Executive Summary

As designated by the Board of Supervisors, the Orange County Community Services Division (OCCS) developed the 2019-2023 Orange County Comprehensive Economic Development Strategy (CEDS), which provides important information regarding Orange County's current economic state, demographics, social landscape, and potential strategies to further drive economic growth and activity in the region. Overall, the CEDS:

- Provides a detailed overview of Orange County's economy.
- Identifies economically disadvantaged communities in the region that would benefit from economic improvement activities.
- Proposes actionable strategies on improving the lives of all Orange County residents; increase educational attainment and access to workforce opportunities; maintain and improve state-of-the-art infrastructure; support and leverage growing industry clusters; and improve the regions ability to compete economically.
- Creates the framework required for the Orange County region to be eligible to apply for and to receive U.S. Department of Commerce, Economic Development Administration (EDA) funding.

Orange County has changed significantly since the first two CEDS Reports created in 2008 and 2013. While the county has, for the most part, been able to fully recover from the Great Recession, new socioeconomic trends are creating both challenges and opportunities. Some of the major trends impacting Orange County include:

- Technological advances, such as social media, e-commerce, and automation, are currently disrupting many traditional industries.
- A surging housing market representing tremendous economic growth while simultaneously creating affordability concerns for many residents.
- Near record-low unemployment rates and significant employment growth in traditional and emerging industry sectors.

This report aims to educate local stakeholders and policymakers on these dynamic shifts while proposing practical ways to mitigate potential problems and providing proactive solutions. While Orange County has experienced a significant increase in economic activity in recent years, this economic growth has not been evenly spread across the county's diverse communities. Therefore, this report focuses on the county's Red Zone areas which have higher than average unemployment rates and lower than average per capita incomes.

Census tracks and cities qualify as disadvantaged Red Zones if the unemployment rates are 2.0 percentage points above the national average and the average per capita income is less than 80 percent of the national average. The U.S. Census Bureau's 2016 American Community Survey measured the national unemployment rate at 7.4 percent and the national per capita income at $29,829, which means that Red Zones will have an unemployment rate higher than 9.4 percent and a per capita income of less than $23,863. Currently, no city as a whole qualify as a Red Zone, however several census tracks located within cities and county unincorporated areas qualify as Red Zone areas.