

1 [Settlement of Unlitigated Claim and Resolution of Debarment Proceeding - Providence
2 Foundation of San Francisco - Affected Employees and the City and County of San Francisco
3 to Receive \$1,000,000, Suspension Order Rescinded]

4 **Resolution approving the settlement of an unlitigated claim by the City and County of**
5 **San Francisco ("City") against Providence Foundation of San Francisco ("Providence")**
6 **for \$1,000,000 with \$480,724.25 distributed to affected employees, and the remainder**
7 **returning to the City; the claim arises out of a Debarment Proceeding initiated on May**
8 **6, 2024, by the City Attorney, acting as Charging Official pursuant to Chapter 28 of the**
9 **Administrative Code; the claim involves underpayment of employees, reimbursement**
10 **to the City for work that was not done, and other failures to comply with grant**
11 **agreements and the San Francisco Municipal Codes; additional material terms of the**
12 **settlement are rescission of the existing suspension order issued against Providence**
13 **upon delivery of certain payments, and agreement to a Five-Year Suspended**
14 **Debarment Order that would only be entered upon violation of the settlement**
15 **agreement.**

16
17 WHEREAS, The City Attorney, acting as Charging Official pursuant to Chapter 28 of
18 the San Francisco Administrative Code, initiated debarment proceedings against Providence
19 Foundation of San Francisco ("Providence") on May 6, 2024; and

20 WHEREAS, The debarment proceedings involve underpayment of employees,
21 reimbursement to the City for work that was not done, and other failures to comply with grant
22 agreements and the San Francisco Municipal Codes; and

23 WHEREAS, Providence has admitted that its prior management engaged in "willful
24 misconduct," as that term is defined by Chapter 28 of the San Francisco Administrative Code
25 and has delivered to the City, as a condition precedent to submission by the City Attorney of

1 the settlement agreement for approval by the Board of Supervisors, the first payment of
2 \$105,000 due to the City; and

3 WHEREAS, Providence has begun the process of delivering payments to employees
4 who were underpaid by Providence's prior management; and

5 WHEREAS, The City Attorney, the Department of Homelessness and Supportive
6 Housing, and the Office of Labor Standards and Enforcement have recommended settlement
7 of the debarment proceedings by accepting immediate payment from Providence of \$105,000,
8 payment of \$480,724.75 to affected employees, and payment of \$414,275.75 to the City over
9 five years; and

10 WHEREAS, Additional material terms of the settlement include rescission of the
11 existing suspension order issued against Providence upon delivery of certain payments, and
12 agreement to a Five-Year Suspended Debarment Order that would only be entered upon
13 violation of the settlement agreement; now, therefore, be it

14 RESOLVED, That pursuant to Administrative Code, Section 10.24, the Board of
15 Supervisors hereby authorizes the City Attorney to settle and compromise the debarment
16 proceeding for \$1,000,000, with \$480,724.25 distributed to affected employees, and the
17 remainder returning to the City, and rescinding the existing suspension order issued against
18 Providence upon delivery of certain payments, and agreement to a Five-Year Suspended
19 Debarment Order that would only be entered upon violation of the settlement agreement; and,
20 be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the City
22 Attorney to take further actions in connection with the settlement and the debarment
23 proceedings as necessary to achieve the purposes described in this Resolution.
24
25

1 APPROVED:

2 DAVID CHIU
3 City Attorney

4 /s/_____
5 KESLIE STEWART
6 Chief of Public Integrity and Investigations

RECOMMENDED:

DEPARTMENT OF HOMELESSNESS AND
SUPPORTIVE HOUSING

7 /s/_____
8 SHIREEN MCSPADDEN
9 Executive Director

RECOMMENDED

OFFICE OF LABOR STANDARDS AND
ENFORCEMENT

11 /s/_____
12 PATRICK MULLIGAN
13 Director

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City and County of San Francisco

Tails

Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 250869

Date Passed: September 30, 2025

Resolution approving the settlement of an unlitigated claim by the City and County of San Francisco ("City") against Providence Foundation of San Francisco ("Providence") for \$1,000,000 with \$480,724.25 distributed to affected employees, and the remainder returning to the City; the claim arises out of a Debarment Proceeding initiated on May 6, 2024, by the City Attorney, acting as Charging Official pursuant to Chapter 28 of the Administrative Code; the claim involves underpayment of employees, reimbursement to the City for work that was not done, and other failures to comply with grant agreements and the San Francisco Municipal Codes; additional material terms of the settlement are rescission of the existing suspension order issued against Providence upon delivery of certain payments, and agreement to a Five-Year Suspended Debarment Order that would only be entered upon violation of the settlement agreement.

September 18, 2025 Government Audit and Oversight Committee - RECOMMENDED..

September 30, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250869

I hereby certify that the foregoing
Resolution was ADOPTED on 9/30/2025 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

Daniel Lurie
Mayor

OCT 6, 2025

Date Approved