



Agenda Report

Fullerton City Council

MEETING DATE: AUGUST 18, 2026

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: SUNAYANA THOMAS, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

PREPARED BY: SUNAYANA THOMAS, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT
CHRIS SCHAEFER, AICP, PLANNING MANAGER

SUBJECT: CITY OF FULLERTON RESPONSE TO 2025-2026 ORANGE COUNTY GRAND JURY REPORT: *CALIFORNIA HOUSING MANDATES, THE UNINTENDED RESHAPING OF ORANGE COUNTY NEIGHBORHOODS*

SUMMARY

The City submits this response to the 2025-2026 Orange County Grand Jury findings and recommendations on housing mandates, agreeing with nearly all findings while emphasizing Regional Housing Needs Allocation (RHNA) allocations do not reflect real infrastructure or market feasibility and commits to near-term actions.

PROPOSED MOTION

1. Receive and file the 2025-2026 Orange County Grand Jury Report, *California Housing Mandates, the Unintended Reshaping of Orange County Neighborhoods*.
2. Authorize City Manager, or designee, to execute and submit the City response to the 2025-2026 Orange County Grand Jury Report, *California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods*, Findings and Recommendations to the Orange County Superior Court Presiding Judge, with a copy to the Orange County Grand Jury by the August 27, 2026 statutory deadline.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Fiscal and Organizational Stability
- Infrastructure and City Assets.

FISCAL IMPACT

Submitting the City response to the 2025-2026 Orange County Grand Jury at this time generates no fiscal impact.

DISCUSSION

The 2025-2026 Orange County Grand Jury published *California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods* on May 27, 2026. The report examines how the 34 Orange County cities implemented RHNA processes and related state Housing Mandates and evaluates the feasibility, equity and unintended local consequences of the current 6th Cycle (2021–2029) framework.

The report identifies the City of Fullerton as one of the jurisdictions required to respond to specified Findings and Recommendations pursuant to Penal Code Sections 933 and 933.05. The City response agrees with nearly all Findings directed, including finding RHNA allocations unrealistic given land scarcity, infrastructure constraints and construction costs, affordable housing generally infeasible without public subsidy and that the 2012 redevelopment agencies dissolution removed a key local funding tool with no replacement. The response clarifies that the City supports housing that brings jobs and opportunity to the community but state density and streamlining incentives have not, on their own, produced the level of production RHNA assumes and that actual development activity has skewed toward smaller-scale Accessory Dwelling Unit (ADU) and infill projects.

The response commits the City to several near-term actions, including participating in a countywide OCCOG dues structure reassessment, designating a City technical representative and alternate to RHNA-related SCAG and OCCOG committees and continuing public outreach on the RHNA process, each with associated timeframes required under Penal Code Section 933.05(b).

Pursuant to Penal Code Section 933, the City must respond to the Orange County Superior Court Presiding Judge, with a copy to the Orange County Grand Jury, no later than August 27, 2026 (90 days after the report public release date).

Attachments:

- Attachment 1 – Orange County Grand Jury Report
- Attachment 2 – Response Letter

cc: City Manager Eddie Manfro