

GRAVENSTEIN COMMONS FAQ

Prepared by Saint Vincent De Paul

1. What is the Project's Construction Budget and how will it be funded?

The budget, as provided to us by our General Contractor, Holly Construction, is \$7,011,558. We have received \$6,449 million from the California Department of Housing and Community Development, and we have raised \$335,000 in private donations to date. Back in June of 2025, DHS Director Nolan Sullivan made a good faith effort to secure \$990,000 in HHAP and TAY turnback for this project by routing it through a public process via the Board of Supervisors' consent calendar, which was scheduled to appear on August 26th, 2025. However, on August 13th, Director Sullivan called Jack Tibbetts to notify him that County Counsel and the Purchasing Department denied his request to place the funding request on the Board's agenda, leaving the project unfunded by the County at this time. That said, however, the County is aware of our need, they are aware of their obligation, as outlined in the commitment letter, and they are actively referring us to funding opportunities via the NOFA process. SVdP is currently applying for \$1,000,000 through the Measure O NOFA, with award announcements expected to be made in November of 2025. Separately, according to Supervisor Lynda Hopkins, the County is exploring another NOFA using HHAP 3 turnback funds, with a quick turnaround time that could be as short as seven days. That NOFA is anticipated to occur at the end of 2025. We (SVdP) will apply for both NOFAs, and we are always fundraising through private parties for the project as well. But should SVdP fail to receive an award from either of the two upcoming NOFAs, SVdP will begin taking legal action against the County, as it very well may be the only legal and regulatory path forward to securing the promised funding.

2. How will cost overruns be funded?

Cost overruns will be funded by a combination of private and public sources, and our fundraising efforts continue. In addition, the prior director of the Sonoma County Department of Health Services (DHS), Tina Rivera, previously committed in a letter to provide \$3 million to pay for capital costs and operating expenses. We are currently seeking to have that funding formally awarded to the project.

3. When will construction be completed and when are residents anticipated to move-in?

We expect the first resident to move in in May of 2025. We expect to have achieved 90% occupancy by June 1, 2026.

4. How will ongoing operations be funded? How many years of operations are currently funded?

Our anticipate annual operating expenses are at \$274,368 per year. Ongoing operations

are still planned to come from Section 8 Housing Vouchers and/or Project-based Vouchers (PBVs). Currently, the Trump Administration has proposed a 45% cut to Section 8, PBV's and Emergency Housing Vouchers (EHVs), but it is currently unknown at what level these proposed cuts will be approved by Congress and implemented. Should the 45% cut come to pass, the State of California and the County of Sonoma will have the opportunity to backfill the cut (which is what the Trump Administration is hoping for). Additionally, SVDP has identified other available funding sources that were not currently proposed to be cut, such as funding for transitional-age youth (TAY).

In addition, we will continue to seek grant funding from the State and County, including appropriation of the DHS' previous \$3 million commitment.

Finally, should all of these options be exhausted, SVDP still has a line of credit on our Thrift Store with a credit of \$1,468,722. This would provide us with roughly 4.5 years of operational funding. Please note: the "monitoring period" for HCD is 5 years from the execution of the Standard Agreement, so this line of credit should extend beyond the monitoring period, because the monitoring period began once we signed the Standard Agreement on November 6th, 2024. Additionally, we could explore other options with HCD, such as a cash out refinance to pay back a prorated amount of the Homekey Award and converting the units to market rate units.

5. How will cuts to federally funded housing vouchers impact the project's financials?

Apples to apples, if we apply the 45% cuts to vouchers to our housing project, our revenues would decrease from roughly \$435,000 per year to \$239,250. Our anticipated expenses are currently pegged at \$274,368. This would leave us with a net operating loss of (\$35,118) per year, assuming no other funding sources are secured. We would supplement that loss with (in this hierarchical order):

- 1.) Private donations
- 2.) Revenues from our Thrift Store
- 3.) Backfilling with our line of credit

In addition, we will continue to seek grant funding from the State and County, including appropriation of the DHS' previous \$3 million commitment.

While we cannot say for sure if a 45% cut to housing vouchers will directly translate to a 45% cut in revenue (it could be more, it could be less), covering a net operating loss of \$35,118 is de minimus.

6. What backup funding sources does SVdP have to ensure that the City has no financial responsibility for the project?

The City and SVdP have entered into an agreement whereby SVdP will be in the “first position” for paying costs associated with the Project and indemnify the City from any financial liability arising from a breach of the Project’s agreement with HCD. To ensure ongoing operations for the full 15 year terms of the project, SVdP has agreed to maintain \$671,215 in an operating account as a reserve. In the event all other funding sources cease, this reserve will fund more than 2 years of operating expenses.

SVdP has the following additional backup funding sources to fund the ongoing operations of the project:

- 1.) Private Donations
- 2.) Revenues from our Thrift Store
- 3.) Backfilling with our line of credit.
- 4.) SVDP owns 5 properties that are always available to borrow against, or sell, to meet cash flow needs.

7. Will SVdP be conducting annual financial audits and will copies of the audit be provided to the City?

Yes, absolutely. We conduct a standard audit and a more rigorous single audit every year. These will be made available to both the City of Sebastopol and the State of California.

8. As a co-applicant, will the City have access to all reports SVdP files with the state?

Yes, absolutely. Currently, we provide them to the State of California and we copy your consultant, Robin Stefani, when we submit them. We are currently in good standing with the State.

9. Who will manage the property? How many staff will be present on the property and during what hours?

The property will primarily be managed by a 24/7/365, live-in resident manager. The property will also have 1.4 FTE Case management, which equates to a case manager being on site every day (seven days a week). At a minimum, the City can expect two staff to be on site during the day. It is also anticipated that our Housing Director will make his office out of the Gravenstein Commons for the first one to two years. This is intentional, because we feel this level of presence and oversight from director-level management is important during the startup phase. We like to post our most experienced and knowledgeable people in new housing environments so they can see, learn, and address any problems in real time.

10. What supportive services will be provided on the property and who will be the service provider?

SVdP is the service provider. Our case managers are experienced, either with an academic/professional background in case management, and/or lived experience. Our

staff are trained in trauma-informed care, CPR/First Aid, and SOAR. We also have a partnership with the Providence Street Outreach Team, who will provide regular and routine check-ins with our residents to support their medical needs. We provide these services at a minimum. However, part of SVdP's unique approach is that we like to use our PSH communities as a services HUB for other nonprofit service providers conducting their own outreach. Namely, we host monthly "Wellness Fairs" where dozens of other service providers attend and connect directly with residents. In the past, we have had medical nonprofits (FQHC's), nonprofit hospitals (Providence Street Outreach Team), Canine's without Borders, county agencies, among others, participate. For a full list of participating providers, please feel free to email our Housing Director, Uriel Brena, at ubrena@svdp-sonoma.org.

11. What is SVdP's plan to ensure a successful opening of the property?

We plan to have services available to people upon entry, be fully staffed before the first person moves in, and provide security for the first six months as people get settled in. Should additional security be needed, we will extend, accordingly.

12. What security measures will be at the property? Will there be security personnel on site 24/7?

There will be security, but not 24/7. We will follow our experience at the St. Vincent de Paul Commons in Santa Rosa, where we had security at night. This makes the most sense, because this is when the case managers are home with their families. During the day, when case managers are present, there is never a need for security, because people are being managed by trained staff who they have a preexisting relationship with. Even at night, in addition to security, the resident manager will be present and available to respond to an incident. In reality, the only thing a security guard will do is provide a basic sense of authority, and be there to prevent any "drop-ins" from arriving and setting up camp. ***Please note: this site will not allow drop-ins.*** SVdP does not take people in off the street and serve them. Only leased residents are served here. Additionally, the property is secured by a tastefully designed locked gate, adjacent to the building, which acts as a natural wall/barrier. This will greatly limit access to those who are residents and their prearranged guests. There will also be security cameras in the common areas and facing the street.

13. How are you planning to address concerns related to safety, loitering, or impacts on nearby public spaces?

If there are nuisances, then SVDP staff and/or security will contact the individual. In our past experiences, initial and focused management on the outset quickly quells any assumptions among the homeless population that they can, or will, be served at the area. Upon explaining that we are not a drop-in center, and after repeated interventions by staff and security, people tend to move along to areas with drop-in services. Further, we have a zero-tolerance policy for threats of violence or physical assault, so anyone who engages

in that will be evicted and removed from the area. We do not expect any significant public safety issues at the Gravenstein Commons, but should any occur, those actions are met with swift consequences.

14. Will there be a Good Neighbor Policy? Can the community participate in shaping it?

While we are open to participating in a good neighbor policy, SVdP has an outstanding track record of working with neighbors through the establishment of an Advisory Council. We did this in Oakmont during the establishment of the highly controversial Los Guilicos Village. We took some of our most vocal critics and asked them to participate on the Council, and they became supporters of our work and methodologies. It was very successful, and any members of the City Council, staff, or public are encouraged to reach out to the Oakmont Village Association for reference. We are willing to replicate this successful model in Sebastopol, because as events and scenarios change, there is always an advisory panel to help us (SVdP and the community) to shape policy. More importantly, it provides the community with ongoing transparency. We can commit to create an Advisory Council within 30 days of the first resident moving in, should Sebastopol wish to do so, and we welcome a representative from the City to participate as well.

15. Who should community members contact with concerns or complaints regarding construction or operation of the project?

Jack Tibbetts, Executive Director, St. Vincent de Paul: (707) 495-7438, or by emailing jtibbetts@svdp-sonoma.org.

Once the project has been constructed, and a Resident Manager hired, we will provide the public with their contact information.

16. What outreach will be done with residents and businesses that are located near the project?

Yes. Expect canvassing to begin on or around March 30th, 2026.

17. Will the site be alcohol and drug free?

No. The State of California requires all HCD-funded project to be “low-barrier.” Meaning, someone cannot be evicted or removed for consuming drugs or alcohol. SVdP does make strides to get people involved in Narcotics Anonymous and Alcoholics Anonymous, and/or attend rehab. We even hosted meetings at our Santa Rosa location, and we will seek to establish meetings at this location, also. Please note: SVdP prefers drug and alcohol-free housing, and we make efforts to make it so. However, we are bound by policies emanating from the State of California. We encourage anyone who disagrees with this low barrier policy to email their legislators and Governor.

18. Will tenants be evicted for breaking the law or the terms of the lease?

Yes. However, at SVDP, we always believe in mercy and second chances, so we look at every case and situation uniquely, and depending on the severity of the offense, and the

persons unique, individual outlook (e.g. employment advances, sobriety, etc.) we may choose to continue their tenancy and support their progress. However, there are certain things, such as violence and threats of violence, that we have a zero-tolerance for and they will be evicted immediately. Other issues we are mindful of are tenants having guests who overstay the lease's allowable time, derelict vehicles sitting unregistered, and similar lease violations, which we enforce, because doing so maintains a clean, safe, and positive housing environment.

19. What is their policy for guests visiting the property? How will you ensure guests are not causing crime or nuisance?

We allow every tenant to have up to one additional overnight guest for 10 days per year. Guests are required to sign in with the Resident Manager so we can track who they are and the duration of their stay. Residents may also have non-overnight guests visit the property, as would be the case in any housing community. However, guests who are deemed a nuisance are removed by staff.

20. How are residents selected to live at the property?

Residents are selected and referred through the Continuum of Care, based on the selection criteria, which SVdP and the City can determine together. This gives the City and SVDP *some* control of who will enter and what their level of need is.

Examples of selection criteria include, but are not limited to:

- Community Prioritization/Regional Selection
- Subregional by-names List
- Elderly
- Transitional-age Youth
- Voucher Assigned
- Etc.

21. Will SVdP commit to have regular meetings with City staff to hear and address concerns when the project opens?

Absolutely, and we have always expected to be available to the City and its staff.