



OFFICE OF THE CITY COUNCIL

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August 4, 2026

Ms. Judy Howard, Foreperson
Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, CA 92701

Re: Response to the 2025-2026 Orange County Grand Jury Report, "California Housing Mandates"

Dear Ms. Howard:

Pursuant to California Penal Code section 933(c), the City of Tustin respectfully submits this response to the 2025-2026 Orange County Grand Jury's report, *California Housing Mandates*.

The City of Tustin appreciates the Grand Jury's thorough examination of the impacts that state housing mandates, including the Housing Element and Regional Housing Needs Allocation (RHNA) processes, have had on local governments throughout Orange County. Tustin shares many of the concerns raised in the report regarding the strain these mandates place on local land-use authority, infrastructure capacity, and community planning, and welcomes the opportunity to provide its perspective on the report's findings and recommendations.

The following pages set forth the City's responses to each applicable finding and recommendation, as required by law.

Sincerely,

Austin Lumbard
Mayor

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

City Response: The City agrees with this finding. The volume of housing-related laws has been very high compared to prior years, and that compliance has effectively been an unfunded mandate resulting in negative fiscal impacts to the City.

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

City Response: The City agrees with this finding. The RHNA methodologies are complex and could be challenging to understand. The City supports transparency and the opportunity for meaningful stakeholder input in the process.

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

City Response: The City agrees with this finding. The City supports meaningful stakeholder engagement and representation of local perspectives.

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

City Response: The City agrees with the finding.

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

City Response: The City agrees with the finding.

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

City Response: The City agrees with this finding. The City supports local authority and accountability for land use planning.

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

City Response: The City agrees with the finding.

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

City Response: The City agrees with the finding.

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

City Response: The City agrees with the finding.

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

City Response: The City agrees with this finding. Affordable housing finance is complex and requires subsidy or assistance in several forms in order for projects to be financially feasible.

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

City Response: The City agrees with the finding.

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

City Response: The recommendation requires further analysis to determine the level of financial support OCCOG would need and associated cost to the City, as well as a determination as to who will lead this effort. The City supports collaboration amongst local jurisdictions for effective use of resources and cost efficiency.

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

City Response: This recommendation has not been implemented. The City supports local collaboration to share resources, and currently participates in regional infrastructure planning efforts with applicable agencies and special districts. Expansion of partnerships under Orange County Board of Supervisors is supported. The Orange County Board of Supervisors will control implementation of this recommendation and the applicable timeframe.

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

City Response: This recommendation requires further analysis. The City supports regional cooperation to further local goals and effectively share resources. However, it's unclear what the value of the suggested database would be, which could negatively impact cities in future RHNA site selection negotiations with HCD, or reduce local decision making at the city level.

Furthermore, the Orange County Board of Supervisors will control implementation of this recommendation and the applicable timeframe.

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

City Response: This recommendation has been implemented. The City supports local engagement in housing and land use planning, and will continue to participate in SCAG and OCCOG committees.

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

City Response: This recommendation has been implemented. The City supports local engagement and transparency in RHNA-related committees and will continue to participate at the elected and staff levels.

R14: By April 30, 2027, the County of Orange and each city should publish annual monitoring dashboards showing (a) entitlement pipeline conditions, (b) realistic site yield, (c) assembled funding

sources for affordable units, and (d) conversion rates from planned capacity to issued permits and completed units, ensuring that County and city-determined capacity assumptions remain aligned with actual production. (F13)

City Response: This recommendation will not be implemented because it is not warranted. Under State law, all jurisdictions currently produce an annual report documenting housing pipelines and production. Site yields are established within housing elements. This recommendation is duplication of these efforts, administratively burdensome, and therefore the City does not support this recommendation.

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

City Response: This recommendation has been implemented in substantial part and to the extent warranted and not unreasonable. The City supports transparency and facilitation of meaningful community input on the RHNA, its process, and related State laws, and took action to educate and engage the community during the last RHNA cycle, as it will in the future. However, the latter part of this recommendation appears to imply the City would guide voters to political conclusions, and this action is not supported.

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

City Response: This recommendation has been implemented. The City supports the development and enhancement of safe, affordable housing while retaining local control, including through the strengthening of relationships with not-for-profit housing developers, an activity it currently engages in.