



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 1/27/2026

To: Board of Supervisors

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

Staff Name and Phone Number: M. Christina Rivera, Peter Bruland 565-3086

Vote Requirement: Majority

Supervisorial District(s): Second

Title:

Agreement with Sonoma County Transportation Authority for the use of Graton Mitigation Funds

Recommended Action:

Authorize the County Executive or designee to sign an agreement with the Sonoma County Transportation Authority for the use of up to \$9,246,536 million in Graton Mitigation funds for transportation projects on Lakeville Highway.

Executive Summary:

The County of Sonoma entered into an Intergovernmental Mitigation Agreement (2012 IMA) with the Federated Indians of Graton Rancheria (Tribe) in October 2012 in order to mitigate impacts of the Graton Resort and Casino (Casino). Under this agreement, a portion of funding was to pass through the County to the Sonoma County Transportation Authority (SCTA) for improvements on Highway 101 in the Marin Sonoma Narrows, with funding after this time to go toward other projects to be determined. In 2023 the County and the Tribe entered into an amended and restated IMA (Restated IMA). This agreement continued funding to mitigate impacts of the Casino, but did not specifically name the SCTA for passthrough or specify projects to be worked on.

Under the 2012 IMA, a total of \$12.6 million passed through the County to SCTA, of which \$8.0 million was utilized for the Marin Sonoma Narrows Project and \$4.6 million is still available. Additionally, the Board of Supervisors approved continuing funding for transportation projects under the Restated IMA, an additional \$4.6 million has been passed through to SCTA. This item seeks authority for the County Executive to sign a Memorandum of Understanding with the SCTA for use of the \$9.2 million in fund balance to support transportation projects on Lakeville Highway that mitigate impacts of the Casino.

Discussion:

On October 23, 2012, the County of Sonoma entered into an IMA with the Federated Indians of Graton Rancheria, as required by the Tribal-State Compact, in order to mitigate impacts of the Graton Resort and Casino. Under this agreement, a share of Casino revenues passed to the County to mitigate impacts of the Casino. These factors included a mixture of funding to the County for mitigation and funding to be passed through the County to other entities for their share of mitigation (the City of Rohnert Park entered into a separate agreement with the Tribe to mitigate impacts on the City).

One of the pass-throughs called for \$2 million annually, adjusted for inflation, to be given by the County to

SCTA for use on the Highway 101 Marin Sonoma Narrows project, which would help mitigate for impacts of increased traffic to the Casino. When this project was finished, funding was to be utilized for additional projects as determined at a later date. Because Casino revenues did not initially reach the level required to fund all areas of the IMA, funding did not begin accumulating for SCTA until 2017 and full funding was not received until 2021. In total \$12,619,081 was received by the County and passed to SCTA. Of this, \$8,014,598 was utilized for the Marin Sonoma Narrows improvements and \$4,604,482 was not utilized pending future discussions.

On June 6, 2023, the County and the Tribe entered into the Restated IMA. This agreement continued mitigation funding at approximately the same level as the prior agreement, but did not specifically name entities for pass through or projects, providing additional latitude for the County to direct funding toward mitigation needs. It also gave broader latitude for the County to adjust uses of unspent mitigation funds received under the 2012 IMA. On June 13, 2024, the Board of Supervisors approved recommendations for funding distribution under the Restated IMA that continued most pass throughs while returning the SCTA pass-through to the initial \$2 million threshold. Under the Restated IMA, a total of \$4,642,054 has been passed to SCTA, which has not been spent pending agreement on projects.

County staff met with SCTA staff to discuss allocation of this additional funding. It was agreed that, following completion of the Highway 101 improvements, needed improvements to Lakeville Highway constitute the best use of mitigation funds to ameliorate regional transportation impacts of the Casino (separate funding is dedicated to local road and traffic improvements in the vicinity of the Casino). On December 8, 2025, the SCTA Board authorized the Executive Director to enter into an agreement with the County on use of the funding received by SCTA. This item seeks authorization for the County Executive to sign an agreement with SCTA to authorize use of the \$9,246,536 of funds already received by SCTA and not spent for planning and project development costs associated with transportation projects on Lakeville Highway between Highway 37 and the area around Cougar Mountain Drive. No additional pass through of funds to SCTA is anticipated at this time.

This funding will be used to lead a scoping, feasibility, or Planning and Environmental linkages study to develop concepts and alternatives for the Lakeville Highway Corridor Improvement Project. These concepts will be developed in partnership with key partners including the Sonoma Land Trust, U.S. Fish and Wildlife Service, Caltrans, and the Tribe. Upon completion of this initial work, SCTA will expend the remaining funds to support the scoping, environmental, and potentially the design of right of way phases of the future project. If funds remain after these phases, they would potentially be available as a match for construction funding. SCTA staff expects a consultant contract to begin this work to be awarded in June of 2026. Sonoma County Public Infrastructure will continue to coordinate and collaborate with SCTA on the deliver of the project through completion.

Strategic Plan:

N/A

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

No

Prior Board Actions:

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

All funding associated with this item has already passed from the County to SCTA, and there is no additional fiscal impact of this item.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

MOU

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