

Association of Bay Area Governments
ABAG Administrative Committee

May 9, 2025

Agenda Item 7b

Regional Housing Needs Allocation (RHNA) Transfers: Delegation of Authority

Subject:

Recommendation to delegate authority to the MTC Deputy Executive Director, Metro Planning and Policy to administer transfers of RHNA units pursuant to the provisions of California Government Code Section 65584.07.

Background:

California Government Code Section [65584.07\(d\)](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65584.07) (https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65584.07.) sets forth the conditions under which a county may transfer a portion of the county's RHNA to a city or town following 1) incorporation of a new city or 2) annexation of unincorporated land after the Council of Governments (COG) has made its final RHNA allocations. As the COG for the San Francisco Bay Area, ABAG completed its final RHNA allocations on December 16, 2021.

Per Government Code Section 65584.07(d)(2)(A), jurisdictions have 90 days following the date of incorporation or annexation to submit a mutually acceptable transfer agreement or a written request for a transfer to the COG. The statute allows the COG to extend the 90-day deadline if it determines an extension is consistent with the RHNA objectives identified in California Government Code Section [65584\(d\)](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65584)

(https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65584).

By statute, if the affected parties cannot reach a mutually acceptable agreement, then either party may submit a written request to the COG to “consider the facts, data, and methodology presented by both parties and determine the number of units, by income category, that should be transferred from the county's allocation” to the city or town (Government Code Section 65584.07(d)(1)). The COG must make the transfer effective within 180 days after receipt of the written request and the transfer must be based on the COG's adopted RHNA allocation methodology (Government Code Section 65584.07(d)(2)(A)).

Issues:

ABAG needs to designate who has the authority to assess transfer requests and then must provide determinations for two pending requests.

The County of Santa Clara has submitted two (2) RHNA requests related to recent annexations:

- Transfer of one unit based on the annexation by the **Town of Los Gatos** of the parcel at 15575 El Gato Lane (APN 523-22-007) on September 19, 2024.
- Transfer of 12 units (2 moderate-income, 10 above moderate-income) based on the annexation by the **City of San Jose** of the parcel at 125 Kirk Avenue (APN 601-07-0660) on August 22, 2024.

Non-Mutual Transfer Requests

For each of these annexations, the affected parties were unable to reach a mutually acceptable transfer agreement. As a result, the County of Santa Clara has submitted requests for ABAG to determine the number of units, by income category, to transfer to Los Gatos and San Jose, respectively.

Delegated Authority for Deciding RHNA Transfer

The governing statute does not specify at what level the transfer requests should be decided. Consideration of the facts, data, and methodology presented by the parties to the RHNA transfer requests is primarily a technical task.

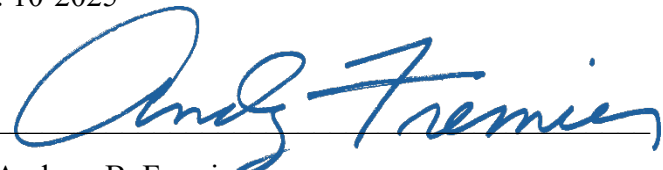
For this reason, staff requests that the ABAG Administrative Committee delegate authority to the MTC Deputy Executive Director, Metro Planning and Policy to accept, consider and make a final determination on all pending and future requests for RHNA allocation transfers, and to create and administer any necessary guidelines and/or procedures related to the administration of these requests, as outlined in ABAG Resolution No. 10-2025 (**Attachment A**). This action will allow for an efficient approach to the comprehensive analysis and deliberation of the materials submitted by the affected parties.

Recommended Action:

The Administrative Committee is requested to approve the staff recommendation for delegating to the MTC Deputy Executive Director, Metro Planning and Policy the authority to accept, consider and make a final determination on all pending and future requests for RHNA allocation transfers and to create and administer any necessary guidelines and/or procedures related to the administration of these requests.

Attachments:

- Attachment A: ABAG Resolution No. 10-2025


Andrew B. Fremier