



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 1/13/2026

To: Sonoma County Board of Supervisors

Department or Agency Name(s): County Executive's Office

Staff Name and Phone Number: M. Christina Rivera and Christel Querijero, 707-565-2431

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Deed Restrictions for Tribal Low Income Rental Housing with the Federated Indians of Graton Rancheria

Recommended Action:

- A) Approve and authorize the County Executive or designee to execute an amendment to the Local Cooperation Agreement with the Federated Indians of Graton Rancheria to add a third property for low-income housing.
- B) Approve and authorize the County Executive or designee to execute Affordable Housing Deed Restrictions with the Federated Indians of Graton Rancheria for three properties in Sonoma County.
- C) Authorize the County Executive or designee to execute all other documents, in a form approved by County Counsel, to effectuate the Tribe's development of low-income rental housing, including further amendments and terminations of the agreements.

Executive Summary:

The Federated Indians of Graton Rancheria (Tribe) acquired three properties in Sonoma County with federal assistance provided under the Native American Housing Assistance and Self-Determination Act (Act) to develop affordable housing for tribal members. The County and the Tribe executed a Local Cooperation Agreement in 2017 to satisfy requirements under the Act, setting forth the steps to secure a property tax exemption and furthering the mutual interest in increasing affordable housing opportunities for low-income persons and families residing in the County.

The Local Cooperation Agreement covers two of the three properties that have been purchased by the Tribe; an amendment is needed to add the third property.

Discussion:

The Federated Indians of Graton Rancheria (Tribe) is a federally recognized tribe, which consists of approximately 1,300 members of Coast Miwok and Southern Pomo descent. Like many others who live in Sonoma County, members of the Tribe struggle to find available and affordable housing.

On June 20, 2017, the Board approved a Local Cooperation Agreement ("Agreement") with the Tribe (Attachment A). The Agreement facilitates the creation of affordable units for tribal members, and the ability of the Tribe to access critical federal resources to support these efforts. The current Agreement covers two properties in Santa Rosa. The Tribe has recently purchased an additional property in Rohnert Park that it

intends to restrict to low-income housing. The properties were purchased using grants under The Native American Housing Assistance and Self-Determination Act of 1996 (Act), which provides block grants to federally recognized Indian Tribes to undertake affordable housing activities.

Unlike trust land, which is by operation of law, removed from the jurisdiction of the County, tribally-owned fee land is still subject to local government jurisdiction, including property taxes. Revenue and Taxation Code Section 237 provides a property tax exemption for low-income rental housing owned and operated by a federally recognized Indian tribe, or its designated housing entity, meeting certain requirements. Exemption eligibility is based on the income levels of the occupants. Annually, the California Department of Housing and Community Development (HCD) publishes state income limits for various income categories and numbers of persons residing in the household. The income limits are provided for each county in the state and are developed based on data released by the U.S. Department of Housing and Urban Development (HUD). The State Board of Equalization (BOE) compiles the income limits published by HCD and provides them to County Assessors to utilize in determining eligibility for the tribal housing exemption.

One of the requirements of the tribal housing exemption is that the Tribe record a deed restriction requiring that the property is used for low-income rental housing. If the property meets the requirements for the tribal housing exemption under Revenue and Taxation Code Section 237, the County Assessor will apply the property tax exemption, the County Tax Collector will generate an annual tax bill with any applicable direct charges, and the Tribe will be responsible for the payment in lieu of taxes of \$150 per year per unit as set forth in Section 5 of the Local Cooperation Agreement, which is to be paid to the County Executive's Office at the time real property taxes would be paid for deposit into the General Fund to offset the cost of County services provided for the benefit of the Property.

Staff recommends the Board authorize the County Executive or designee to execute the following: an amendment to the Local Cooperation Agreement with the Federated Indians of Graton Rancheria (Attachment B) to add a third property for low-income housing, Affordable Housing Deed Restrictions with the Federated Indians of Graton Rancheria for three properties in Sonoma County (Attachment C), and all other documents, in a form approved by County Counsel, to effectuate the Tribe's development of low-income rental housing, including further amendments and terminations of the agreements.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

6/20/2017 - Board approved Local Cooperation Agreement with the Tribe

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses		-\$2,505	-\$2,505

Additional Appropriation Requested			
Total Expenditures		-\$2,505	-\$2,505
Funding Sources			
General Fund/WA GF		-\$2,505	-\$2,505
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources		-\$2,505	-\$2,505

Narrative Explanation of Fiscal Impacts:

Each of the three properties has a single-family residence. The table below shows the General Fund fiscal impact of the housing exemptions. For Property 1, the General Fund would receive \$150 per year as set forth in Section 5 of the Local Cooperation Agreement, instead of \$960, resulting in a fiscal impact of \$810. The total fiscal impact for the 3 properties is \$2,505.

	Prop 13 (1%) Tax	Amount to General Fund (after ERAF Shift)	General Fund fiscal impact if FIGR receives exemptions
Property 1: 2139 Onyx Way, Santa Rosa, California: APN 044- 360-052-000	\$5,327	\$960	\$810
Property 2: 2786 Cumberland Street, Santa Rosa, California: APN 043-320-062-	\$5,209	\$939	\$789
Property 3: 5078 Country Club Drive, Rohnert Park, California: APN 160-113-043-000:	\$4,350	\$1,056	\$906
Total		\$2,955	\$2,505

Note that Property 3 has a lower net value because it is located in a Tax Rate Area (TRA) where the County receives a higher share of Prop 13 (1%) property tax revenue. The County receives 26.9% of the Prop 13 (Pre-ERAF) for properties 1 and 2. The County receives 36.2% (Pre-ERAF) of the Prop 13 (1%) for Property 3. These historical allocation factors (California Assembly Bill 8) from the implementation of Prop 13 do not change.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment A - Local Cooperation Agreement

Attachment B - Amendment to Local Cooperation Agreement

Agenda Date: 1/13/2026

Attachment C - Form of Deed Restriction

Related Items “On File” with the Clerk of the Board:

N/A