties Oakland for second place in Location Quotient Count, with 15 high-tech industries having location quotients greater than one, which means the county has a strong mix of highly concentrated, highly competitive industries. Orange County is behind only San Diego and is well above neighbors such as Los Angeles (8th) and Riverside/San Bernardino (152nd).

RANKINGS FOR LOCATION QUOTIENT COUNT IN ORANGE COUNTY COMPARED TO PEER METRO AREAS, 2025–2026

METRO REGIONS	2025 RANK	2026 RANK	CHANGE IN RANK
San Diego, CA	3	1	+2
Oakland, CA	1	2	-1
Orange County, CA	**3**	**2**	**+1**
San Jose, CA	7	4	+3
Los Angeles, CA	10	8	+2
Austin, TX	7	12	-5
San Francisco, CA	13	12	+1
Dallas, TX	13	12	+1
Minneapolis, MN	36	26	+10
Seattle, WA	36	48	-12
Boston, MA	68	70	-2
Riverside/San Bernardino, CA	138	152	-14

Source: Milken Institute, 2026 Best Performing Cities Report

HIGH-TECH GDP RANKING CONTINUES LAST YEAR'S IMPROVEMENT, JUMPS 25 PLACES TO 83RD

RANKINGS OF HIGH-TECH GDP OUTPUT IN 2023–2024 FOR ORANGE COUNTY AND PEER REGIONS, 2025–2026			
METRO REGIONS	2025 RANK	2026 RANK	CHANGE IN RANK
San Francisco, CA	97	32	+65
Boston, MA	81	36	+45
Seattle, WA	32	46	-14
Los Angeles, CA	49	52	-3
Riverside/San Bernardino, CA	25	64	-39
San Jose, CA	125	76	+49
Orange County, CA	**108**	**83**	**+25**
San Diego, CA	119	131	-12
Oakland, CA	127	152	-25
Dallas, TX	47	154	-107
Minneapolis, MN	164	165	-1
Austin, TX	45	200	-155

Source: Milken Institute, 2026 Best Performing Cities Report

Orange County's Milken High-Tech GDP ranking rose from 108th to 83rd. Its Location Quotient Count also rose, from 3rd to 2nd place.

OC HIGH-TECH CONCENTRATION SLIPS SLIGHTLY TO 27TH

REGIONAL RANKINGS FOR HIGH-TECH INDUSTRY CONCENTRATION FOR ORANGE COUNTY AND PEER REGIONS, 2025–2026			
METRO REGIONS	2025 RANK	2026 RANK	CHANGE IN RANK
San Jose, CA	1	1	0
San Francisco, CA	2	2	0
Seattle, WA	3	3	0
Austin, TX	6	10	-4
Oakland, CA	9	12	-3
San Diego, CA	14	15	-1
Dallas, TX	17	25	-8
Orange County, CA	**25**	**27**	**-2**
Boston, MA	37	36	+1
Minneapolis, MN	40	47	-7
Los Angeles, CA	46	52	-6
Riverside/San Bernardino, CA	151	159	-8

Source: Milken Institute, 2026 Best Performing Cities Report

Orange County's High-Tech Concentration ranking continued to decline, falling two places to 27th. The county's Broadband Access ranking also fell, from 4th place to 7th. Finally, despite an improved Gini Index ranking, the county's Housing Affordability ranking fell from 190th to 197th, illustrating again the region's extremely expensive housing market.

INCUBATORS AND ACCELERATORS IN ORANGE COUNTY

Orange County is home to a number of organizations that provide support and services to entrepreneurs and small businesses. These business incubators, or accelerators, provide entrepreneurs with the necessary tools and services required to turn business ideas into reality. Meeting and event spaces, networking opportunities, lab space, new technologies, access to mentors or advisors and potential access to capital are among the resources these organizations provide to help new businesses get started.

Orange County's primary incubators and accelerators include:

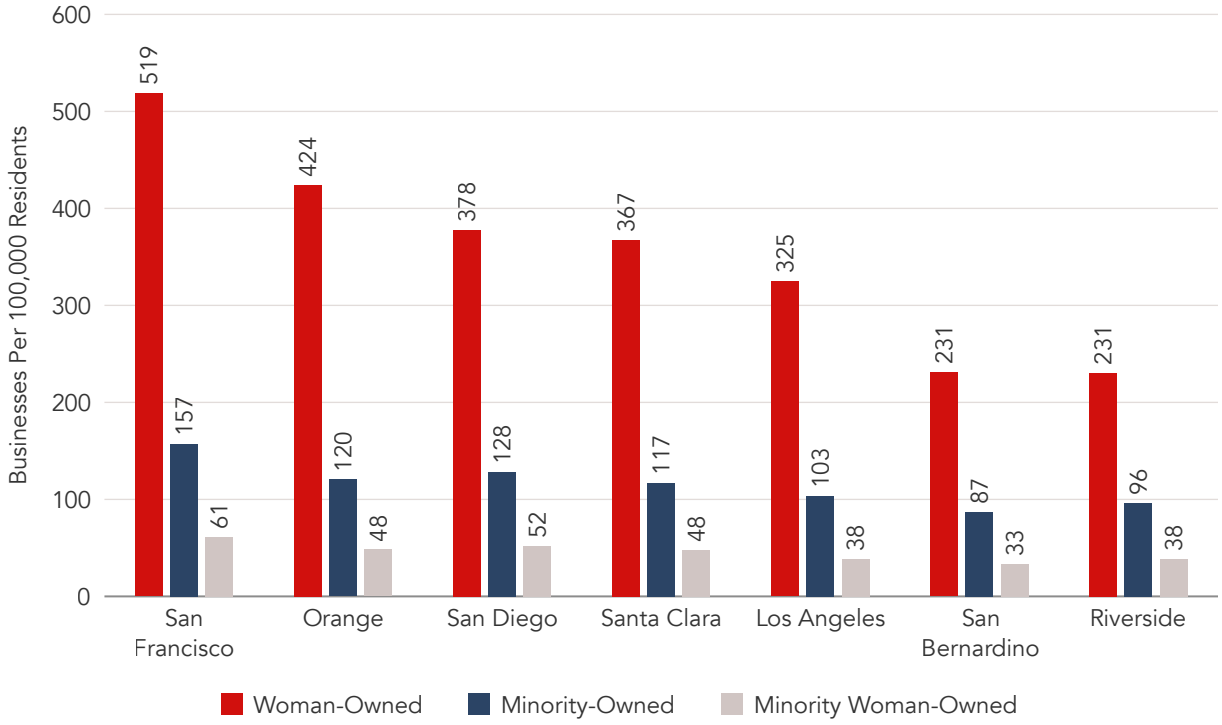
- UCI Beall Applied Innovation's Wayfinder Incubator, located at The Cove at UCI.[27]
- Chapman University's InterPhase Incubator, which supports early-stage ideas, and Instantaneous Accelerator, designed for companies that have already gained traction and require additional tools and support for growth.[28]
- University Lab Partners provides two state-of-the-art wet lab locations, including a 17,105-square-foot facility in Irvine and five private labs ranging from 850 to 1,500 square feet in Aliso Viejo. The organization also operates the 12-week REALIZE Accelerator for early-stage medical device, diagnostic and digital health companies[29] and the I-CREATE Accelerator Network, a joint initiative between ULP and the Biomedical Advanced Research and Development Authority, through which students can compete for up to $50,000.[30]
- The Research Institute at Rady Children's Hospital in Orange County launched a pediatric innovation incubator that provides state-of-the-art laboratory settings facilities for innovators and entrepreneurs focused on advancing pediatric health.
- OctaneOC, one of the region's premier incubators, provides accelerator programs including LaunchPad SBDC and the Mussallem Cardiovascular Accelerator. Overall, OctaneOC has assisted 2,514 companies since its inception, including 361 companies in 2025 alone, contributing 45,237 total jobs, of which 8,297 were associated with 2025 activity.[31]
- EvoNexus, following its closure in 2021 due to the pandemic, announced its reopening with a new Irvine location providing 5,000 square feet of space, including dedicated desks and lab facilities.[32]

[27] https://www.universitylabpartners.org/labspace
[28] https://www.universitylabpartners.org/
[29] https://www.universitylabpartners.org/accelerator
[30] University Lab Partners
[31] https://octaneoc.org/#impact
[32] https://evonexus.org/news/evonexus-re-opening-irvine-incubator/

DIVERSITY IN BUSINESS

ORANGE COUNTY SEES YEAR-OVER-YEAR INCREASES IN MINORITY-OWNED AND MINORITY WOMAN-OWNED BUSINESSES

REGIONAL WOMAN-OWNED, MINORITY-OWNED AND MINORITY WOMAN-OWNED BUSINESSES PER 100,000 PEOPLE, 2026



Source: Dun & Bradstreet, Market Insight

CHANGE IN REGIONAL WOMAN-OWNED, MINORITY-OWNED AND MINORITY WOMAN-OWNED BUSINESSES PER 100,000 PEOPLE, 2025–2026

	WOMAN-OWNED			MINORITY-OWNED			MINORITY WOMAN-OWNED		
	2025	2026	CHANGE	2025	2026	CHANGE	2025	2026	CHANGE
San Francisco	536	519	-3.3%	153	157	2.6%	55	61	11.2%
Orange	**432**	**424**	**-1.9%**	**116**	**120**	**3.8%**	**44**	**48**	**9.7%**
San Diego	388	378	-2.7%	132	128	-3.1%	47	52	10.1%
Santa Clara	372	367	-1.3%	111	117	5.6%	45	48	6.2%
Los Angeles	346	325	-6.2%	102	103	1.3%	37	38	3.2%
San Bernardino	244	231	-5.4%	94	87	-7.3%	37	33	-10.3%
Riverside	238	231	-3.1%	84	96	14.7%	31	38	23.4%

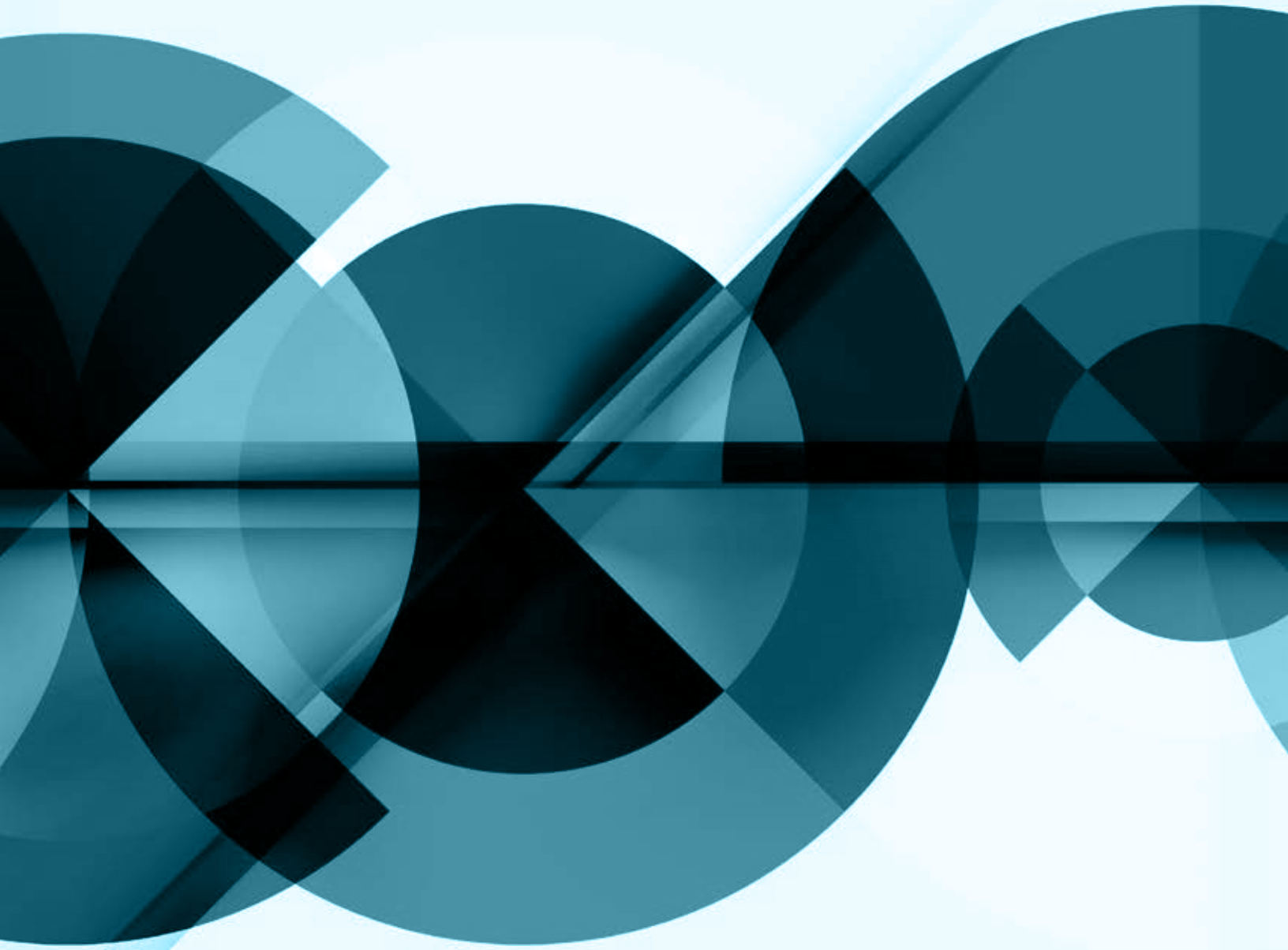
Source: Dun & Bradstreet, Market Insight; Percent changes are calculated using unrounded figures and may differ slightly from calculations using the displayed rounded values.

A year of economic uncertainty resulted in a declining number of women-owned businesses per 100,000 residents both in Orange County and across peer and neighboring counties. From 2025 to 2026, the number of women-owned businesses per 100,000 residents in Orange County declined by 1.9 percent, representing the second-smallest decline among peers and neighbors behind Santa Clara County. Los Angeles County, on the other hand, saw the largest drop (6.2 percent), followed by San Bernardino County, which declined by 5.4 percent, and San Francisco County which declined by 3.3 percent.

The number of minority-owned businesses per 100,000 residents increased by 3.8 percent in Orange County, while some counties, such as San Bernardino and San Diego, saw declines. Riverside County recorded a 14.7 percent increase, the largest among Orange County's peer and neighboring counties, while Santa Clara County had a 5.6 percent increase.

Looking at minority women-owned businesses per 100,000 residents, San Bernardino County was the only region to experience a decline, falling 10.3 percent between 2025 and 2026. Orange County recorded 9.7 percent year-over-year growth, exceeding growth in Santa Clara County (6.2 percent) and Los Angeles County (3.2 percent) but behind Riverside County (23.4 percent), San Francisco County (11.2 percent) and San Diego County (10.1 percent).

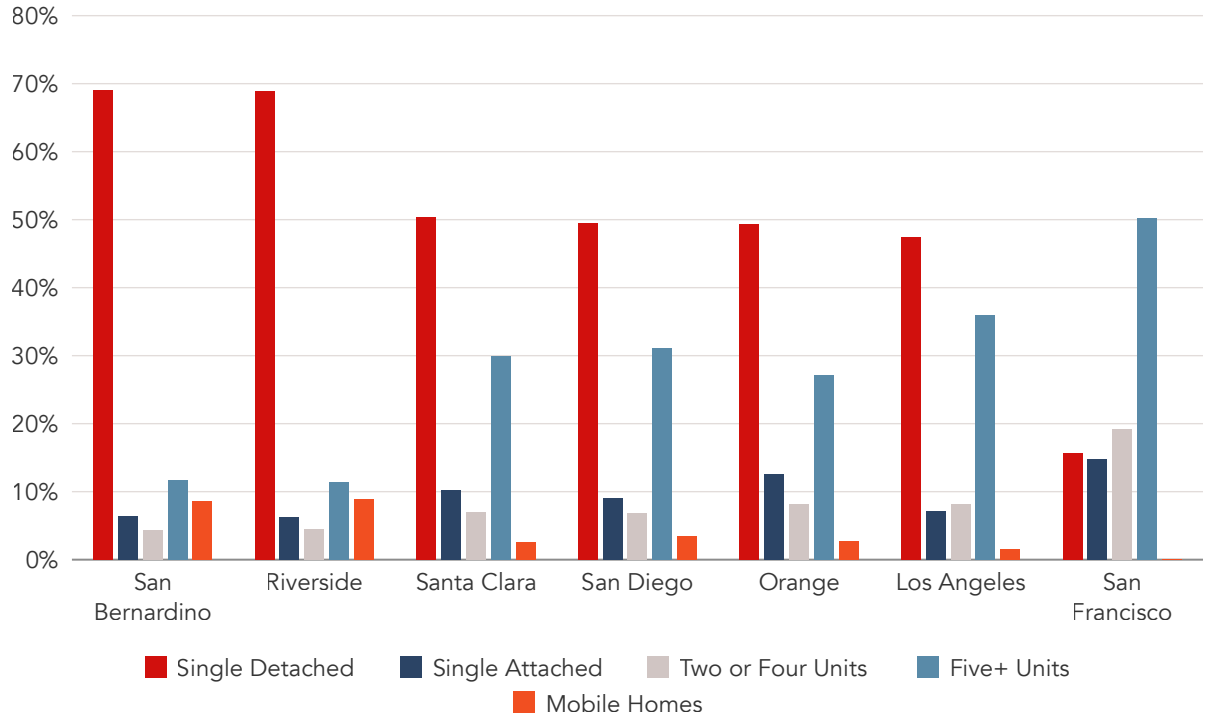
HOUSING



HOUSING LANDSCAPE

MULTIFAMILY UNITS CONTINUE TO DRIVE NEW HOUSING UNIT PRODUCTION

HOUSING STRUCTURES BY TYPE FOR PEER CALIFORNIA REGIONS, 2026



Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State — January 1, 2021-2026. Sacramento, California, May 2026.

Orange County added 6,150 housing units between 2025 and 2026, representing a 0.5 percent increase and bringing the county's total housing inventory to 1,170,029 units. Housing structures with five or more units per structure saw the largest increase over the past year, with 2,445 additions raising the total from 315,756 in 2025 to 318,201 in 2026. Structures with five or more units currently make up 27.2 percent of the county's housing units.

The number of single-detached housing units increased by 2,286, or 0.4 percent, while the number of single-attached housing units increased by 1,226, or 0.8 percent. Single-detached housing units account for nearly half (49.3 percent) of all Orange County housing units, while single-attached units account for 12.6 percent.

Orange County's housing vacancy rate of 5.1 remained consistent over the past year. Its rate was slightly above Santa Clara County's (4.7 percent) and equal to Los Angeles County's. Other neighbors had significantly higher rates, including San Diego County (6.0 percent), San Bernardino County (8.8 percent) and Riverside County (10.1 percent). The state average of 6.5 percent was also higher than Orange County's vacancy rate.

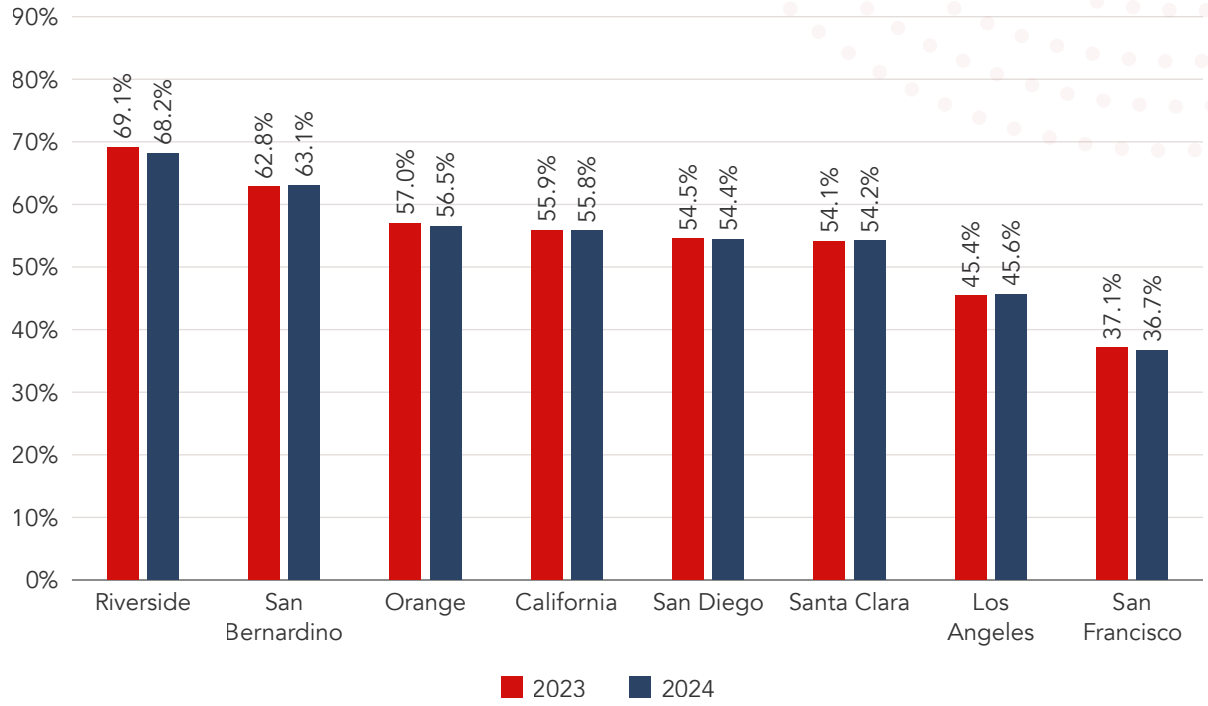
OC IN THE STATE OF THE NATION'S HOUSING

According to *The State of the Nation's Housing 2026,* a report by the Joint Center for Housing Studies of Harvard University, the Los Angeles-Long Beach-Anaheim metro area had the nation's sixth highest median income-housing cost ratio. Of 387 metro areas, only Santa Maria-Santa Barbara, Santa Cruz-Watsonville, Kahului-Wailuku, San Jose-Sunnyvale-Santa Clara and Urban Honolulu had higher ratios. In comparison, neighboring San Diego County had the 10th highest ratio while the Inland Empire had the 40th highest ratio.

As of 2026, the region's median home price was 10.5 times its median income; despite falling from 10.9 in 2025, this figure has more than doubled over the past forty years.

While seven of the nation's ten 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 54 percent since 2020. This growth is beginning to slow in recent years, with home price appreciation dropping to 0.7 percent as of February 2026, down from 4.0 percent last year and well below the 20.7 percent experienced in 2022.

HOMEOWNERSHIP RATE IN ORANGE COUNTY AND PEER REGIONS, 2023–2024

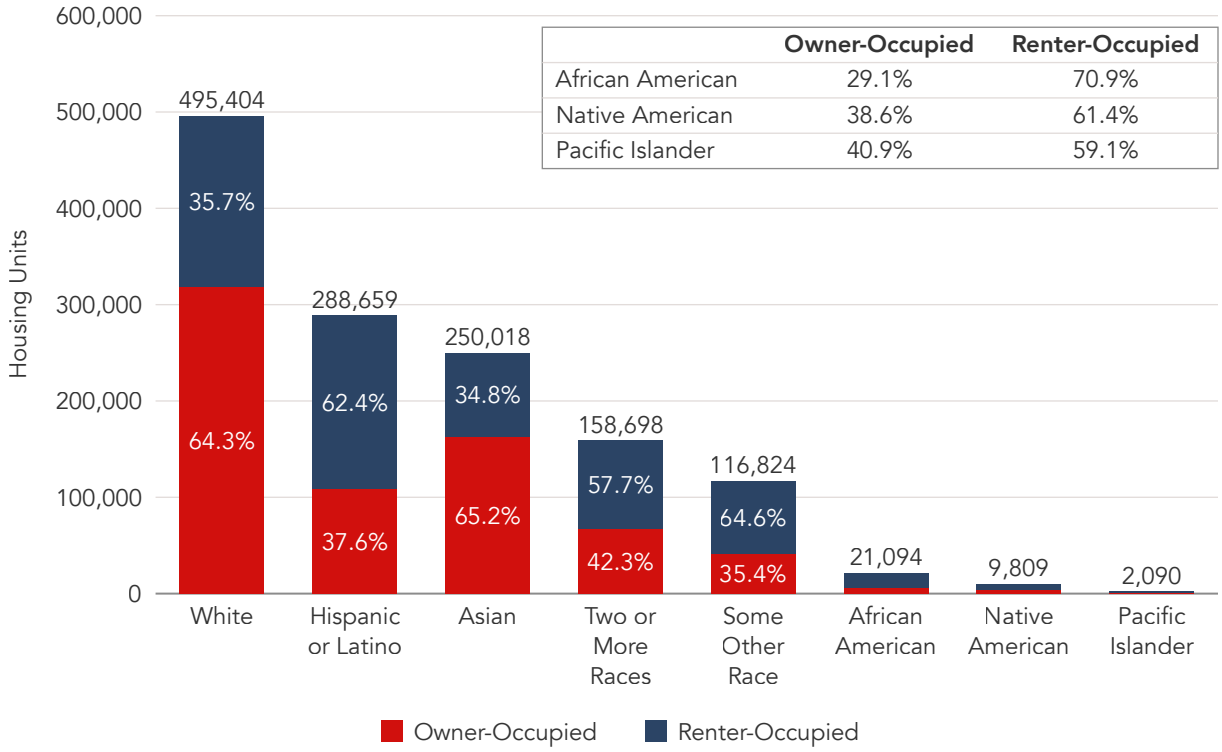


Source: U.S. Census Bureau, American Community Survey

Following high home prices and interest rates, Orange County's homeownership rate declined from 2023 to 2024, falling from 57.0 percent in 2023 to 56.5 percent in 2024. This was a larger decline than those recorded in San Diego County (0.1 percentage points), California (0.1 percentage points) and San Francisco County (0.4 percentage points). Riverside County was the only peer or neighboring county to experience a larger decline, falling 0.9 percentage points to 68.2 percent.

Only a few regions saw homeownership rates increase, including Santa Clara County (0.1 percentage points), Los Angeles County (0.2 percentage points) and San Bernardino County (0.3 percentage points).

OWNER- AND RENTER-OCCUPIED RATES OF HOMEOWNERSHIP BY MAJOR ETHNIC GROUPS IN ORANGE COUNTY, 2024



	Owner-Occupied	Renter-Occupied
African American	29.1%	70.9%
Native American	38.6%	61.4%
Pacific Islander	40.9%	59.1%

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

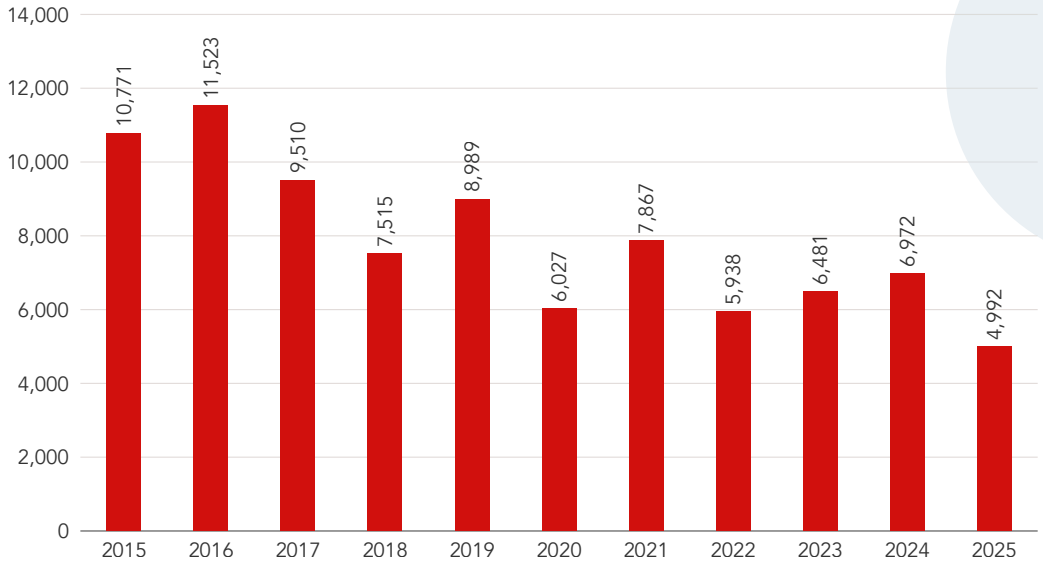
While White residents saw homeownership rates remain consistent at 64.3 percent, Asian residents saw strong growth with their homeownership rate increasing from 64.4 percent in 2023 to 65.2 percent in 2024, an improvement of 0.8 percentage points. Pacific Islander residents were the only other cohort to see homeownership rates rise over the past year, from 40.7 percent to 40.9 percent.

African American residents saw the largest overall decline in homeownership, with rates falling from 37.3 percent to 29.1 percent, a decrease of 8.2 percentage points. Homeownership rates for Native American residents fell by 2.6 percentage points to 38.6 percent, while homeownership rates for residents of Two or More Races fell by 2.5 percentage points to 42.3 percent and rates for Hispanic or Latino residents fell by 1.7 percentage points to 37.6 percent. Residents of Some Other Race had a homeownership rate of 35.4 percent, a year-over-year decrease of 0.5 percentage points and the second-lowest rate in the county.

In addition to addressing overall homeownership declines, policymakers should focus on disparities across demographic groups. With Asian residents having a homeownership rate of 65.2 percent compared with 29.1 percent among African American residents, these gaps represent a significant opportunity to improve housing equity across the region.

BUILDING PERMITS FALL TO UNDER 5,000

ORANGE COUNTY BUILDING PERMIT ANNUAL TRENDS, 2015–2025

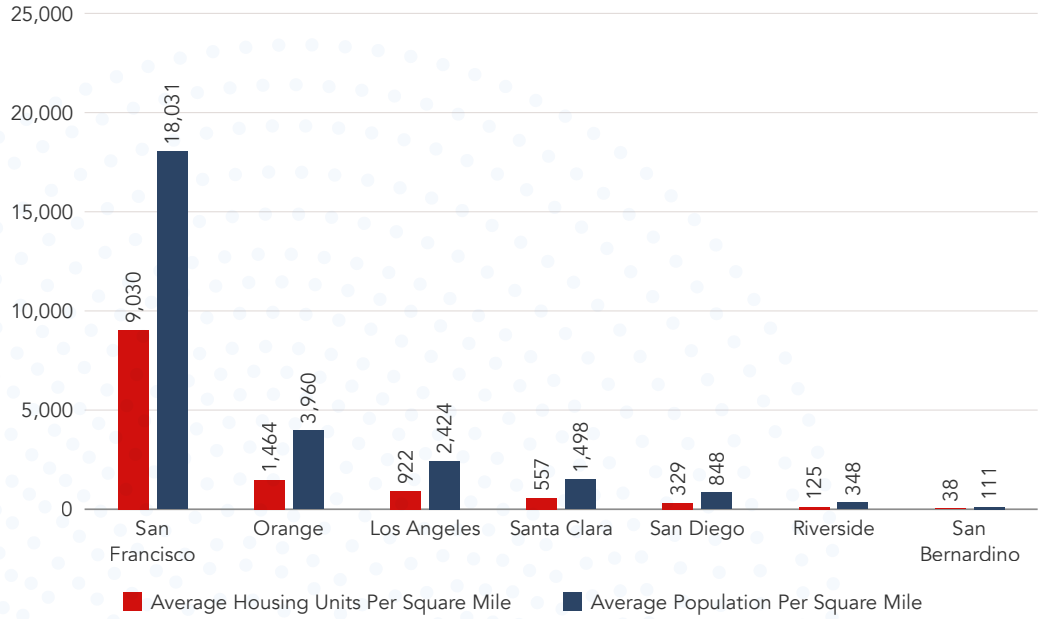


Source: U.S. Census Bureau's Building Permits Survey

After increasing in 2024, Orange County building permits plummeted in 2025, falling 28 percent to 4,992. This represents the second largest decline over the past decade, beat only by the 33.0 percent decline in building permits experienced from 2019 to 2020, when the pandemic hit, and well above the 24.5 percent decline seen from 2021 to 2022. Building permits in Orange County have not been this low since 2011, when there were only 4,352. With affordability concerns consistently hampering demand and rising construction costs hamstringing supply, the housing market remains in a delicate state.

NEARLY ALL REGIONS SEE RISING POPULATION AND HOUSING DENSITY

HOUSING UNIT AND POPULATION PER SQUARE MILE IN PEER CALIFORNIA COUNTIES, 2026

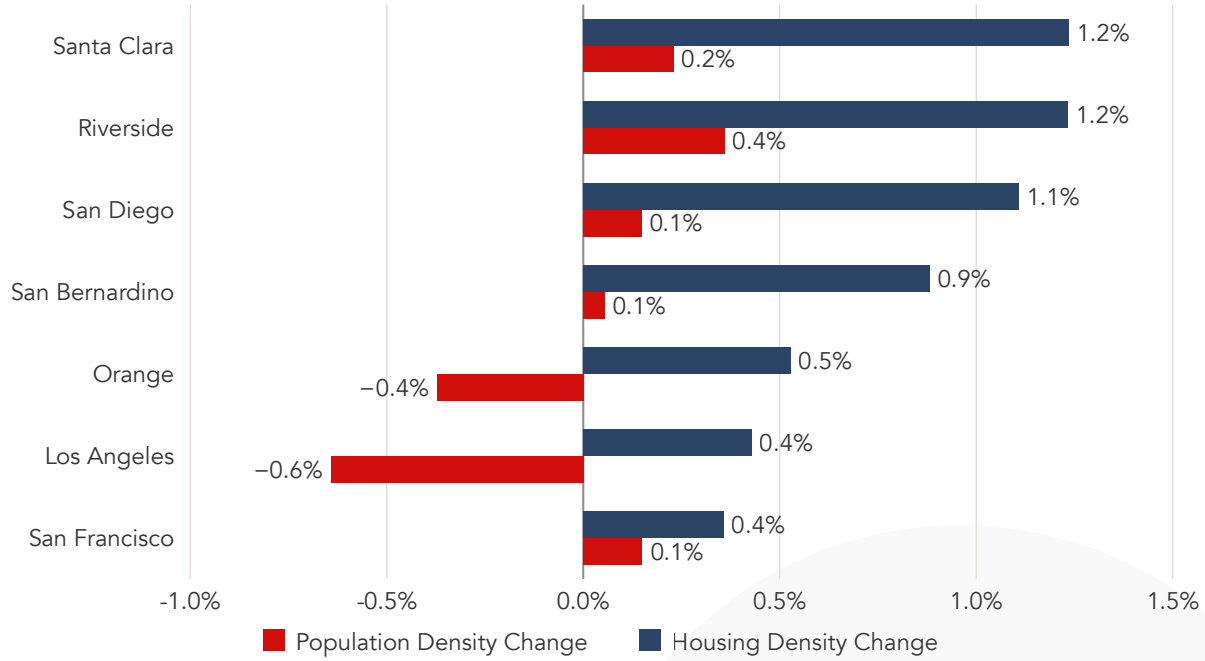


Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State — January 1, 2021-2026. Sacramento, California, May 2026.

Orange County's housing density increased from 1,457 housing units per square mile in 2025 to 1,464 in 2026. Santa Clara County saw the largest increase in housing density over this period, rising from 550 units per square mile to 557, an increase of 1.2 percent. Riverside County also recorded a 1.2 percent increase, followed by San Diego County (1.1 percent), San Bernardino County (0.9 percent), Orange County (0.5 percent) and Los Angeles and San Francisco counties (0.4 percent).

Orange County has Southern California's highest housing density. It also has the highest population density among neighboring counties, despite a slight 0.4 percent decline from 2025 to 2026, and currently has 3,960 residents per square mile. Los Angeles County's population density also declined by 0.6 percent, falling from 2,440 in 2025 to 2,424 in 2026, while all other peer and neighboring counties saw increases. Riverside County recorded the largest increase in population density, growing by 0.4 percent over the past year, followed by Santa Clara County (0.2 percent) and San Diego, San Bernardino and San Francisco counties (0.1 percent each).

YEAR-OVER-YEAR CHANGE IN POPULATION AND HOUSING DENSITY IN ORANGE COUNTY AND PEER REGIONS, 2025-2026



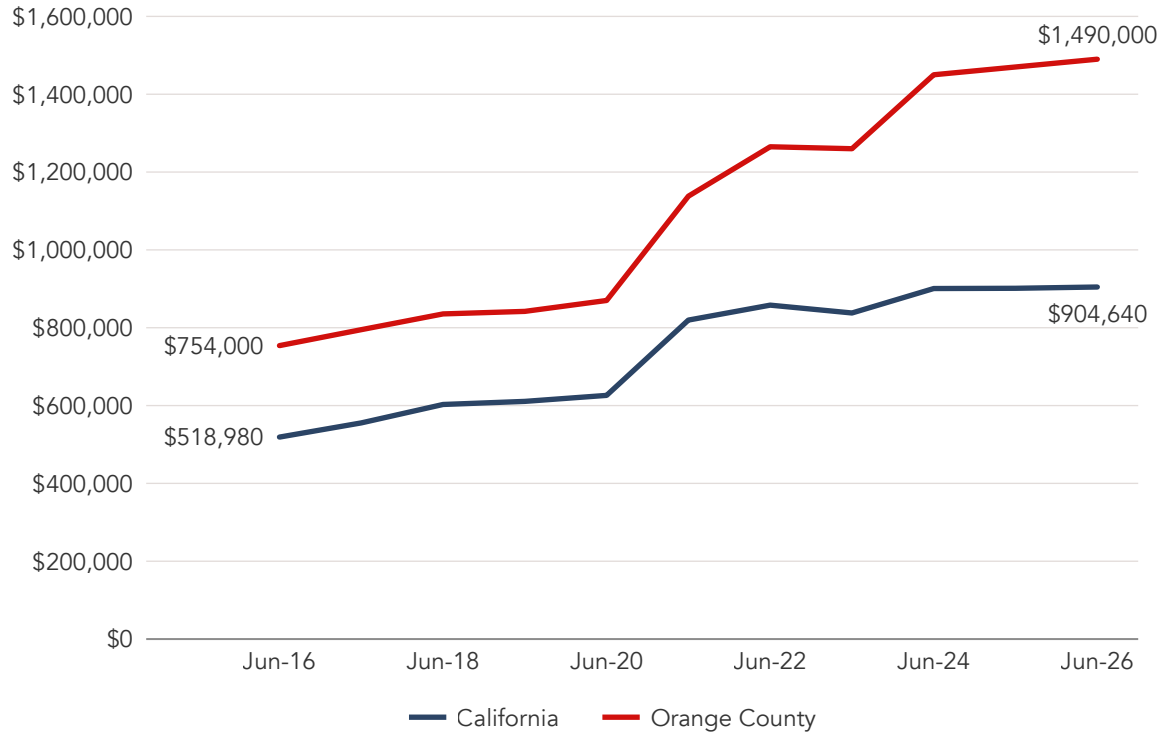
Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State — January 1, 2021-2026. Sacramento, California, May 2026.

As Orange County continues to wrestle with a high cost of living and a limited supply of housing, population growth is likely to remain muted. With multifamily units driving overall housing unit growth in Orange County, further accelerating the development of affordable workforce housing will help attract and retain residents.

HOUSING AFFORDABILITY

OC HOME PRICES CONTINUE RISING

MEDIAN EXISTING SINGLE-FAMILY HOME SALE PRICE IN ORANGE COUNTY AND CALIFORNIA, JUNE 2016–JUNE 2026

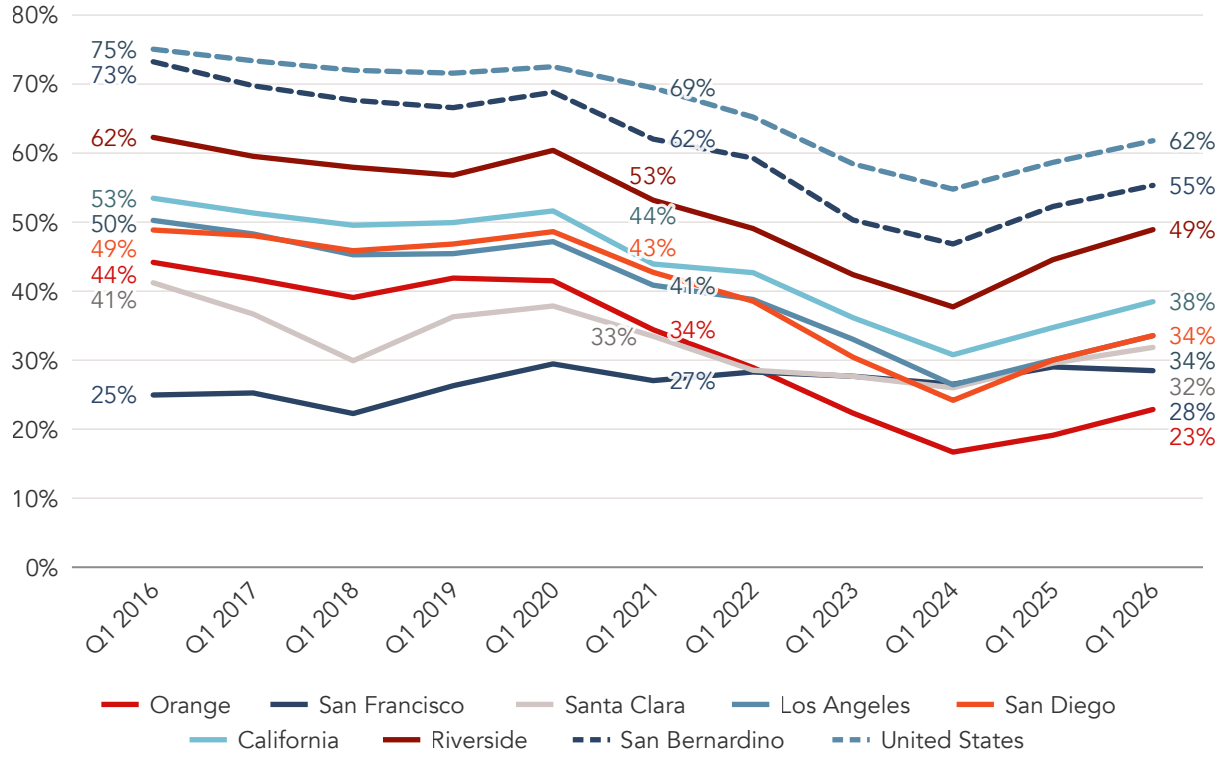


Source: California Association of Realtors, Current Sales & Price Statistics

Orange County home prices rose by $20,000 over the past year to a median home price of $1,490,000 in June 2026. The state's median home price was $904,640, which represents a year-over-year increase of only 0.4 percent compared with 1.4 percent in Orange County. Between June 2016 and June 2026, home prices in Orange County increased by an annual average of 7.2 percent, compared with 6.0 percent at the state level. The county's home prices increased by 97.6 percent over the past decade, which represents faster growth than the state average of 74.3 percent. These trends reflect sustained demand to live and work in Orange County, contributing to the region's longstanding housing affordability challenges.

FIRST-TIME HOME BUYER AFFORDABILITY IMPROVES

REGIONAL COMPARISON OF THE PERCENTAGE OF FIRST-TIME HOMEBUYERS ABLE TO AFFORD AN ENTRY-LEVEL HOME, Q1 2016–Q1 2026



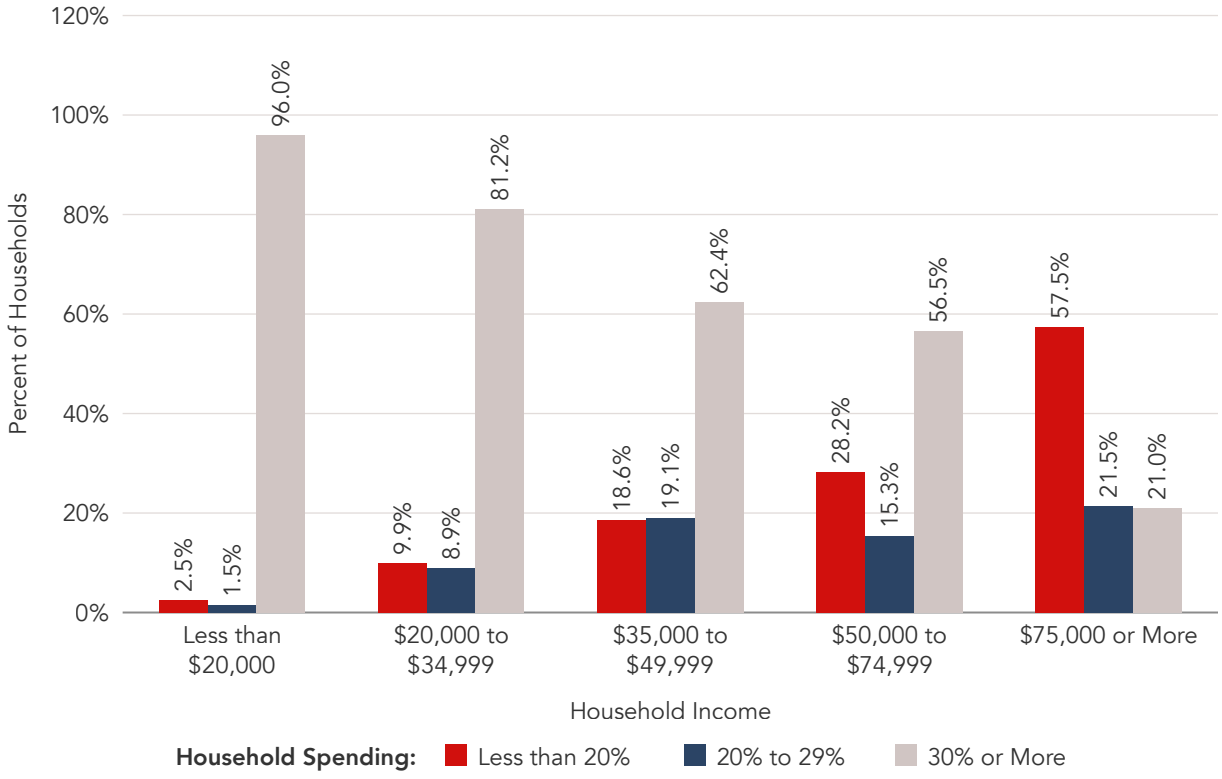
Source: California Association of Realtors, First-Time Home Buyer Affordability Index

As of Q1 2026, Orange County residents needed a minimum qualifying income of $350,400 to purchase a traditional median-priced home valued at $1,442,930 (average median home price from January through March 2026). This represents a decline of $22,800, or 6.1 percent, from Q1 2025's minimum qualifying income of $373,200. Overall, only 16 percent of Orange County residents could afford to purchase a traditional median-priced home in Q1 2026, a modest but meaningful improvement from 13 percent in Q1 2025.

While only 23 percent of first-time homebuyers could afford an entry-level home that costs 85 percent of the traditional median home price, this represents an improvement over Q1 2025 (19 percent). First-time homebuyers needed a minimum qualifying income of $230,400 to qualify for an entry-level home priced at $1,226,490 in Q1 2026. Orange County had the third-lowest affordability statewide for first-time homebuyers, behind only Santa Barbara County (19 percent) and Mono County (9 percent).

LOWER INCOME HOMEOWNERS FACE DISPROPORTIONATE IMPACTS FROM HIGH HOUSING COSTS

ORANGE COUNTY OWNER-OCCUPIED HOUSING COSTS AS A PERCENT OF INCOME, 2024

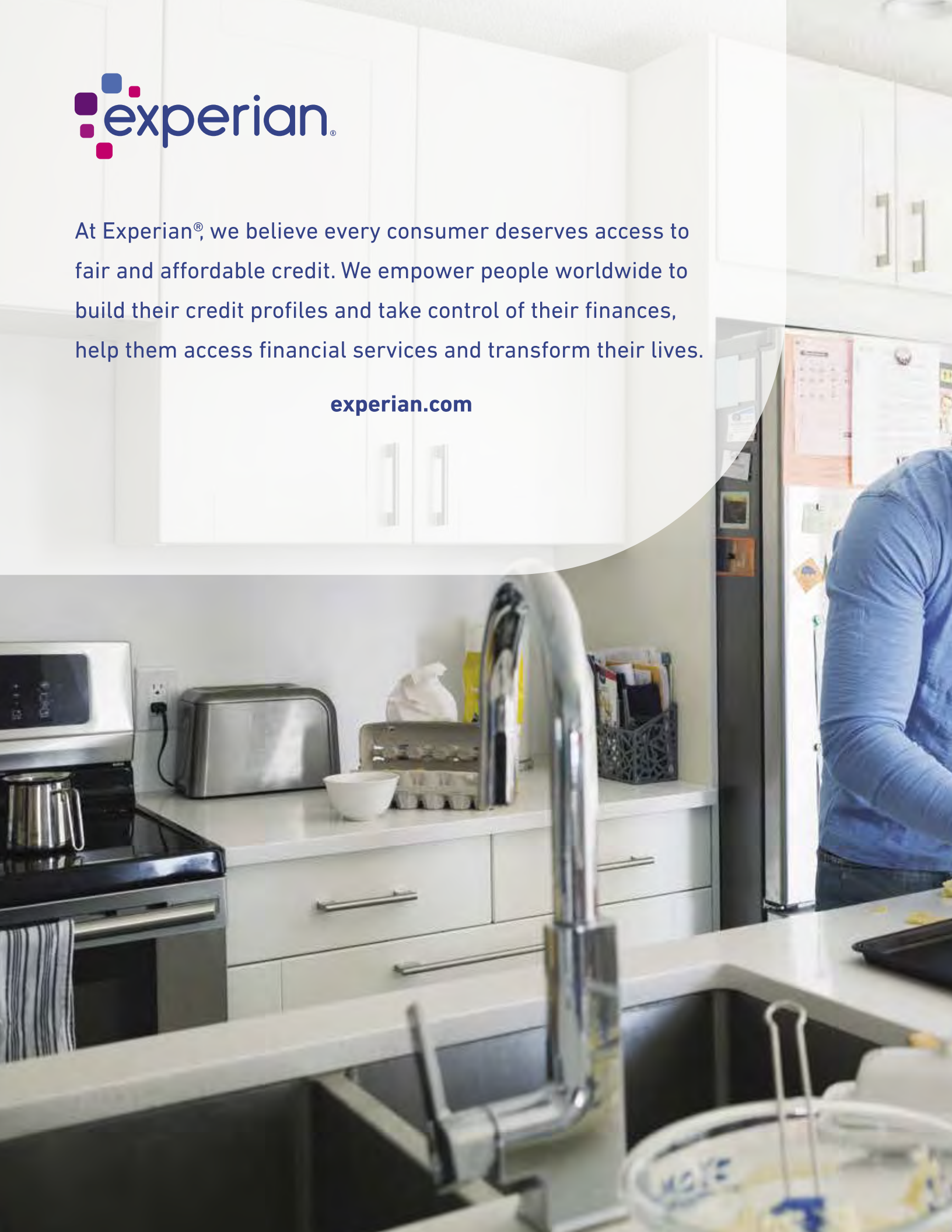


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

As of 2024, 96.0 percent of Orange County homeowners earning less than $20,000 per year spend at least 30 percent of their income on housing, representing a 2-percentage-point increase from the previous year and a strong illustration of how the county's cost of living impacts residents with lower incomes.

A similar pattern exists among households earning between $20,000 and $34,999 annually; 81.2 percent spent at least 30 percent of their income on housing, a year-over-year increase of 7.8 percentage points. Spending remained largely unchanged for groups with higher incomes.

Affordability concerns disproportionately impact less advantaged communities. This, in turn, limits their ability to save money or spend it on key necessities such as healthcare or childcare. These concerns, as well as homeownership's central role in wealth generation, mean that addressing them could help boost the growth and sustainability of Orange County's economy over the long term.



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After the COVID-19 pandemic, which resulted in population declines in both Orange County and California, the regional population has seen uneven fluctuations as residents continue to weigh the costs and benefits of living in the region. Looking at the California Department of Finance's Population Estimates and Components of Change dataset, net domestic migration in Orange County declined further from -15,060 in 2024 to -25,631 in 2025 at the same time as foreign immigration declined from 20,430 to 13,173, resulting in net migration of 12,458. Natural increase, or births minus deaths, added 8,288 residents, resulting in an overall population decline of 4,170 residents, or 0.1 percent, from 2024 to 2025. This compares to an increase of 13,611 residents, or 0.4 percent, recorded from 2023 to 2024. Overall, Orange County's population remains 17,526 residents, or 0.5 percent, below its 2020 census population level.[33]

Despite this decline, it should be noted that negative domestic migration was also seen at the state level; California lost 215,542 residents while attracting 126,473 immigrants, resulting in net migration of -89,069 between 2024 and 2025. High rates of natural increase, with 108,311 additional residents, helped increase California's population growth by 19,242 residents, resulting in a total population of approximately 39.53 million in 2025. With Orange County home prices 60.4 percent higher than the statewide average, potential residents are likely opting to live in lower-cost, more affordable neighboring regions. Both Riverside and San Bernardino counties, for instance, have seen population growth of 27,961 and 74,181, respectively, since the 2020 census, compared to Orange County's loss of 17,526 residents.[34]

Unless the county's limited housing supply is properly addressed by regional stakeholders and policymakers, this trend is likely to continue as an increasing proportion of new and existing residents are priced out of the county, putting its strong labor market, collaborative business environment and innovative academic landscape at risk.

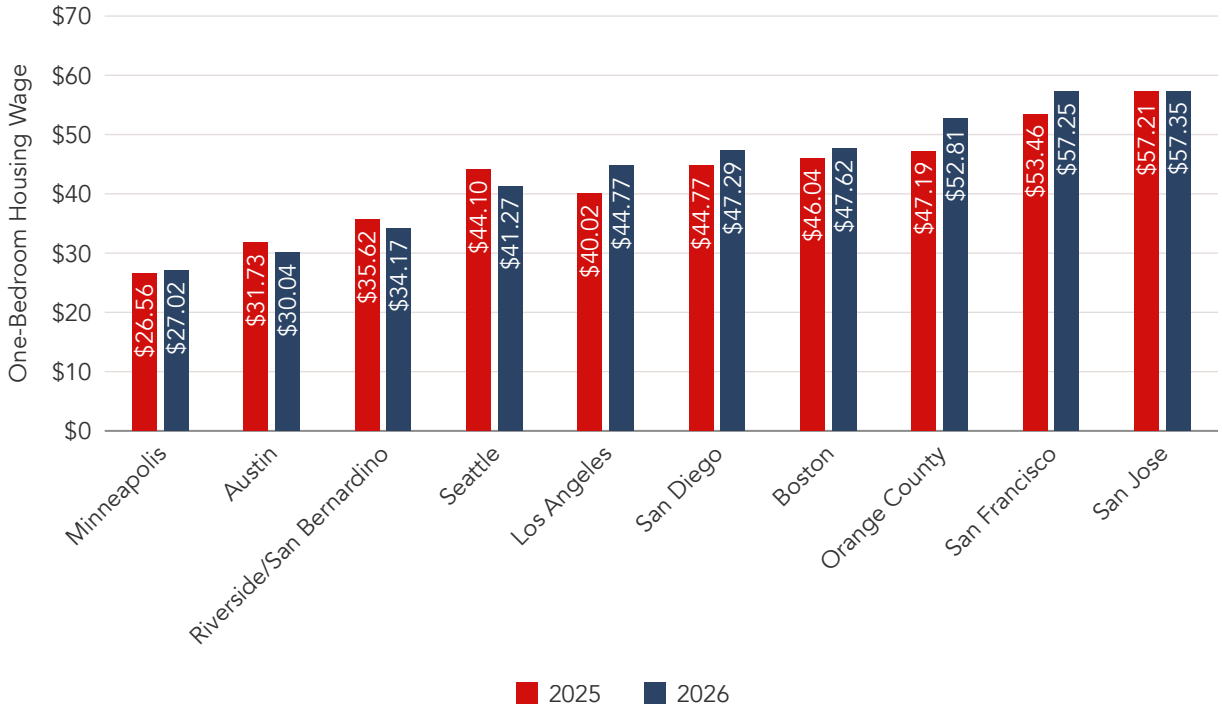
[33] State of California, Department of Finance, E-6. *California County Population Estimates and Components of Change by Year, July 1, 2020-2025*. Sacramento, California, December 2025.

[34] Ibid

RENTAL AFFORDABILITY

ORANGE COUNTY HOUSING WAGE FOR ONE BEDROOM APARTMENT WIDENS ITS LEAD OVER BOSTON

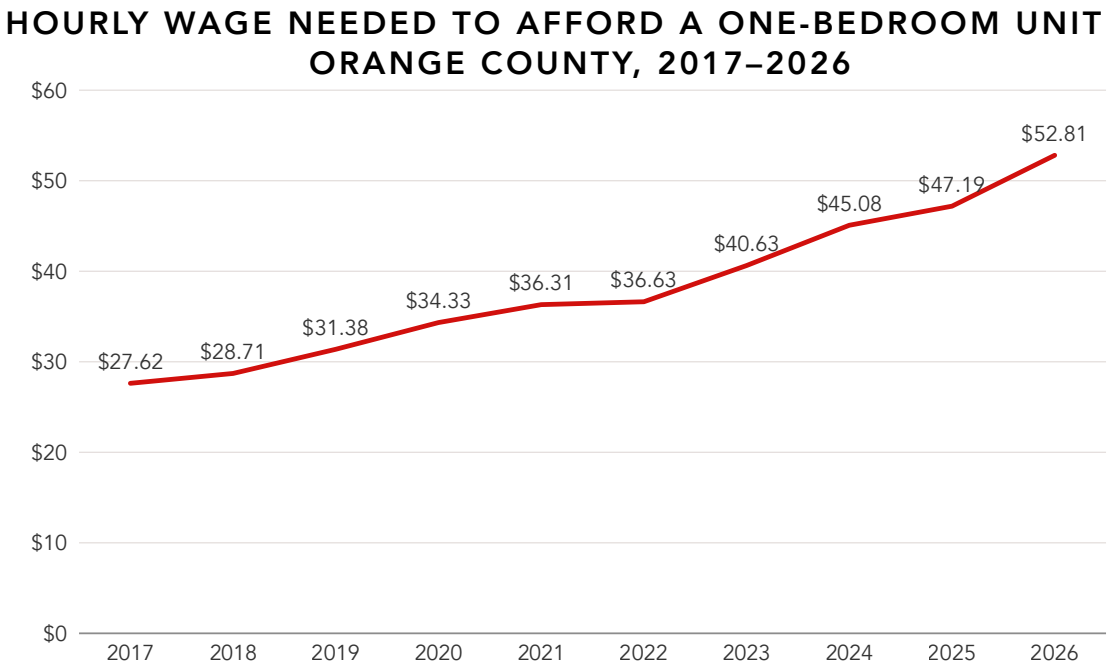
REGIONAL COMPARISON OF THE HOURLY WAGE NEEDED TO AFFORD A ONE-BEDROOM UNIT, 2025–2026



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.

Rental affordability in Orange County continued to decline as the hourly wage needed to afford a one-bedroom increased by 11.9 percent, from $47.19 in 2025 to $52.81 in 2026. This represents the largest increase in a decade, surpassing the 11.0 percent increase seen from 2023 to 2024 when the one-bedroom housing wage rose from $40.63 to $45.08. A minimum wage worker (making $16.90 per hour) would need to work 125 hours per week to afford a one-bedroom apartment in the county. Reflecting a continued lack of supply, Orange County's one-bedroom housing wage surpassed that of Boston in 2026. It was 18.0 percent higher than that of Los Angeles County and 54.6 percent higher than that of the Inland Empire (Riverside and San Bernardino counties).

ONE BEDROOM HOUSING WAGE JUMPS ALMOST 12 PERCENT



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.

Since 2017, Orange County's housing wage has risen by $25.19, or by 91.2 percent, or by an annual average of 7.6 percent.

RENT THAT OC MINIMUM WAGE WORKERS CAN AFFORD TO PAY PER MONTH INCREASES FROM $858 TO $879

RENTAL MARKET AFFORDABILITY IN ORANGE COUNTY, 2019–2026

FAIR MARKET RENT (MONTHLY)	2019	2020	2021	2022	2023	2024	2025	2026
One Bedroom	$1,632	$1,785	$1,888	$1,905	$2,113	$2,344	$2,454	$2,746
Two Bedroom	$2,037	$2,216	$2,331	$2,324	$2,539	$2,783	$2,903	$3,236
Three Bedroom	$2,862	$3,098	$3,227	$3,178	$3,448	$3,769	$3,927	$4,393
Amount a Household with One Minimum Wage Earner Can Afford to Pay in Rent (Monthly)	$624	$676	$728	$780	$806	$832	$858	$879
Number of Hours per Week a Minimum Wage Earner Must Work to Afford a One-Bedroom Apartment	105	106	104	98	105	113	114	125

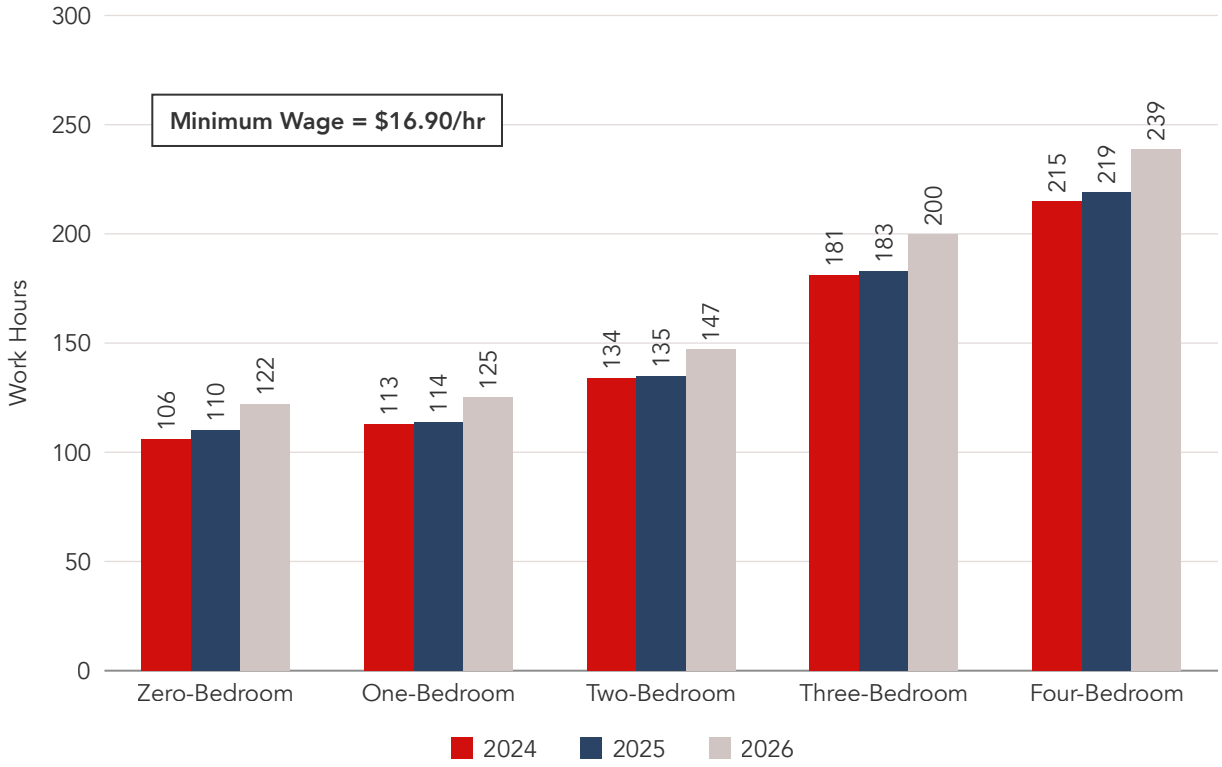
Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition.

Fair market rents for both one-bedroom and three-bedroom apartments in Orange County rose by 11.9 percent to $2,746 and $4,393, respectively, while fair market rent for a two-bedroom apartment increased by 11.5 percent to $3,236. At the same time, the minimum wage in Orange County rose by only 2.4 percent to $16.90 per hour.[35]

[35] https://www.dir.ca.gov/dlse/minimum_wage.htm

WEEKLY WORK HOURS REQUIRED TO AFFORD A ONE-BEDROOM APARTMENT REACHES 125

ORANGE COUNTY WORK HOURS PER WEEK REQUIRED BY HOUSING SIZE FOR MINIMUM WAGE WORKERS, 2024–2026

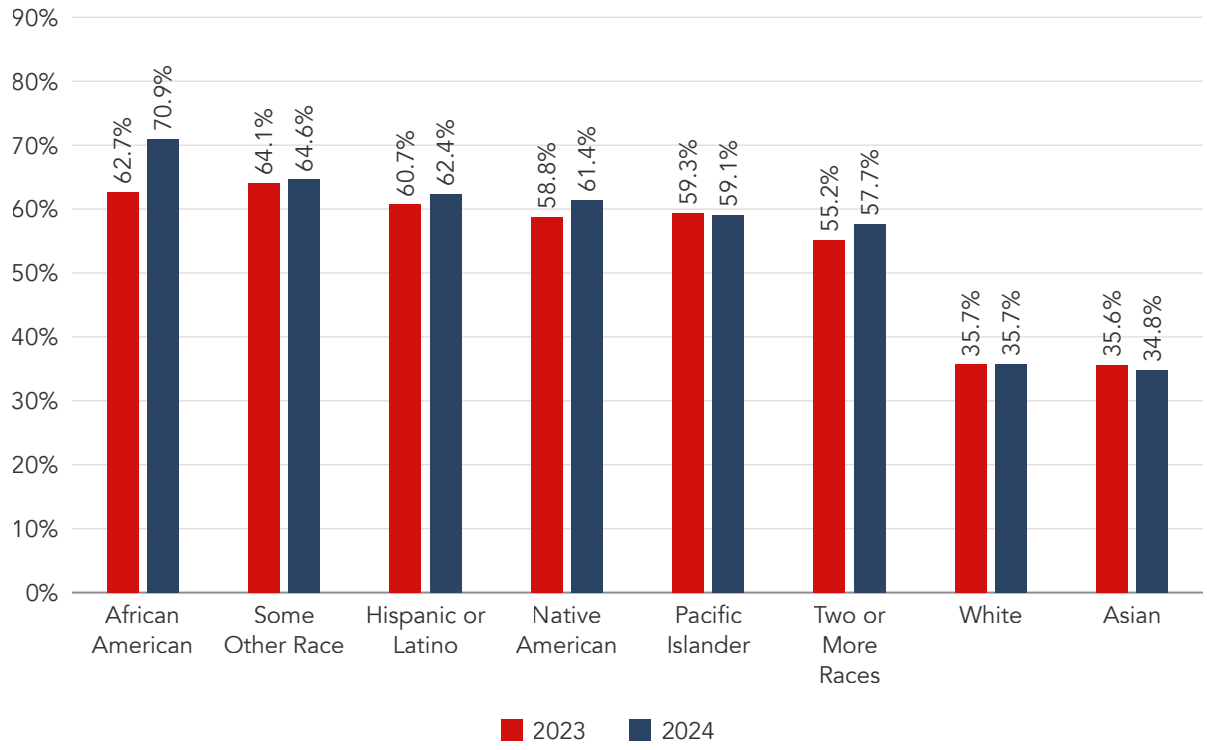


Sources: Community Indicators Report analysis of Fair Market Rent data from the U.S. Department of Housing and Urban Development using the methodology of the National Low Income Housing Coalition; State of California Department of Industrial Relations, Minimum Wage.

A minimum wage worker in Orange County, where the minimum wage increased from $16.50 to $16.90 over the past year, would need to work 125 hours a week to afford a one-bedroom apartment. This represents an increase of 11 hours above the 114 work hours required in 2025 and 12 hours above the 113 work hours required in 2024. The number of minimum wage hours required for a four-bedroom apartment increased from 219 to 239, an increase of 20 hours from 2025 to 2026. With median home prices remaining near record highs, an expensive rental market further alienates young families and professionals as finding an affordable apartment becomes increasingly challenging. This, in turn, threatens to impede regional population growth as these young families and professionals search for more affordable options in neighboring regions such as Riverside and San Bernardino counties.

OC RENTERSHIP TRENDS VARY BY ETHNIC COMMUNITY

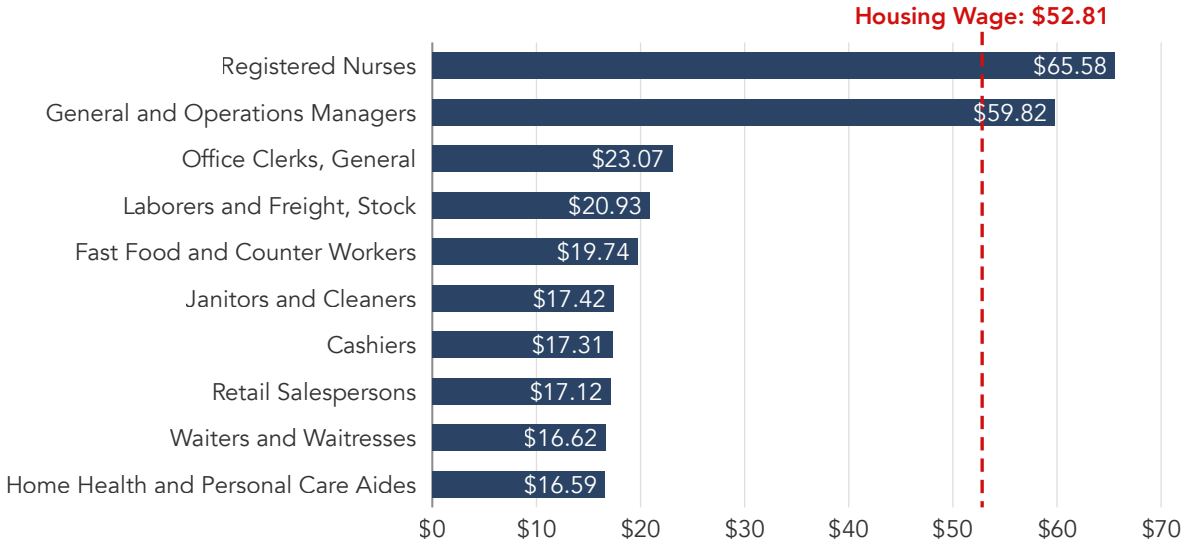
RENTER-OCCUPIED HOUSING RATES BY RACE OR ETHNICITY IN ORANGE COUNTY, 2023 AND 2024



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

In 2024, the proportion of Asian and Pacific Islander residents who were renting in Orange County declined by 0.8 percentage points (to 34.8 percent) and 0.2 percentage points (to 59.1 percent), respectively, while White residents saw their proportion of renters remain steady at 35.7 percent. African American residents saw the largest increase in the proportion of renters, jumping 8.2 percentage points from 62.7 percent to 70.9 percent, followed by Native American residents (2.6 percentage points), residents who identify as Two or More Races (2.5 percentage points) and Hispanic or Latino residents (1.7 percentage points). The increase in the proportion of African American, Native American and residents who identify as Two or More Races who rent indicates that additional work is needed across the region to improve housing equity. Ensuring all residents have access to affordable housing will help not only attract and retain residents in the county, but also help reinforce the local labor market, further driving employment growth and regional economic activity.

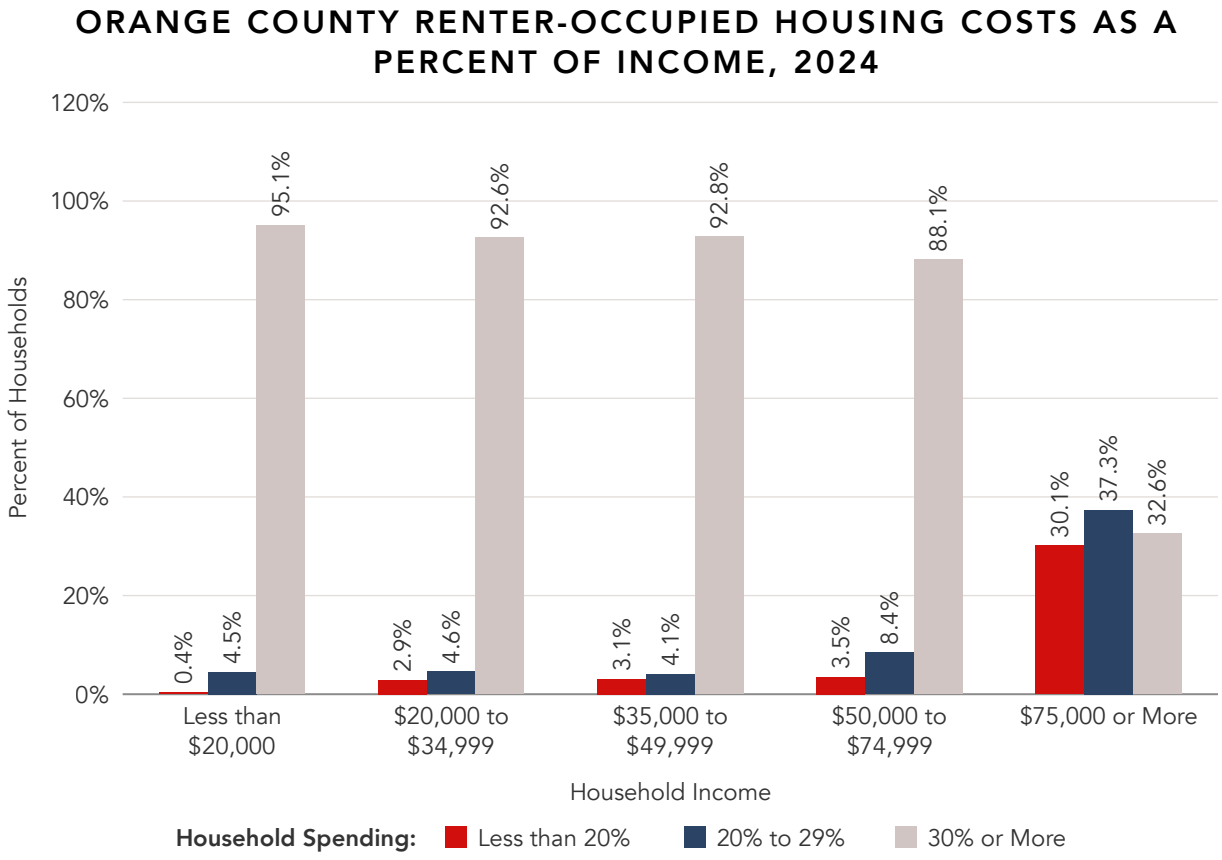
MEDIAN HOURLY EARNINGS* FOR LARGEST OCCUPATIONS IN ORANGE COUNTY COMPARED TO HOUSING WAGE, 2026



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; Lightcast.
**Median hourly wages are measured for 2025.*

Reflecting the affordability concerns discussed above, of the region's largest occupations, only two had median hourly wages above the 2026 one-bedroom housing wage of $52.81. Registered Nurses and General Operations Managers had median hourly wages that were 24.2 percent and 13.3 percent, respectively, above the regional one-bedroom housing wage. The only occupation to see its median hourly wage outpace the one-bedroom housing wage over the past year was Fast Food and Counter Workers, which saw growth of 16.9 percent, as median hourly wages rose from $16.88 to $19.74.

PROPORTION OF RENTERS SPENDING MORE THAN 30 PERCENT ON HOUSING INCREASES FOR BOTH LOW- AND HIGH-INCOME GROUPS

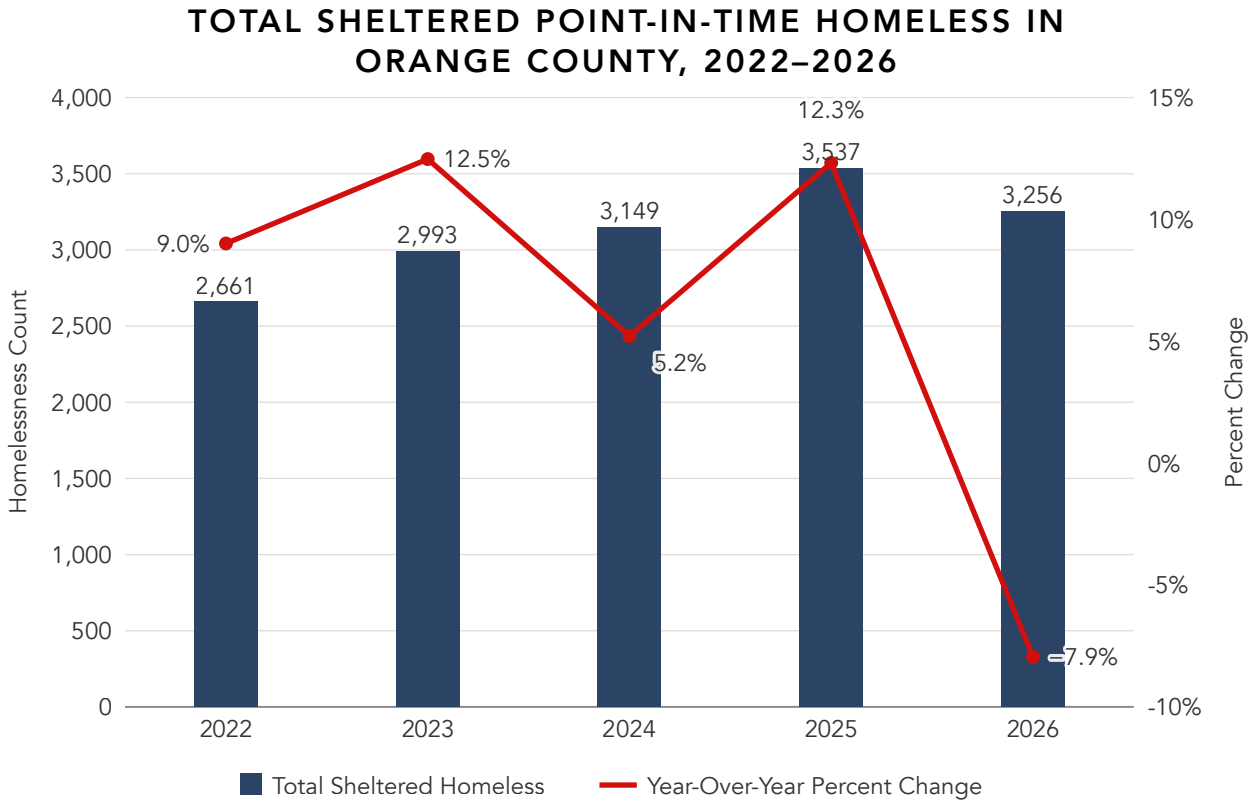


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

As housing prices continue to outpace overall wage increases, Orange County workers at all income levels struggle to keep spending on housing low. For Orange County renter households making less than $20,000, the proportion of households spending 30 percent or more on housing increased from 92.8 percent to 95.1 percent, representing an increase of 631 households from 2023 to 2024. At the same time, the proportion of households making more than $75,000 who spent 30 percent or more of their income on housing increased from 31.2 percent to 32.6 percent, representing an increase of 11,723 households. The $20,000 to $34,999 and $35,000 to $49,999 income groups saw declines in the proportion of households spending 30 percent or more of their income on housing of 0.3 percentage points and 2.3 percentage points, respectively. While higher income groups are more easily able to absorb rising housing costs, even these households are beginning to feel the pain.

HOUSING SECURITY

ORANGE COUNTY'S SHELTERED HOMELESS POPULATION DECREASES DESPITE COST-OF-LIVING CHALLENGES



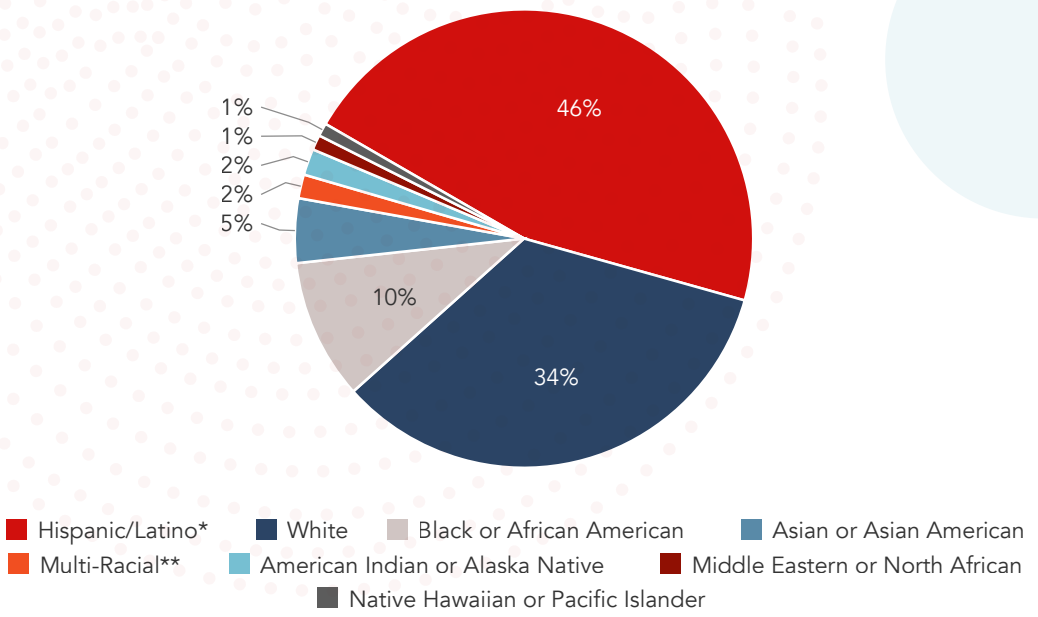
Source: Orange County 2-1-1, 2026 Sheltered Point in Time Count

Orange County's high cost of living, especially its expensive housing market, means that homelessness continues to be a significant concern. Fortunately, despite recent economic challenges, the number of Orange County residents living in sheltered homeless arrangements declined from 3,537 in 2025 to 3,256 in 2026.

About half of the county's sheltered homeless individuals (1,598, or 49.1 percent, of the total sheltered homeless population) were in North Orange County, while 1,456, or 44.7 percent, were in Central Orange County and only 202, or 6.2 percent, were in South Orange County. Anaheim had the county's largest sheltered homeless population (891), followed by Santa Ana (601). Only three South Orange County cities had sheltered homeless populations: Laguna Beach (57), San Clemente (39) and Lake Forest (18).

Approximately 15.5 percent of Orange County's sheltered homeless population was under 18 (around 506 individuals), while 9.9 percent (324 individuals) was over 65.

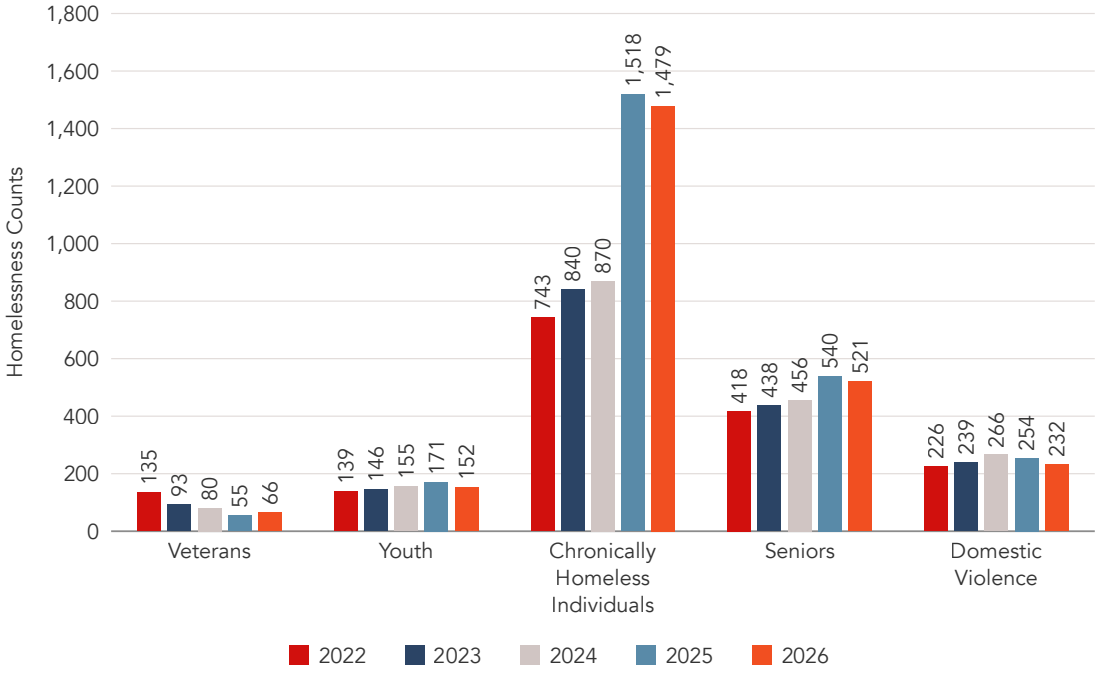
PROPORTION OF SHELTERED POINT-IN-TIME HOMELESS BY RACE/ETHNICITY IN ORANGE COUNTY, 2026



Source: Orange County 2-1-1, 2026 Sheltered Point in Time Count
**Hispanic or Latino includes individuals of Hispanic or Latino ethnicity of any race.*
***Multi-Racial does not include Hispanic or Latino populations.*

Hispanic or Latino (of any race) residents represented the largest proportion of sheltered homeless individuals in Orange County at 46 percent, an increase from 40 percent the year before. The proportion of White residents declined from 39 percent to 34 percent, while the percentage of Black or African American residents remained at 10 percent. The proportion of Asian or Asian American sheltered homeless residents increased from 4 percent to 5 percent, while the proportion of Multi-Racial sheltered homeless residents declined from 4 percent to 2 percent.

SHELTERED HOMELESS COUNTS BY SPECIAL POPULATIONS IN ORANGE COUNTY, 2022–2026



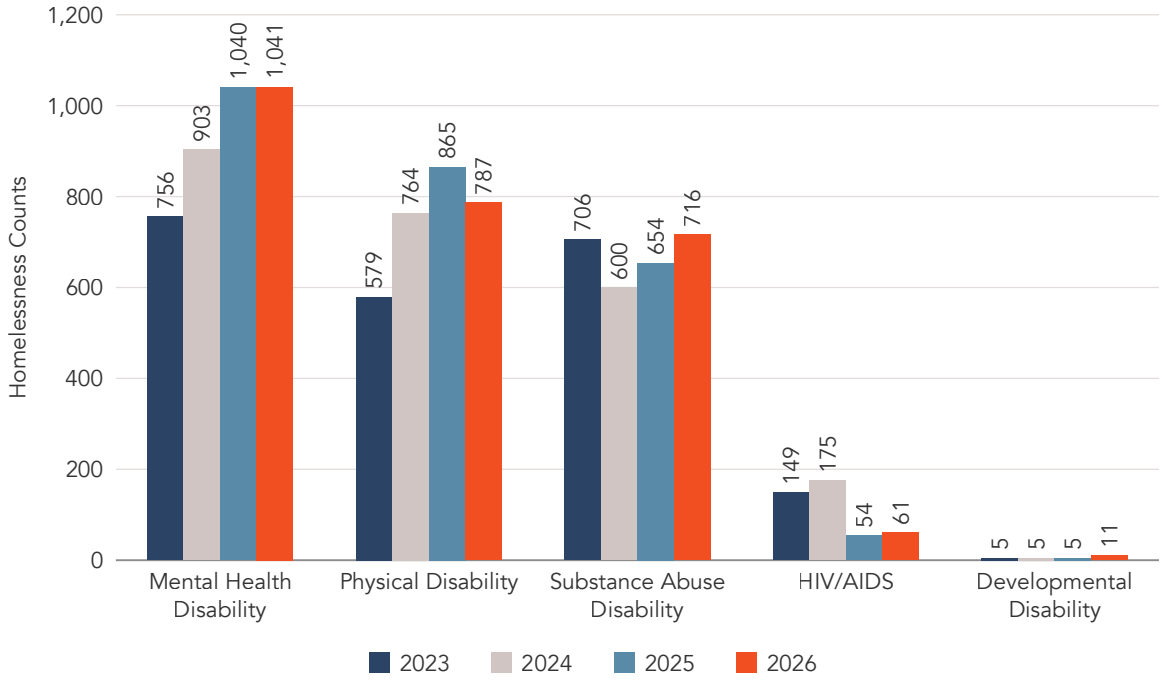
Source: Orange County 2-1-1, 2026 Sheltered Point in Time Count

Orange County's veteran sheltered homeless population increased by 20 percent. Groups that experienced declines included:

- Youth (a decline of 11.1 percent);
- Survivors of Domestic Violence (8.7 percent);
- Seniors (3.5 percent); and
- Chronically Homeless Individuals (2.6 percent).

These declines among some of the county's most vulnerable populations may reflect progress in connecting residents with housing, support or other living arrangements.

DISABILITIES REPORTED BY PERSONS SHELTERED IN ORANGE COUNTY, 2023–2026



Source: Orange County 2-1-1, 2026 Sheltered Point in Time Count

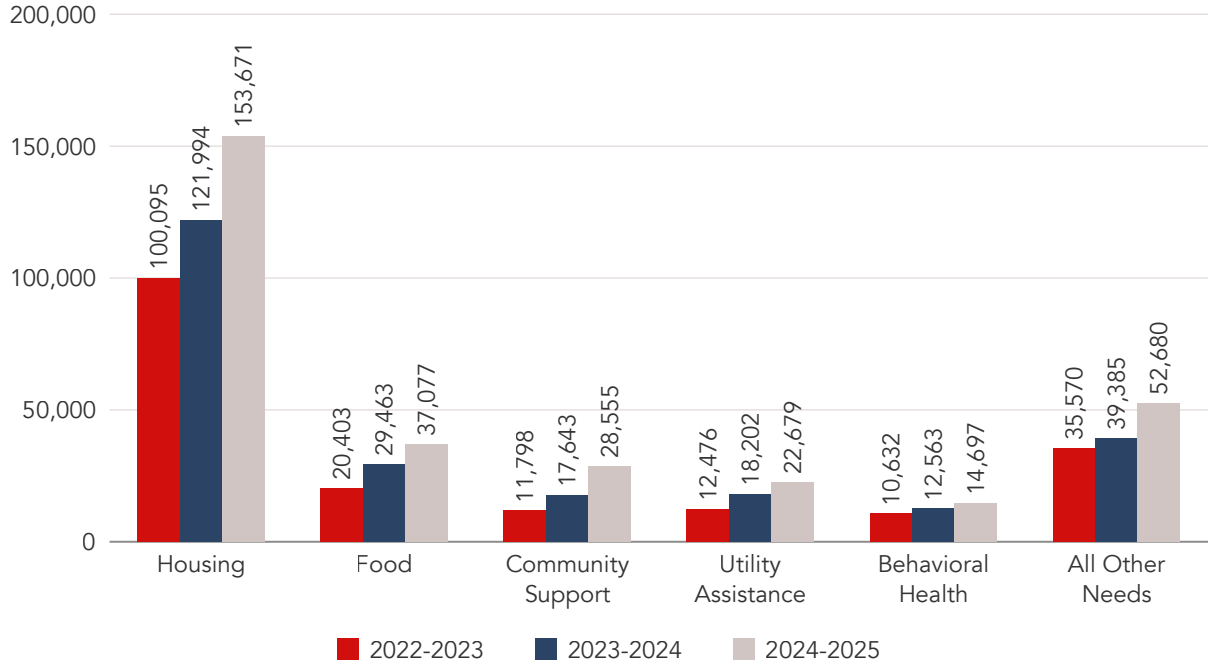
The number of sheltered homeless individuals with physical disabilities declined by 9 percent. The largest increase occurred among sheltered homeless individuals with substance abuse disabilities, which jumped by 9.5 percent, followed by sheltered homeless individuals with HIV/AIDS, which increased by seven individuals, or 13 percent; sheltered homeless individuals with developmental disabilities, which increased from five to 11 individuals; and sheltered homeless individuals with mental health disabilities, which rose by one individual, or 0.1 percent.

One local organization is devoted to serving Orange County's sheltered homeless population, which includes some of the county's most vulnerable residents. 2-1-1 Orange County (211OC) works to connect the region's most vulnerable populations with crucial health and human services. Founded in 1984, 211OC has provided critical support services for residents seeking information on topics ranging from affordable housing and job placement to food programs and health insurance. An important link between vulnerable populations and community-based programs offered by local nonprofits and government agencies, 211OC has valuable data and insight into Orange County's more at-risk populations, helping to highlight regional successes as well as potential gaps in services. These findings have been published in 211OC's *The Pulse of Orange County* report, which highlights the level of demand and supply for services through both contacts and referrals.

Overall contacts to 211OC totaled 450,180 in 2024–2025, a decline of 10 percent over the past year following a 6 percent increase the previous year (contacts are how many times 211OC has been contacted either through calls, texts or online by residents with requests for assistance). Text contacts have increased by 63 percent over the past three years, reflecting ubiquitous cell phone usage, while calls increased by 8 percent and web searches fell by 18 percent.

Total referrals, or the number of resident requests for assistance that resulted in referrals, have increased dramatically. They rose from 190,974 in 2022–2023 to 309,359 in 2024–2025, an increase of 62 percent, largely due to an increase in referrals per request from three to five, indicating increasing needs among families and more complex client situations.[36]

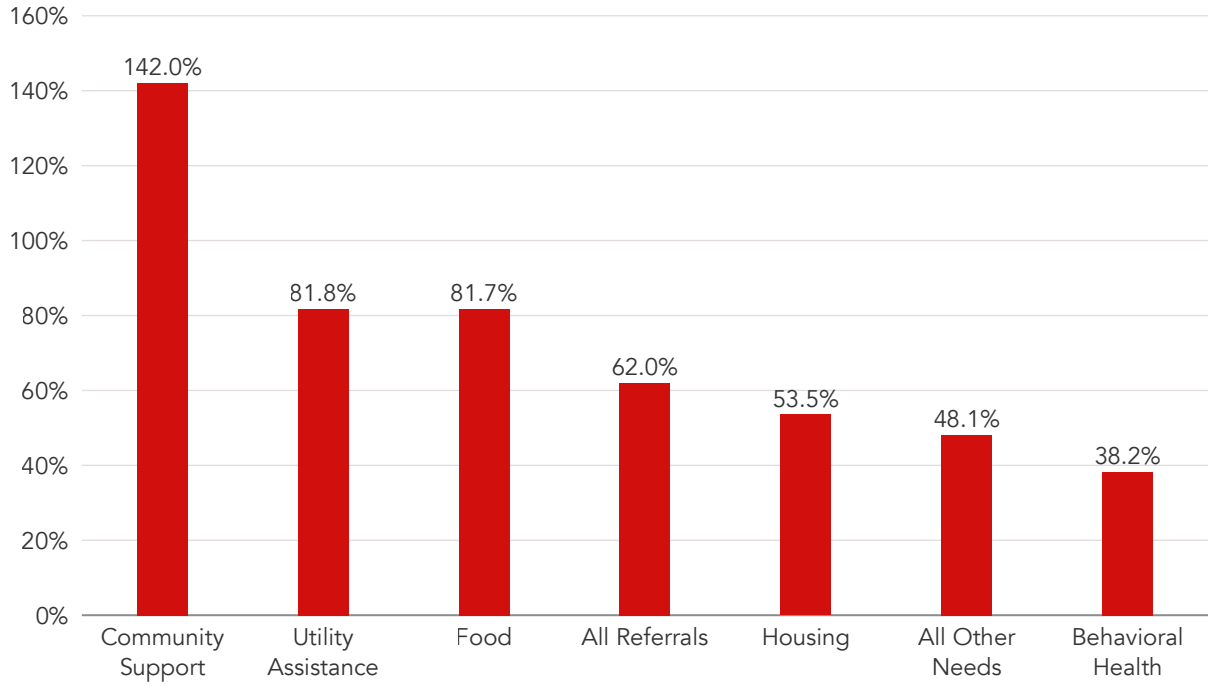
TOTAL REFERRALS PROVIDED BY 211OC, 2022–2023 TO 2024–2025



Source: 211OC Contact Center Data; The Pulse of Orange County

[36] 2-1-1 Orange County, Orange County United Way, Bishop, CJ., Walrod, W., McCann, D., Andrade, E., DeRycke, E., Duong, E., & Goode, H. (2026). Pulse of Orange County. https://unitedwayoc.org/wp-content/uploads/2026/05/2026_211OC_PulseofOC_Report_8.5x11_r1_ref050626_Web.pdf

THREE-YEAR CHANGE IN REFERRALS PROVIDED BY 211OC, 2022–2023 TO 2024–2025



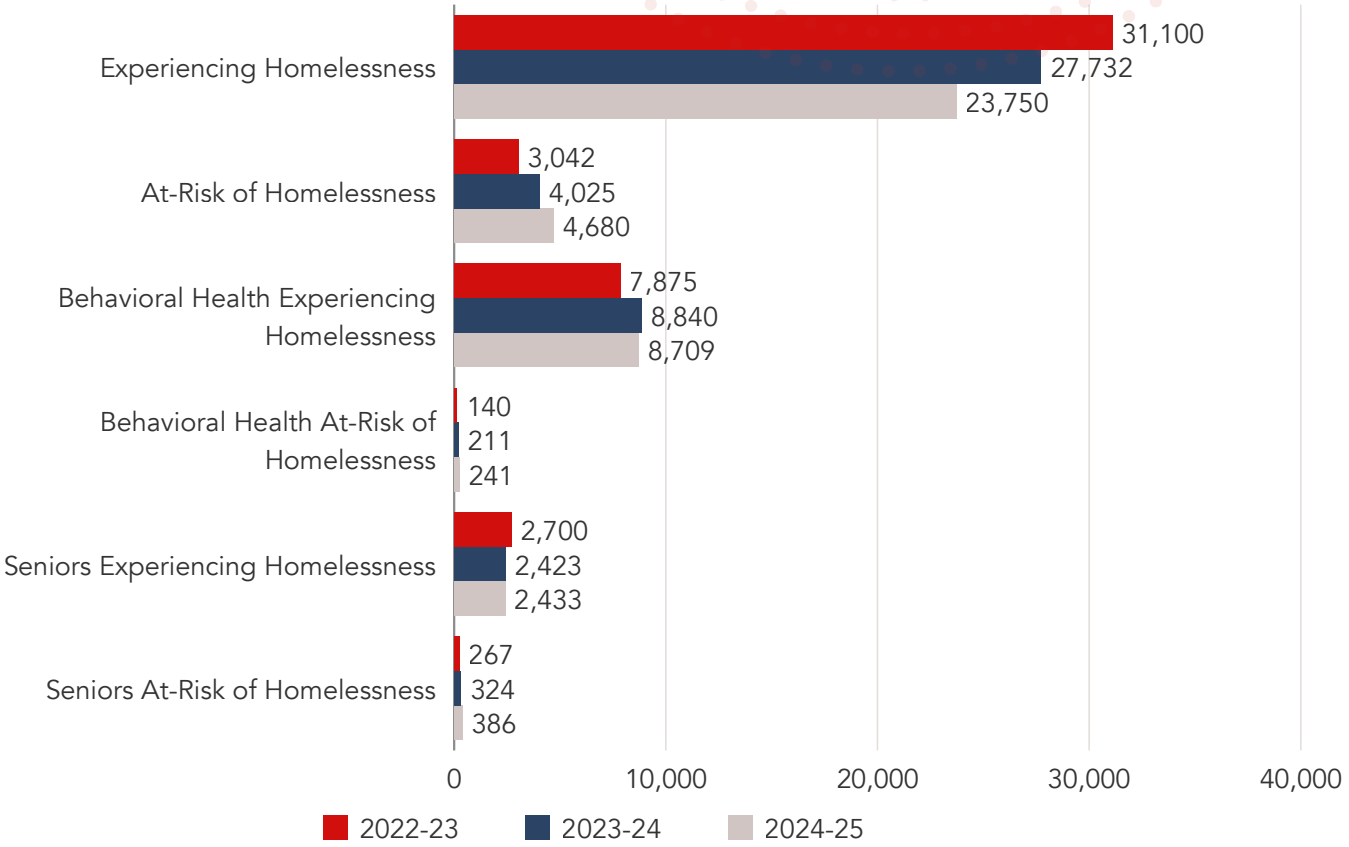
Source: 211OC Contact Center Data; The Pulse of Orange County

Housing referrals were the largest proportion of overall referrals, totaling 153,671, or 49.7 percent, of all referrals. While Housing referrals increased 53.5 percent over the past three years, their proportion of the total has slowly declined from 52.4 percent in 2022–2023 to 51.0 percent in 2023–2024 and again to 49.7 percent in 2024–2025. Over the past three years, Community Support referrals saw the largest increase, jumping 142.0 percent from 11,798 in 2022–2023 to 28,555 in 2024–2025. Utility Assistance referrals saw the second-largest increase from 2022–2023 to 2024–2025, rising 81.8 percent, followed by Food referrals, which jumped 81.7 percent over the same time period.

Referrals for All Other Needs increased from 35,570 to 52,680, an increase of 48.1 percent over the past three years. The "All Other Needs" category includes services such as healthcare, behavioral health, income support, education, employment, legal services, transportation and other community-based resources.[37]

[37] 2-1-1 Orange County, Orange County United Way, Bishop, CJ., Walrod, W., McCann, D., Andrade, E., DeRycke, E., Duong, E., & Goode, H. (2026). Pulse of Orange County. https://unitedwayoc.org/wp-content/uploads/2026/05/2026_211OC_PulseofOC_Report_8.5x11_r1_ref050626_Web.pdf

HOMELESSNESS AND AT-RISK HOMELESSNESS IN ORANGE COUNTY, 2022–2023 TO 2024–2025



Source: 211OC Contact Center Data; The Pulse of Orange County

While 211OC's *2026 The Pulse of Orange County* estimates that the number of residents experiencing homelessness in Orange County has declined from 31,100 in 2022–2023 to 23,750 in 2024–2025, a drop of 7,350, or 23.6 percent, the number of individuals with behavioral health concerns experiencing homelessness has increased by 10.6 percent. Total behavioral health referrals by 211OC increased 38 percent over the past three years, with the sharpest increases in substance use-related referrals including detoxification services (74 percent) and substance use disorder (SUD) treatment programs (69 percent).

Senior referrals from 211OC also saw significant increases, more than doubling over the past three years. The largest increases from 2022–2023 to 2024–2025 in senior-related referrals were in food assistance (183 percent), housing-related support (154 percent) and community support services (145 percent).

Despite recent improvements, Orange County's "at risk of homelessness" population has steadily increased from 3,042 in 2022–2023 to 4,025 in 2023–2024 and further to 4,680 in 2024–2025. The U.S. Department of Housing and Urban Development (HUD) defines individuals "at risk of homelessness" as residents who:

- Have annual incomes at or below 30 percent of their region's median family income;
- Do not have sufficient resources or support networks; and
- Meet one of the following conditions:
    - o moving two or more times in the last 60 days due to economic reasons;
    - o living in another's home;
    - o imminent lease termination;
    - o living in unsubsidized hotels or motels;
    - o housing unit with more than 1.5 persons per room;
    - o exiting a system of care; or
    - o are experiencing an unstable living situation.[38]

The number of individuals with behavioral health issues at risk of homelessness increased from 140 to 241 over the past three years; the senior population at risk of homelessness also increased from 267 to 386.

While the increasing "at risk of homelessness" population reflects significant challenges, it may also reflect the work of organizations such as 211OC, which has recently prioritized homelessness prevention and expanded access to its services.

[38] https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/four-categories/at-risk-of-homelessness/

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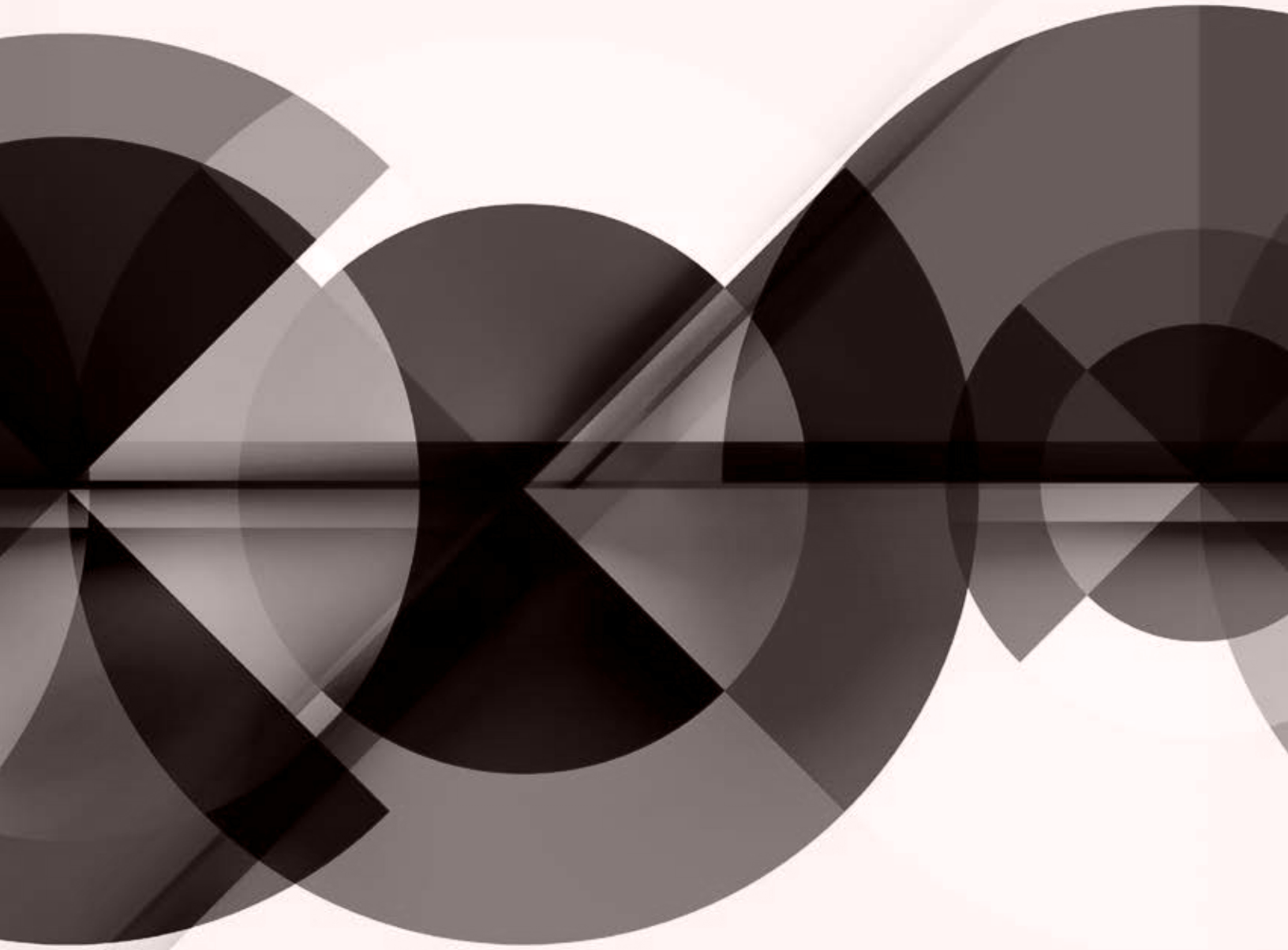
Irvine Northwood Branch
4860 Irvine Blvd., Suite 100
Irvine, CA 92620
Phone: (714) 559-6298

Irvine Parkview Branch
5351 University Dr.
Irvine, CA 92612
Phone: (949) 551-1991

Irvine Branch
15323 Culver Dr.
Irvine, CA 92604
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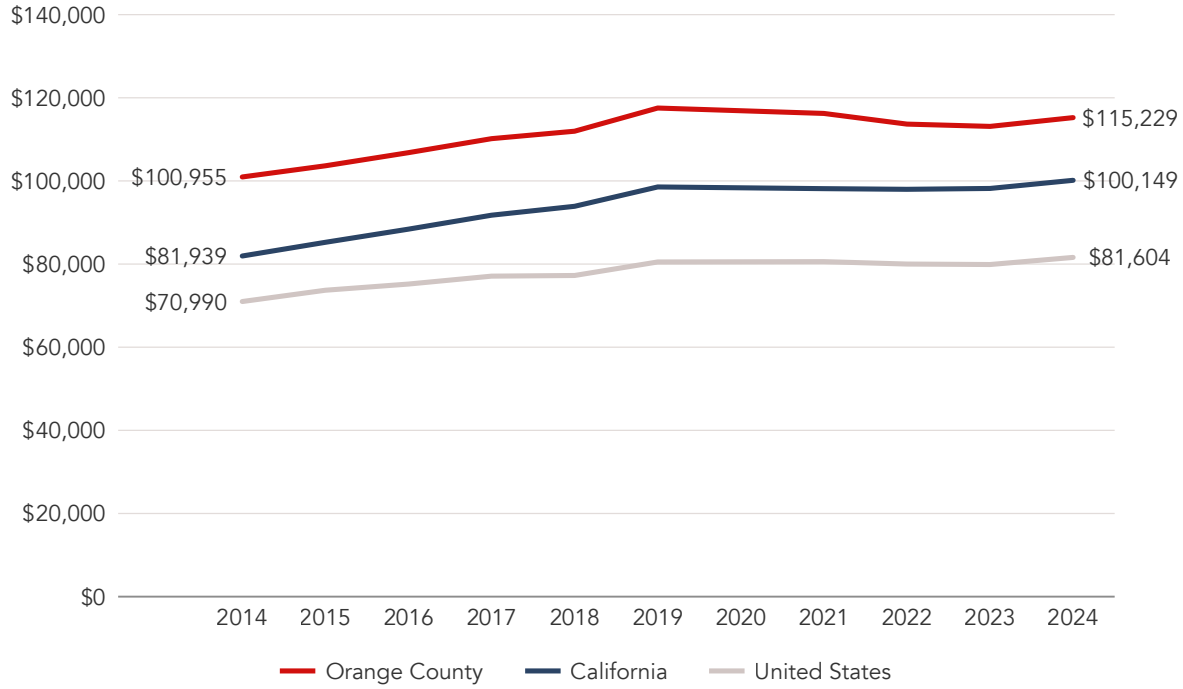
INCOME



HOUSEHOLD INCOME

INFLATION-ADJUSTED INCOMES RISE BY 2 PERCENT

MEDIAN HOUSEHOLD INCOME (INFLATION-ADJUSTED TO 2024 DOLLARS), ORANGE COUNTY, CALIFORNIA AND UNITED STATES, 2014-2024



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 increased to $115,229 in 2024, a 1.9 percent year-over-year increase. The statewide median income increased by 2.0 percent from 2023 to 2024, while the national median income increased by 2.1 percent. Orange County's median income remains significantly higher than the state ($100,149) and national ($81,604) medians.

Percentage of Orange County residents living in poverty

9.7%

Percentage of Orange County children living in poverty

11.3%

Working poor: percentage of residents living in poverty who work full-time

1.6%

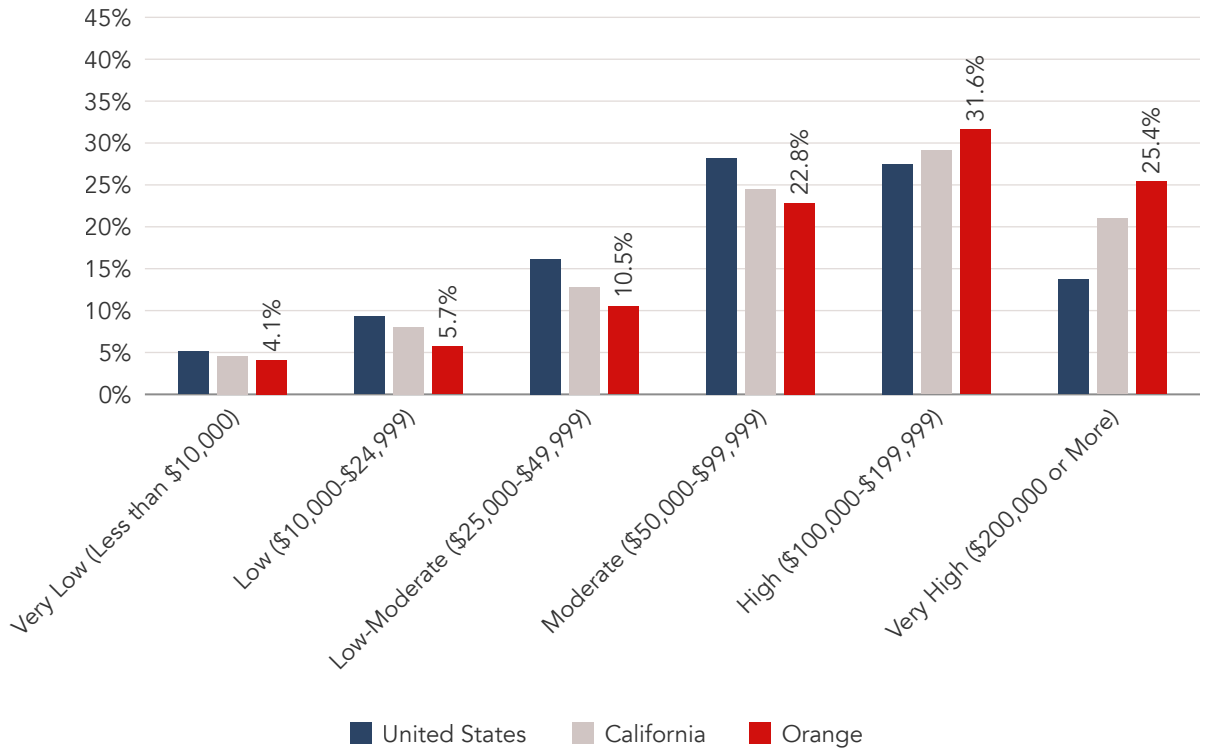
or part-time

11.6%

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

PROPORTION OF HIGH-INCOME HOUSEHOLDS CONTINUES TO GROW

DISTRIBUTION OF HOUSEHOLDS BY MEDIAN HOUSEHOLD INCOME, ORANGE COUNTY, CALIFORNIA AND THE UNITED STATES, 2024



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2024

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

45,023

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

$32,649

Eligibility for many support services begins at

<185%

of poverty, or roughly

$60,401

for a 4-person household

2024 median household income in Orange County:

$115,229

Minimum qualifying income for a first-time homebuyer in Orange County in Q1 2026:

$230,400

The number of Orange County households grew

7.8%

between 2014 & 2024, while the number of households in the "Very High" income group grew

144.4%

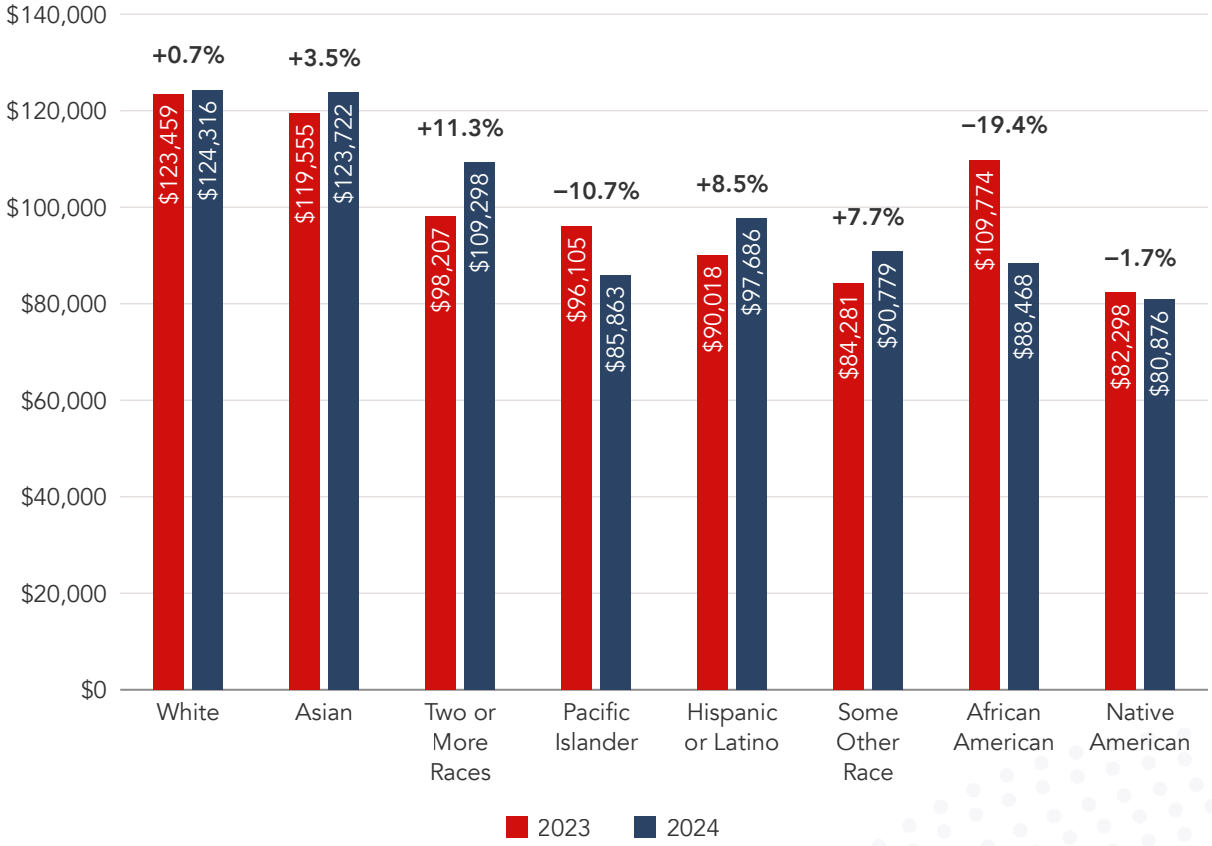
Approximately 4.1 percent of Orange County households fell under the "very low" income category (annual income of less than $10,000) in 2024; this represents a year-over-year decrease of 0.3 percentage points. While Orange County has a lower percentage of "very low" income households than the state as a whole (4.6 percent) and the nation as a whole (5.1 percent), there are still approximately 45,000 county households living on less than $10,000 per year.

On the other end of the spectrum, 25.4 percent of county households made more than $200,000 in 2024. This represents a year-over-year increase of 2.4 percentage points and reflects the county's growing concentration of higher-income households; Orange County has a significantly higher proportion of residents making more than $200,000 than the state (21.0 percent) and national (13.7 percent) averages.

Approximately 57.0 percent of county households made at least $100,000 per year, which is also significantly higher than state (50.1 percent) and national (41.2 percent) averages. The percentage of households in this category increased by 2.5 percentage points from 2023 to 2024, faster growth than at the state (2.0 percentage points) and national (2.3 percentage points) levels.

OC INCOME GROWTH VARIES BY ETHNICITY

MEDIAN HOUSEHOLD INCOME (INFLATION ADJUSTED TO 2024 DOLLARS), BY RACE/ETHNICITY IN ORANGE COUNTY, 2024



Percent above each pair shows change from 2023 to 2024.

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

Orange County's overall inflation-adjusted income growth was unevenly distributed within the county. Residents of Two or More Races saw the most significant increase, with income growth of 11.3 percent between 2023 and 2024. Hispanic or Latino residents saw an 8.5 percent income increase, followed by residents of Some Other Race (7.7 percent) and Asian residents (3.5 percent). While White residents saw income growth of just 0.7 percent, they currently have the highest median household income at $124,316.

Several demographic groups saw inflation-adjusted median household incomes decline between 2023 and 2024. Groups experiencing declines included African American residents (down 19.4 percent), Pacific Islander residents (down 10.7 percent) and Native American residents (down 1.7 percent).

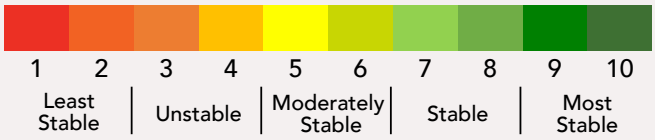
FAMILY FINANCIAL STABILITY

52% DECLINE IN FAMILY FINANCIAL INSTABILITY OVER 13-YEAR PERIOD

The Family Financial Stability Index for Orange County (FFSI-OC) measures the financial stability of families with children under age 18 by the 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 summary presents the results for the most recent year of data available (2024) and for each year since 2012.

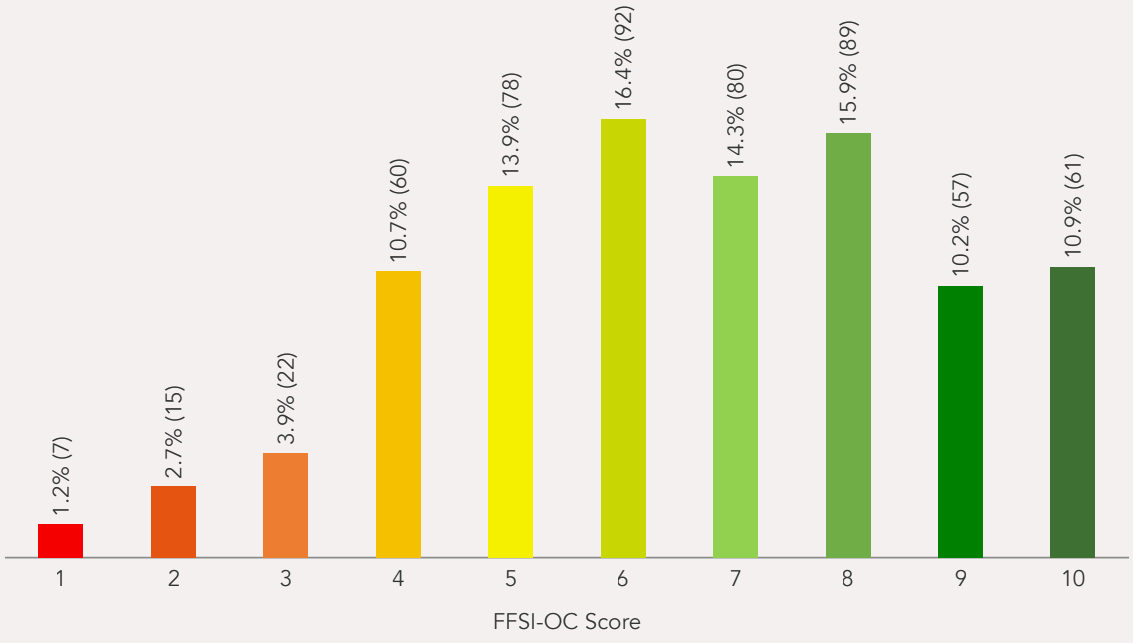
MOST RECENT YEAR

The 2024 FFSI-OC shows that 18.5 percent of neighborhoods had low levels of family financial stability (scores of 1 through 4 on a 10-point scale, where 1 is the least stable and 10 is the most stable).



MOST NEIGHBORHOODS HAVE MODERATE-TO-HIGH LEVELS OF FAMILY FINANCIAL STABILITY

FFSI-OC Scores, Percent (and Count) of Orange County Neighborhoods, 2024



Labels show percent of neighborhoods (count of neighborhoods).

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

NOTE

Percentages have been rounded. The number of neighborhoods falling within each FFSI-OC index score is provided in the parentheses following the percentage. Data based on 2020 census tract boundaries.

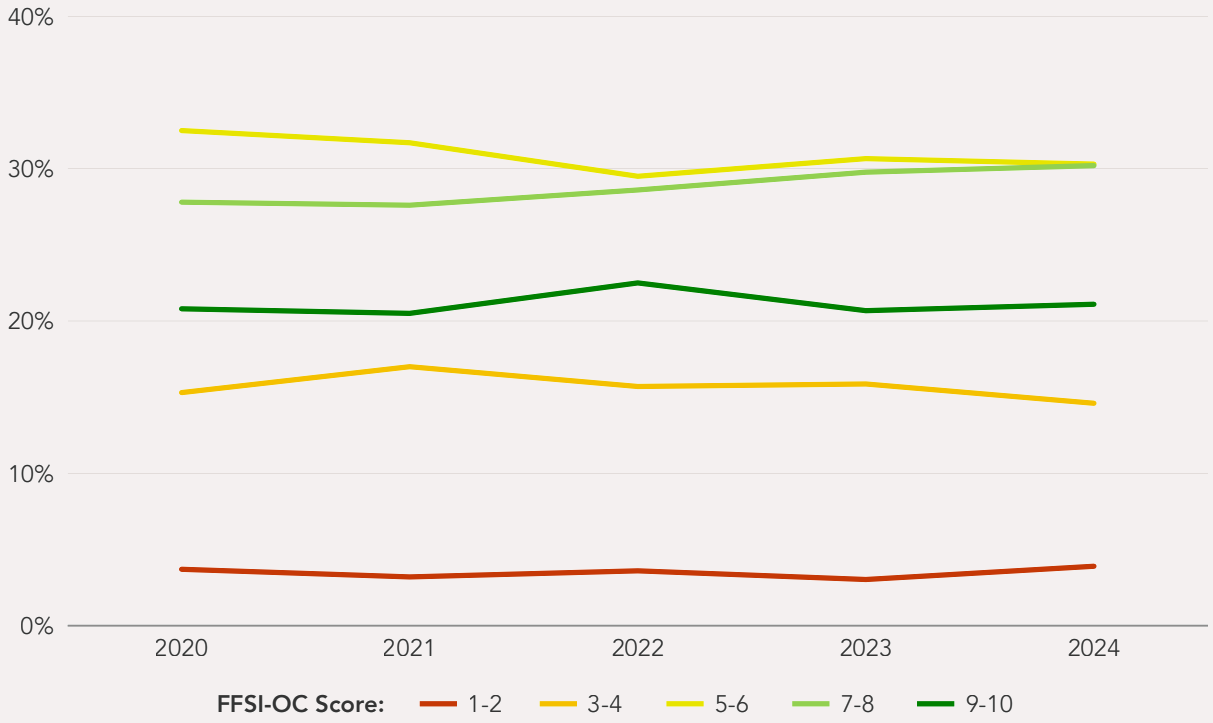
TREND

Over the past five years, the data suggest some modest improvement in family financial stability as slightly fewer neighborhoods score in the lower-to-mid ranges of stability and slightly more neighborhoods score at the higher levels of stability. Specifically, the percentage of neighborhoods scoring in the least stable range (one-two) increased slightly in 2024, while the percentage of neighborhoods scoring in the unstable range (three-four) decreased slightly. The percentage of neighborhoods with mid-range levels (five-six) of financial stability fell by two percentage points, while the percentage of stable neighborhoods (seven-eight) increased by two percentage points. There was no lasting change or observable trend in the percentage of neighborhoods with the highest levels of family financial stability (nine-ten).

As noted on the following pages, since the creation of the FFSI-OC in 2012, there has been substantial improvement in family financial stability.

MODEST, GRADUAL IMPROVEMENT IN FAMILY FINANCIAL STABILITY OVER 5 YEARS

Percentage of Orange County Neighborhoods by FFSI-OC Score, 2020–2024



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

NOTE

Data displayed use 2020 census tract boundaries.

DATA NOTES

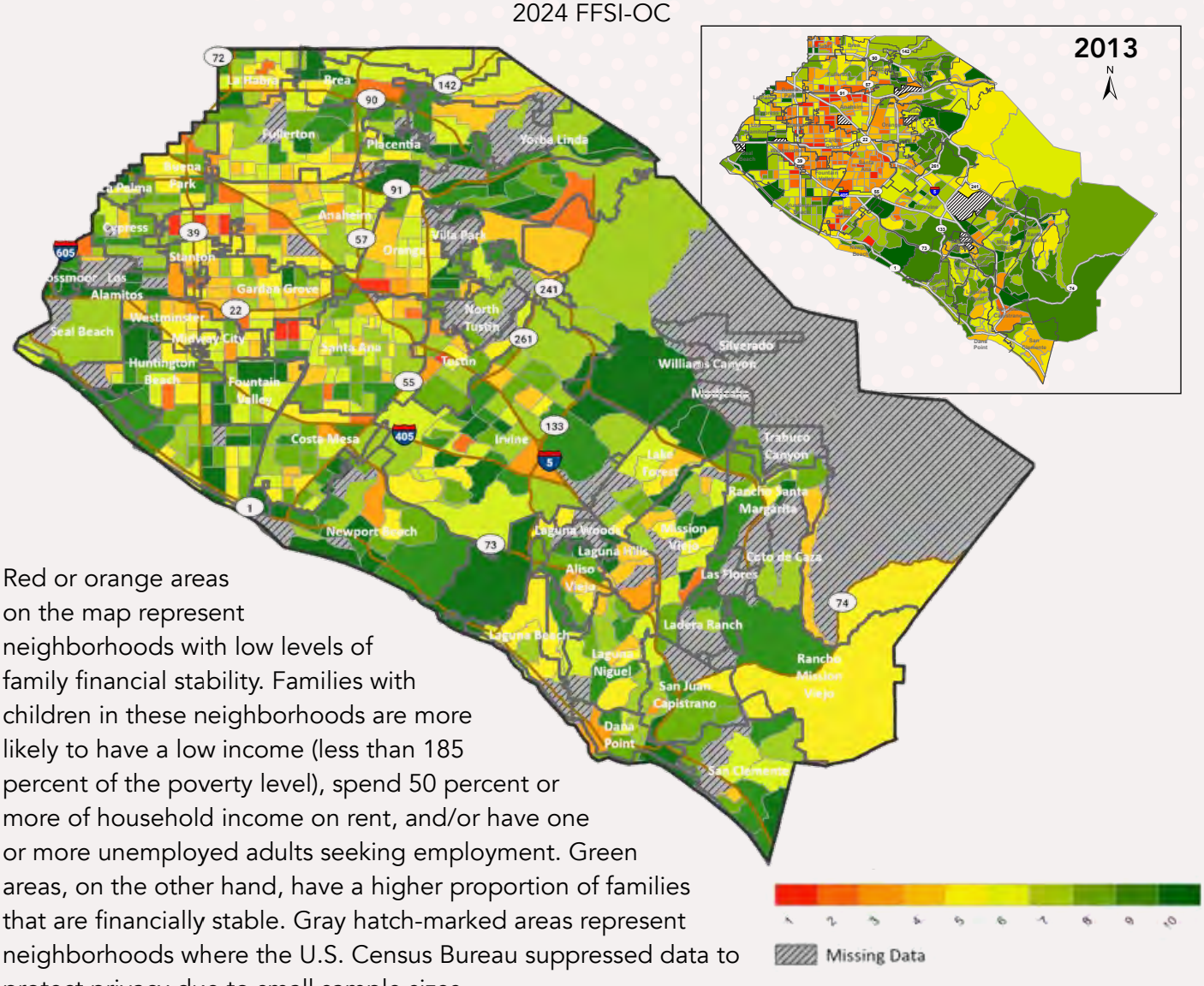
Data for the FFSI are derived from the U.S. Census Bureau American Community Survey 5-Year Estimates. The 2024 results are estimates based on samples of the Orange County population surveyed between 2020 and 2024. The 2020 FFSI-OC results reflect survey responses from 2016-2020. Thus, FFSI-OC years 2020 through 2024 encompass survey years 2016 through 2024. As with all sample data, results have a margin of error where the true result is likely to be within the margin of error. The 2024 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.

GEOGRAPHIC ANALYSIS

In 2024, 3.9 percent of Orange County neighborhoods had the least stable family financial stability scores (one or two) and were located in the cities of Anaheim, Brea, Buena Park, Costa Mesa, Garden Grove, Huntington Beach, Irvine, La Habra, Los Alamitos, Mission Viejo, Orange, Santa Ana, Stanton and Tustin, as well as unincorporated areas near Anaheim. Another 15 percent of neighborhoods had unstable family financial stability scores (three or four), yielding a total of 18.5 percent of neighborhoods in the unstable and least stable categories. The 2024 results show that the neighborhoods with the lowest levels of family financial stability are distributed throughout the county, in contrast to the early years of the FFSI-OC, when the lowest-scoring neighborhoods were highly concentrated in North County (see inset).

18.5 PERCENT OF NEIGHBORHOODS HAVE LOW LEVELS OF FAMILY FINANCIAL STABILITY

Geographic Distribution of Neighborhoods with Varying Levels of Family Financial Stability, 2024 FFSI-OC



Red or orange areas on the map represent neighborhoods with low levels of family financial stability. Families with children in these neighborhoods are more likely to have a low income (less than 185 percent of the poverty level), spend 50 percent or more of household income on rent, and/or have one or more unemployed adults seeking employment. Green areas, on the other hand, have a higher proportion of families that are financially stable. Gray hatch-marked areas represent neighborhoods where the U.S. Census Bureau suppressed data to protect privacy due to small sample sizes.

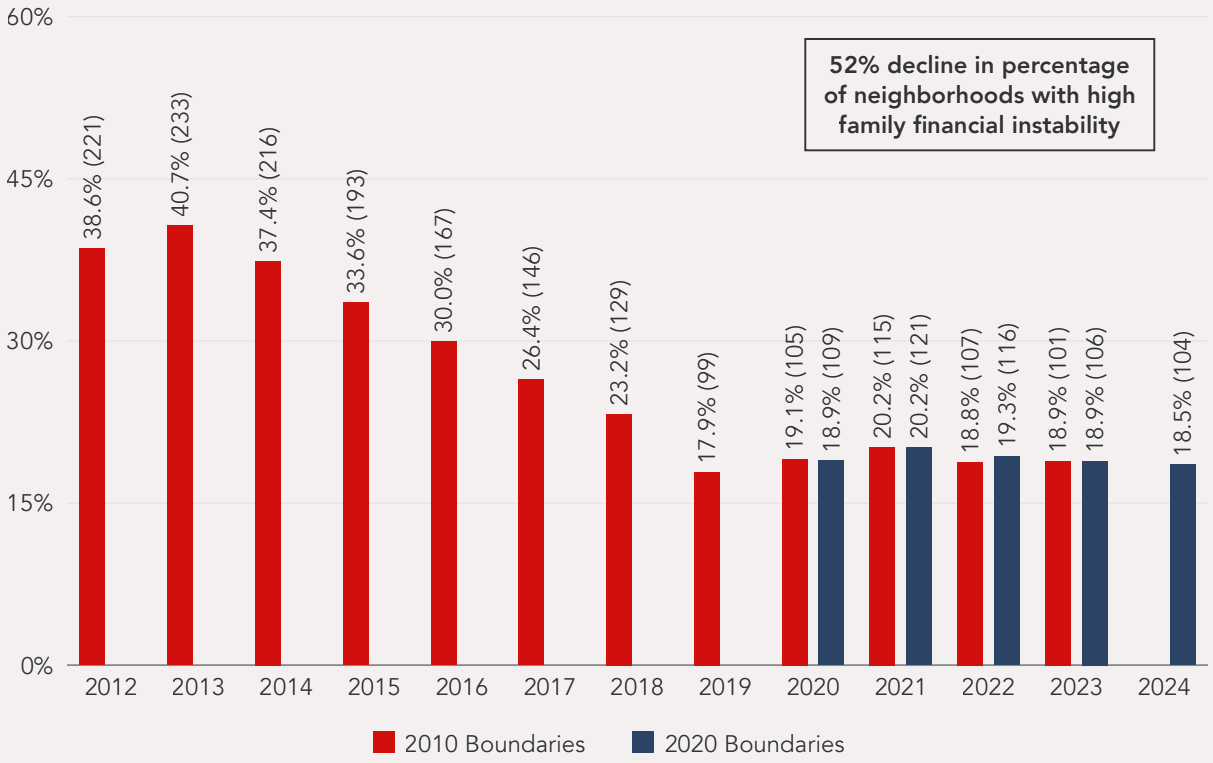
Source: Parsons Consulting, Inc. for Orange County United Way

PROGRESS TOWARD ORANGE COUNTY UNITED WAY GOAL

The FFSI-OC is used as a proxy to track Orange County United Way's progress toward its FACE 2024 goal to "reduce the percentage of financially unstable families by 25 percent."[39] For this purpose, "financially unstable" is defined at the neighborhood level as a FFSI-OC score of four or lower for a census tract. The total number of financially unstable neighborhoods declined by 52 percent from 2012 to 2024.[40]

OCUW MORE THAN DOUBLES FAMILY FINANCIAL STABILITY GOAL

Progress Toward Orange County United Way Goal to Reduce Family Financial Instability by 25% by 2024: Percentage of Neighborhoods with FFSI-OC Scores of 1 through 4, 2012–2024



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

NOTE

The number of neighborhoods falling within each FFSI-OC index score is provided in parentheses following the percentage. From its inception in 2012 through 2019, FFSI-OC scores were calculated using 2010 census tract boundaries. In 2020, the Census Bureau updated the boundaries, creating 31 net new census tracts. To enable ongoing comparison with the 2012 through 2019 neighborhood-level results, the 2020 boundary census tract data for 2020 through 2023 were recombined where needed to replicate the 2010 census tract boundaries. In 2024, with five years of data available using the 2020 boundaries, the FFSI-OC transitioned fully to 2020 boundaries, except for measuring progress towards the Orange County United Way FACE 2024 goal, where progress is measured using both 2010 and 2020 boundaries.

[39] 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, since this was not possible at the neighborhood level due to privacy considerations; therefore, 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.

[40] Due to the variable number of census tracts with data in each year, and because the overall number of census tracts has declined over time due to data suppression on the part of the U.S. Census Bureau to protect privacy, change is calculated on the percentage of neighborhoods scoring 1-4 rather than the count of neighborhoods scoring 1-4.

SoCalGas proudly supports Orange County Business Council and its Community Indicators Report. Through collaboration and a shared commitment to economic growth, OCBC continues to open doors for businesses, strengthen communities and create new possibilities for Orange County's future.

Together, we can fuel the future.

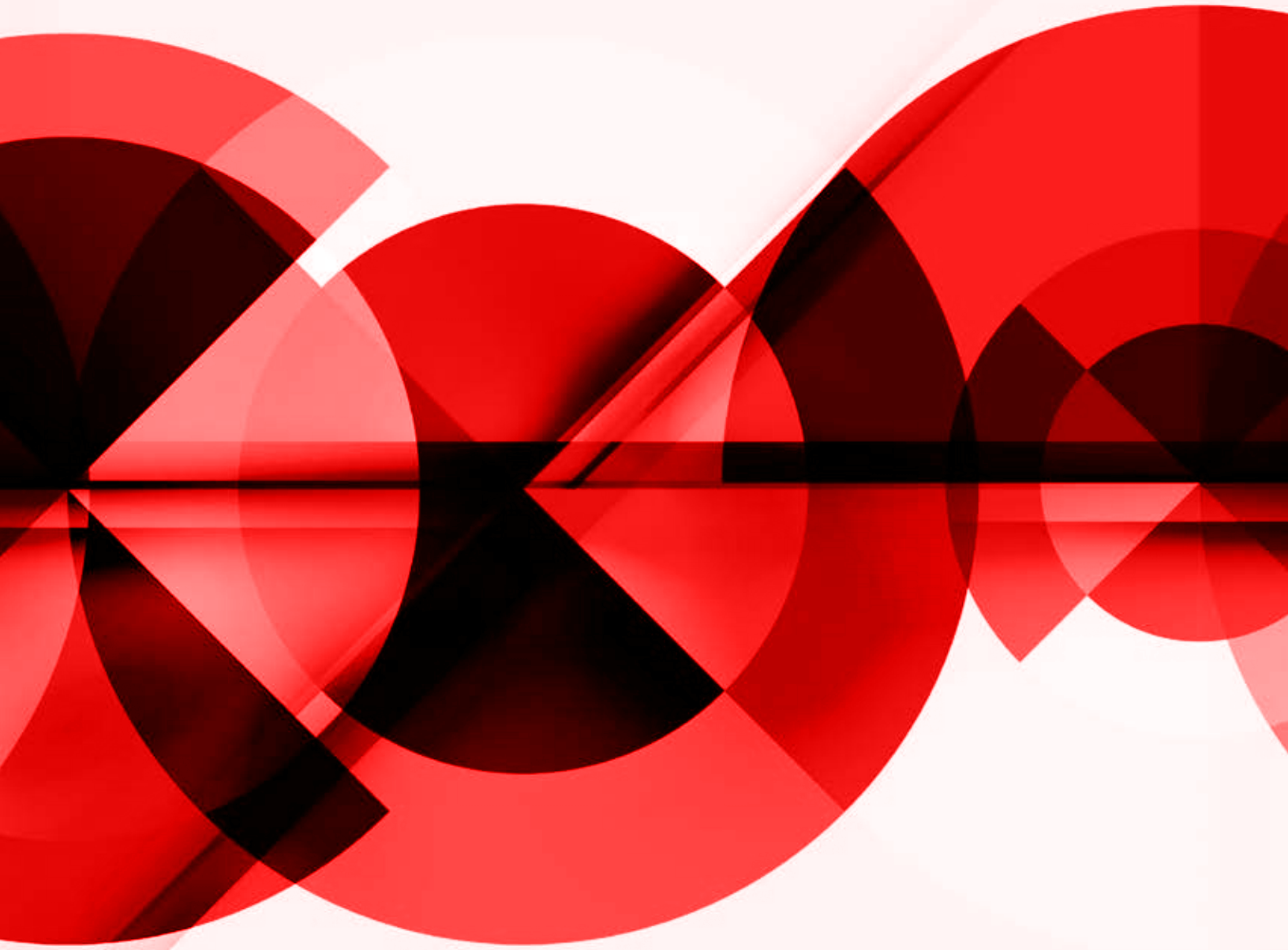
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EDUCATION



KINDERGARTEN READINESS

EMOTIONAL MATURITY DECLINES

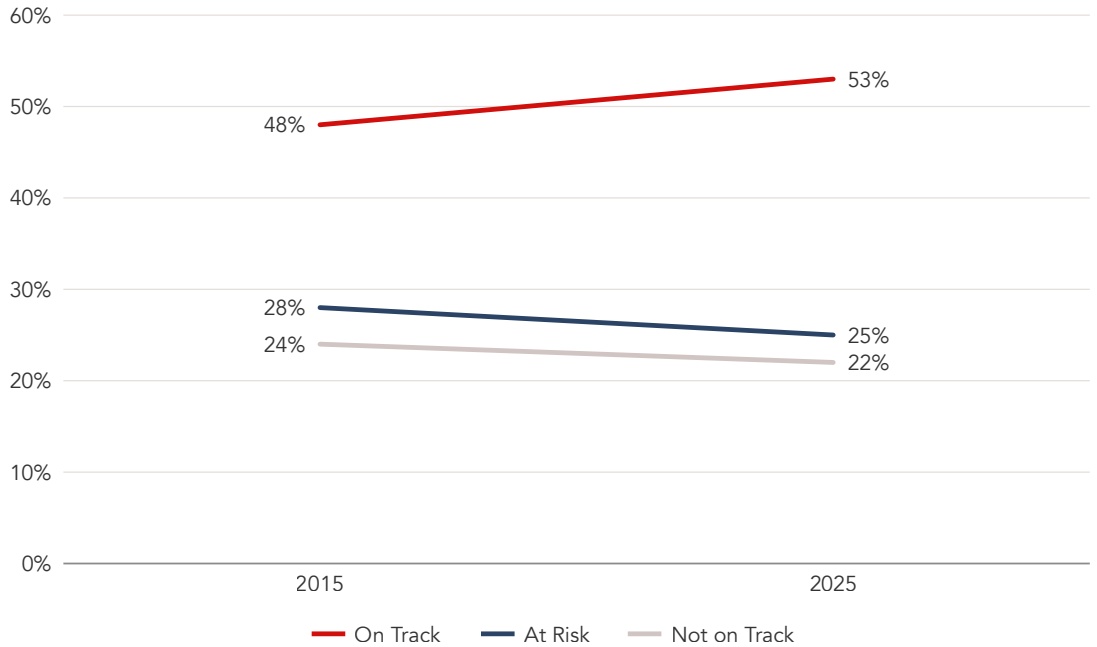
Kindergarten readiness is a key indicator of future academic success. Children whose early development is properly supported have a higher likelihood of attaining and surpassing major milestones such as improved third grade reading skills, graduating from high school and entering higher education. They are less likely to repeat a grade, be placed in special education, be arrested or have a substance use disorder.[41]

To determine kindergarten readiness, 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. They can also be considered developmentally ready in four areas, if only four areas were completed.

ORANGE COUNTY EARLY DEVELOPMENT INDEX - KINDERGARTEN READINESS, 2015 AND 2025

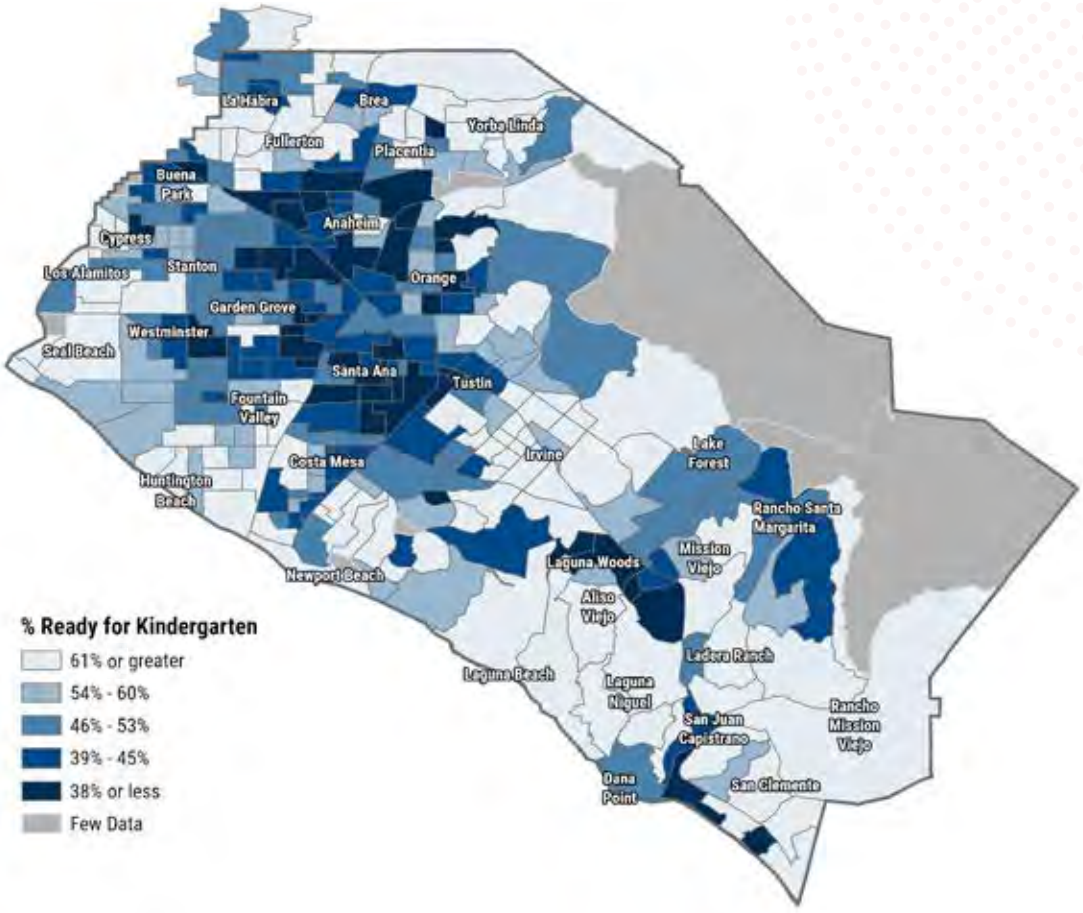


Source: First 5 Orange County, Early Development Index

Orange County saw improvements in kindergarten readiness between 2015 and 2025. Only 53 percent of Orange County children are currently on track for kindergarten readiness, which means that there is still significant room for improvement. This number helps stakeholders understand how well communities are preparing children for school and indicates that boosting support for children and their parents, particularly in disadvantaged communities, can be an important long-term investment.

[41] Heckman, et al. (2006). *The Dollars and Cents of Investing Early: Cost-Benefit Analysis in Early Care and Education*. Zero to Three, 10-17

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



Source: First 5 Orange County, Early Development Index

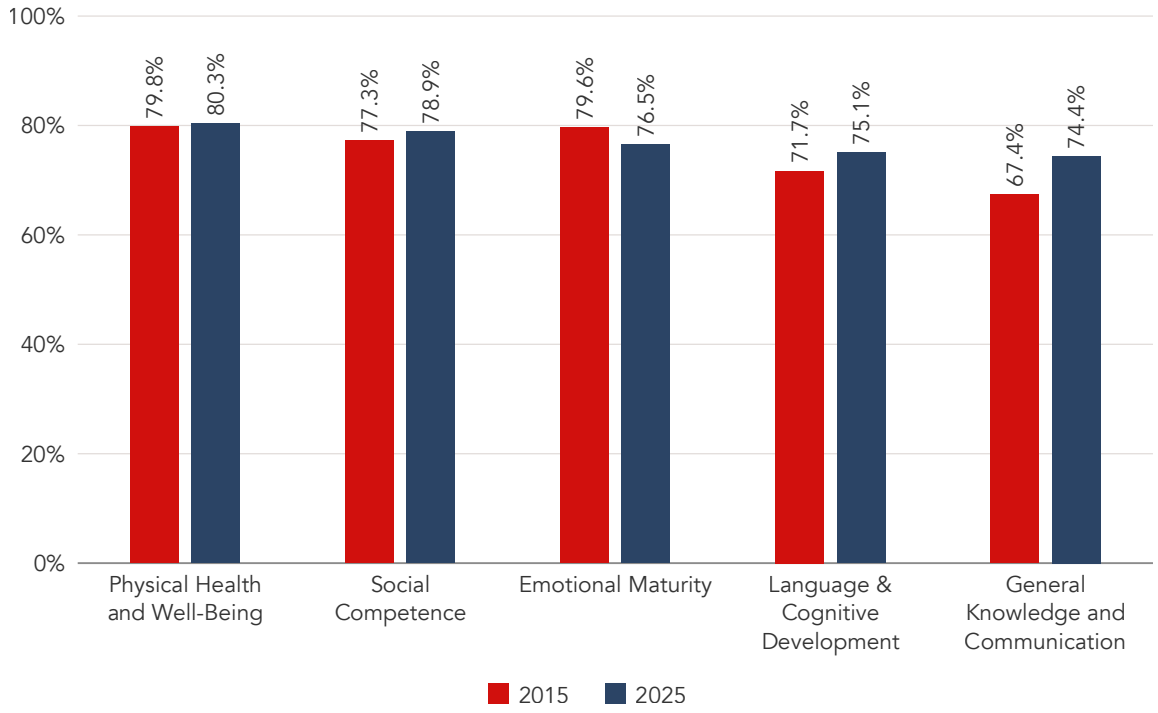
NOTE

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

Strong children build strong communities, yet there are several Orange County neighborhoods experiencing lower rates of kindergarten readiness, as evidenced by the darker blue pockets throughout the county. Many of these areas also contend with other factors that can impact children's ability to learn and thrive, such as poverty and language challenges.

Working with communities to build on their unique strengths and assets, and improving access to kindergarten readiness opportunities, will strengthen Orange County's future human capital and support long-term economic growth.

STUDENTS DEVELOPMENTALLY ON TRACK, BY EARLY DEVELOPMENT INDEX AREA, 2015 AND 2025



Source: First 5 Orange County, Early Development Index

Orange County children saw improvements in four of the five kindergarten readiness categories. Emotional maturity, which includes components such as curiosity about the world and the ability to think before acting, saw the only decline, as the percentage of children on track for kindergarten fell from 79.6 percent in 2015 to 76.5 percent in 2025.

This decline in emotional maturity may stem from multiple factors. The COVID-19 pandemic had dramatic impacts on children's well-being, with one 2024 study, *Impacts of COVID-19 on Emotional and Behavioral Problems Among Preschool Children*, finding that emotional and behavioral problems among preschool children ranged from 6.9 to 14.7 percent across various countries, a rate that rose to 73.6 percent during the lockdowns.[42] As a result of the lockdowns, children had limited opportunities to socialize and develop relationships skills, which, in turn, may have slowed their social development.[43]

Another contributing factor may be increased screen time. A recent American Psychological Association journal article found that screen use makes children more likely to develop socioemotional problems such as anxiety, depression, aggression and hyperactivity.[44] Children with these problems are more likely to use electronic screens as a coping mechanism, potentially exacerbating the issues by creating a vicious cycle.[45] At the same time, students saw a meaningful improvement in general knowledge and communication, which illustrates how well children understand what others say and how clearly they can share their experiences, ideas and feelings. In 2025, 74.4 percent of students were on track, compared to 67.4 percent in 2015, the largest improvement among the five categories, increasing by 7.0 percentage points, yet still the lowest performing of categories. One reason for this increase may be the full implementation of transitional kindergarten, as the cohort of kindergarteners becomes older and more children have formal early learning experiences prior to kindergarten entry.

[42] https://pmc.ncbi.nlm.nih.gov/articles/PMC11251369/

[43] https://www.ffyf.org/2022/09/09/how-has-covid-19-impacted-infants-and-toddlers-social-development/

[44] https://www.apa.org/news/press/releases/2025/06/screen-time-problems-children

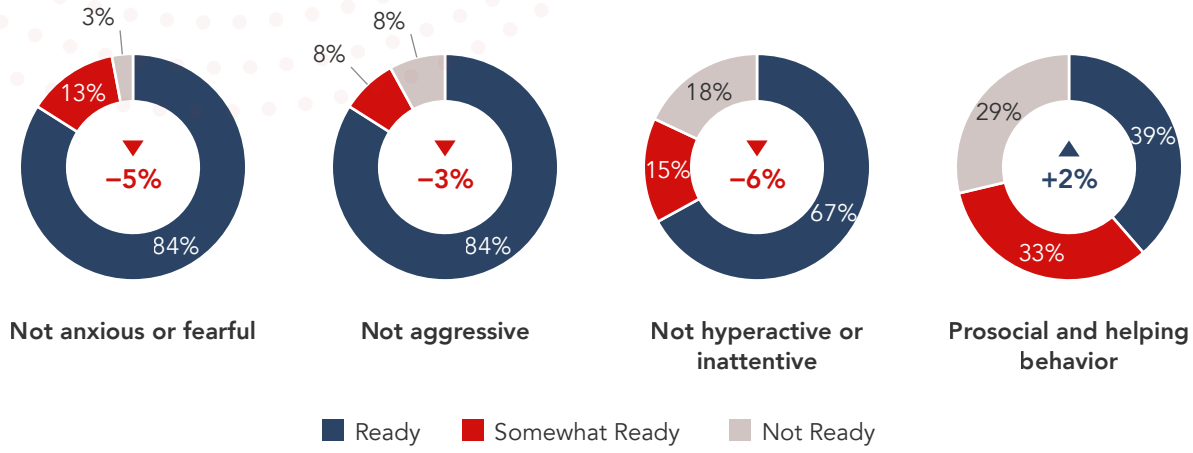
[45] Ibid

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



STUDENTS' READINESS ON SELECT SUB-AREAS, 2025

EMOTIONAL MATURITY SUB-AREAS



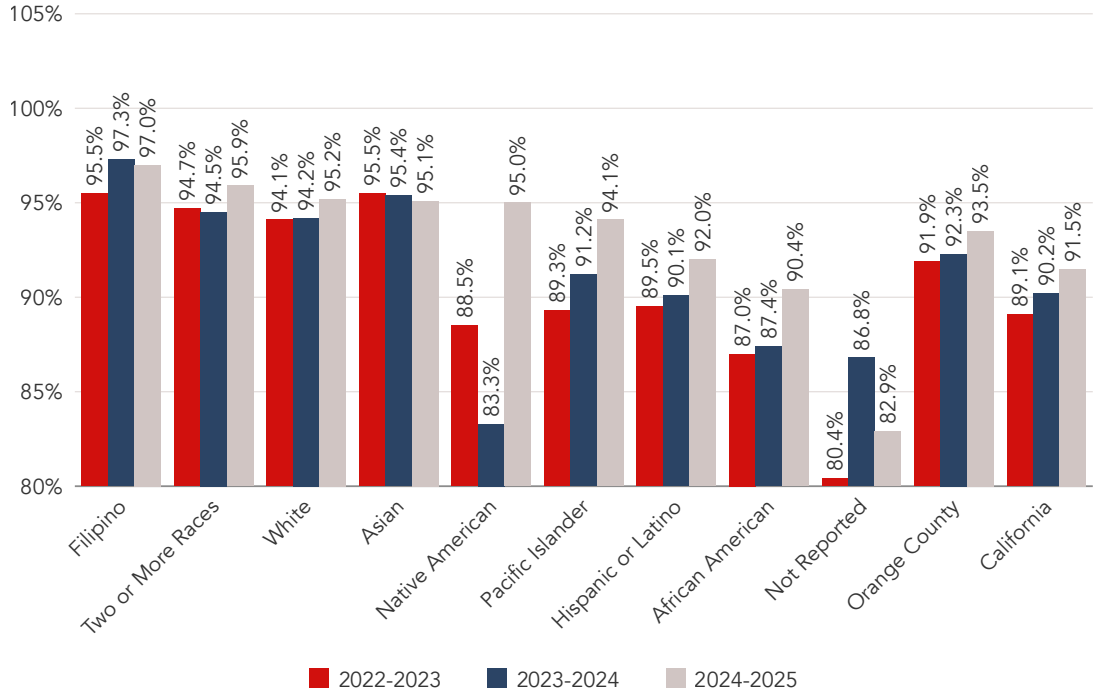
Source: First 5 Orange County, Early Development Index

Orange County children saw declines in readiness in three of four emotional maturity subdomains between 2015 and 2025. While 84 percent of students are considered ready in the "not anxious or fearful behavior" subdomain, this represents a five percent decline compared with 2015. Similarly, between 2015 and 2025, a greater percentage of children exhibited hyperactive or inattentive behavior, as well as aggressive behavior. Prosocial and helping behavior saw a two percent improvement since 2015.

HIGH SCHOOL GRADUATION RATE

GRADUATION RATES CONTINUE TO INCREASE IN ORANGE COUNTY

GRADUATION RATE BY RACE/ETHNICITY IN ORANGE COUNTY IN 2022–2023, 2023–2024 AND 2024–2025



Source: California Department of Education, DataQuest

Orange County's overall graduation rate continues to improve over time. The county's graduation rate is currently 93.5 percent, meaning 93.5 percent of county students who started ninth grade in 2021 graduated on time four years later. This exceeds the state average of 91.5 percent. The latest year-over-year improvement of 1.2 percentage points builds on last year's gain.

As shown above, student cohorts with the highest graduation rates include:

- Filipino students (97.0 percent);
- Students of Two or More Races (95.9 percent); and
- White students (95.2 percent).

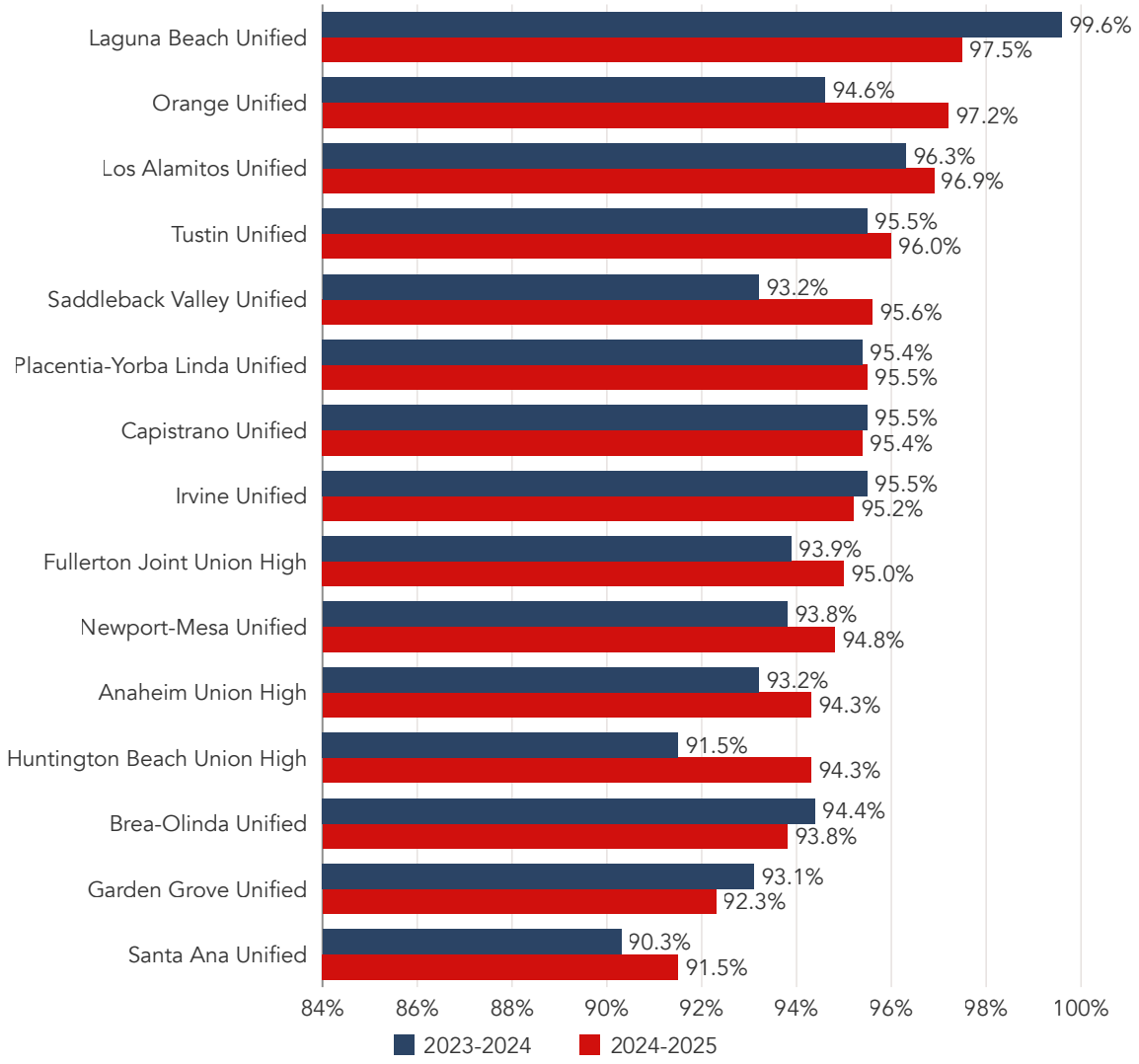
From 2023–2024 to 2024–2025, the graduation rate of Native American student increased sharply from 83.3 percent to 95.0 percent.

Over that same period, students who did not report their race or ethnicity saw the largest decline, from 86.8 percent to 82.9 percent. While remaining very high, the graduation rates for both Filipino and Asian students declined by 0.3 percentage points. All other cohorts saw year-over-year improvements in graduation rates; Native American students recorded the largest increase, followed by African American students (3.0 percentage points), Pacific Islander students (2.9 percentage points) and Hispanic or Latino students (1.9 percentage points).

While the improving performance of many racial and ethnic groups suggests that recent efforts to promote academic equity may be yielding positive results, continued disparities in graduation rates indicate that additional progress is still needed.

LAGUNA BEACH, ORANGE AND LOS ALAMITOS DISTRICTS SEE HIGHEST GRADUATION RATES

HIGH SCHOOL STUDENT GRADUATION RATES BY ORANGE COUNTY SCHOOL DISTRICT, 2023–2024 TO 2024–2025

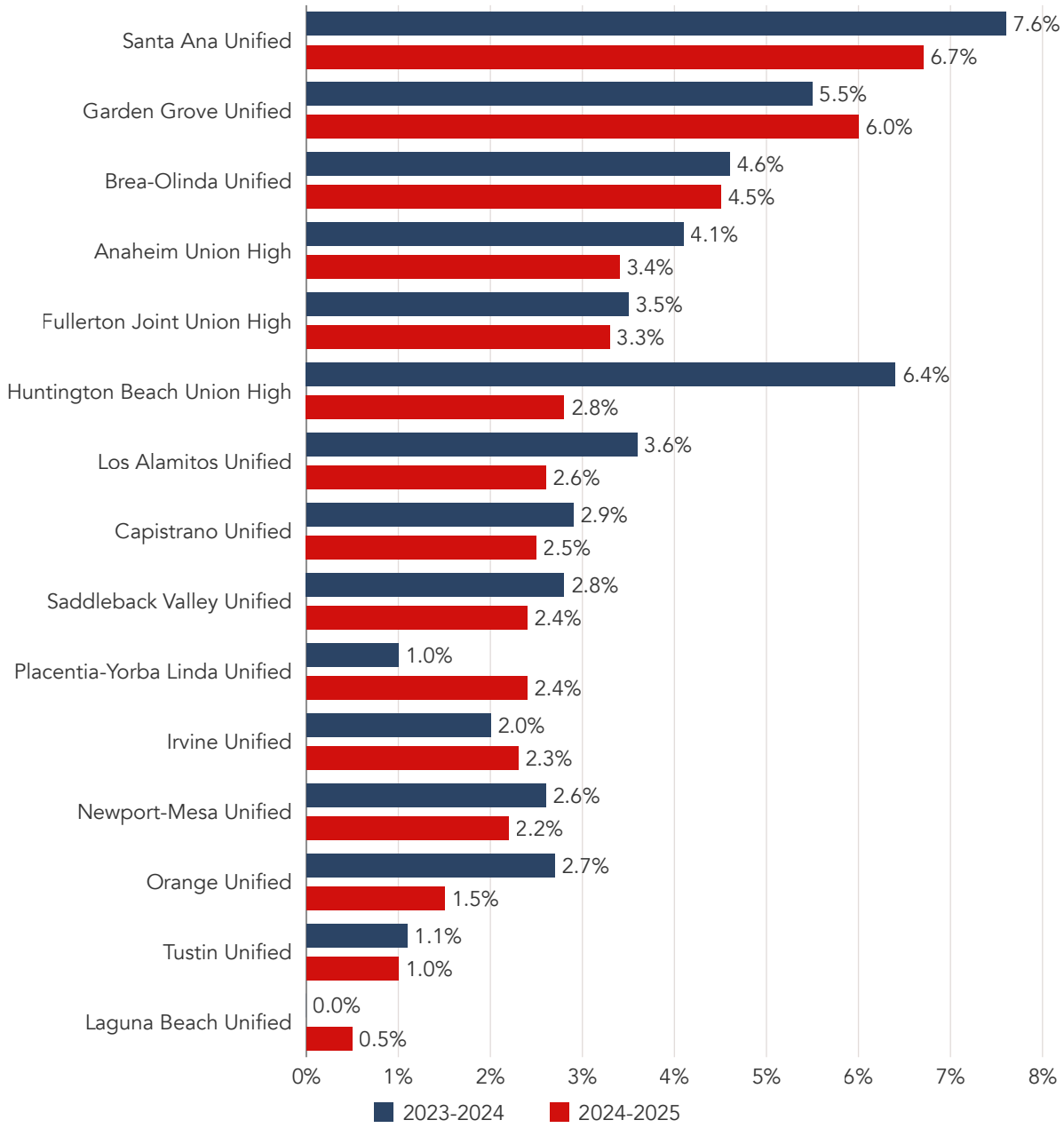


Source: California Department of Education, DataQuest

**Totals from Graduation Rates and Drop Out Rates may not total 100 percent of students due to other potential outcomes, including GED Completers, Other Transfers, Adult H.S. Diploma, Special Education Certificate of Completion and California High School Proficiency Exam (CHSPE) Completers.*

While Laguna Beach Unified School District's graduation rate fell from 99.6 percent to 97.5 percent, the largest decline among Orange County school districts (2.1 percentage points), it remained the county's top performer. Orange Unified had the second-highest graduation rate and the second-largest year-over-year improvement, rising from 94.6 percent to 97.2 percent. Los Alamitos Unified finished third with a graduation rate of 96.9 percent, up 0.6 percentage points year over year. While its graduation rate remains the county's lowest, Santa Ana Unified has made significant progress in recent years, rising from 89.7 percent in 2022–2023 and 90.3 percent in 2023–2024 to 91.5 percent in 2024–2025. Garden Grove Unified had the second-lowest graduation rate at 92.3 percent, down 0.8 percentage points over the past year, while Brea-Olinda Unified had the third lowest at 93.8 percent, also declining by 0.6 percentage points. Huntington Beach Union High School District saw the largest year-over-year increase in graduation rates, improving 2.8 percentage points from 91.5 percent in 2023–2024 to 94.3 percent in 2024–2025.

DROPOUT RATES BY ORANGE COUNTY SCHOOL DISTRICT, 2023–2024 TO 2024–2025

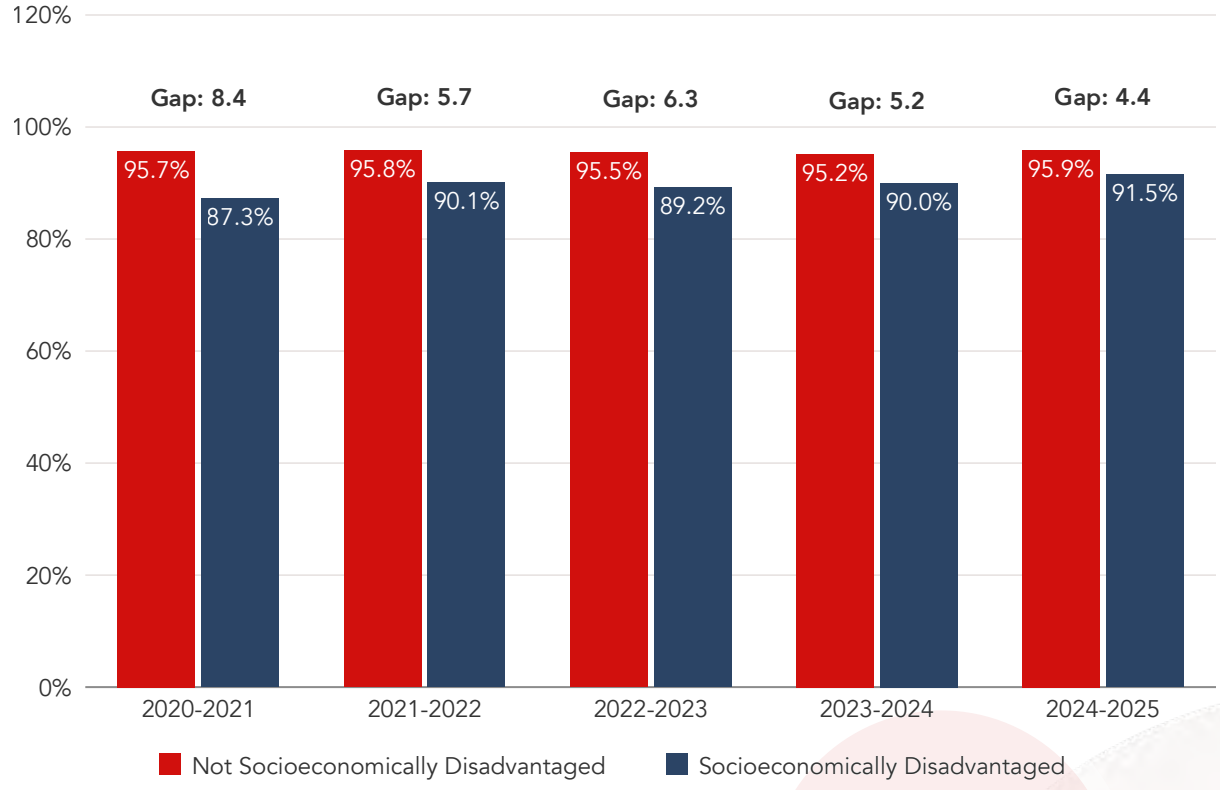


Source: California Department of Education, DataQuest

Santa Ana's dropout rate remains the county's highest despite a year-over-year improvement of 0.9 percentage points, from 7.6 percent to 6.7 percent. At the same time, Garden Grove Unified saw its dropout rate increase by 0.5 percentage points, from 5.5 percent to 6.0 percent, giving it the second-highest dropout rate in the region, followed by Brea-Olinda, whose dropout rate improved slightly from 4.6 percent to 4.5 percent. In addition to the largest improvement in graduation rates, Huntington Beach Union High also saw the largest improvement in dropout rates, falling from 6.4 percent to 2.8 percent, an improvement of 3.6 percentage points. Placentia-Yorba Linda Unified registered the largest increase in dropout rates, rising from 1.0 percent in 2023–2024 to 2.4 percent in 2024–2025, an increase of 1.4 percentage points. Overall, Orange County's dropout rate fell from 4.5 percent in 2023–2024 to 3.8 percent in 2024–2025, while the state average declined, from 6.3 percent to 5.2 percent.

OC'S SOCIOECONOMIC STATUS GAP SHRINKS TO ONLY 4.4

FOUR-YEAR ADJUSTED COHORT GRADUATION RATE BY SOCIOECONOMIC STATUS, 2020–2021 TO 2024–2025



Source: California Department of Education, DataQuest

The graduation rate gap between Orange County's socioeconomically disadvantaged students and non-disadvantaged students continues to shrink, falling from 6.3 percentage points in 2022–2023 to 5.2 percentage points in 2023–2024 and further declining to 4.4 percentage points in 2024–2025. This is the smallest gap in nearly a decade and reflects the success of Orange County students and educators.

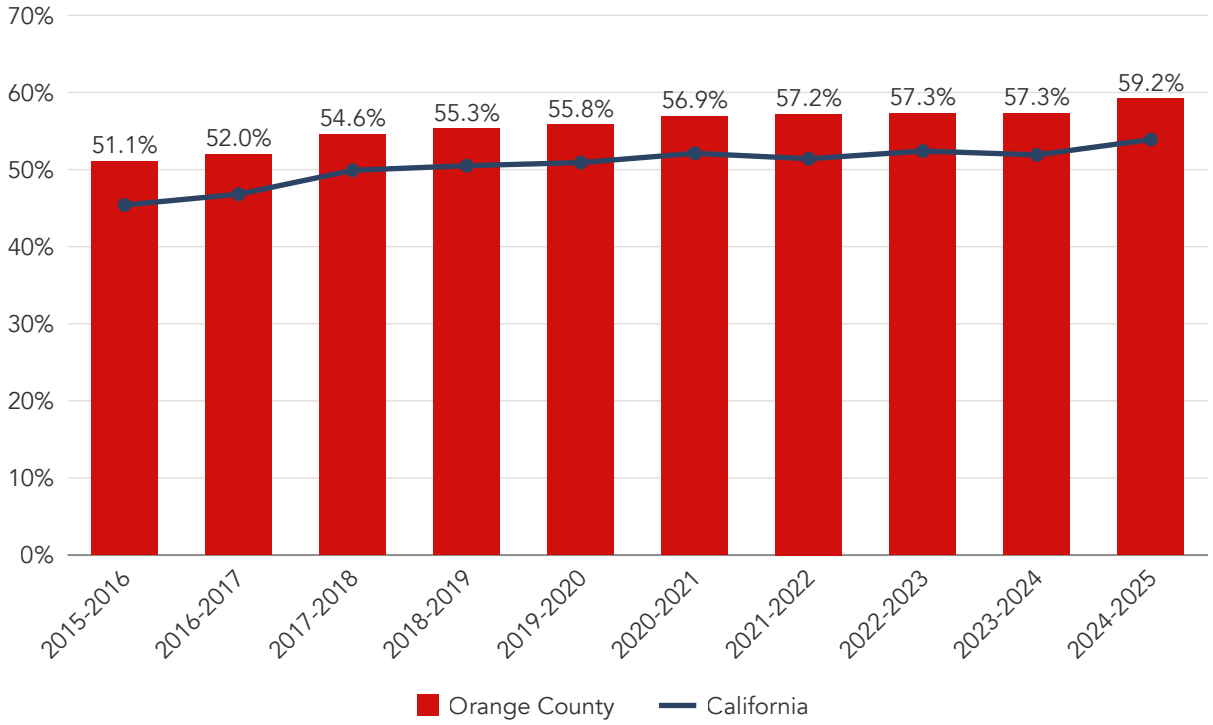
DATA NOTES

The graduation rate measures the percentage of students who receive a diploma in four years. Data are for non-charter schools except for socioeconomic status analysis, which includes all schools. A student is considered socioeconomically disadvantaged if neither parent has 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 REGISTERS STRONG GROWTH

PERCENTAGE OF ORANGE COUNTY HIGH SCHOOL GRADUATES THAT ARE UC/CSU ELIGIBLE, 2015–2016 TO 2024–2025

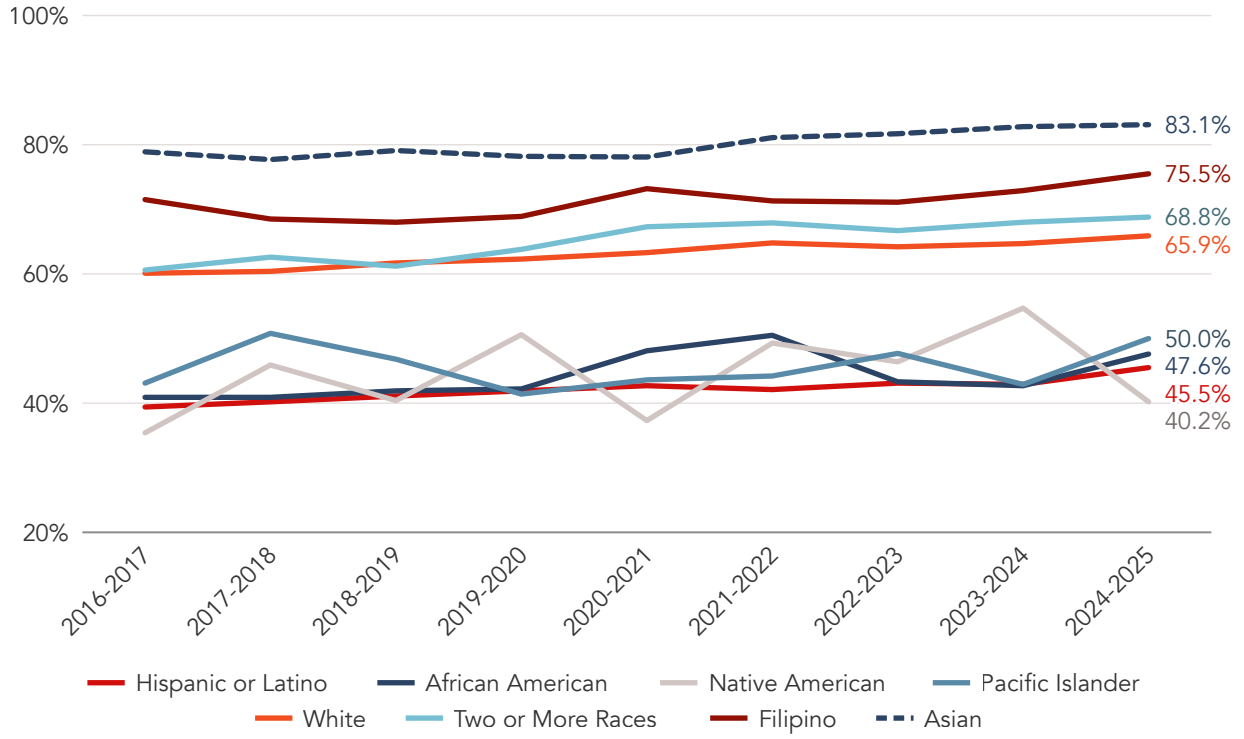


Source: California Department of Education, DataQuest

University of California (UC) and California State University (CSU) eligibility is a key indicator of Orange County's educational performance. UC/CSU eligibility remains one of the county's strongest educational indicators, increasing by 1.9 percentage points over the past year. In 2024–2025, 59.2 percent of county students were UC/CSU eligible, compared with 53.9 percent statewide.

UC/CSU ELIGIBILITY GAP WIDENS IN 2024–2025

PERCENTAGE OF ORANGE COUNTY HIGH SCHOOL GRADUATES ELIGIBLE FOR UC/CSU BY RACE/ETHNICITY, 2016–2017 TO 2024–2025



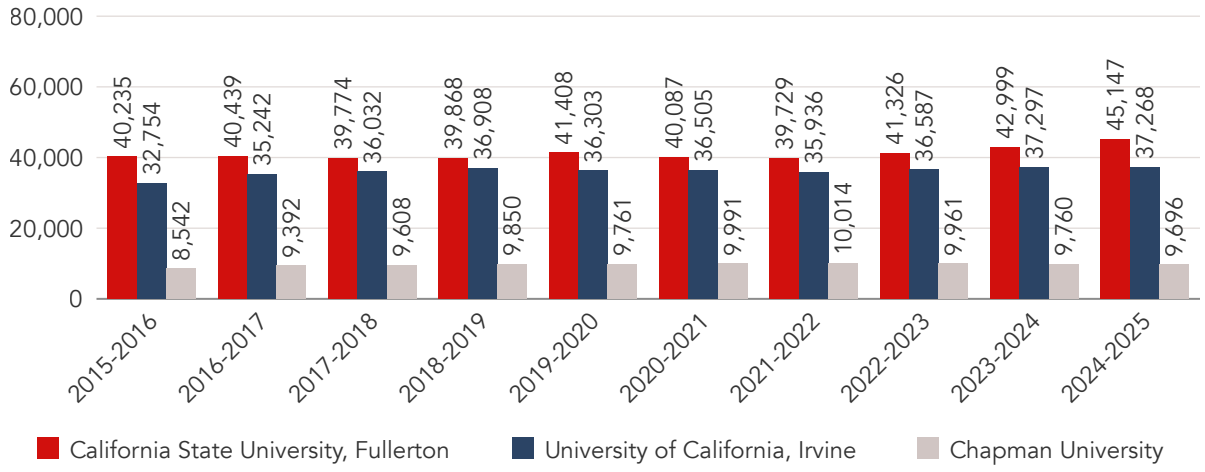
Gap between the highest and lowest groups: largest 43.5 points (2016-2017), smallest 36.8 points (2019-2020), current 42.9 points (2024-2025).

Source: California Department of Education, DataQuest

UC/CSU eligibility improved for almost every racial and ethnic cohort in Orange County. Eligibility for Pacific Islander students increased by 7.1 percentage points, more than any other group, to 50.0 percent. African American students (+4.9 percentage points), Hispanic or Latino students (+2.6 percentage points) and Filipino students (+2.6 percentage points) also saw significant improvements. Asian students continued to have the highest UC/CSU eligibility rate at 83.1 percent, an increase of 0.3 percentage points over the previous year.

Native American students saw a steep decline in UC/CSU eligibility, falling from 54.7 percent in 2023–2024 to 40.2 percent in 2024–2025. As a result, the gap between Native American and Asian students widened to 42.9 percentage points. This widening gap highlights a persistent disparity in college readiness outcomes across student groups.

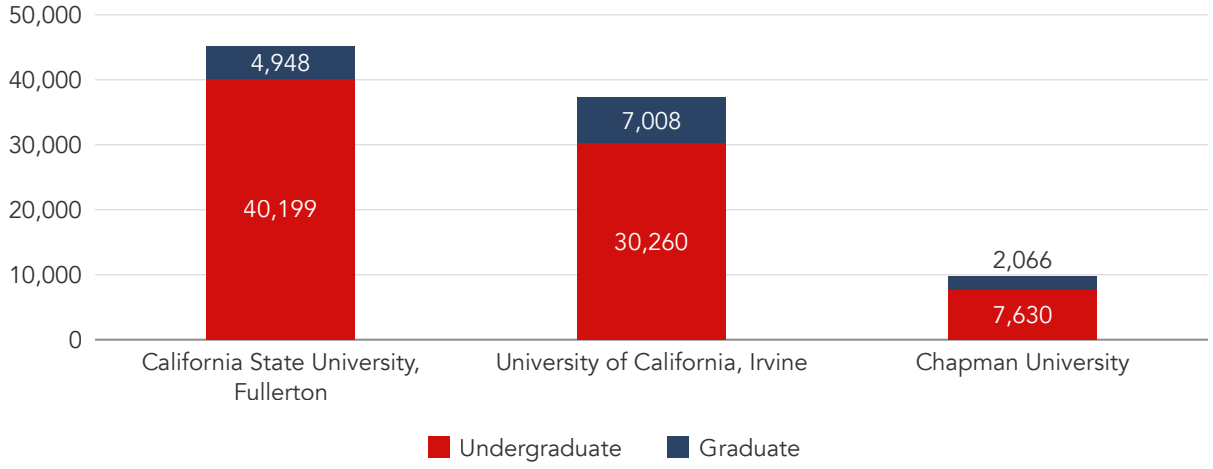
MAJOR UNIVERSITY ENROLLMENT IN ORANGE COUNTY, 2015–2016 TO 2024–2025



Source: University of California, Irvine, Institutional Research, Assessment and Planning, Data Hub; California State University Data Dashboards; Chapman University Fact Sheets 2015-16 - 2024-25.

In 2024–2025, California State University, Fullerton (CSUF) had the county's largest college enrollment with 45,147 students. It was closely followed by the University of California, Irvine (UCI), with 37,268 students, while Chapman University enrolled 9,696 students. Enrollment at CSUF increased by 5.0 percent over the past year, while Chapman University and UCI saw contractions of 0.7 percent and 0.1 percent, respectively.

UNDERGRADUATE AND GRADUATE STUDENTS AT MAJOR UNIVERSITIES, 2024–2025



Source: University of California, Irvine, Institutional Research, Assessment and Planning, Data Hub; California State University Data Dashboards; Chapman University Fact Sheets 2024-25.

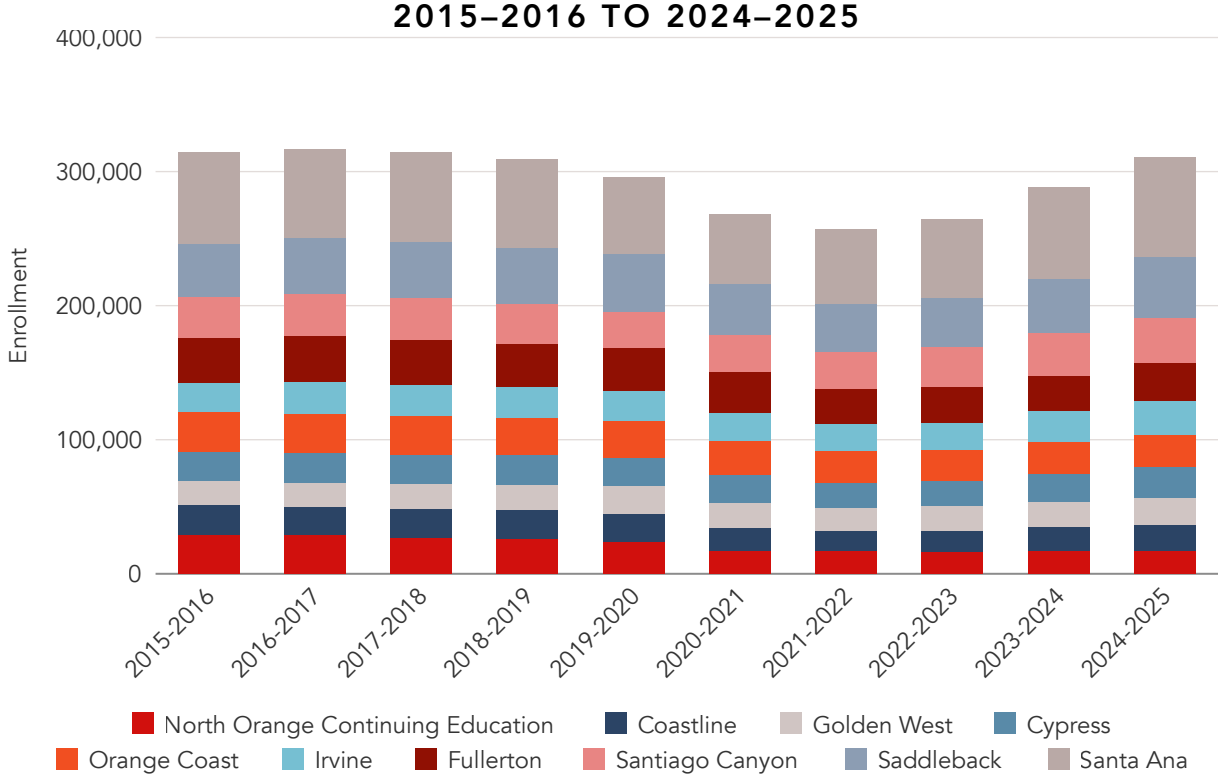
Despite a slightly smaller student count, UCI has more graduate-level students than both CSUF and Chapman University combined: 7,008, or 18.8 percent of total UCI students. Student enrollment for graduate-level programs at UCI is largely driven by Health Science, which accounted for 18.4 percent of total graduate-level students in 2024–2025 and increased from only 703 students in 2015–2016 to 1,290 in the last year. This represents an increase of 83.5 percent compared to just 19.0 percent for all other graduate students over the same time period.

While all Orange County universities help to drive educational attainment and reinforce talent pipelines for the regional labor market, UCI stands out as a world-renowned research institution. Supported by UCI's School of Medicine, UCI Health is one of the region's premier health systems, offering clients a wide range of specialized care and services, as well as access to UCI's Health Chao Family Comprehensive Cancer Center, the only National Cancer Institute (NCI)-designated Comprehensive Cancer Center in Orange County.

Orange County community colleges also play a crucial role in the region's workforce pipeline by providing residents with a lower-cost alternative to more expensive four-year universities. Serving residents across the county, these colleges provide courses, training, certifications and associate degrees across a wide variety of fields, from traditional academic subjects to cutting-edge technology.

Key innovative programs such as Fullerton College's Drone and Autonomous Systems Degree at its Fullerton Drone Lab and Orange Coast College's Unmanned Aircraft Systems (UAS) Program are responding to this rapidly growing field in Orange County. Fullerton College also unveiled its Artificial Intelligence in Business program in Fall 2026, which includes both certificate and associate degree programs. These are just three examples of Orange County community colleges preparing students for career success in a rapidly transforming job market.

COMMUNITY COLLEGE ENROLLMENT IN ORANGE COUNTY, 2015–2016 TO 2024–2025



Source: California Community Colleges Chancellor's Office, Management Information Systems Data Mart

Orange County community colleges had approximately 310,901 students in 2024–2025, an increase of 22,384 students, or 7.7 percent, from the previous year. Orange County's largest community colleges by student headcount in 2024–2025 included Santa Ana College (74,010), followed by Saddleback College (46,064) and Santiago Canyon College (33,144).

Student headcounts declined to a low of 257,282 in 2021–2022 following the impacts of COVID-19 but have since rebounded by 20.8 percent. This recent recovery in community college enrollment has been supported by multiple trends, including rising tuition costs at traditional four-year universities, uncertain labor market trends and, more recently, the increasing influence of artificial intelligence (AI).

Alongside certifications and degrees, community colleges also offer students the ability to transfer to four-year universities after completing general education requirements. This enables students to pursue four-year degrees at a fraction of the cost. As the cost of living continues to rise, especially in in-demand coastal regions, young adults and students will likely keep seeking lower-cost alternatives to expensive four-year degrees. The chronic skills gap, or the mismatch between employer needs and employee skills and knowledge, also continues to create opportunities for workforce upskilling.

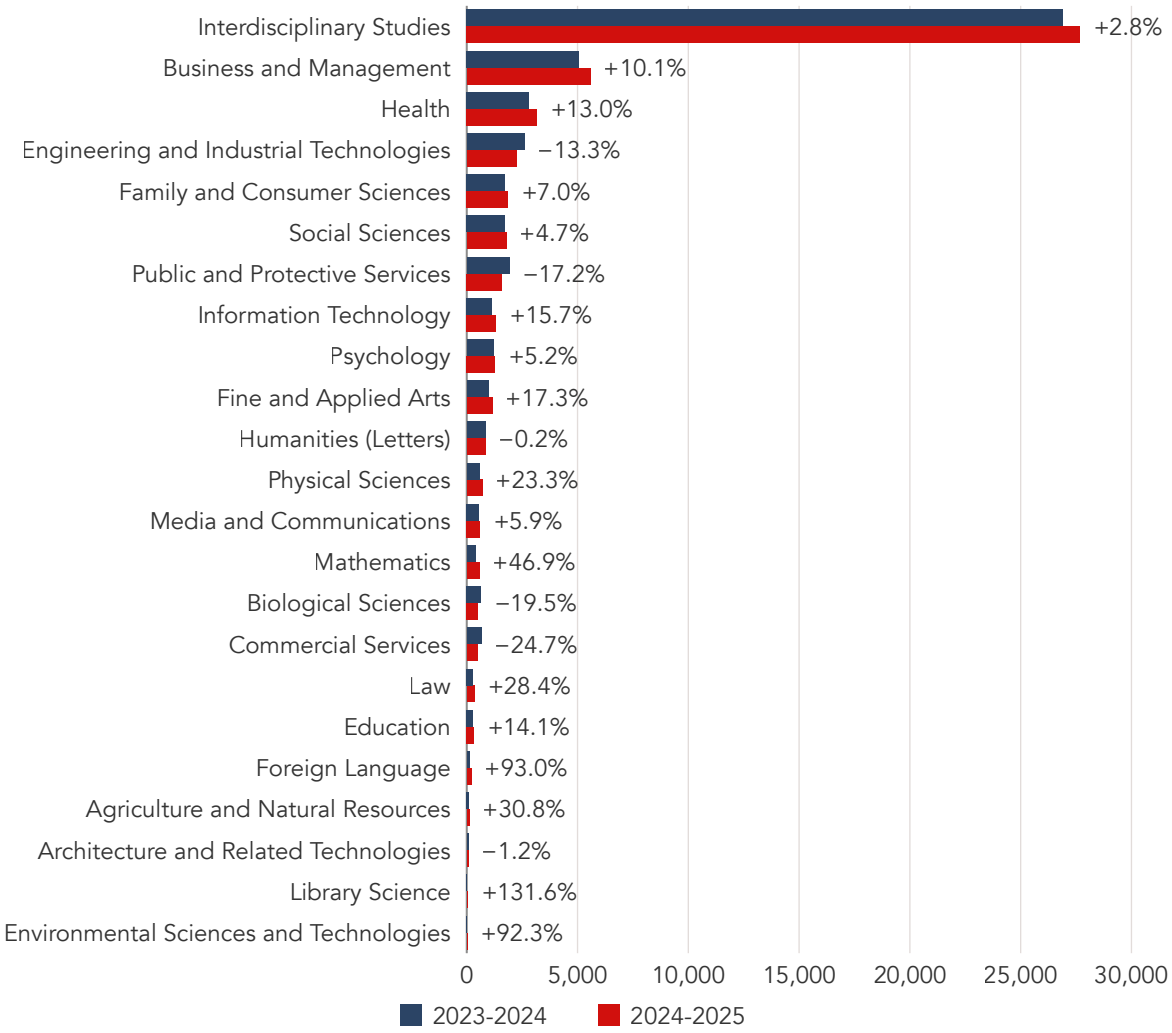
AI IMPACTS

As AI and other new technologies continue to disrupt and transform employer needs in the workplace, community colleges have the flexibility to focus on specific skills to prepare students for career success. With their wide range of degrees and certificates, all of which are much more affordable and less time-consuming than four-year college degrees, community colleges have increasingly become attractive options for both prospective students and their potential employers, as they provide a low-cost solution to filling the persistent skills gap.

While AI can dramatically improve worker productivity and efficiency, it also has the potential to dramatically shift employer hiring needs, especially for low-skill, entry-level positions such as customer service representatives, cashiers and call center workers. While low-skill, these entry-level positions are crucial rungs on career ladders where young workers learn soft skills such as teamwork, communication and leadership, while technology-related skills become increasingly important later in a person's career. Declining access to entry-level positions and the hard and soft skills they impart could have serious consequences for future career progression and skill building among recent graduates. As AI continues to evolve, with the emergence of new applications such as Claude Code and Base44, research from Tufts University and Digital Planet's *Will Wired Belts Become the New Rust Belts? AI and the Emerging Geography of American Job Risk* report indicates that not even highly technical or specialized occupations are safe, with Web and Digital Interface Designers, Web Developers and Database Architects among the occupations identified as being at the greatest risk.[46]

[46] https://digitalplanet.tufts.edu/ai-and-the-emerging-geography-of-american-job-risk-page/

TOTAL PROGRAM AWARDS BY PROGRAM TYPE FROM ORANGE COUNTY COMMUNITY COLLEGES, 2024–2025



Percent shows change from 2023-2024 to 2024-2025.

Source: California Community Colleges Chancellor's Office, Management Information Systems Data Mart; Award types include Associate in Science for Transfer, Associate in Arts for Transfer, Associate in Science, Associate in Arts, Certificates requiring 30 to <60, 16 to fewer than 30, and 6 to <18 semester units, Noncredit awards requiring 288 to <480 hours, 192 to <288 hours, 144 to<192 hours, 96 to <144 hours, 48 to <96 hours, and <48 hours.

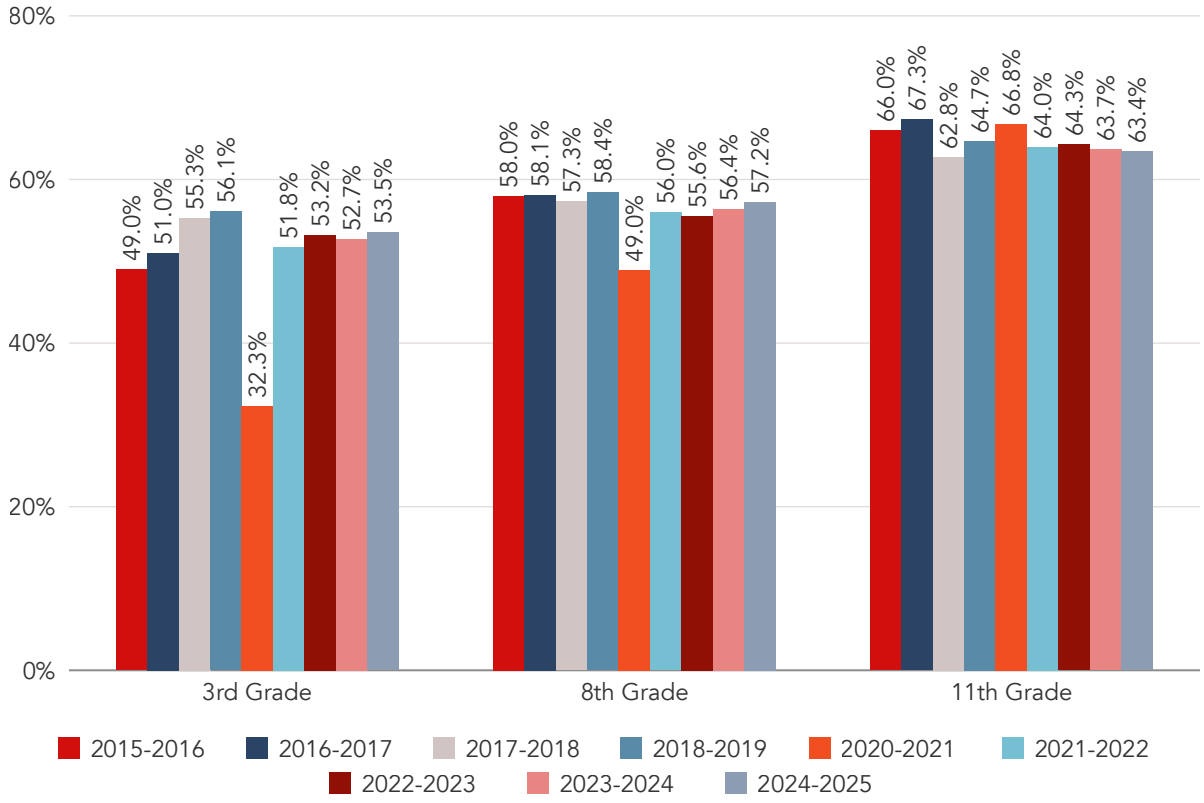
Interdisciplinary Studies was the most popular program at Orange County community colleges in the 2024–2025 school year. It had 27,675 program awards, up 2.8 percent from the previous year, followed by Business and Management with 5,586 program awards, Health with 3,163 and Engineering and Industrial Technologies at 2,255.

Other programs with significant growth included Mathematics, which saw program awards jump 46.9 percent from 2023–2024 to 2024–2025 and Physical Sciences, which grew by 23.3 percent. Commercial Services (which includes academic programs such as Aviation and Airport Management, Cosmetology and Barbering, Custodial Services, and Travel Services and Tourism) saw the largest percentage decline (-24.7 percent), followed by Biological Sciences (-19.5 percent), Public and Protective Services (-17.2 percent) and Engineering and Industrial Technologies (-13.3 percent).

ACADEMIC PERFORMANCE: LITERACY

LITERACY RATES RISE FOR 3RD AND 8TH GRADERS; FALL SLIGHTLY FOR 11TH GRADERS

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING ELA STANDARDS, 2015–2016 TO 2024–2025



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

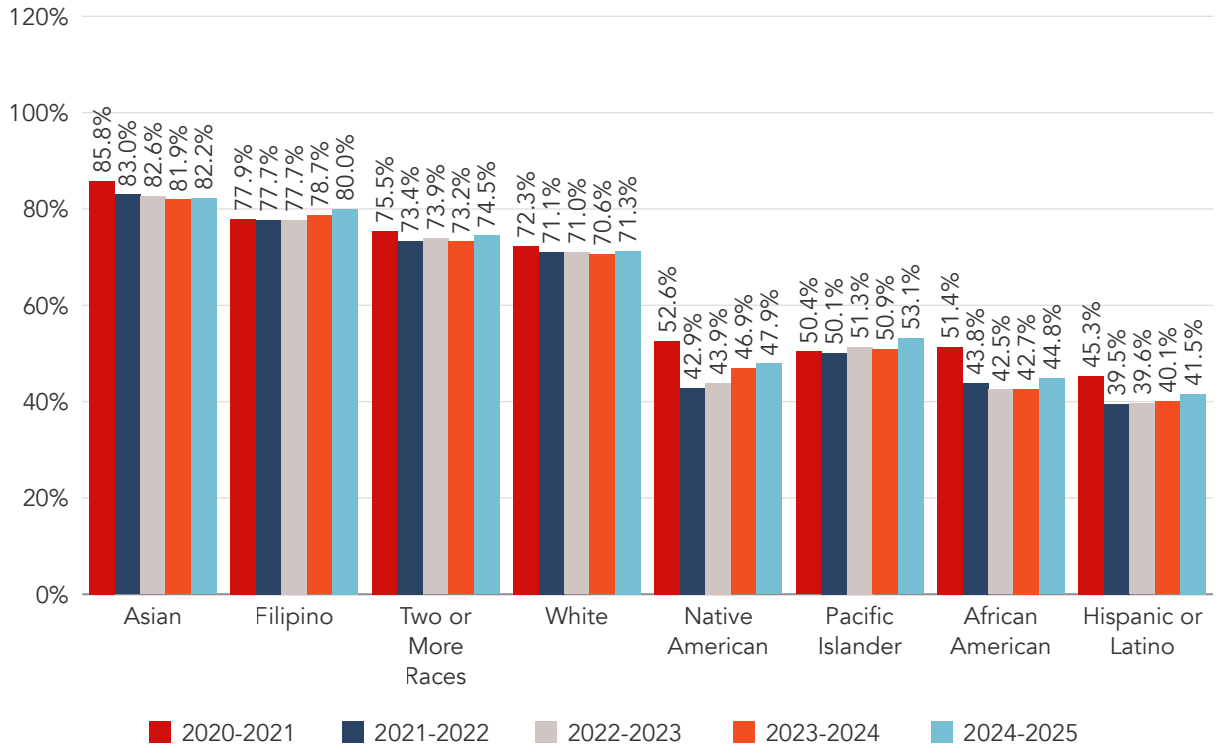
*** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020-2021 varied. Care should be used when interpreting results.*

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

Orange County 3rd and 8th graders saw improved performance in English Language Arts (ELA) compared with the previous year, while 11th graders saw declining performance. A total of 53.5 percent of 3rd graders and 57.2 percent of 8th graders met or exceeded state standards in the 2024–2025 school year, representing year-over-year improvements of 0.8 and 0.9 percentage points, respectively. Meanwhile, the percentage of 11th graders meeting or exceeding standards fell slightly from 63.7 percent to 63.4 percent.

PACIFIC ISLANDER, AFRICAN AMERICAN AND HISPANIC OR LATINO STUDENTS REGISTER LARGEST IMPROVEMENTS IN ELA PERFORMANCE

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING ELA STANDARDS BY RACE/ETHNICITY, 2020–2021 TO 2024–2025



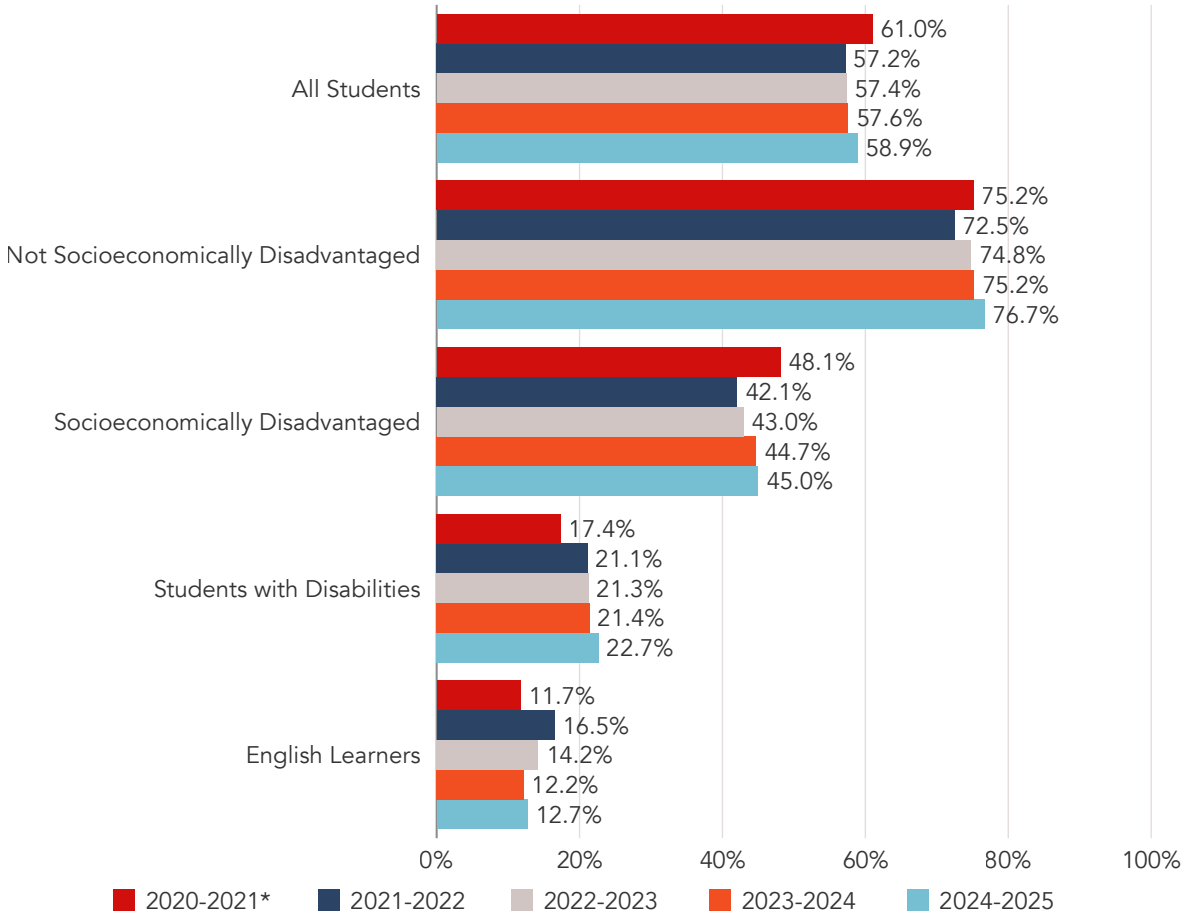
** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020-2021 varied. Care should be used when interpreting results.*

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

Among racial and ethnic cohorts, Pacific Islander and African American students (both up 2.2 percentage points) saw the largest year-over-year improvement in ELA scores. Hispanic or Latino students (up 1.5 percentage points), Filipino students (up 1.3 percentage points) and students of Two or More Races (up 1.3 percentage points) also saw significant improvement. Asian students continued to have the highest overall ELA performance with 82.2 percent meeting or exceeding state standards.

STUDENTS WITH DISABILITIES, ENGLISH LEARNER STATUS AND SOCIOECONOMICALLY DISADVANTAGED IMPROVE

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING ELA STANDARDS BY ECONOMIC STATUS, DISABILITY AND ENGLISH LEARNER STATUS, 2020–2021 TO 2024–2025



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

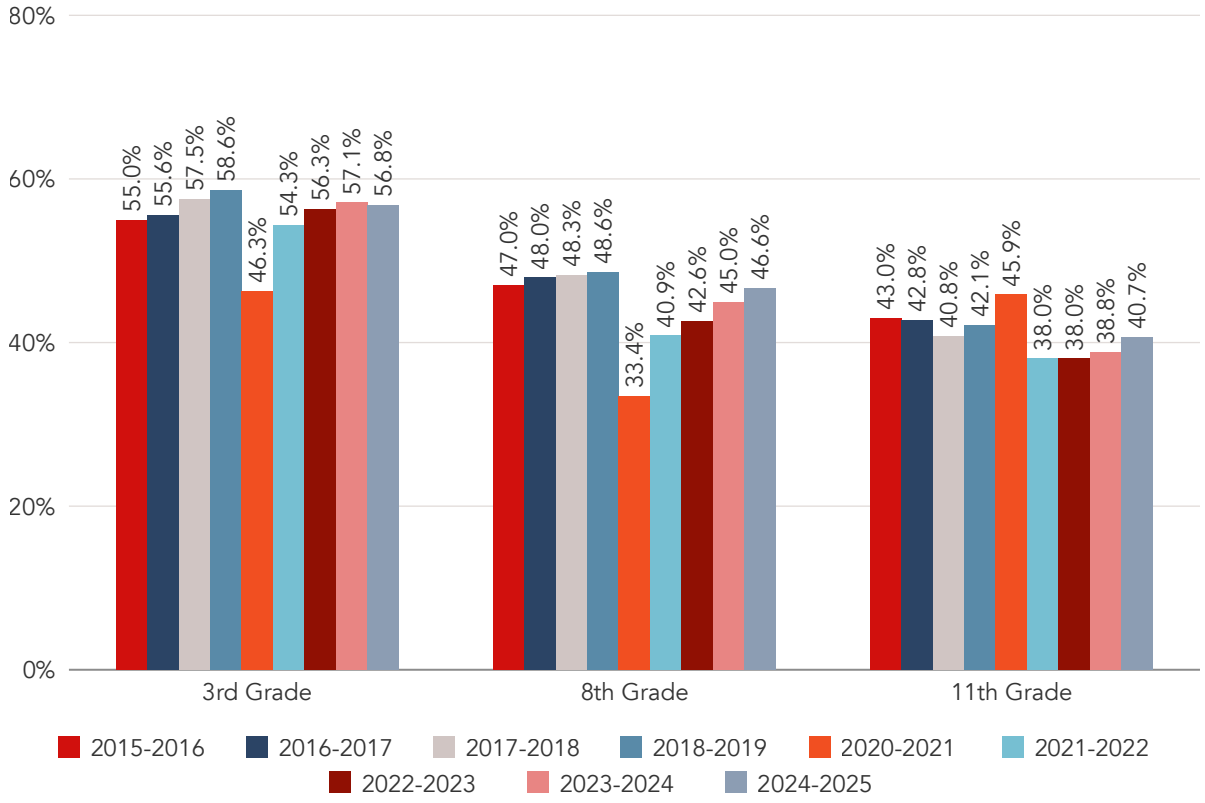
Source: California Department of Education; California Assessment of Student Performance and Progress (CAASPP).

Across all three grade levels, 58.9 percent of Orange County students met or exceeded ELA standards in 2024–2025, a year-over-year increase of 1.3 percentage points. One notable improvement is the increased performance of not socioeconomically disadvantaged students (1.4 percentage points), students with disabilities (1.3 percentage points) and English Learners (0.5 percentage points). While these students still underperform relative to the overall county average, progress is being made.

ACADEMIC PERFORMANCE: MATHEMATICS

MATHEMATICS PERFORMANCE IMPROVES FOR 8TH AND 11TH GRADERS; FALLS SLIGHTLY FOR 3RD GRADERS

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS, 2015–2016 TO 2024–2025



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

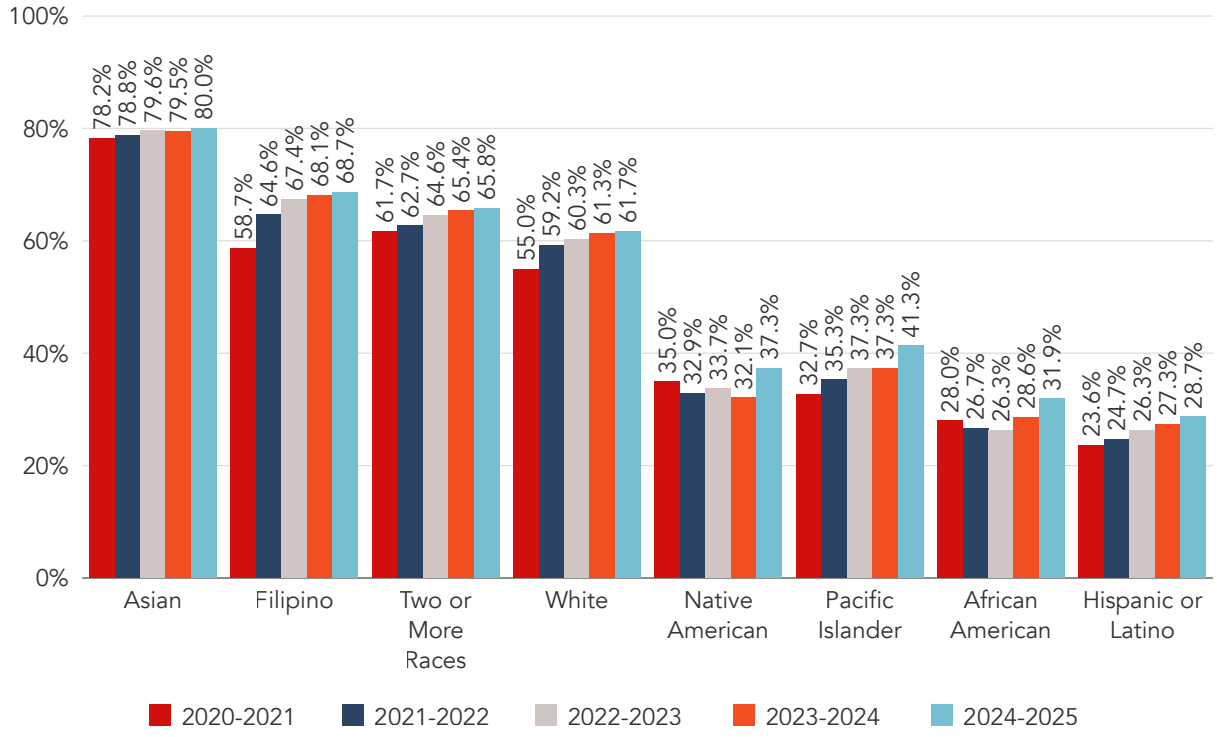
*** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020-2021 varied. Care should be used when interpreting results.*

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

Orange County 8th- and 11th-graders registered gains in mathematics performance, while 3rd graders saw a marginal decline. In the 2024–2025 school year, 46.6 percent of 8th graders and 40.7 percent of 11th graders met or exceeded state mathematics standards, up 1.7 and 1.9 percentage points, respectively, from the previous year. At the same time, the proportion of 3rd graders meeting or exceeding state standards declined slightly from 57.1 percent to 56.8 percent.

ALL RACIAL AND ETHNIC COHORTS SEE IMPROVEMENTS IN MATHEMATICS SCORES

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS BY RACE/ETHNICITY, 2020–2021 TO 2024–2025



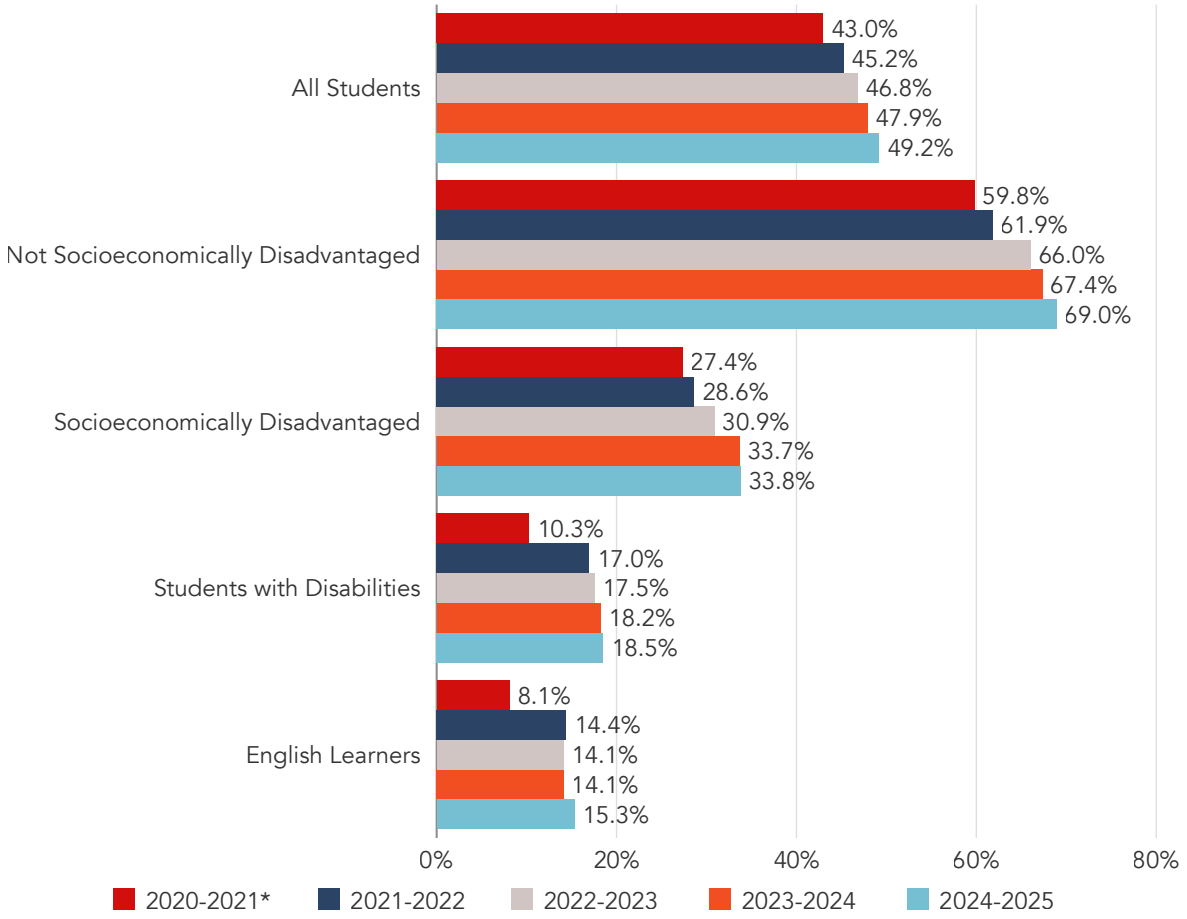
** Due to factors surrounding the novel coronavirus (COVID-19) pandemic, testing participation in 2020-2021 varied. Care should be used when interpreting results.*

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

As with English Language Arts, all racial and ethnic student cohorts in Orange County saw improved mathematics performance. Native American students saw the largest improvement (up 5.2 percentage points), followed by Pacific Islander students (up 4.0 percentage points) and African American students (up 3.3 percentage points). Asian students continued to perform best in mathematics, with 80.0 percent meeting or exceeding state standards, followed by Filipino students (68.7 percent) and students who identify as Two or More Races (65.8 percent). Despite year-over-year improvements, only 28.7 percent of Hispanic or Latino students met or exceeded state standards in mathematics.

OVERALL STUDENT MATH PERFORMANCE CONTINUES TO RISE

PERCENTAGE OF ORANGE COUNTY STUDENTS MEETING OR EXCEEDING MATHEMATICS STANDARDS BY ECONOMIC STATUS, DISABILITY AND ENGLISH LEARNERS, 2020–2021 TO 2024–2025



** 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).

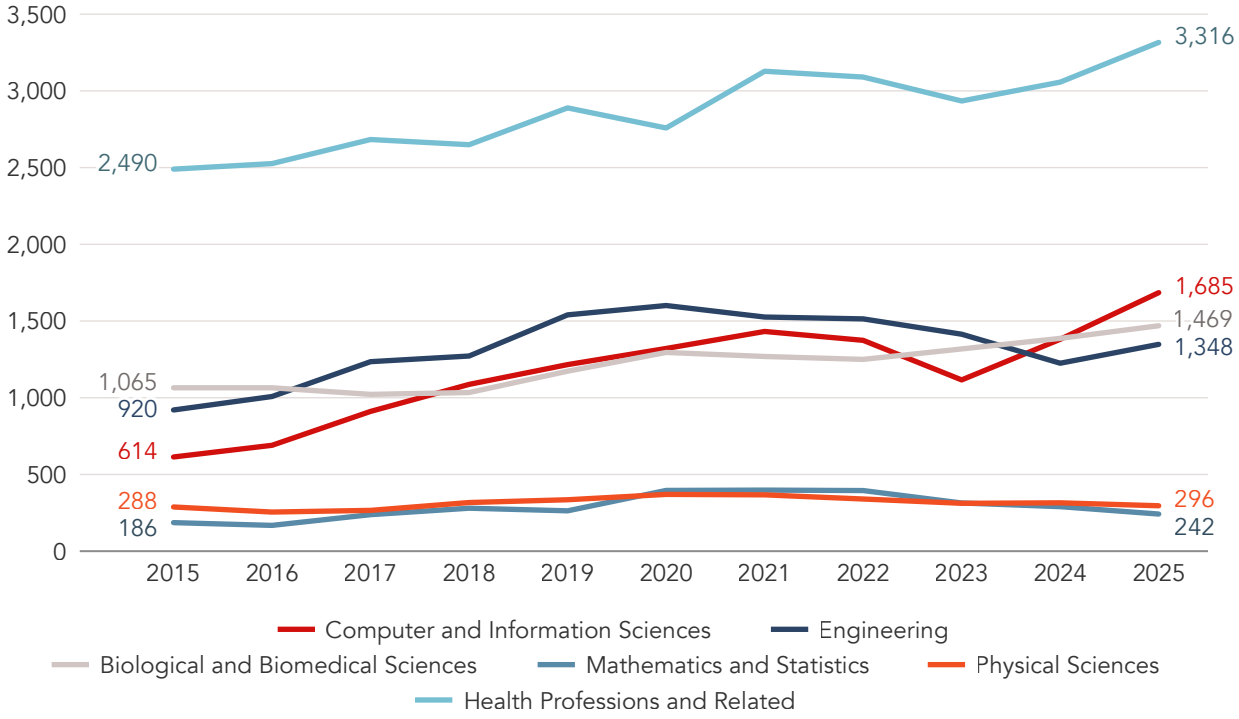
Overall, the percentage of Orange County students meeting or exceeding state mathematics standards rose from 47.9 percent to 49.2 percent. As shown above, performance also improved for English Learners (1.2 percentage points), students with disabilities (0.3 percentage points) and socioeconomically disadvantaged students (0.1 percentage points).

However, both performance gaps within the county and the fact that fewer than half of Orange County students meet or exceed state mathematics standards demonstrate significant room for improvement in mathematics achievement. Orange County has been on an upward trend since the decade began and can continue to improve, particularly by supporting disadvantaged students, in this critical subject area that plays an important role in future educational and workforce success.

STEM-RELATED DEGREES

STEM-RELATED BACHELOR'S DEGREES INCREASE NEARLY 10 PERCENT

STEM-RELATED BACHELOR'S DEGREES CONFERRED AT ORANGE COUNTY COLLEGES AND UNIVERSITIES, 2015–2025



Source: Lightcast

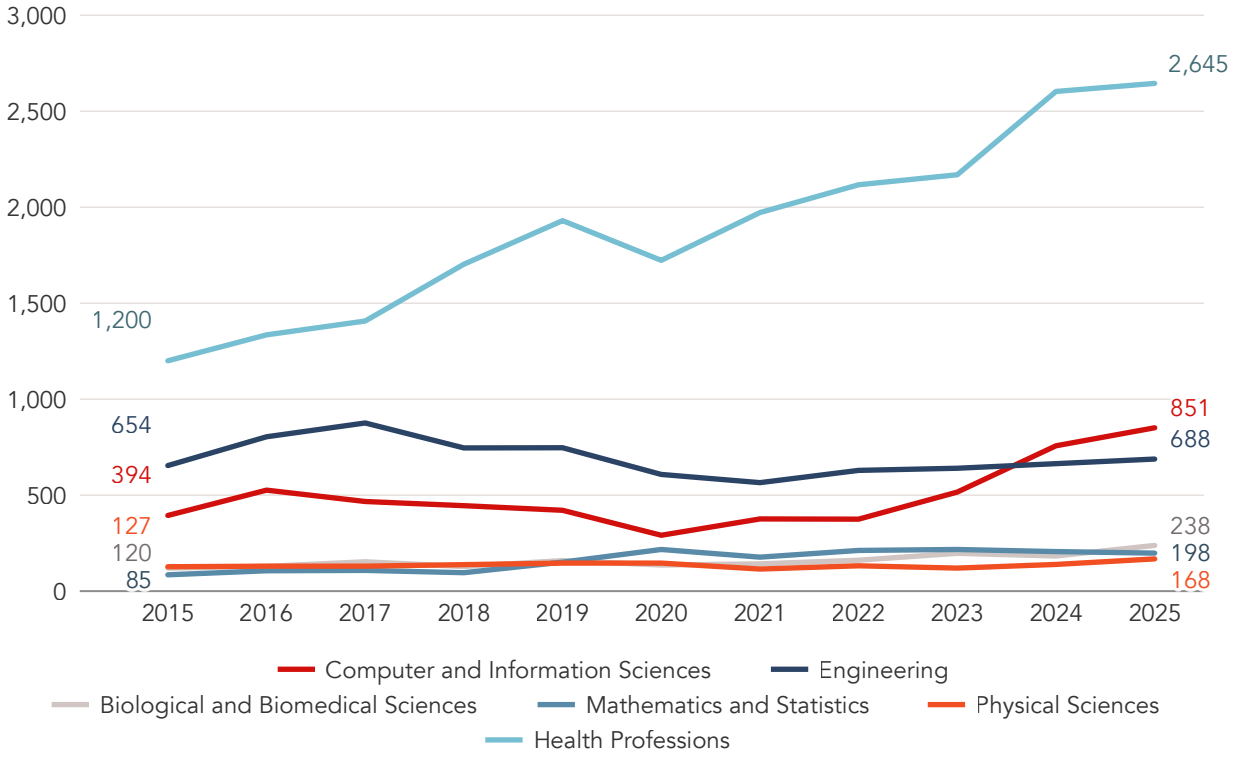
Orange County colleges and universities awarded 8,356 STEM-related bachelor's degrees in 2025. This represents an increase of 701 degrees, or 9.2 percent, from 2024. While Health Professions and Related continued to represent the largest share of STEM-related bachelor's degrees with 3,316 degrees awarded in 2025 (39.7 percent of total STEM-related degrees), Computer and Information bachelor's degrees saw the largest year-over-year increase, jumping 22.0 percent from 1,381 degrees in 2024 to 1,685 degrees in 2025. Engineering registered the second-largest percentage increase, rising 10.0 percent, or 123 degrees, while Health Professions and Related saw the third-largest increase, jumping by 8.5 percent, or 259 degrees.

Two programs saw declines in STEM-related bachelor's degrees:

- Physical Sciences (a decline of 6.0 percent, from 315 to 296); and
- Mathematics and Statistics (a decline of 16.6 percent, from 290 to 242).

Between 2015 and 2025, total STEM-related bachelor's degrees in Orange County increased by 50.2 percent, or 2,793 degrees.

STEM-RELATED GRADUATE DEGREES CONFERRED AT ORANGE COUNTY COLLEGES AND UNIVERSITIES, 2015–2025



Source: Lightcast; Includes master's and doctorate degrees.

Total STEM-related graduate and professional degrees in Orange County increased from 4,552 degrees in 2024 to 4,788 degrees in 2025, an increase of 5.2 percent, or 236 degrees. Over the past year, programs with the largest increases in STEM-related graduate or professional degrees included:

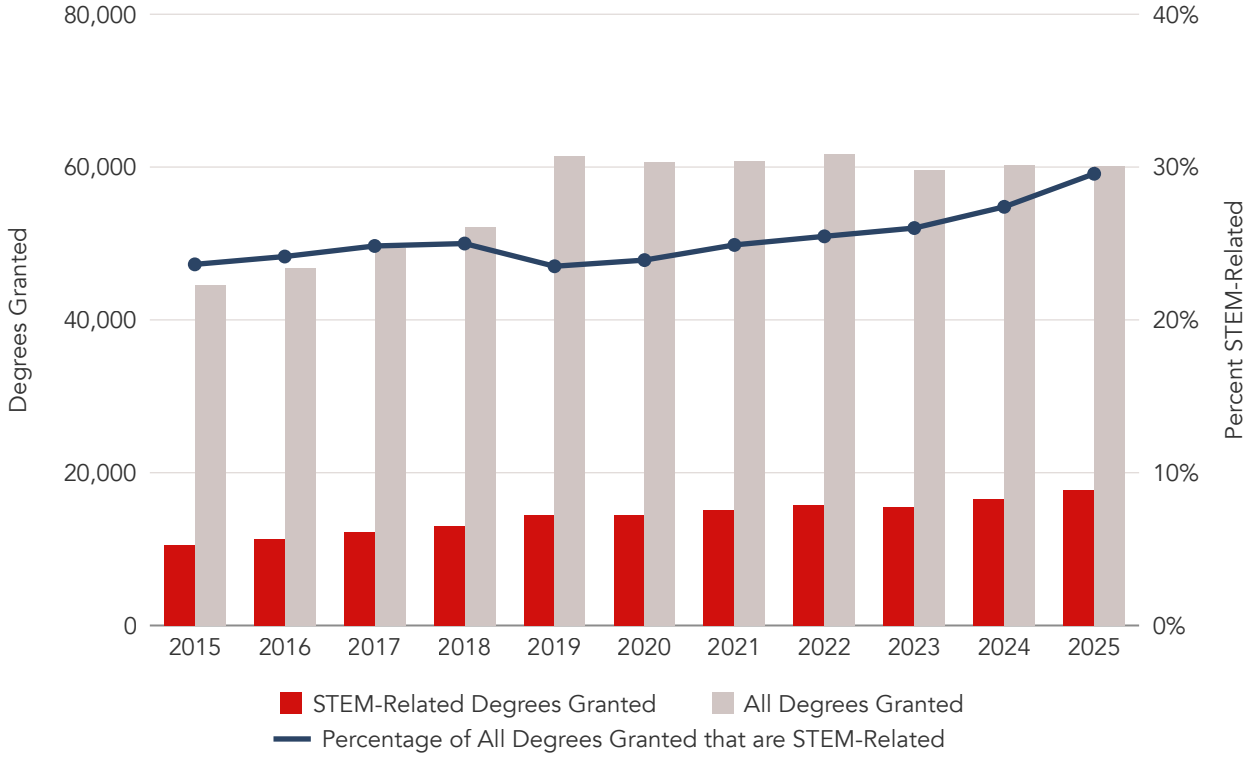
- Biological and Biomedical Sciences (30.1 percent, or +55 degrees);
- Physical Sciences (20.9 percent, or +29 degrees); and
- Computer and Information Sciences (12.4 percent, or +94 degrees).

Health Professions, which represents the largest share of STEM-related graduate or professional degrees at 55.2 percent of the total in 2025 (2,645 degrees), saw a year-over-year increase of 1.6 percent, or 42 degrees.

Mathematics and Statistics was the only program to see a decline in STEM-related graduate and professional degrees. Degrees awarded fell by 3.9 percent, from 206 degrees in 2024 to 198 in 2025. Overall, the number of STEM-related graduate and professional degrees in Orange County has increased from 2,580 in 2015 to 4,788 in 2025, an increase of 2,208 degrees, or 85.6 percent.

OC STEM-RELATED DEGREES RISE AS TOTAL DEGREES FALL

PROPORTION OF STEM-RELATED BACHELOR'S AND GRADUATE DEGREES GRANTED IN ORANGE COUNTY, 2015–2025



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 from 16,508 in 2024 to 17,771 in 2025. This represents an increase of 1,263 degrees, or 7.7 percent. At the same time, total degrees granted across all program disciplines in Orange County actually declined, falling from 60,251 to 60,114, a reduction of 137 degrees, or 0.2 percent. As a result, STEM-related degrees now make up a greater proportion of total degrees: 29.6 percent in 2025 compared with 27.4 percent in 2024.

While the decline in total degrees granted in Orange County from 2024 to 2025 was marginal, this marks a broader trend of stagnating degree conferral. From 2010 to 2020, total degrees in Orange County increased by an annual average of 4.5 percent, whereas from 2020 to 2025, total degrees declined by an annual average of 0.2 percent. Overall, total degrees granted in Orange County peaked in 2022 at 61,716 and have since declined by 2.6 percent to 60,114 in 2025.

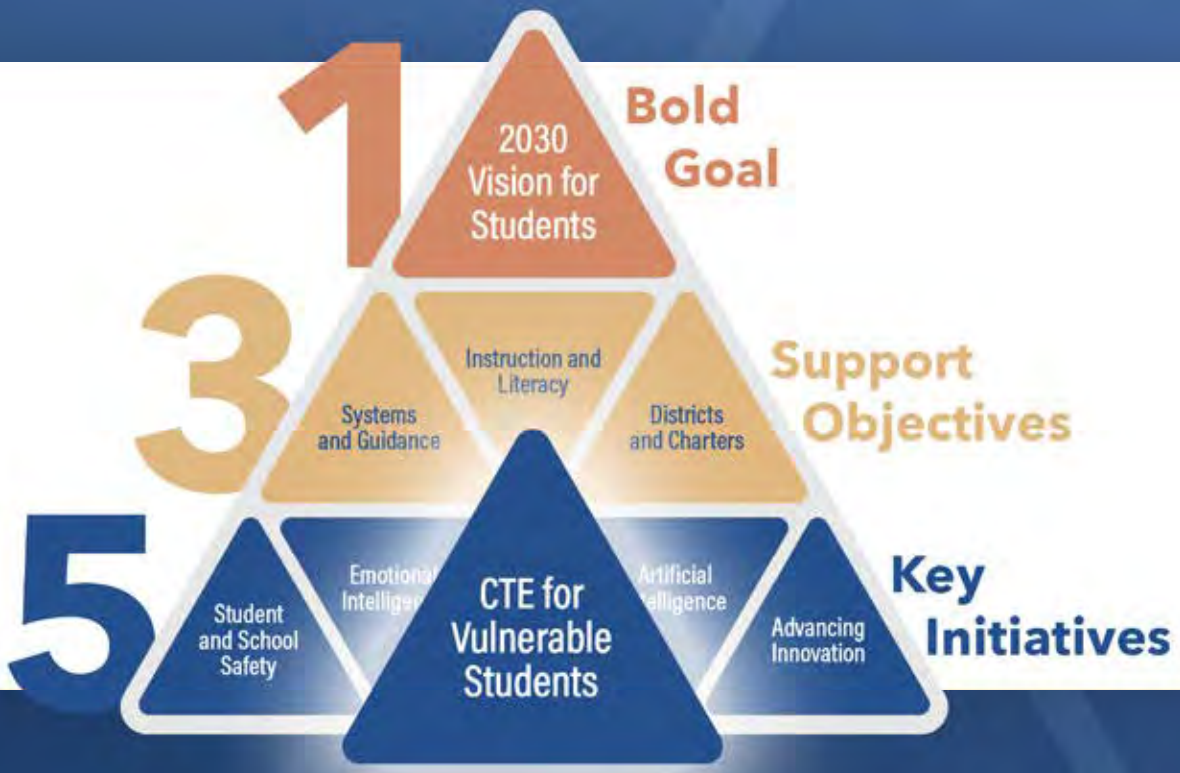
DATA NOTES

"STEM" degrees are those granted in the fields of science, technology, engineering and mathematics. Data include associate's, bachelor's, master's and doctorate degrees granted by higher education institutions in Orange County. Data for 2019 and 2020 should be interpreted with caution due to the impacts of COVID-19.

Building pathways to tomorrow's workforce.

ORANGE COUNTY DEPARTMENT OF EDUCATION

STEFAN BEAN, Ed.D.
County Superintendent of Schools

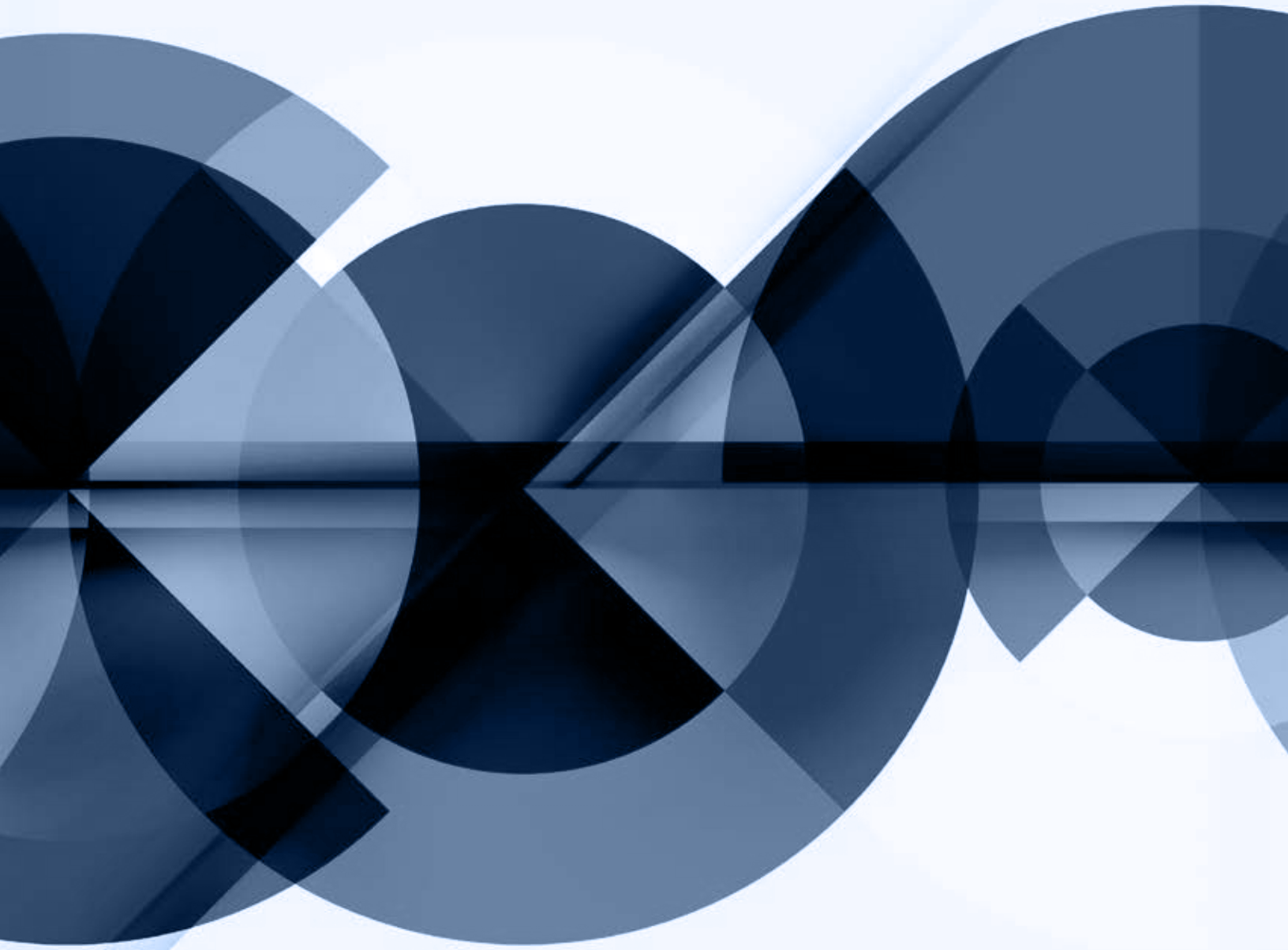


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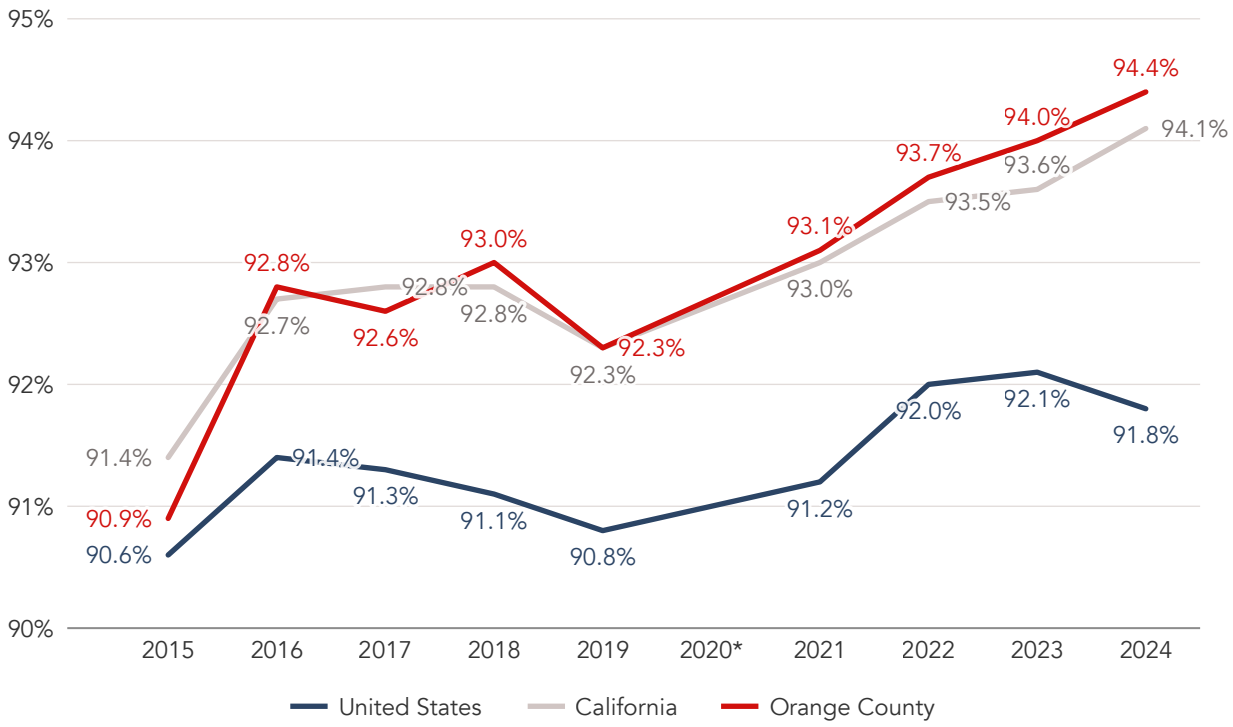
HEALTH



HEALTH CARE ACCESS

OC AND STATE UNINSURED RATE CONTINUES TO DECLINE; NATIONAL RATE INCREASES

INSURED (ALL AGES) IN ORANGE COUNTY, CALIFORNIA AND UNITED STATES, 2015–2024



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

The proportion of Orange County residents with health insurance continues to improve, rising from 93.7 percent in 2022 to 94.0 percent in 2023 and 94.4 percent in 2024. This echoes a similar trend at the state level, where insured rates rose from 93.6 percent to 94.1 percent. At the national level, insured rates actually declined from 92.1 percent to 91.8 percent. Orange County's 2024 insured rate of 94.4 percent was above state (94.1 percent) and national (91.8 percent) averages. Healthcare costs remain a concern despite high statewide and regional health insurance rates.

HIGH HEALTHCARE COSTS IMPACT BOTH INSURED AND UNINSURED

Alongside rising housing costs, healthcare costs have increased significantly in recent years, with Covered California health insurance premiums rising by 9.6 percent from 2023 to 2024 and by 7.9 percent from 2024 to 2025. In 2026, the expiration of federal subsidies resulted in a double-digit increase of 10.3 percent over 2025 health insurance premiums.[47] Additionally, the expiration of federal subsidies has resulted in an estimated 3 million fewer Americans enrolled in the Affordable Care Act marketplace,[48] suggesting that uninsured rates could increase in the coming years.

Despite being insured, many people forgo necessary healthcare services because of high costs. A recent poll by Kaiser Family Foundation (KFF), for instance, indicated that approximately 36 percent of surveyed adults have skipped or postponed getting healthcare because of cost.[49] Another report, *Barriers to Health Care Access in the Patient Experience* Pharmaceutical Research and Manufacturers of America (*PhRMA*), surveyed 4,700 Americans and found that three in 10 insured Americans have trouble paying medical bills. About 59 percent of survey respondents indicated that lowering out-of-pocket costs, not premiums, could provide relief. If more Americans postpone necessary care, especially for preventable diseases, or lose insurance entirely, this could place significant pressure on the nation's healthcare system.

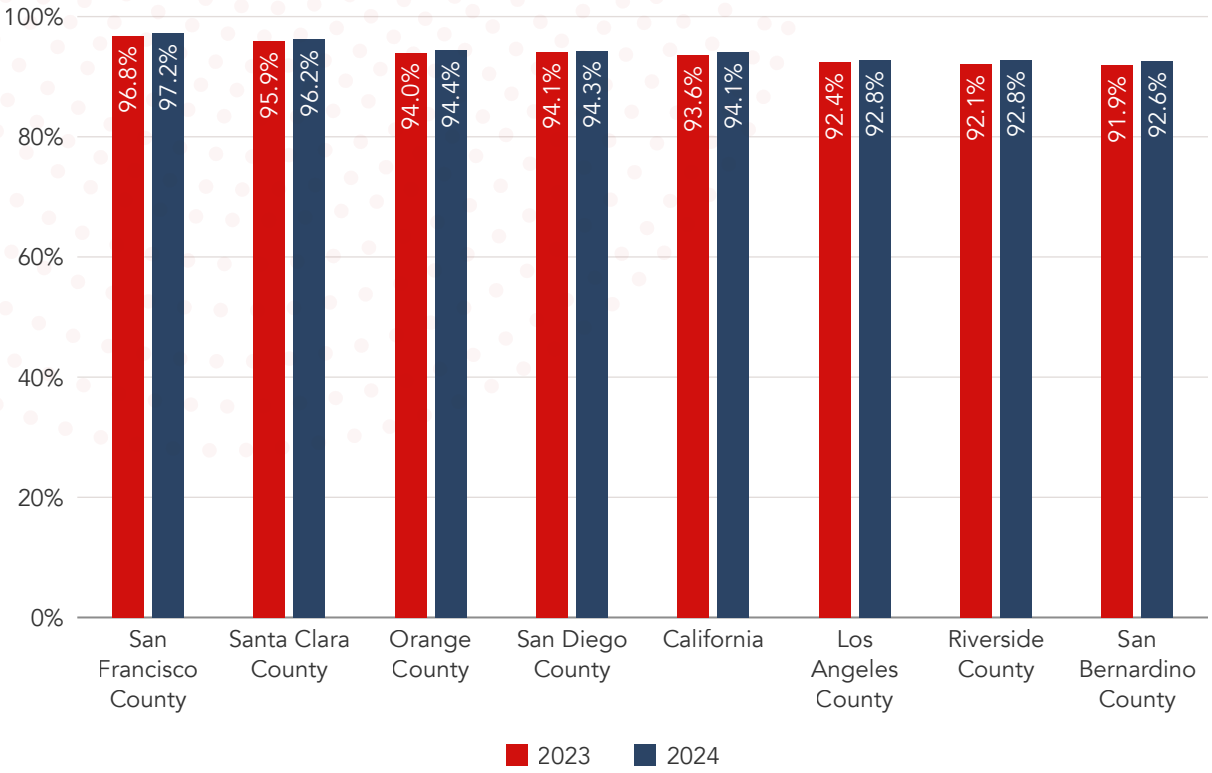
Orange County has successfully reduced the proportion of uninsured residents to near record levels, yet this will be meaningless if residents can no longer afford the care they require, insured or not.

[47] https://www.coveredca.com/newsroom/news-releases/2025/08/14/covered-california-rates-and-plans-for-2026-consumer-affordability-on-the-line-with-uncertainty-surrounding-federal-premium-tax-credit-extension/

[48] https://www.pbs.org/newshour/nation/about-3-million-people-have-dropped-obamacare-health-coverage-after-subsidies-expire-and-costs-rise

[49] https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/

INSURED (ALL AGES) IN ORANGE COUNTY AND PEER REGIONS, 2023 AND 2024



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

Orange County's insured rate, as seen above, was higher than those of the state and neighboring counties, including:

- San Diego County (94.3 percent);
- California (94.1 percent);
- Los Angeles County (92.8 percent);
- Riverside County (92.8 percent); and
- San Bernardino County (92.6 percent).

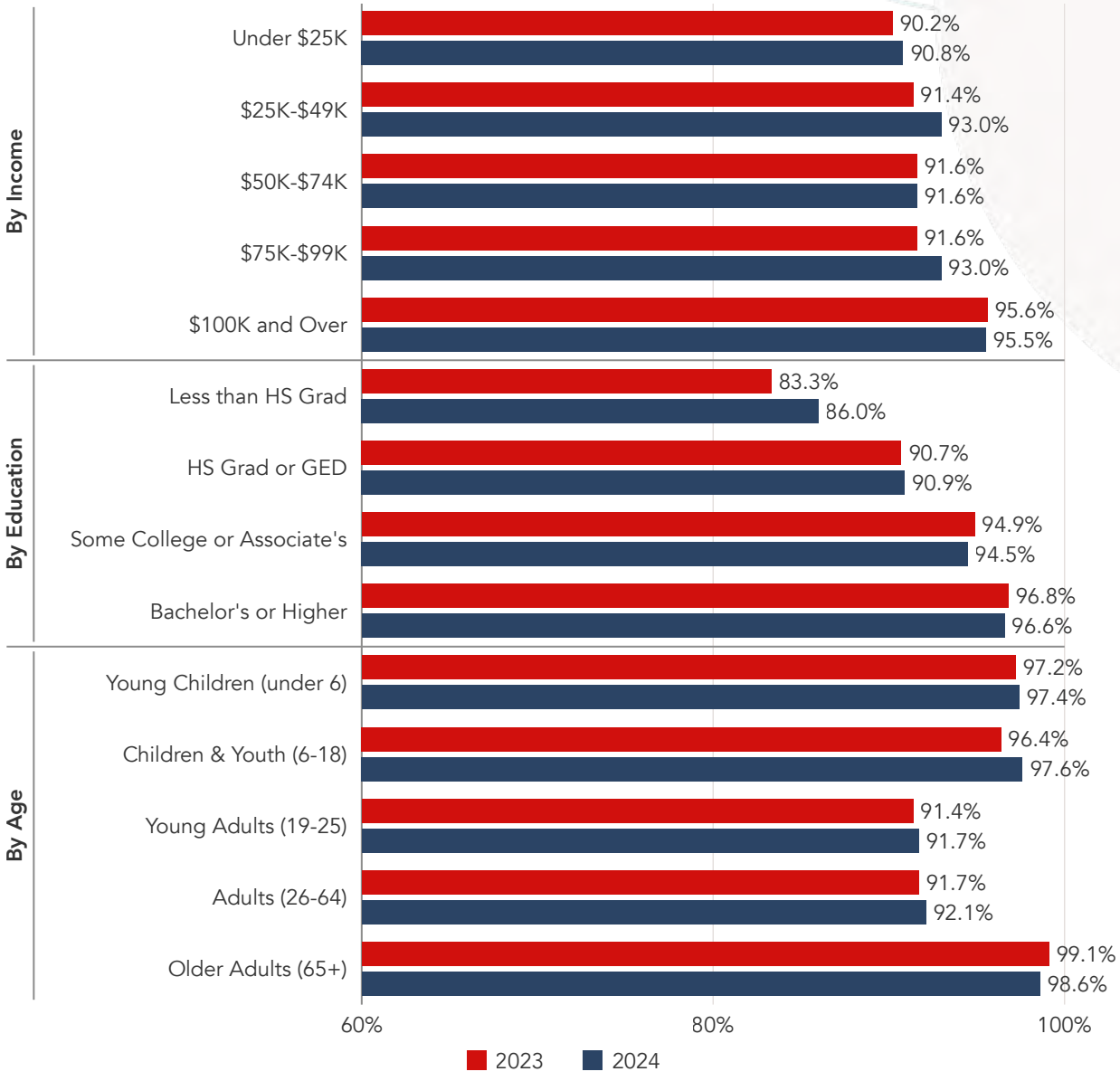
However, Northern California peers such as San Francisco County (97.2 percent) and Santa Clara County (96.2 percent) had higher rates.

All of Orange County's peers and neighbors saw improving insurance rates between 2023 and 2024. San Bernardino and Riverside counties tied for the largest improvement, at 0.7 percentage points, followed by Orange, Los Angeles and San Francisco counties (0.4 percentage points), Santa Clara County (0.3 percentage points) and San Diego County (0.2 percentage points). While insured rates have been improving in Orange County and across the state, the expiration of enhanced federal subsidies in 2026 resulted in nearly 3 million Americans losing or dropping their Affordable Care Act (ACA) insurance as premiums jumped 58 percent and deductibles rose 37 percent.[50]

[50] https://fortune.com/2026/07/14/aca-subsidies-expire-fraud-price-shock/

OLDER ADULTS AND HIGH-INCOME EARNERS SEE UNINSURED RATES RISE; YOUNG, LOW-INCOME AND LOW EDUCATIONAL ATTAINMENT COHORTS SEE UNINSURED RATES FALL

INSURED IN ORANGE COUNTY BY INCOME, EDUCATION AND AGE, 2023 AND 2024



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

Insured rates declined for multiple Orange County resident cohorts:

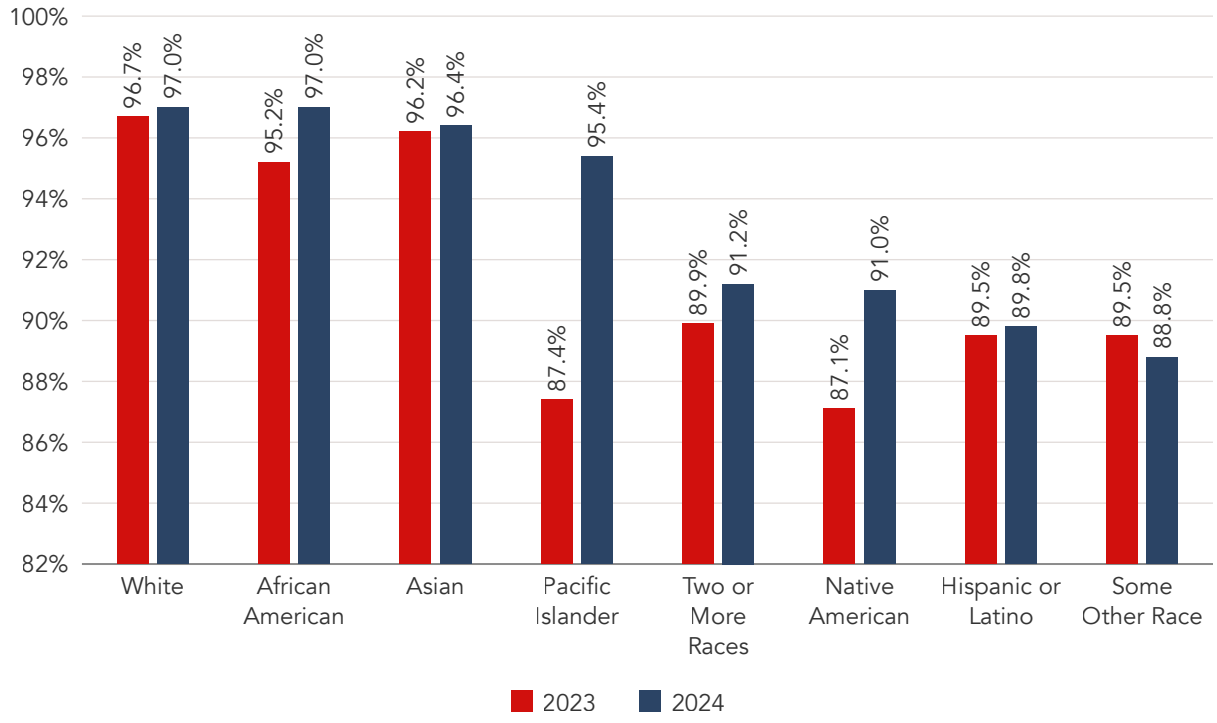
- Residents making more than $100,000 (from 95.6 percent to 95.5 percent);
- Residents with some college or an associate's degree (94.9 percent to 94.5 percent);
- Residents with a bachelor's or higher (96.8 percent to 96.6 percent); and
- Older Adults (99.1 percent to 98.6 percent).

Insured rates improved for nearly every other group. The largest gains occurred among residents who had less than a high school diploma (83.3 percent to 86.0 percent), residents making between $25,000 and $49,999 (91.4 percent to 93.0 percent) and residents making between $75,000 and $99,999 (91.6 percent to 93.0 percent). Other cohorts with improving insured rates included:

- Households making less than $25,000 (90.2 percent to 90.8 percent);
- Adults aged 26-64 (91.7 percent to 92.1 percent);
- Young adults aged 19-25 (91.4 percent to 91.7 percent);
- Young children aged under six (from 97.2 percent to 97.4 percent); and
- High school graduates or residents with a GED (90.7 percent to 90.9 percent).

Groups with the highest insured rates included Older Adults (98.6 percent), Children & Youth (97.6 percent), Young Children (97.4 percent) and residents with a bachelor's degree or higher (96.6 percent).

PERCENT INSURED IN ORANGE COUNTY BY RACE/ETHNICITY, 2023 AND 2024



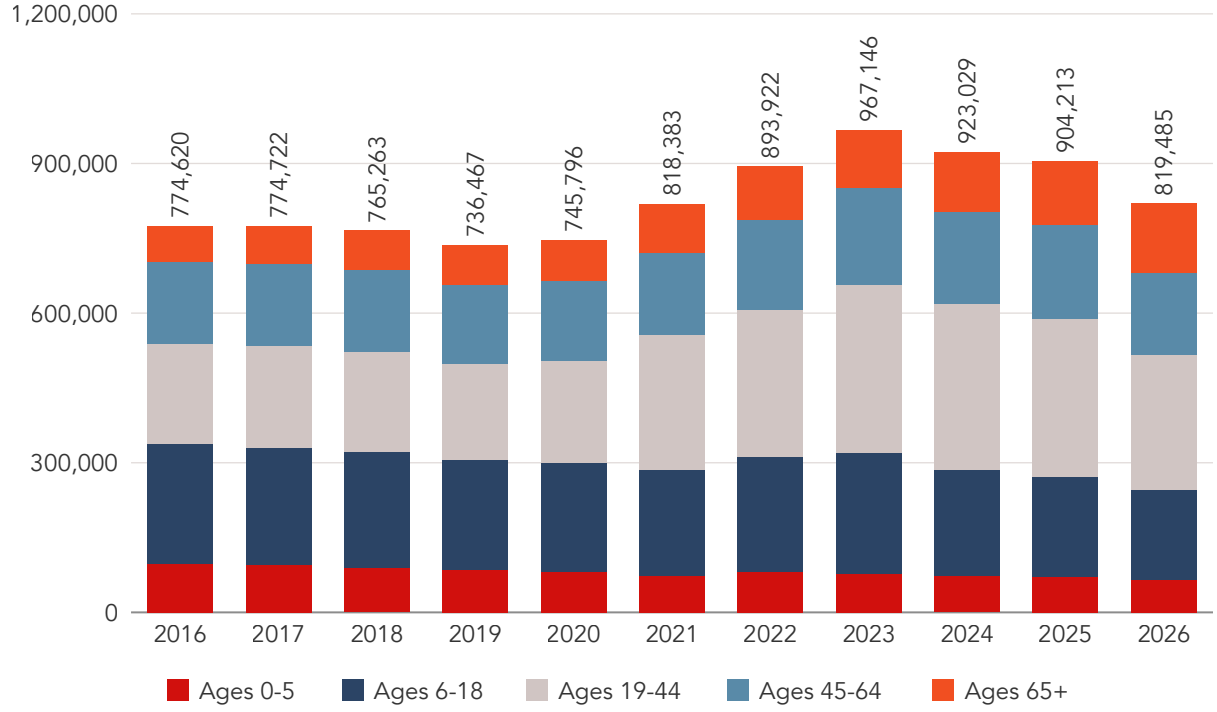
Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Within Orange County, White and African American residents were tied for the highest insured rate at 97.0 percent. This rate improved by 1.8 percentage points between 2023 and 2024 for African American residents and by 0.3 percentage points for White residents. In 2024, residents who identify as Some Other Race had the lowest insured rate after experiencing the only year-over-year decline, from 89.5 percent to 88.8 percent.

At the same time, Pacific Islander residents saw the largest improvement, with their insured rate increasing by 8.0 percentage points, from 87.4 percent to 95.4 percent. Rates also rose for Native American residents (from 87.1 percent to 91.0 percent), African American residents (from 95.2 percent to 97.0 percent) and residents who identify as Two or More Races (from 89.9 percent to 91.2 percent). Hispanic or Latino and Asian residents also saw insured rates improve by 0.3 and 0.2 percentage points, respectively.

MEDI-CAL MEMBERSHIP CONTINUES TO SHRINK

MEDI-CAL MEMBERSHIP IN ORANGE COUNTY, 2016–2026



Labels show total Medi-Cal membership.

Source: CalOptima Health, Monthly Fast Facts, July 2026

As of July 2026, Orange County Medi-Cal membership totaled 819,485, a large decline of 84,728 members, or 9.4 percent, from the previous year. The 19-44 age group saw the largest decline; its membership decreased by 46,045 members, or 14.5 percent. The 45-64 age group saw a 13.7 percent decline (nearly 26,000 members) while the 0-5 and 6-18 age groups both saw declines of 9.4 percent. The 65+ age group saw the only increase, with membership rising by 10.1 percent, 12,723 members.

CHRONIC DISEASE

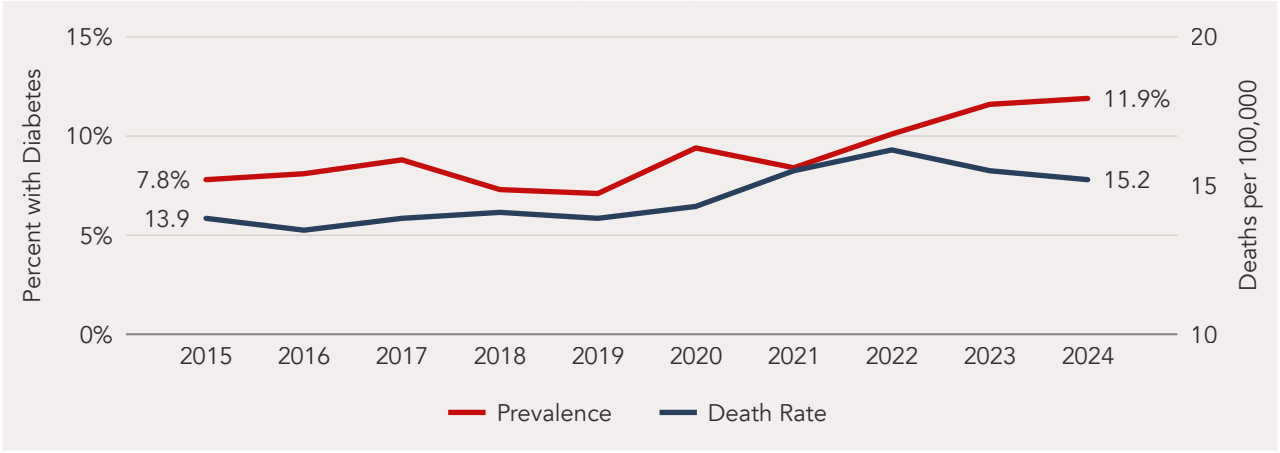
PREVALENCE INCREASES FOR MULTIPLE CHRONIC CONDITIONS

While Orange County is renowned for sports and outdoor recreational activities, chronic health issues remain a reality for many residents. Despite exceptional opportunities to participate in activities such as surfing, swimming and hiking, some Orange County residents continue to struggle with sedentary lifestyles, poor nutrition and tobacco, alcohol and substance use, all of which can contribute to chronic disease. Diabetes, heart disease, strokes and chronic lower respiratory diseases are among the most pressing public health challenges facing the nation, not just Orange County. Preventing these conditions, especially given the county's world-class healthcare system, should remain a major regional priority in both the short and long term.

Death rates from heart disease, high blood pressure or stroke and asthma or chronic lower respiratory disease all increased between 2023 and 2024, while the death rate from diabetes declined. These trends point to the need for continued investment in the regional healthcare system, particularly in lower-income and disadvantaged communities.

DEATH RATE DECLINES FOR DIABETES; INCREASES FOR ALL OTHER CHRONIC DISEASES

DIABETES PREVALENCE AND DEATH RATE IN ORANGE COUNTY, 2015–2024

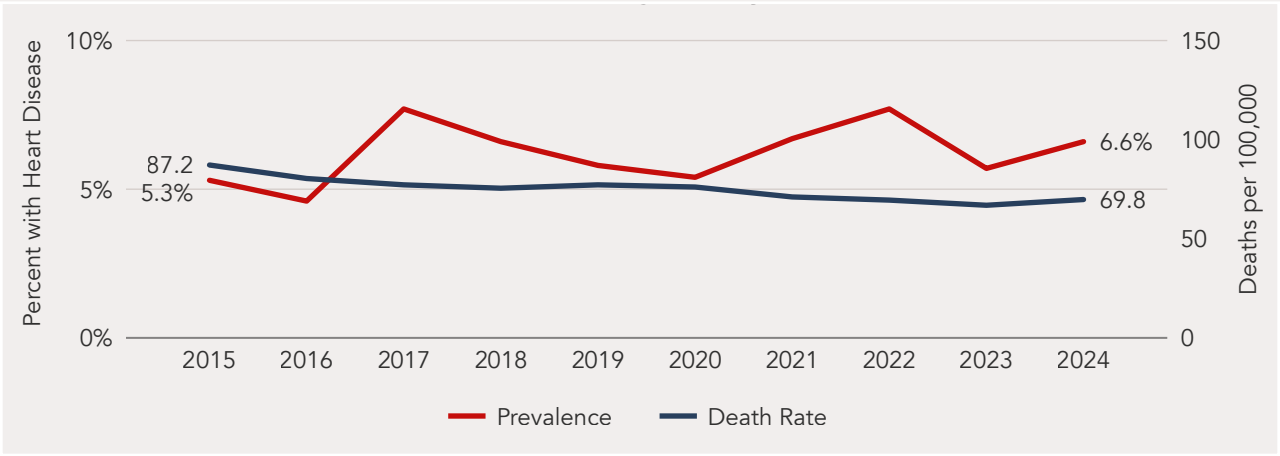


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

The prevalence of diabetes among Orange County adults increased from 10.1 percent in 2022 to 11.6 percent in 2023 to 11.9 percent in 2024. However, as previously mentioned, the disease's death rate declined from 15.5 per 100,000 residents in 2023 to 15.2 per 100,000 residents in 2024, suggesting that Orange County healthcare providers are becoming more successful at treating this chronic disease.

HEART DISEASE

HEART DISEASE PREVALENCE AND DEATH RATE IN ORANGE COUNTY, 2015–2024

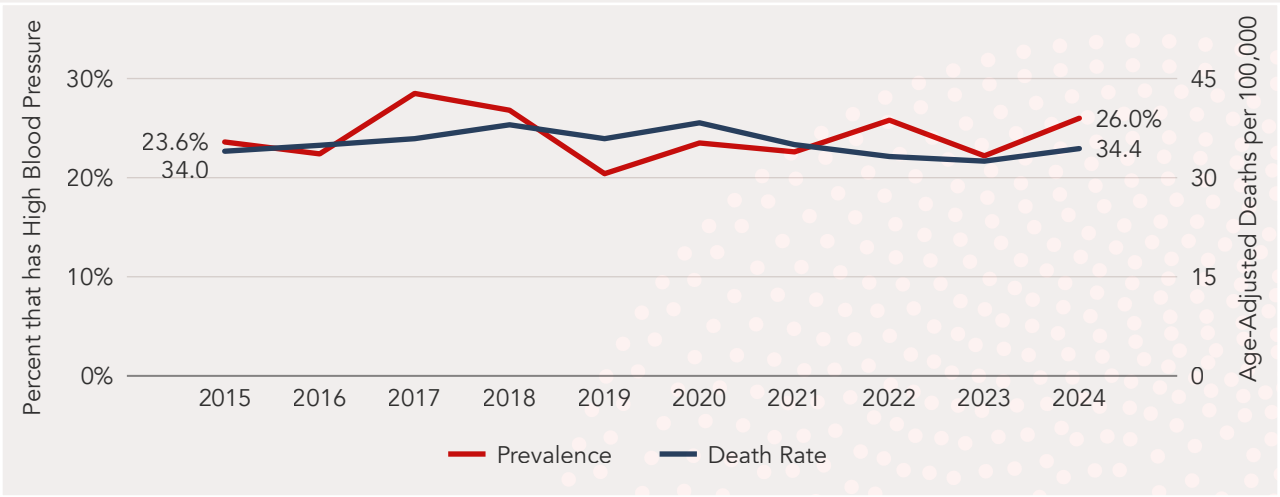


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

Heart disease's prevalence and death rate in Orange County both increased in 2024. Its prevalence increased from 5.7 percent in 2023 to 6.6 percent in 2024, while its death rate increased from 66.9 deaths per 100,000 residents to 69.8 deaths per 100,000 residents.

HIGH BLOOD PRESSURE/STROKE

HIGH BLOOD PRESSURE PREVALENCE AND STROKE DEATH RATE IN ORANGE COUNTY, 2015–2024

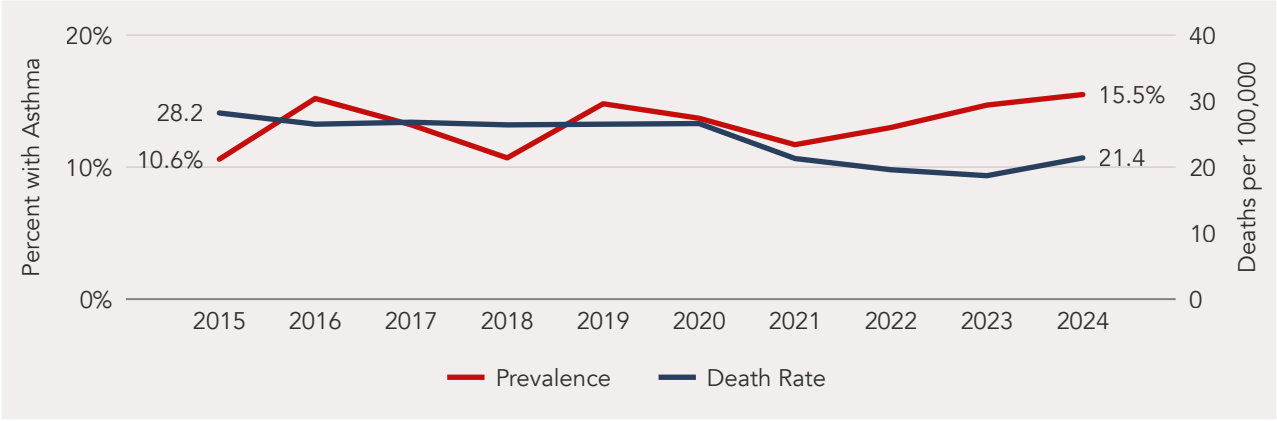


Sources: California Health Interview Survey; California Department of Public Health, County Health Status Profiles.

The prevalence of high blood pressure and stroke increased from 22.2 percent in 2023 to 26.0 percent in 2024. The death rate also increased, rising from 32.5 per 100,000 residents in 2023 to 34.4 per 100,000 residents in 2024.

ASTHMA/CHRONIC LOWER RESPIRATORY DISEASE

ASTHMA PREVALENCE AND CHRONIC LOWER RESPIRATORY DISEASE DEATH RATE IN ORANGE COUNTY, 2015–2024



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 third consecutive year, from 11.7 percent in 2021 to 13.0 percent in 2022, 14.7 percent in 2023 and 15.5 percent in 2024. The death rate also increased significantly between 2023 and 2024, rising from 18.7 per 100,000 residents to 21.4 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 should not be compared with 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.



The power of collective caring is an amazing thing.

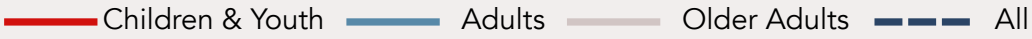
At Kaiser Permanente, we make it our mission to help build healthy communities, and we couldn't do it alone. We'd like to extend our heartfelt appreciation to Orange County Business Council for their effort and hard work towards the partnerships, progress, and innovation that have shaped our region.

Learn more at **kp.org/community**.

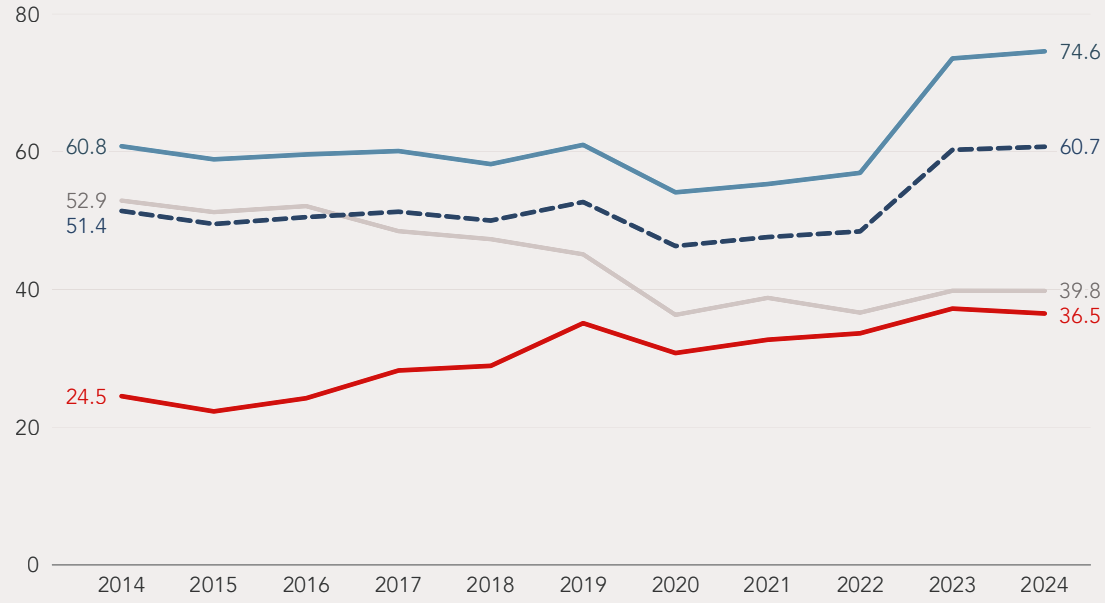
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MENTAL HEALTH AND SUBSTANCE USE

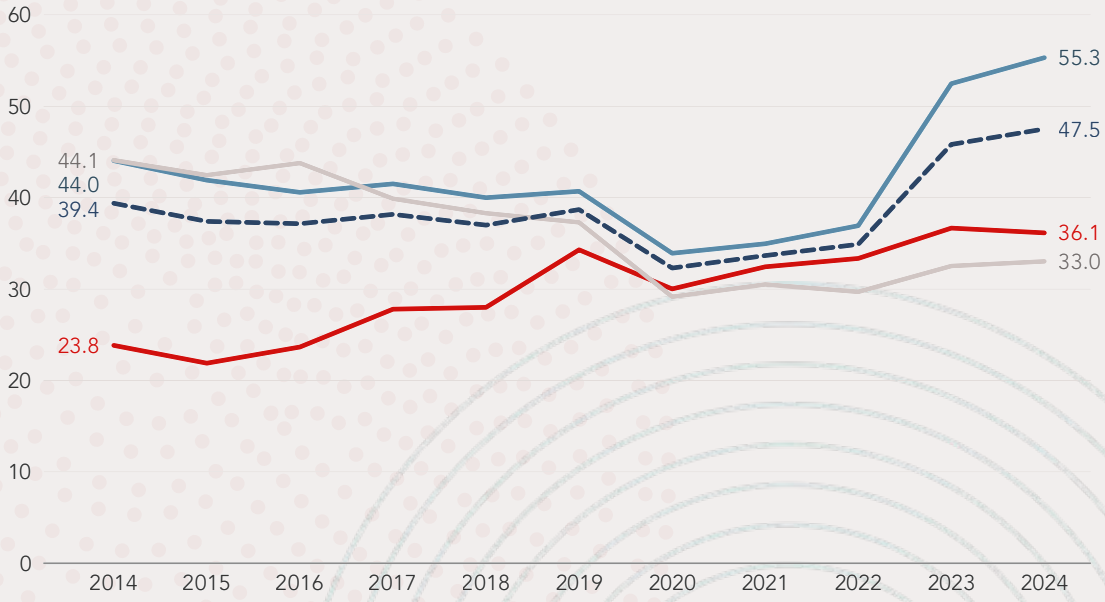
MENTAL HEALTH HOSPITALIZATIONS RISE WHILE SUBSTANCE USE HOSPITALIZATIONS DECLINE

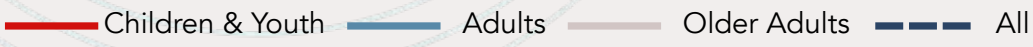


OVERALL MENTAL HEALTH AND SUBSTANCE USE HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2014–2024

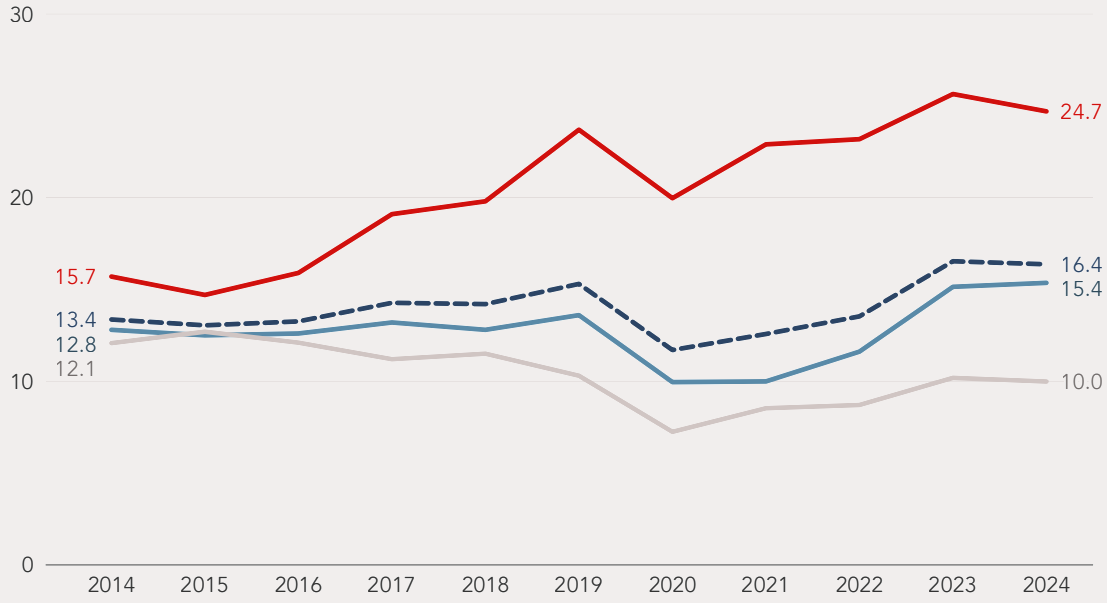


MENTAL HEALTH-RELATED HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2014–2024

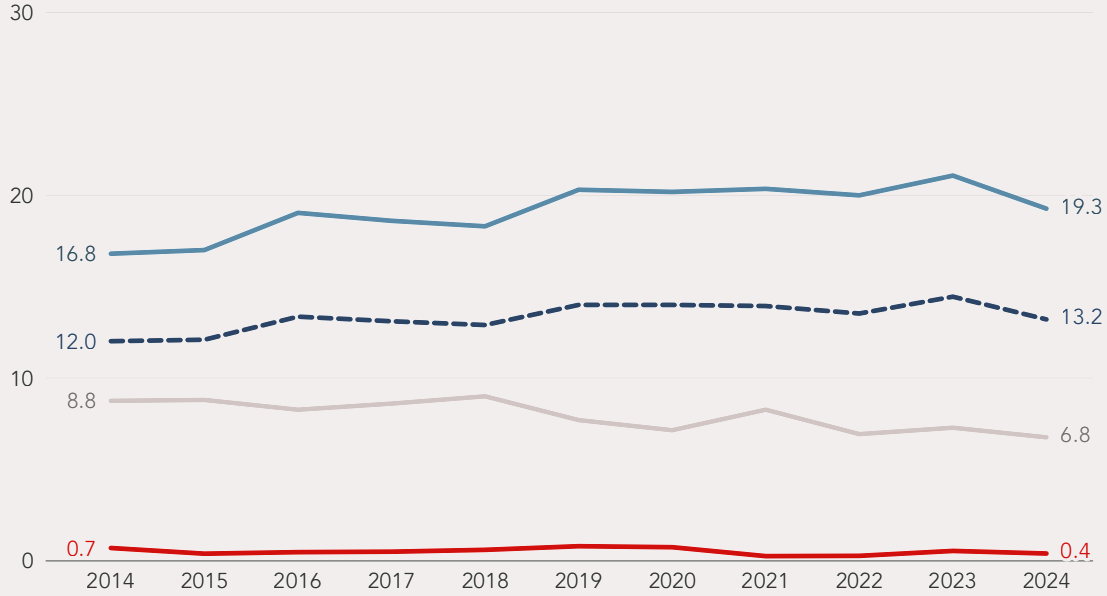




MAJOR DEPRESSION AND MOOD DISORDERS HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2014–2024



SUBSTANCE USE HOSPITALIZATIONS PER 10,000 BY AGE IN ORANGE COUNTY, 2014–2024



Sources: California Department of Health Care Access and Information (HCAI) Patient Discharge Data prepared by Orange County Health Care Agency, Research and Planning; California Department of Finance; U.S. Census Bureau, American Community Survey.

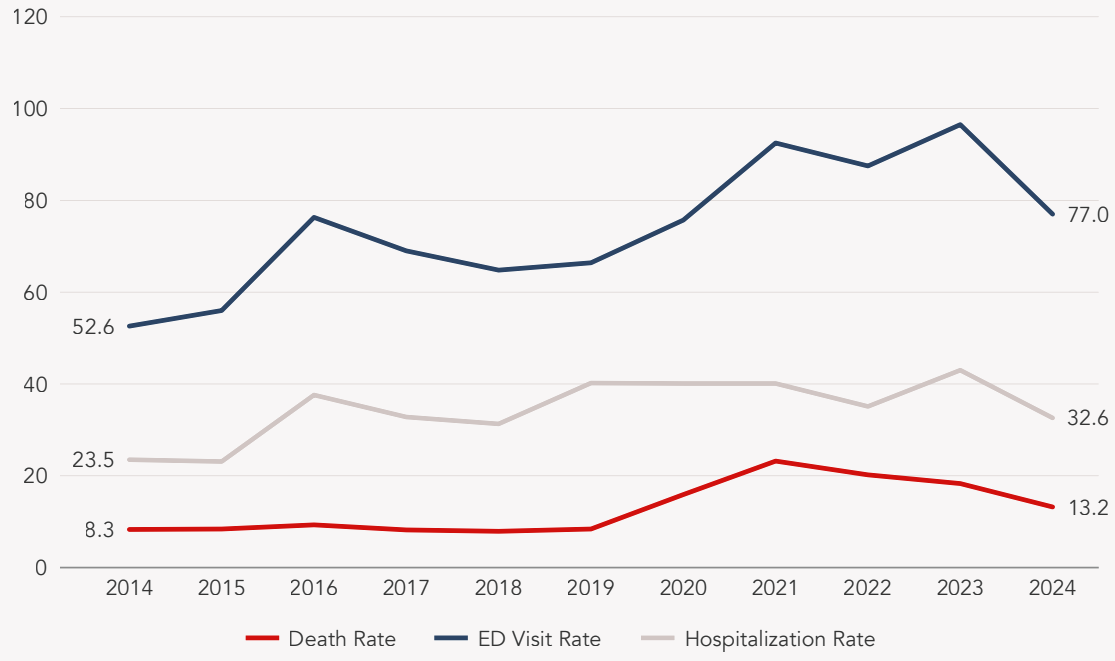
Overall mental health and substance abuse hospitalizations increased from 48.4 per 10,000 residents in 2022 to 60.7 per 10,000 residents in 2024; rates are significantly higher than before the COVID-19 pandemic. As shown above, rates increased for mental health-related hospitalizations while major depression or mood-disorder-related and substance abuse-related hospitalization rates saw minimal change.

One bright spot is that older adults (aged 65 and older) have lower hospitalization rates across the board than they did in 2014. However, the sharp increases in mental health-related hospitalizations among adults and major depression- and mood disorder-related hospitalizations for children and youth since 2020 point to both the lingering impacts of the pandemic and the need for targeted mental health support for Orange County residents of all ages.

OPIOIDS IN ORANGE COUNTY

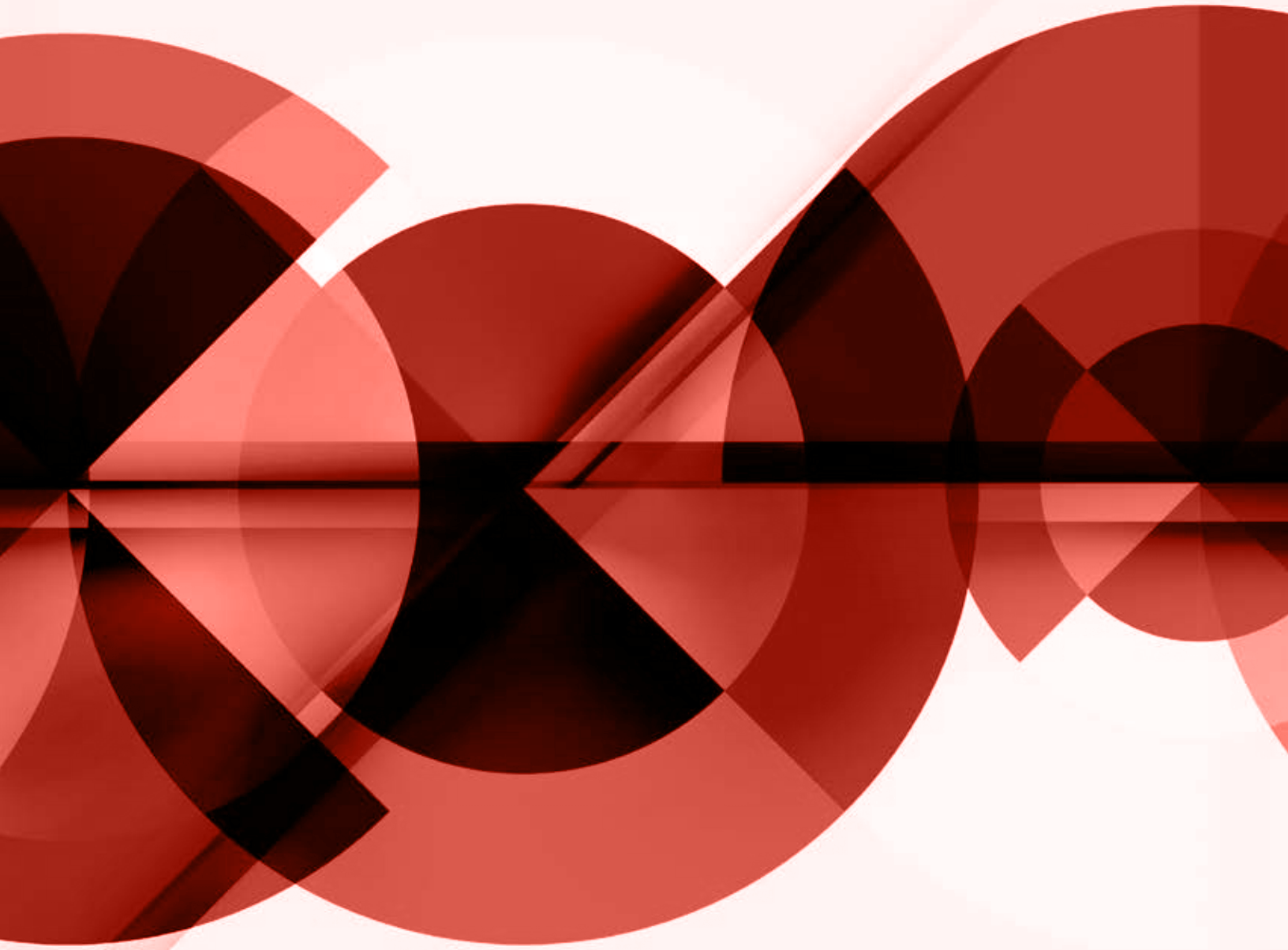
- Between 2023 and 2024, Orange County's opioid-related death rate fell from 18.3 per 100,000 residents to 13.2, a decline of 27.9 percent.
- Despite these recent improvements, the opioid-related death rate remains 59.0 percent higher than a decade ago.
- Hospitalization rates for opioid-related emergencies fell from 43.0 per 100,000 residents in 2023 to 32.6 in 2024, a decline of 24.2 percent.
- Emergency department visits also dropped, falling from 96.5 per 100,000 residents in 2023 to 77.0 in 2024, a decline of 20.2 percent.

RATE OF OPIOID-RELATED EMERGENCY DEPARTMENT (ED) VISITS, HOSPITALIZATIONS, AND DEATHS IN ORANGE COUNTY PER 100,000 RESIDENTS, 2014–2024



Sources: California Department of Health Care Access and Information (HCAI) Emergency Department and Patient Discharge Data (ED/hospitalization data); CDC WONDER (death data)

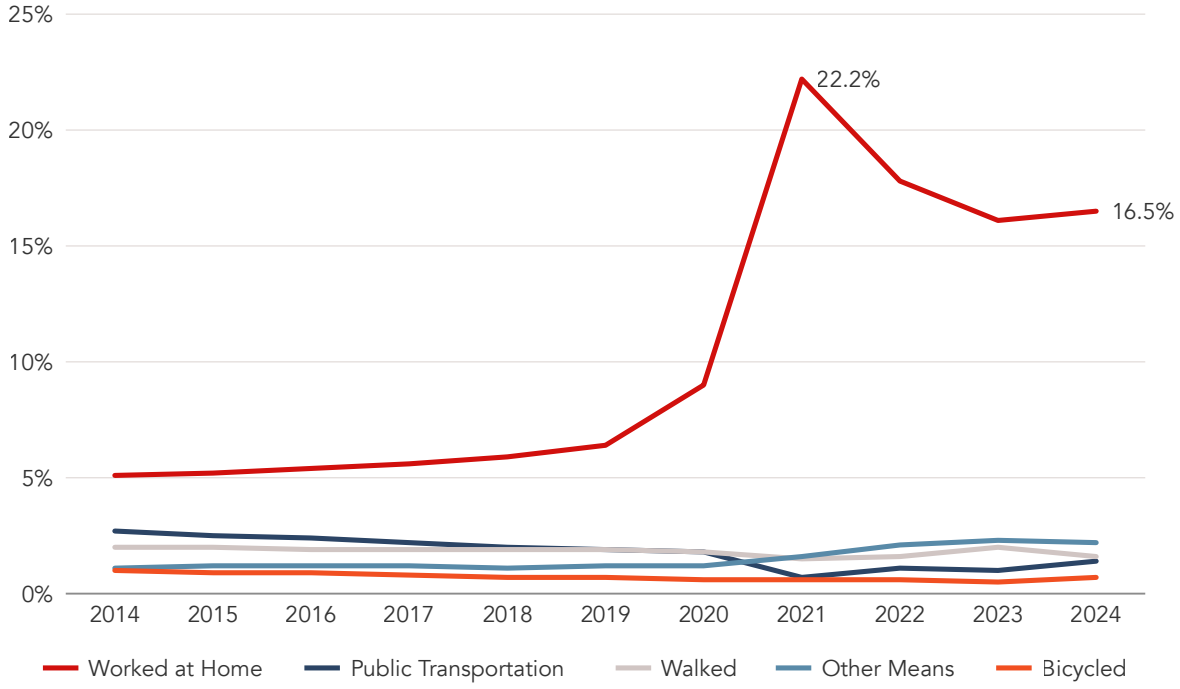
INFRASTRUCTURE



TRANSPORTATION

REMOTE WORK REBOUNDS SLIGHTLY IN 2024

SELECTED MODES OF TRAVEL TO WORK IN ORANGE COUNTY, 2014–2024



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

The percentage of remote workers in Orange County peaked in 2021 and declined to 16.1 percent in 2023, as shown above. It then slightly rebounded to 16.5 percent in 2024, representing 264,774 residents. This level remains well below the pandemic-era peak but much higher than pre-pandemic levels.

Over the same period, the percentage of county residents using public transportation increased from 1.0 percent to 1.4 percent. The percentage of residents bicycling to work also increased, from 0.5 percent to 0.7 percent. Meanwhile, the proportion of residents who walked to work declined from 2.0 percent in 2023 to 1.6 percent in 2024.

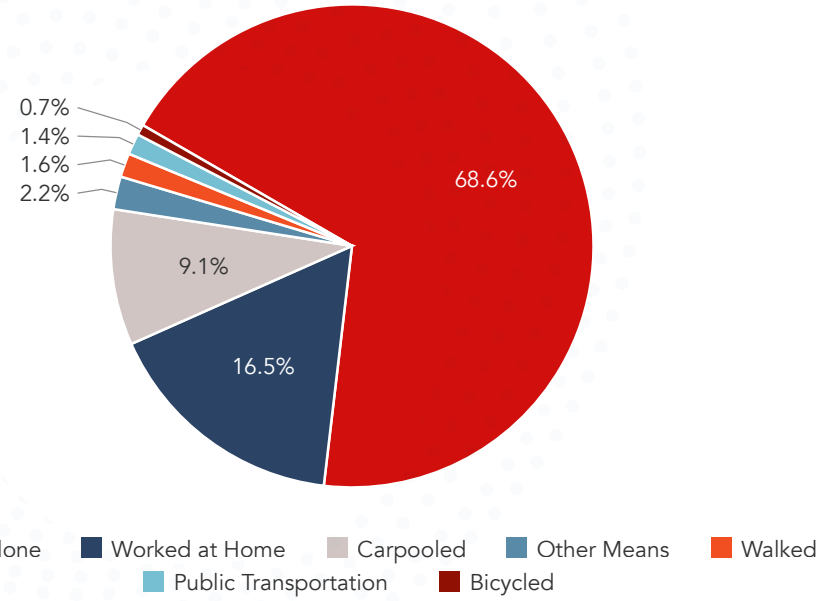
This increase in residents working from home follows a decline in workers driving alone, which dropped from 69.4 percent in 2023 to 68.6 percent in 2024, as well as workers carpooling, which also fell from 9.3 percent to 9.1 percent, returning to pre-pandemic levels. As work-from-home trends continue to normalize, commuting patterns will likely evolve alongside investments in Orange County's transportation infrastructure, traffic safety, parks and walking trails, including improvements proposed through DisneylandForward.

Despite declines in fully remote and hybrid opportunities in recent years, Robert Half, a nationwide staffing and human resources firm, indicates that hybrid arrangements remain the most popular option for employees, with 55 percent of surveyed respondents identifying them as their preferred work arrangement. Respondents were evenly split between those preferring one to two days in the office and those preferring three to four days in the office. Overall, as of Q1 2026, 77 percent of job postings are in person compared with 19 percent that were hybrid and 4 percent that were fully remote.[51]

[51] https://www.roberthalf.com/us/en/insights/research/remote-work-statistics-and-trends

PROPORTION OF WORKERS DRIVING ALONE FALLS

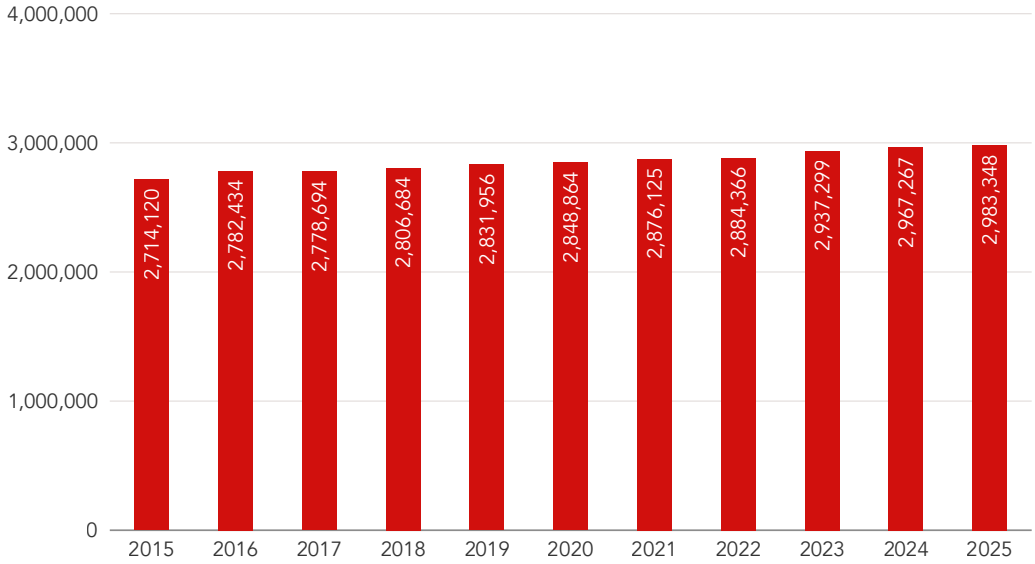
MODE OF TRAVEL TO WORK IN ORANGE COUNTY, 2024



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

VEHICLE REGISTRATIONS SEE 0.5 PERCENT BUMP

VEHICLE REGISTRATIONS IN ORANGE COUNTY, 2015–2025



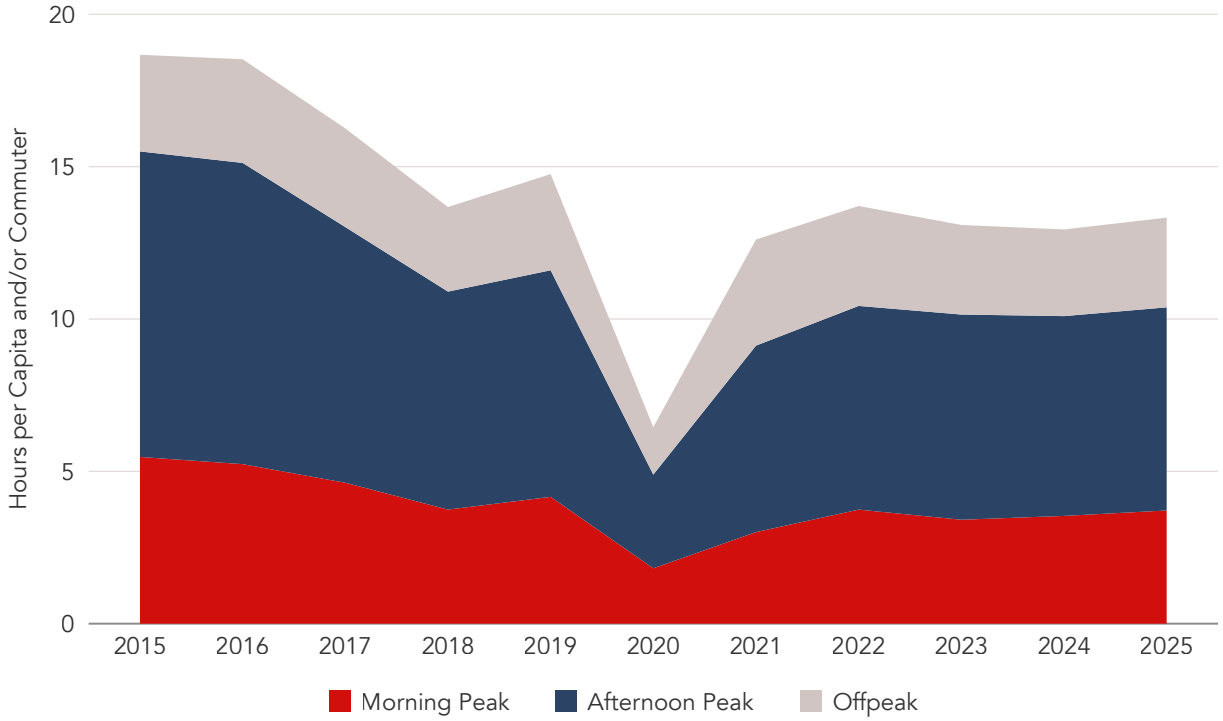
Source: California Department of Motor Vehicles

Vehicle registrations in Orange County increased by 269,228, or 9.9 percent, from 2015 to 2025. Over the past year, vehicle registrations increased by 16,081, or by 0.5 percent, the second-lowest increase among the county's peers and neighbors; Los Angeles County actually saw a decline in vehicle registrations.

Riverside County saw the largest increase over the past year, jumping by 1.7 percent, or 37,158 vehicles, followed by Santa Clara County at 1.3 percent (20,610 vehicles), San Francisco County at 1.0 percent (4,532 vehicles), San Bernardino County at 0.7 percent (13,115 vehicles) and San Diego County at 0.6 percent (17,622 vehicles). At the state level, vehicle registrations totaled 36,190,654, an increase of 0.6 percent, or 207,393 vehicles, over the past year.

FREEWAY DELAYS INCH HIGHER FOR 2025

ANNUAL HOURS OF FREEWAY DELAY PER CAPITA OR COMMUTER IN ORANGE COUNTY, 2015–2025



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

Congestion on Orange County freeways increased over the past year, rising from 12.9 hours in 2024 to 13.3 hours in 2025. Congestion previously declined from 13.1 hours in 2023 to 12.9 hours in 2024, which correlates with a decline in workers driving alone (from 69.4 to 68.6 percent) and an increase in public transportation usage (from 1.0 percent to 1.4 percent). The subsequent rise in congestion from 2024 to 2025, in turn, correlates to rising vehicle registrations and declining rates of remote work.

Continuing to promote and encourage the use of public transportation, especially in communities near major transportation hubs, will help to further reduce congestion and traffic times. Additionally, new developments such as DisneylandForward stand to invest nearly $85 million in safety and traffic flow, further improving regional traffic and congestion.

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.

RECENT ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) FREEWAY AND STREET IMPROVEMENT PROJECTS

Orange County Transportation Authority (OCTA) is the county's transportation planning commission, which funds and implements transit projects across Orange County, including bus and rail, rideshare, environmental programs, express lanes and freeways. Funded by the Measure M half-cent sales tax, Comprehensive Transportation Funding Programs (CTFP) grants and federal and state funding, OCTA has undertaken multiple freeway and street improvement projects over the past decade to improve transportation access and reduce overall congestion in Orange County. Measure M, also known as M2 or OC Go, is expected to generate approximately $13.2 billion through 2041.[52]

Since 2011, OC Go has delivered 17 out of 30 total freeway projects, adding nearly 94.9 freeway lane-miles to help relieve congestion. As of March 2026, seven are still under construction, and two are finalizing designs. Some of the completed projects include:

- I-5 South County Improvements Project–Completed in 2025, working alongside Caltrans, spanning 6.5 miles with new signage, sound and retaining walls, extended carpool lanes and new auxiliary lanes for $664 million.
- I-405 Improvement Project–In cooperation with Caltrans, it improved 16 miles of I-405, between SR-73 and I-605, including more than 18 bridges replaced and improved, 11 new bike lanes and 11 new sidewalks for a total cost of $2.16 billion.
- I-5 (SR-57 to SR-55)–Completed the addition of a second carpool lane on the I-5 between SR-55 and SR-57 in 2021, helping to reduce congestion, alleviate bottlenecks and improve traffic flow for $39 million.

As of March 2026, nearly $861 million in Local Fair Share funds have been distributed to help maintain existing streets and roads. Additionally, OC Go has funded two other programs, the Regional Capacity Program (Project O) and the Regional Traffic Signal Synchronization Program (Project P). OCTA has allocated nearly $482 million for approximately 300 projects supported by an additional $31.3 million in external funding. Since March 2026, Project P alone has resulted in 109 completed synchronization projects, $107.7 million in improvements along 979 miles and 3,789 signals, and an estimated $248.8 million in project life gas savings.[53]

OCTA has several street improvement projects in progress, including:

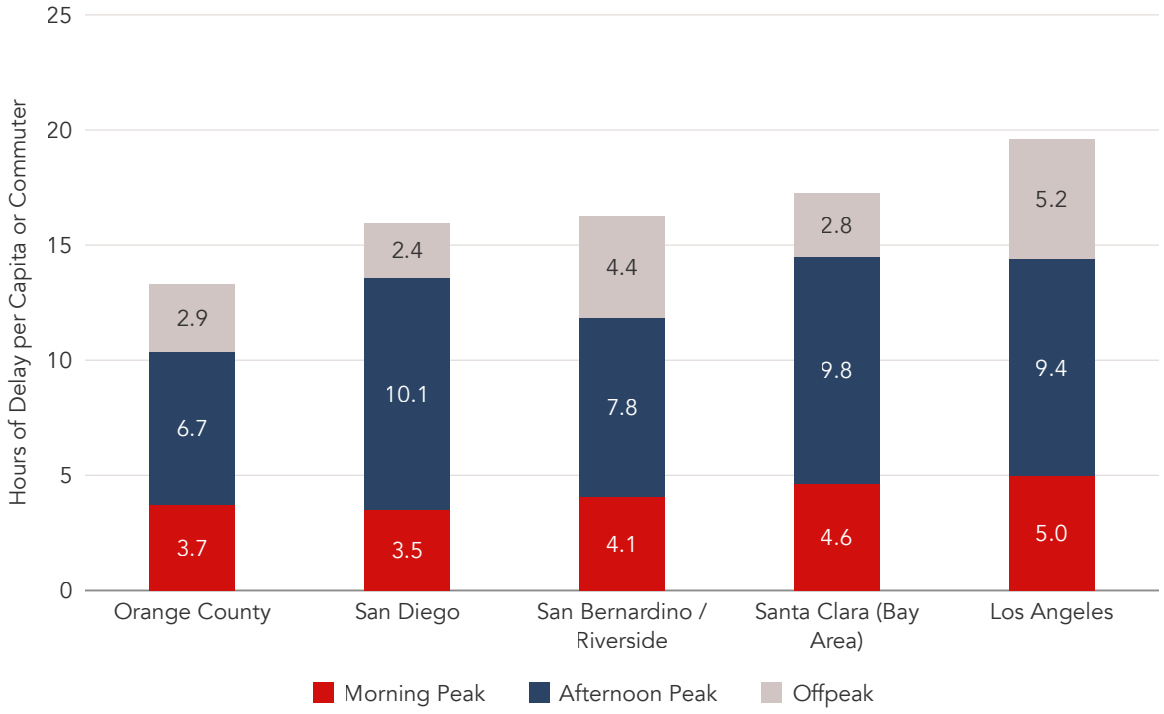
- **Regional Capacity Program (Project O)**–Includes local street improvements in Anaheim, Irvine, Mission Viejo, Newport Beach, Santa Ana and Yorba Linda at an expected total of $37.6 million.
- **Regional Traffic Signal Synchronization Program (Project P)**–Includes 31 planned or in progress signal synchronizations in Anaheim, Irvine, Laguna Hills, Laguna Niguel and Santa Ana at a total programming cost of $14.9 million.
- **Project V**–a competitive grant program funded through Orange County's Measure M2 half-cent sales tax. It provides local funding for community-based transit services—such as local shuttles, seasonal trolleys and on-demand rides—that complement regional bus and rail networks by serving neighborhoods not reached by main routes. The OCTA Project V program has awarded approximately **$97.8 million in cumulative funding**. Individual grants are issued periodically to local cities through a competitive application process.

[52] https://www.octa.net/programs-projects/projects/streets-projects/signal-synchronization/details

[53] https://www.octa.net/programs-projects/projects/streets-projects/signal-synchronization/details

OC CONGESTION EDGES HIGHER IN 2025 YET REMAINS BELOW PEER REGIONS

REGIONAL COMPARISON OF ANNUAL HOURS OF FREEWAY DELAY PER COMMUTER, 2025



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

Afternoon peak traffic congestion continues to represent the largest delay for workers both in Orange County and across neighboring and peer regions. In Orange County, afternoon delays of 6.7 hours represent about half of traffic delays, compared to 27.8 percent for the morning peak and 22.1 percent for offpeak. This compares to San Diego County, where 63.1 percent of delays were attributable to the afternoon peak and only 22.2 percent attributable to the morning peak. Orange County's comparably elevated morning peak congestion is likely due to the large number of workers who commute into the county for work. As these workers return home, those neighboring regions see elevated delays during afternoon peak hours, including San Diego (63.1 percent attributable to afternoon peak delay) and San Bernardino/Riverside (47.9 percent).

Average congestion (13.3 hours) in Orange County was lower than in any of its regional neighbors and peers:

- San Diego (16.0 hours)
- Inland Empire (16.3 hours)
- Santa Clara (17.2 hours)
- Los Angeles (19.6 hours)

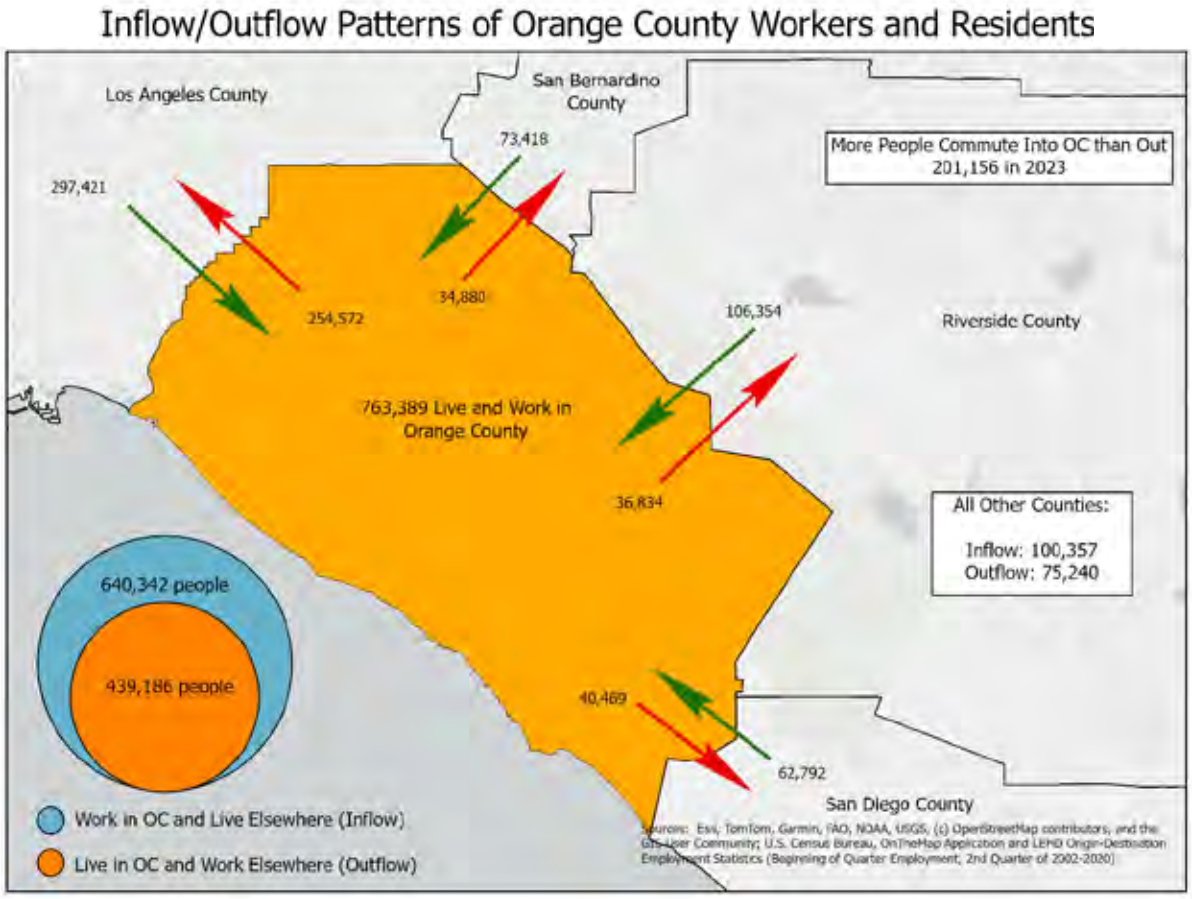
As remote work trends continued to evolve, congestion in Orange County and across all peer and neighboring regions increased over the past year.

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.

OC NET INFLOW GROWS TO MORE THAN 200,000

INTERCOUNTY COMMUTING PATTERNS BETWEEN ORANGE AND NEIGHBORING COUNTIES, 2023



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

Looking at commute patterns in Orange County, 763,389 workers both lived and worked in the region in 2023, compared to 640,342 workers who were employed in Orange County yet lived elsewhere and 439,186 workers living in Orange County yet employed in another county. Overall, approximately 201,156 more people commuted into Orange County for work than left, highlighting the region's strong labor market, which attracts workers from across Southern California.

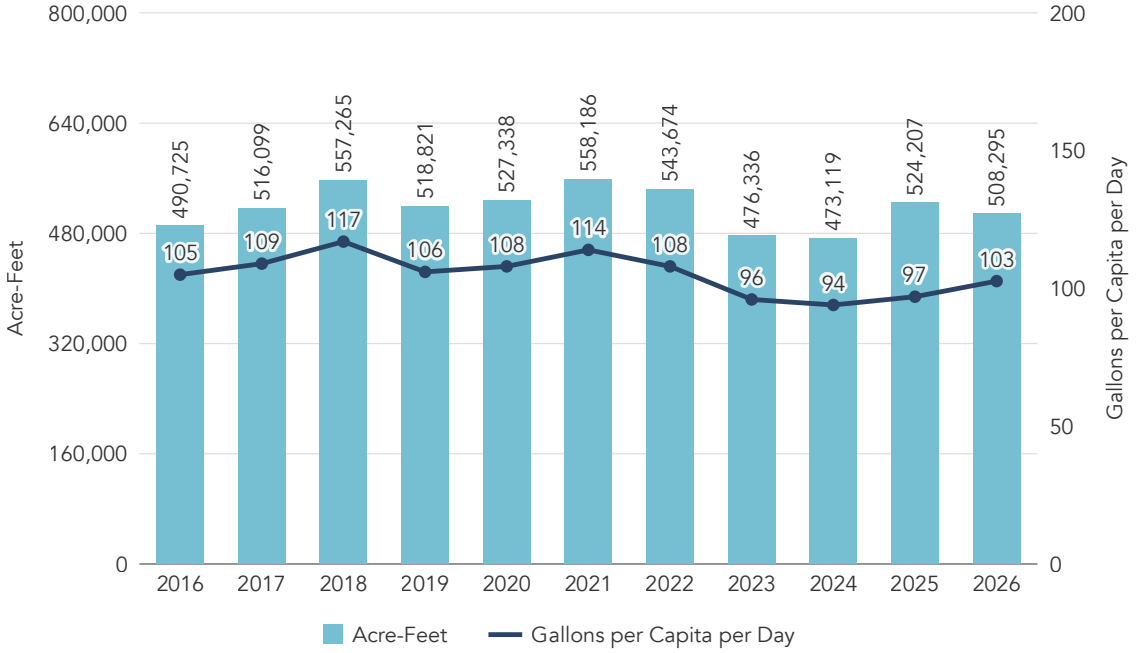
Los Angeles County, with a significantly larger labor force, had a surplus of only 174,995 commuters. In contrast, other counties such as Riverside, San Bernardino and even San Diego had a deficit of commuters or more workers leaving than coming in. In 2023, Riverside had 197,780 more workers commuting out of the county than in, compared to 82,094 in San Bernardino and 21,720 in San Diego. This helps show that, thanks to its strong labor market, innovative industry clusters and high-paying jobs, Orange County has become a jobs center for Southern California.

While Orange County sees worker inflows from all neighboring regions, the largest surplus exists with Riverside County, where 106,354 workers commuted into Orange County versus 36,834 workers leaving, resulting in a surplus of 69,520 workers. This compares to a surplus of 38,538 workers from San Bernardino County, 42,849 workers from Los Angeles County and 22,323 workers from San Diego County.

WATER USE AND SUPPLY

OC SEES SECOND CONSECUTIVE ANNUAL INCREASE IN PER CAPITA CONSUMPTION

URBAN WATER USAGE IN ACRE-FEET AND GALLONS PER CAPITA PER DAY IN ORANGE COUNTY, 2016–2026



Source: Municipal Water District of Orange County. Measured with Fiscal Year beginning on July 1 and ending June 30.

Orange County, which saw record heat in March 2026,[54] has registered its second consecutive annual increase in water usage: gallons per capita per day (GPCD) rose from 94 in 2024 to 97 in 2025 and further to 103 in 2026. At the same time, total consumption in the county declined slightly, slipping from 524,207 acre-feet in 2025 to 508,295 acre-feet in 2026, a decline of 3.0 percent. While these two metrics have moved in unison historically, Orange County's recycled water deduction decreased from 149,181 acre-feet in 2025 to 136,840 acre-feet in 2026 primarily due to a decline in recycled water usage thanks to above-average precipitation, resulting in a per capita usage increase despite total water usage declining.

California mandated statewide water usage reductions after a particularly dry 2015, which resulted in one of the lowest snowpacks ever recorded. This resulted in statewide water conservation of 27 percent (measured from June to October 2015 compared to 2013 levels), outpacing the statewide goal of 25 percent conservation.[55] As a result, Orange County's water use declined from 128 GPCD in 2015 to 105 in 2016.

Overall, county water usage averaged 102 GPCD from 2021 to 2026, compared to 112 from 2015 to 2020 and 151 from 2009 to 2014; this illustrates the impact of local water saving efforts. The county's water consumption remains well below its Water Conservation Act of 2009 (SB X7-7) target of 158 GPCD, a standard that applied through 2020 and has since been superseded by the State Water Board's Making Conservation a California Way of Life regulation, effective January 1, 2025, which aims to save 500,000 acre-feet of water annually by 2040.[56]

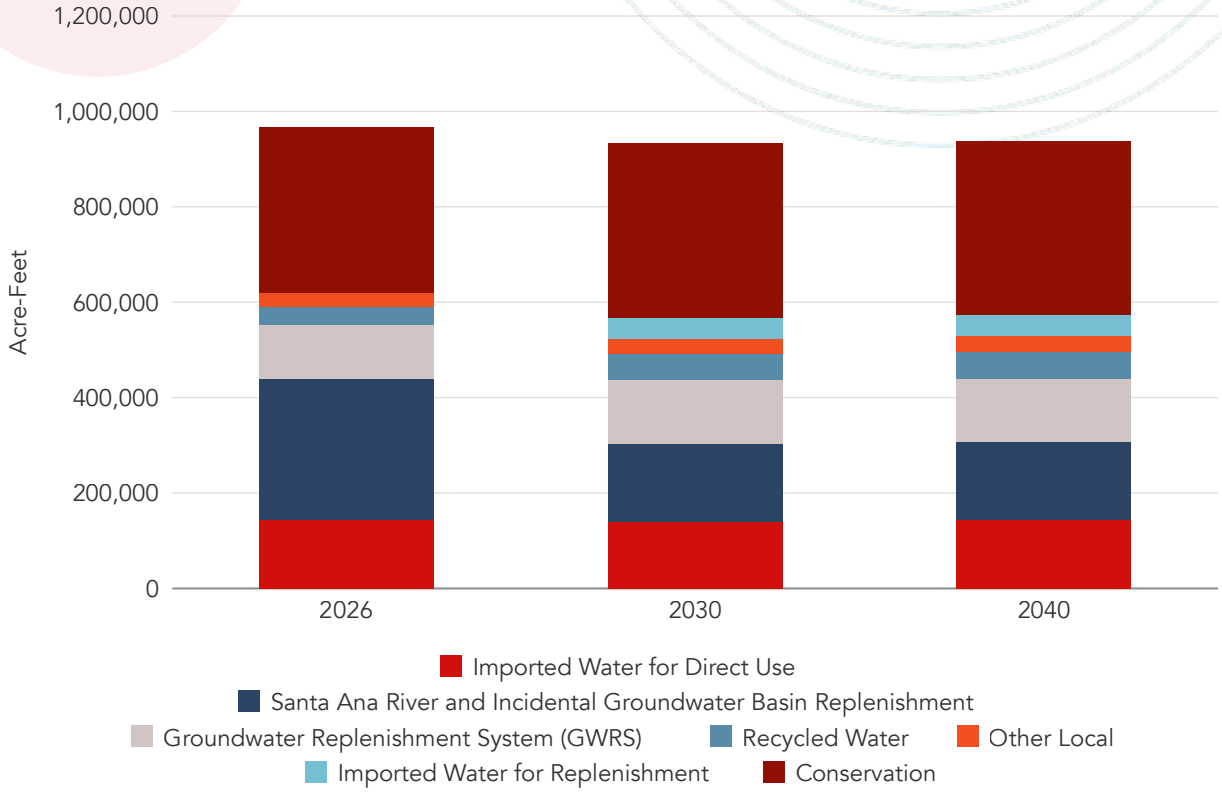
[54] https://www.ocregister.com/2026/03/17/heat-wave-shatters-records-across-southern-california/

[55] https://www.theguardian.com/us-news/2015/oct/01/california-surpasses-mandate-save-water-third-month

[56] https://www.waterboards.ca.gov/conservation/regs/water_efficiency_legislation.html

CONSERVATION REMAINS KEY DUE TO EARLY SNOWMELT

ORANGE COUNTY WATER SOURCES PROJECTIONS, 2026–2040



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

Water conservation in Orange County rose from 323,703 acre-feet in 2025 to 346,147 acre-feet in 2026, an increase of 6.9 percent, thanks to above-average precipitation, especially in more southern portions of the state. This figure is projected to reach 365,277 acre-feet by 2030 before easing slightly to 364,360 acre-feet by 2040. While regional and statewide reservoirs benefited from increased precipitation and runoff capture in April 2026 (the State Water Project's largest reservoir, Lake Oroville, stood at 99 percent of capacity in mid-May) the early snowmelt means the current water supply must be closely monitored and managed while leveraging conservation efforts and strategies.[57]

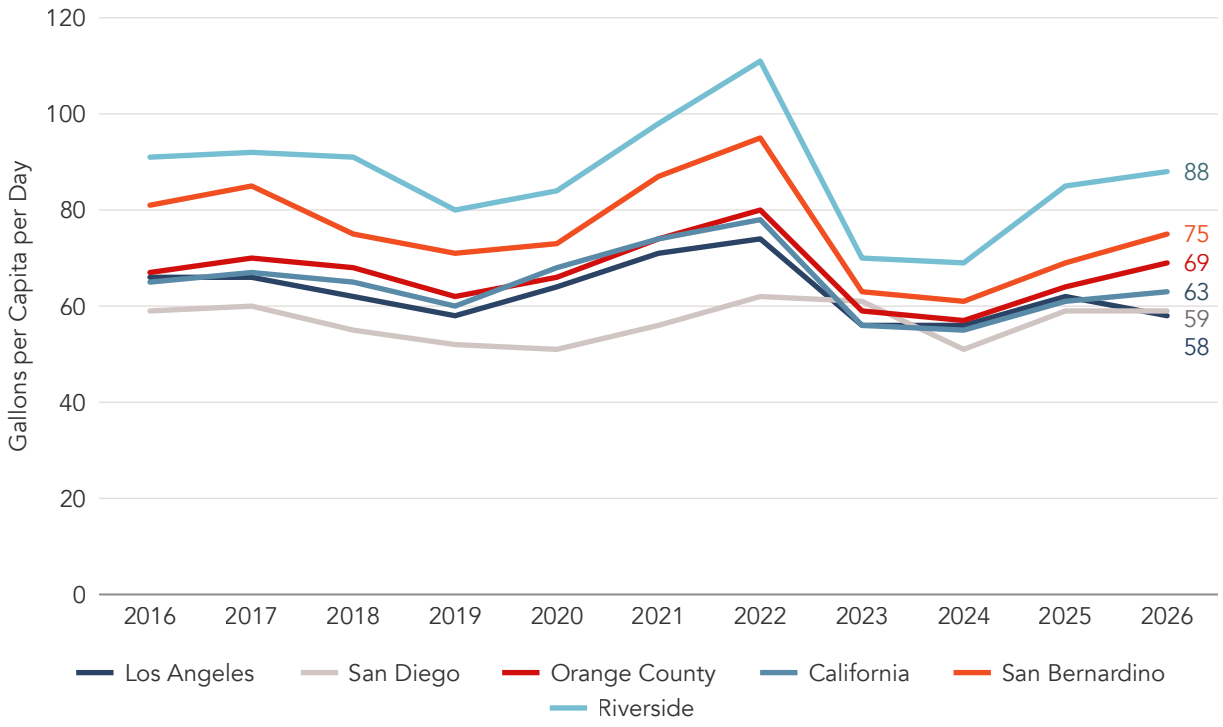
In May 2026, the Department of Water Resources announced an increase to the State Water Project (SWP) allocation (how much water the state plans to deliver to its 29 public water agencies covering 27 million statewide residents under the SWP) for 2026. Allocation has been increased to 45 percent of requested supplies, up from the 30 percent announced on January 29, 2026.[58]

[57] https://www.drought.gov/topics/snow-drought

[58] https://water.ca.gov/News/News-Releases/2026/May-2026/State-Water-Project-Allocation-Increases-Heading-into-Summer-Months

OC WATER USAGE HIGHER THAN STATE AVERAGE FOR MARCH 2026

RESIDENTIAL WATER USAGE IN GALLONS PER CAPITA PER DAY (GPCD) BY SOUTHERN CALIFORNIA COUNTY AND CALIFORNIA, MARCH 2016–MARCH 2026



Source: State Water Resources Control Board

As seen above, water usage rose or held steady in every Southern California county except Los Angeles, where usage fell from 62 GPCD in March 2025 to 58 in March 2026. Orange County, on the other hand, saw the second-largest increase, with residential GPCD rising from 64 in 2025 to 69 in 2026, a 7.8 percent increase. It was just behind San Bernardino County, which saw an 8.7 percent increase, with GPCD reaching 75 in March 2026.

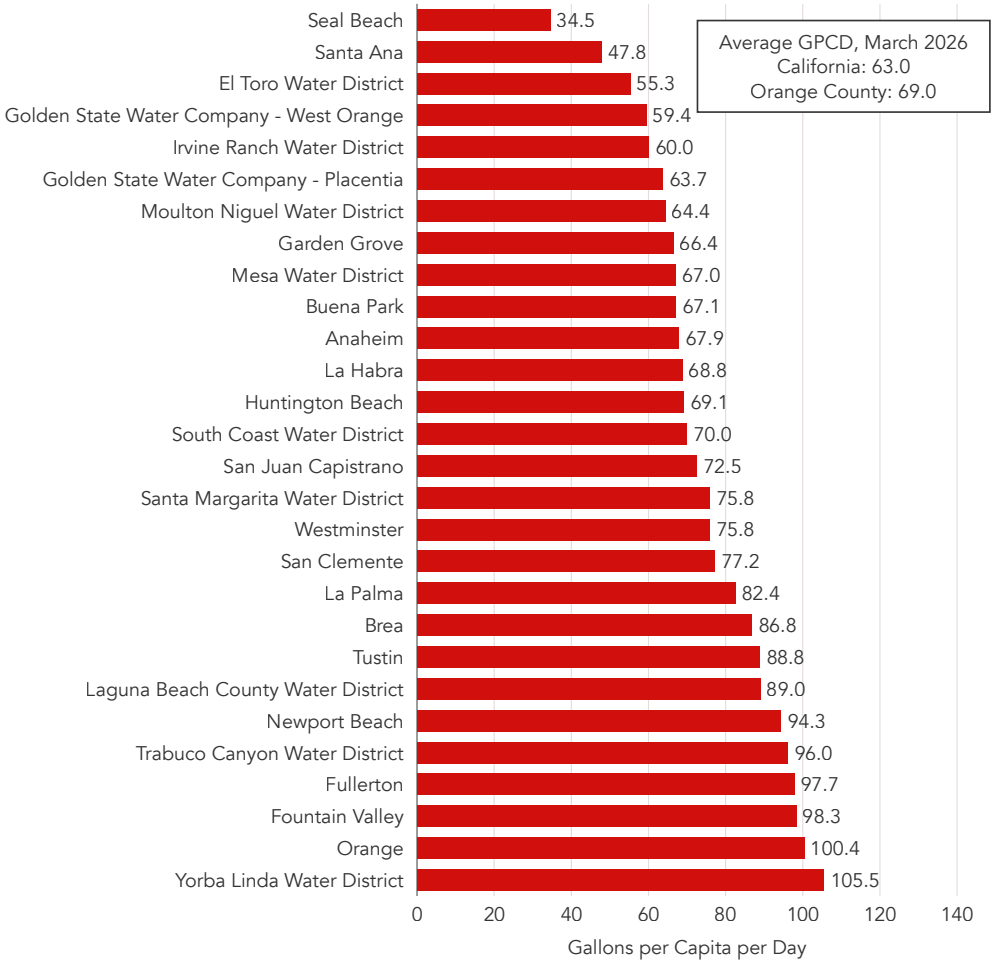
At the state level, GPCD rose by 3.3 percent from 61 to 63.

DATA NOTES

Data is measured for March and, as such, should not be compared to previous reports which highlight totals for more summer months and, therefore, see higher levels of water usage and consumption.

WATER USAGE BY 12 OC WATER RETAILERS BELOW COUNTY AVERAGE

RESIDENTIAL WATER USAGE IN GALLONS PER CAPITA PER DAY (GPCD) BY ORANGE COUNTY WATER RETAILER, MARCH 2026



Source: State Water Resources Control Board

As of March 2026, 12 of Orange County's 28 reporting water retailers had water usage below the county's 69.0 GPCD average, while only five reporting retailers were below the state's 63.0 GPCD average. Seal Beach and Santa Ana continue to have the county's lowest water usage rates, at 34.5 and 47.8, respectively. In contrast, Yorba Linda (105.5 GPCD), Orange (100.4 GPCD) and Fountain Valley (98.3 GPCD) had the highest consumption rates.

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 2017-2018. 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's 20x2020 plan. These GPCD calculations include potable water, less recycled water and indirect potable reuse water for the entire fiscal year. This GPCD measure differs from GPCD reported in Community Indicators Reports before 2017. The GPCD figures by water supplier from the State Water Resources Control Board reflect residential water use only and report water usage for a single month. Population estimates for GPCD calculations are service-area populations calculated by the Municipal Water District of Orange County, covering 3,157,660 residents for 2026. Monthly reporting to the state has been mandatory for urban water suppliers since October 1, 2020. The State Water Resources Control Board cautions that residential GPCD figures should not be used to compare water suppliers unless all relevant factors are accounted for. GPCD figures by retailer are rounded to the nearest whole gallon and counts of retailers above or below a threshold reflect those rounded values. Water conservation savings are calculated based on the annual difference between the 240 average GPCD for the years 1980 to 1989 and the present year [ex. (240 GPCD–FY 2026 GPCD) × service area population × 365 days ÷ 325,851 gallons per acre-foot = annual savings in acre-feet].

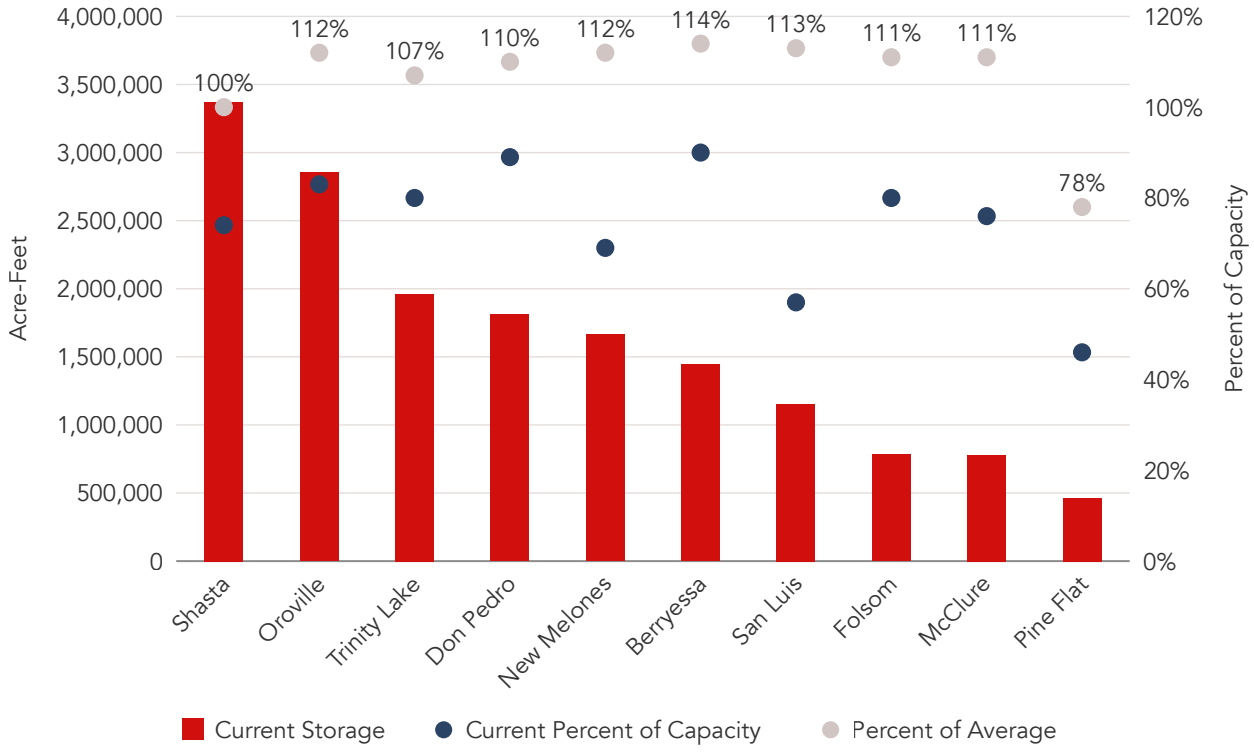
DROUGHT STATUS

LOOMING 'SUPER' EL NIÑO BEGINS TO IMPACT STATE

March 2026 temperatures across the U.S. were 9.4 degrees higher than the 20th-century average, making it the warmest March on record.[59] The first three months of 2026 were also the driest on record, with less than 70 percent of average precipitation. As a result, California's snowpack fell to just 18 percent of historical averages as of April 2026 and further to just 4 percent as of July 13, 2026.[60]

Despite this record-breaking weather, less than one percent of the state was categorized as in a 'severe drought.' About 60.4 percent was categorized as 'abnormally dry,' with 5.7 percent as in 'moderate drought' and the remaining 39.5 percent as having no drought at all. Previous wet years, including 2023's record snowpack level, filled California reservoirs and currently provide a buffer against drought.

CURRENT TOTAL STORAGE AND CAPACITY FOR MAJOR RESERVOIRS IN CALIFORNIA, JULY 13, 2026



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

Out of the top ten largest reservoirs in the state, eight are more than 100 percent of their current averages, where 'averages' are defined as a 30-year moving baseline typically measured from October 1, 1990, to September 30, 2020,[61] illustrating how recent years' snowpack filled basins and reservoirs. Shasta, the state's largest reservoir, was at 100 percent of its storage average. Oroville (112 percent), Trinity Lake (107 percent) and Don Pedro (110 percent) also have above-average water supply, as do the smaller Folsom and McClure reservoirs (both at 111 percent of historical average).

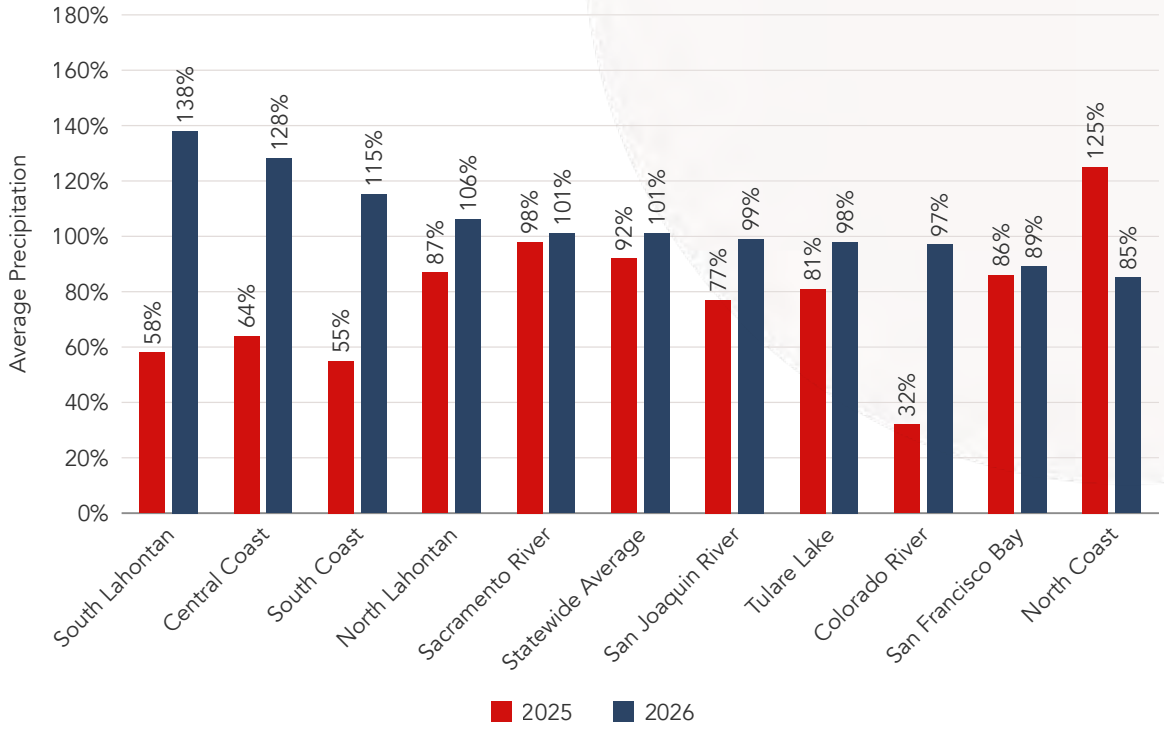
[59] https://www.ncei.noaa.gov/news/national-climate-202603

[60] https://water.ca.gov/News/News-Releases/2026/Apr-2026/Record-Hot-Dry-March-Wipes-Out-California-Snowpack-Leaving-No-Measurable-Snow-for-April-Survey

[61] https://data.usbr.gov/visualizations/reservoir-conditions/

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, 2025 is measured from October 2024 to June 2025 while 2026 is measured from October 2025 to June 2026.

PERCENT OF HISTORIC AVERAGE PRECIPITATION BY HYDROLOGICAL REGION IN CALIFORNIA, PERIOD MEASURED FROM OCTOBER TO JUNE 2025 AND 2026



Source: California Department of Water Resources, Statewide Precipitation Data

Despite a dry start to 2026, the historic statewide weighted average for precipitation rose from 92 percent in 2025 to 101 percent in 2026, largely driven by precipitation in more southern portions of the state. Regions with the largest increases in precipitation included:

- South Lahontan, where average precipitation jumped from 58 percent of historic averages to 138 percent;
- The Colorado River, which went from 32 percent to 97 percent;
- Central Coast, which rose from 64 percent to 128 percent; and
- South Coast, which increased from 55 percent to 115 percent.

More northern parts of the state, however, have seen lower precipitation averages from October 2025 to June 2026, including the North Coast (85 percent of average) and San Francisco Bay (89 percent of average). This is likely due to the looming potential 'super' El Niño, which could bring warmer, drier temperatures into the Pacific Northwest during fall and winter while potentially increasing precipitation in more southern portions of the state and country.[62]

[62] https://www.climatehubs.usda.gov/hubs/northwest/topic/el-nino-northwest-what-can-we-expect

'SUPER' EL NIÑO

An El Niño develops on average every two to seven years and lasts several months to more than a year as the Pacific jet stream shifts south. It brings drier, warmer weather to the northern U.S. while bringing cooler temperatures with more storms across the southern portion of the country.

While these conditions are less pronounced in summer months, the National Oceanic and Atmospheric Administration (NOAA) predicts a 63 percent chance of a very strong (colloquially referred to as a 'super') El Niño from November 2026 to January 2027.[63] A 'super' El Niño is defined as sea surface temperatures in the Pacific Ocean rising by more than two degrees Celsius above the average. While it would primarily impact northern states such as Alaska, Idaho, Oregon and Washington, Northern California is also likely to see significant impacts, such as reduced overall precipitation. This, in turn, will contribute to potential droughts and wildfire risks.

In Southern California, a 'super' El Niño is expected to bring above-average rainfall, which may help stave off droughts, yet also contributes to coastal flooding and erosion as well as dangerous mudslides. Orange County is no stranger to these impacts. Past El Niños included:

- 1983 El Niño – Extensive damage to Huntington Beach's pier requiring extensive repairs and reinforcements.[64]
- 1997-1998 El Niño – One of the strongest El Niños to hit, with more than 6 inches of rain falling in south Orange County in one morning alone, causing flooding, power outages and shutting down major highways across the region.[65]
- 2015-2016 El Niño – While weaker than previous years, it caused significant damage due to coastal erosion from high surf as opposed to flooding. Areas such as San Clemente saw 12-foot waves that damaged many homes.[66]

Overall, El Niño is a double-edged sword that brings both much-needed precipitation and potentially dangerous weather. Helping municipalities mitigate these potential threats, while also educating local communities on how to prepare, will be crucial in reducing potential damage for this developing weather pattern.

[63] Ibid

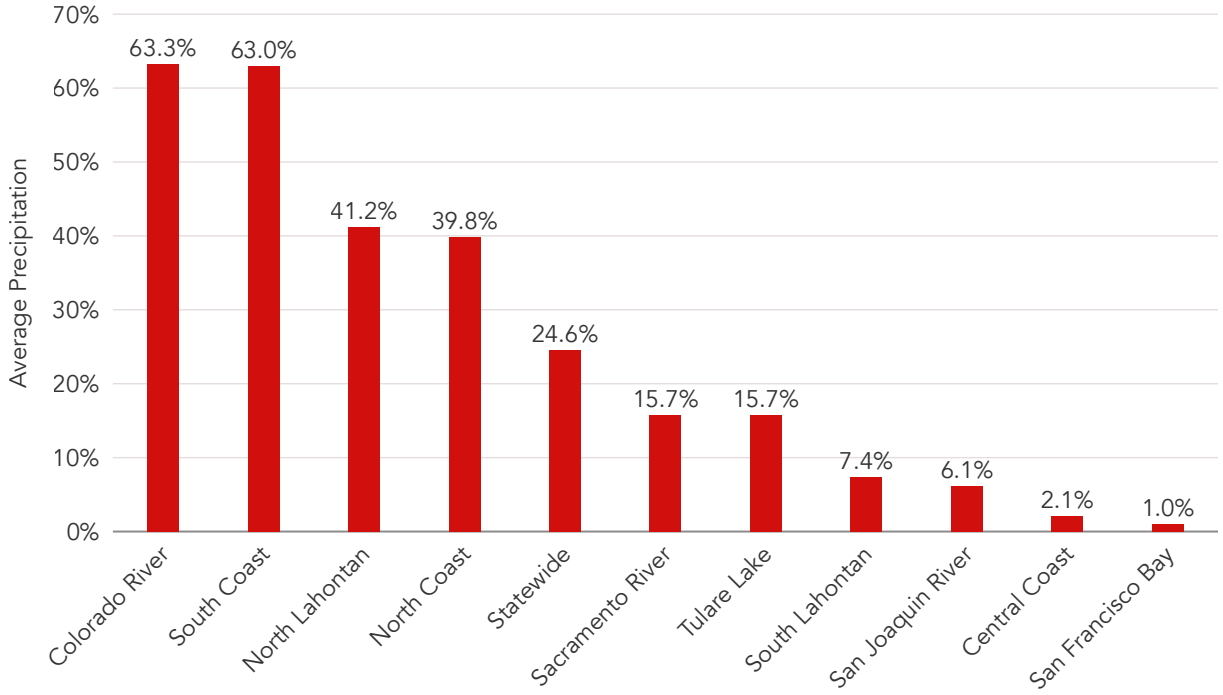
[64] https://www.ocregister.com/2016/05/24/from-waves-to-economic-woes-and-fire-why-orange-countys-piers-have-always-been-threatened/

[65] https://lasvegassun.com/news/1997/dec/06/homes-flood-as-california-gets-drenched/

[66] https://www.ocregister.com/2015/12/11/2016s-el-nio-could-be-naughty/

The chart below illustrates the significant gap between rainfall in northern and southern California. California's North Coast, which represents 27 percent of hydrological state weight, only saw 39.8 percent of its historic precipitation average in June. Sacramento River, which represents 26 percent of hydrological state weight, saw only 15.7 percent of its historic precipitation average, while the San Joaquin River (12 percent of state weight) only saw 6.1 percent.

PERCENT OF JUNE HISTORIC AVERAGE PRECIPITATION BY HYDROLOGICAL REGION IN CALIFORNIA



Source: California Department of Water Resources, Statewide Precipitation Data

Despite these more recent trends, Orange County and its residents remain well-positioned to withstand future droughts thanks to innovative, forward-thinking groundwater management strategies. The Groundwater Replenishment System (GWRS), a joint program of the Orange County Sanitation District (OC San) and the Orange County Water District (OCWD), is the world's largest advanced water purification system.

It provides 130 million gallons of potable water per day, representing 35 percent of total water demand in the region.[67] Thanks to the GWRS, Southern California can reduce its dependency on water from already strained rivers such as the Colorado River, reduce its energy consumption from transporting water, improve groundwater quality and reduce wastewater discharge into the ocean alongside several other benefits.[68]

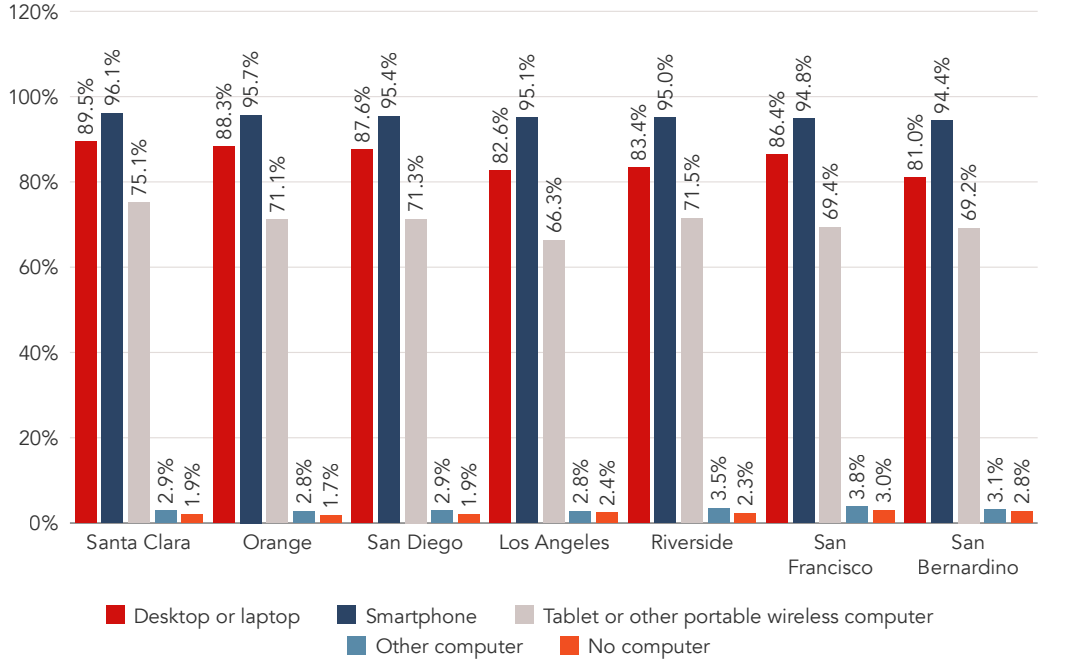
[67] https://www.ocwd.com/gwrs/

[68] Ibid

BROADBAND INTERNET ACCESS

OC SEES HIGHEST SMARTPHONE USAGE IN SOCAL

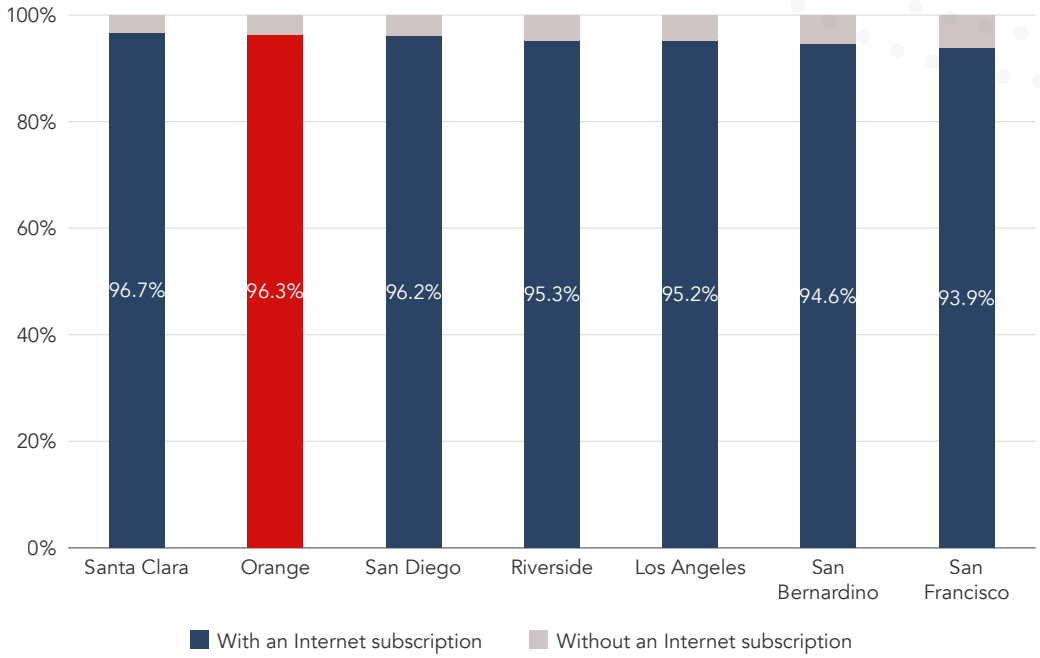
TYPES OF COMPUTERS IN HOUSEHOLDS BY COUNTY, 2024



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

As with electricity and water, high-speed broadband has become essential infrastructure, connecting residents, students, employers and educators across Orange County and around the world. Smartphones continue to be Orange County's most common way of accessing the internet, with 95.7 percent of county households using them. In addition, 88.3 percent of county households have a desktop or laptop computer, while 71.1 percent own a tablet or other wireless device and only 1.7 percent lack access to any device.

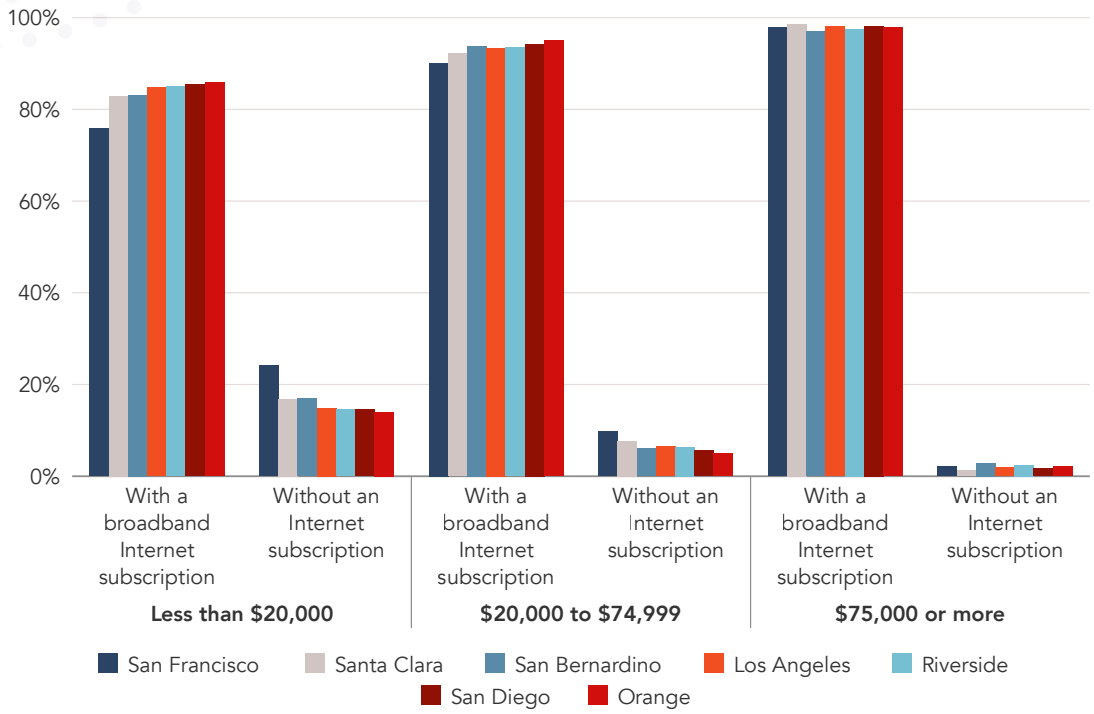
PERCENTAGE OF HOUSEHOLDS WITH AND WITHOUT INTERNET SUBSCRIPTIONS BY COUNTY, 2024



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

Overall, 96.3 percent of Orange County households have an internet subscription, more than in any other Southern California county and second only to Santa Clara County among peers. This represents a 0.5 percentage point improvement over the previous year. As technology continues to evolve and more tasks and occupations become digitized, reliance on broadband internet access will only increase.

INTERNET SUBSCRIPTION ACCESS BY INCOME LEVEL BY COUNTY, 2024

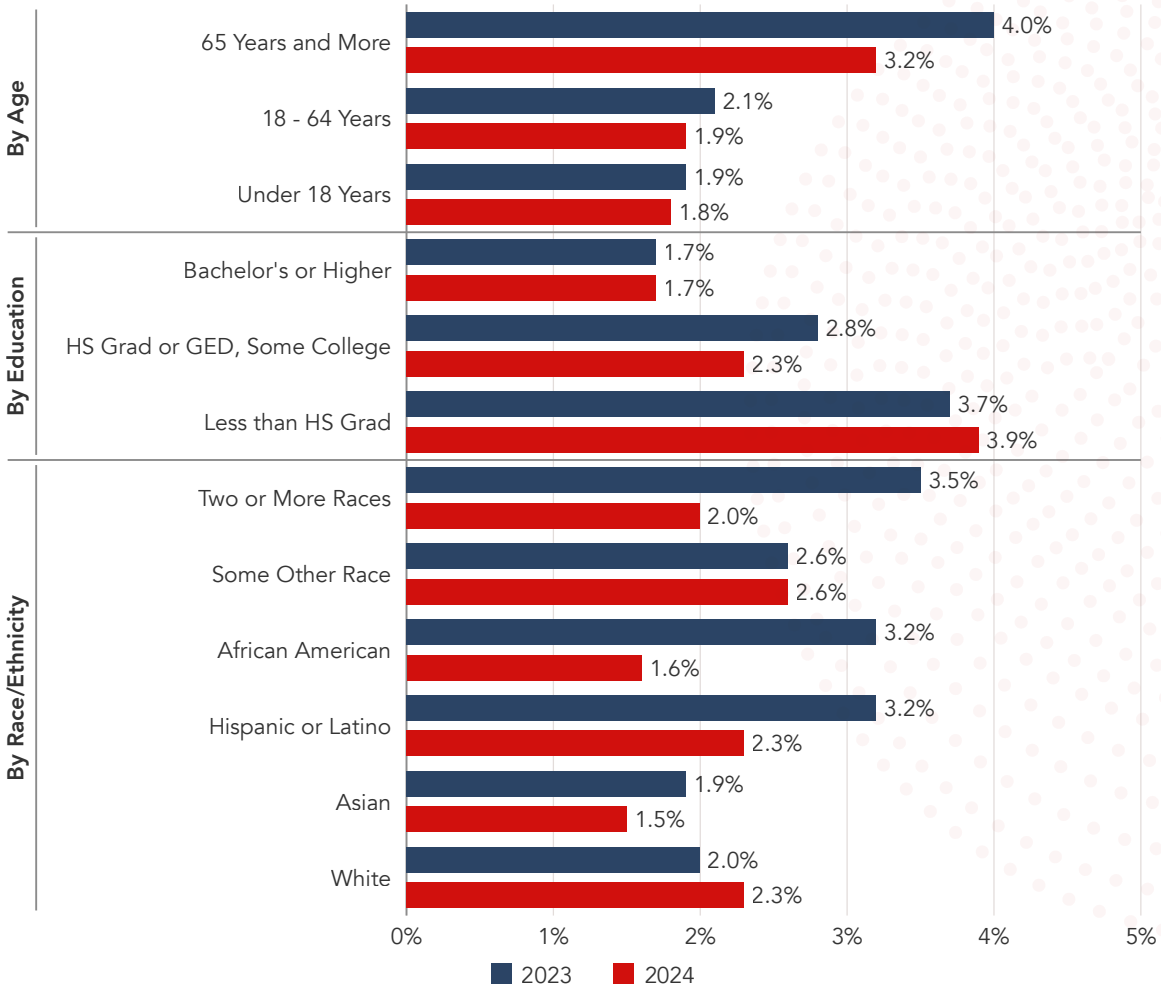


Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates

As seen above, internet access positively correlates with income, both in Orange County and in its peers. Within the county, only 85.9 percent of households making under $20,000 had a broadband internet subscription compared to 95.0 percent of households making between $20,000 and $74,999 and 97.9 percent of households making more than $75,000.

While Orange County had the highest levels of internet access for households making under $20,000 and between $20,000 and $74,999, there is still room for improvement. Additional efforts should increase access for lower-income residents and other groups, such as seniors. As technology advances and the world becomes increasingly interconnected, broadband internet access will only grow in importance.

PERCENTAGE OF HOUSEHOLDS WITHOUT INTERNET SUBSCRIPTION BY AGE, EDUCATION AND ETHNICITY, 2023 AND 2024



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

Overall, internet access in Orange County improved from 2023 to 2024 across nearly all demographic cohorts, with the largest improvements among African Americans, residents who identify as Two or More Races, Hispanic or Latino residents, and residents aged 65 and older. Only two measured cohorts saw internet access worsen. Two groups saw increases in the share of households without an internet subscription: White households, from 2.0 percent in 2023 to 2.3 percent in 2024, and households headed by someone with less than a high school diploma, from 3.7 percent to 3.9 percent.

The percentage of households without a broadband internet connection declined the most for:

- African Americans, which fell 1.6 percentage points, from 3.2 percent to 1.6 percent;
- Residents who identify as Two or More Races which dropped 1.5 percentage points, from 3.5 percent to 2.0 percent;
- Hispanic or Latinos, which declined 0.9 percentage points, from 3.2 percent to 2.3 percent; and
- Residents 65 years and older, which fell 0.8 percentage points, from 4.0 percent to 3.2 percent.

Residents who identified as Some Other Race and residents with a bachelor's degree or higher saw no change in their internet access rates. Rates increased for all other groups, led by Hispanic or Latino residents (0.9 percentage points) and followed by residents with a high school diploma or GED (0.5 percentage points), Asian residents (0.4 percentage points), residents between the ages of 18 and 64 years (0.2 percentage points) and residents under 18 years of age (0.1 percentage points).