



## SUMMARY REPORT

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**Agenda Date:** 9/17/2019

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**To:** Board of Supervisors

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

**Staff Name and Phone Number:** Marissa Montenegro 565-3771, Sita Kuteira 565-1106

**Vote Requirement:** Majority

**Supervisory District(s):** Second

**Title:**

Graton Rancheria Back of House Expansion Project Comment Letter

**Recommended Action:**

A) Authorize the Chair to sign and submit comment letter to the Federated Indians of Graton Rancheria (Tribe) on their draft Tribal Environmental Impact Report (TEIR) for the proposed Graton Rancheria Back of the House Expansion Project by September 18, 2019.

B) Authorize staff to incorporate direction from the Board and to submit the comments to the Tribe by September 18, 2019.

(Second District)

**Executive Summary:**

The Federated Indians of Graton Rancheria (Tribe) has solicited comments on their draft Tribal Environmental Impact Report (TEIR) for a proposed back of the house expansion project at the Graton Rancheria Resort and Casino (Resort). The Tribe completed Phase I of the Resort and Casino in 2013, which included the casino and entertainment space, as well as a parking structure. Phase II of the project, was completed in November of 2016 and included a 200-room hotel, convention center, pool, and spa. The current back of the house expansion that is the subject of the current TEIR would include the demolition of approximately 3,000 sf of existing BOH space and the construction of approximately 12,000 sf of new BOH space on the western (back) side of the Resort. The proposed comment letter from the County states the County's desire for continued protection of water and biological resources and the recommendation to analyze cumulative impacts associated with increased development on and off of Tribal lands for future use. The issues raised in the proposed letter will be addressed during the negotiation of an intergovernmental mitigation agreement required by the Tribal-State Compact between the Tribe and State of California.

**Discussion:**

**Background**

The Federated Indians of Graton Rancheria (Tribe) is a federally recognized tribe with 254 acres of land held in trust by the federal government located in the unincorporated County west of Rohnert Park. The Tribe currently operates the Graton Resort and Casino and is seeking to expand the Resort's Back of House (BOH) space, which involves the demolition of approximately 3,000 sf of existing BOH space and the construction of approximately 12,000 sf of new BOH space on the western (back) side of the Resort. The new BOH space would be used for expanded offices and employee facilities, including an elevator, cubicles, reception areas, storage rooms, conference rooms, and break rooms. The TEIR states that the Proposed Project will not

increase the number of employees, resort activity (customers), or the regional population. The project area is currently developed: about half of the area is existing BOH building space, the other half is used for employee parking. Since development on trust land is not subject to local land use regulations or taxation, over the past decade, the County of Sonoma has engaged with the Tribe to address the offsite impacts of development on the Reservation and to ensure the costs required to mitigate those impacts are not borne by the community.

The development of the Graton Resort & Casino has occurred in phases. Phase I included the construction of a 317,750 sq. ft. casino and entertainment space, with approximately 100,000 sq. ft. dedicated to gaming, including up to 3,000 slot machines. The entertainment space includes numerous restaurants and bars, a nightclub, lounge, and banquet facilities. This phase also included a multi-level parking structure and surface parking for some 5,000 spaces. Phase I was completed and opened to the public in November 2013. Phase II development includes a 200-room hotel, convention center, pool, and spa, which opened in November 2016.

#### Environmental Review

For the BOH expansion project, the Tribe has released a Draft Tribal Environmental Impact Report (TEIR) for public comment, available online at [www.gratonteir.com](http://www.gratonteir.com). As required by the Tribal-State Compact between the Tribe and State of California (Compact), the TEIR analyzes off-reservation impacts related to aesthetics, air quality, biological resources, geology and soils, greenhouse gases, hazardous and hazardous materials, water resources, land use, noise, population and housing, public services, transportation and traffic, and utilities and service systems. The draft TEIR determines that all potential environmental effects due to construction and operation of the proposed project may be reduced to less than significant by including, among others, the following mitigation measures:

- Aesthetics: Limiting construction to between the hours of 7 a.m. and 10:00 p.m. (also Noise mitigation); reducing lighting impacts during construction; and using exterior glass that is consistent with the existing Resort structure.
- Air Quality: Reducing dust emissions during construction.
- Biological Resources: Installing fencing during construction to protect California tiger salamander and off-reservation critical habitat.
- Geology and Soils: Reducing soil erosion during construction through the preparation of a Storm Water Pollution Prevention Plan (SWPPP) and implementation of best management practices.
- Greenhouse Gas Emissions: Managing diesel-powered equipment.
- Hazards and Hazardous Materials: Development of a hazardous materials spill prevention, storage, and disposal plan for construction.
- Water Resources: Implementing the SWPPP to protect water quality during construction.

The County cannot dictate mitigation measures or changes to the project, however, the County seeks to comment on the TEIR in order to encourage continued protection of water and biological resources and the analysis and mitigation of cumulative impacts associated with increased development on and off of Tribal lands. As required by the Compact, the Tribe and the County will engage in negotiations and enter into an enforceable written agreement to mitigate any significant environmental impacts prior to commencement of the project.

#### Intergovernmental Mitigation Agreement (Agreement)

When land is taken into trust, that area is essentially annexed by the federal government and local governments lose all land use and taxing authority. To address the off-reservation impacts that are caused by

on-reservation development, the County has worked with tribes to negotiate intergovernmental agreements that address mitigation of these impacts. These agreements have been critical to fostering positive intergovernmental relationships. In 2004, the County and the Tribe signed an initial agreement to establish a framework for negotiations. In October 2012, the County and the Tribe built on that framework and entered into the Intergovernmental Mitigation Agreement (Agreement) to address onsite and offsite impacts.

The Agreement included environmental protection and mitigation related to groundwater monitoring, traffic, aesthetics, biological resources (minimizing erosion, runoff, and vegetation removal), and open space and agricultural lands protection. The draft comment letter recognizes that the Tribe has already agreed to some mitigations, and suggests further and continued mitigation related to the proposed project.

#### Comments on Environmental Review

The deadline to submit comments on the draft TEIR was on September 5th. A request for extension was granted and the deadline was extended to September 18th to allow for public input on the potential impacts of the proposed project. The Agreement addresses mitigations related to the larger Resort and Casino project. Additionally, the County is requesting that the Tribe consider the following:

- Continued consultation with the relevant federal, state, and local regulatory agencies on obtaining and maintaining the necessary permits or standards for the project to assure that water and biological resources are protected.
- Continued analysis and mitigation of cumulative impacts associated with increased development both on and off of Tribal lands.

#### Next Steps

Following the close of the comment period for the draft TEIR, the Tribe will prepare a final TEIR with revisions to the draft, comments received on the draft, and responses to those comments that shall include good faith, reasoned analyses to significant environmental points raised in the consultation process. No later than issuance of the final TEIR, the Tribe shall offer to commence negotiations with the County, and the Tribe and County will negotiate toward an intergovernmental mitigation agreement.

#### Prior Board Actions:

05/23/2017 - Authorized Chair to sign and submit comment letter on draft Tribal Environment Impact Report for the Phase II Hotel Expansion Project.

10/23/12 - Approved the Comprehensive Intergovernmental Agreement with the Federated Indians of Graton Rancheria.

#### FISCAL SUMMARY

<b>Expenditures</b>	<b>FY 19-20 Adopted</b>	<b>FY20-21 Projected</b>	<b>FY 21-22 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			

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State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>			

**Narrative Explanation of Fiscal Impacts:**

N/A

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

N/A

**Attachments:**

Tribal Environmental Impact Report Comment Letter

**Related Items "On File" with the Clerk of the Board:**

None.