

1 [Authority to Award Grant - Edgewood Center for Children and Families - Maintenance of  
2 Financial Solvency - \$350,000]

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

7  
8 WHEREAS, In Resolution 307-18, the Board of Supervisors approved a contract  
9 between the Department of Public Health (the "Department") and Edgewood Center for  
10 Families and Children ("Edgewood") for a four-year term from July 1, 2018, through  
11 June 30, 2021; and

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

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

22 WHEREAS, Because the Department is not currently placing children at Edgewood, it  
23 has ceased making payments for placements under its professional services contract; and

1           WHEREAS, The Department has required Edgewood to prepare and implement a City-  
2 approved corrective action plan; once Edgewood has corrected all deficiencies to the City's  
3 satisfaction, the City hopes to recommence placements; and

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

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

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

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

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

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

24           WHEREAS, The Department has legal authority and financial ability to enter contracts  
25 for services such as the existing agreement with Edgewood, and to provide grants to

1 organizations to provide services to the general public promoting and protecting public health  
2 in San Francisco, and the Department could enter such contracts and award such grants  
3 without approval by this Board unless required by Article IX of the Charter, but the Department  
4 does not have authority to issue a grant to an organization for the sole and specific purpose of  
5 maintaining the financial solvency or viability of the organization during a period when the  
6 organization is not providing such services; and

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

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

13 FURTHER RESOLVED, That within 30 days of the grant agreement being fully  
14 executed by all parties, the Department shall submit to the Clerk of the Board of Supervisors a  
15 completely executed copy for inclusion in File No. 200145.

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