

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  
to Receive \$1,000,000, Suspension Order Rescinded]

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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.**

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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.  
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APPROVED:

DAVID CHIU  
City Attorney

/s/  
KESLIE STEWART  
Chief of Public Integrity and Investigations

RECOMMENDED:

DEPARTMENT OF HOMELESSNESS AND  
SUPPORTIVE HOUSING

/s/  
SHIREEN MCSPADDEN  
Executive Director

RECOMMENDED  
OFFICE OF LABOR STANDARDS AND  
ENFORCEMENT

/s/  
PATRICK MULLIGAN  
Director

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