Resolution authorizing the Department of Public Health to award a one-time, limited term grant to Edgewood Center for Children and Families (Edgewood) for the purpose of maintaining the fiscal solvency of Edgewood, in an amount not to exceed $350,000 for a period not to exceed 90-days, to commence following Board approval.

WHEREAS, In Resolution 307-18, the Board of Supervisors approved a contract between the Department of Public Health (the "Department") and Edgewood Center for Families and Children ("Edgewood") for a four-year term from July 1, 2018, through June 30, 2021; and

WHEREAS, The agreement between the Department and Edgewood obligated Edgewood to provide services to children, youth, and families, for clients placed by the Department, including crisis, triage and assessment, residentially-based treatment, outpatient and therapeutic behavioral health, wraparound, school-based behavioral health and counseling enriched education services; and

WHEREAS, From June 2019 through early December 2019, the Department and the San Francisco Human Services Agency (collectively "City") were advised of multiple allegations of staff misconduct and child abuse at Edgewood, some of which were substantiated and are being criminally prosecuted; as a result, the City stopped placing children in Edgewood’s residential programs; and

WHEREAS, Because the Department is not currently placing children at Edgewood, it has ceased making payments for placements under its professional services contract; and
WHEREAS, The Department has required Edgewood to prepare and implement a City-approved corrective action plan; once Edgewood has corrected all deficiencies to the City’s satisfaction, the City hopes to recommence placements; and

WHEREAS, Edgewood historically has provided important services to the City and to children and families in the City, and its closure would leave a critical gap in services to vulnerable communities in the City; and

WHEREAS, In April 2019, Edgewood notified the City that it was experiencing a "significant cash flow crisis" and has reported to the Department that unless it receives immediate stopgap funding from the City or another entity, Edgewood will face imminent risk of closure as a result of financial insolvency; and

WHEREAS, To avoid that possibility and to attempt to ensure that Edgewood is able to continue to provide necessary services to the City in the future, the Department intends to provide funds to Edgewood through a one-time, limited term, grant agreement in the amount of $350,000 for a not-to-exceed 90-day period; and

WHEREAS, The terms of the grant would require Edgewood to complete and implement its corrective action plan and also to provide a business plan and financial plan sufficient to assure the City of the safety and stability of Edgewood’s residential programs; and

WHEREAS, In light of the unique circumstances and the time-sensitivity of the need, the Department intends to award this grant without a competitive solicitation process; and

WHEREAS, In the Annual Appropriations Ordinance for the current fiscal year, the Board has appropriated funds to the Department sufficient to cover the amount of the proposed grant agreement; and

WHEREAS, The Department has legal authority and financial ability to enter contracts for services such as the existing agreement with Edgewood, and to provide grants to
organizations to provide services to the general public promoting and protecting public health in San Francisco, and the Department could enter such contracts and award such grants without approval by this Board unless required by Article IX of the Charter, but the Department does not have authority to issue a grant to an organization for the sole and specific purpose of maintaining the financial solvency or viability of the organization during a period when the organization is not providing such services; and

WHEREAS, The Department has requested that the Board authorize the Department to award a grant to Edgewood for that purpose in these unique circumstances; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the Department to award a grant to Edgewood subject to the terms and conditions described in this Resolution, for the purpose of maintaining Edgewood's financial viability for 90 days; and, be it

FURTHER RESOLVED, That within 30 days of the grant agreement being fully executed by all parties, the Department shall submit to the Clerk of the Board of Supervisors a completely executed copy for inclusion in File No. 200145.
Resolution authorizing the Department of Public Health to award a one-time, limited term grant to Edgewood Center for Children and Families (Edgewood) for the purpose of maintaining the fiscal solvency of Edgewood, in an amount not to exceed $350,000 for a period not to exceed 90-days, to commence following Board approval.

February 20, 2020 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

February 25, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200145

I hereby certify that the foregoing Resolution was ADOPTED on 2/25/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved