

1 [Authorizes the transfer of funds and management oversight from the Department of Public  
2 Works to the Mayor’s Office of Community Development.]

3 **Resolution authorizing transfer of \$475,000 and management oversight of two City**  
4 **accessibility projects from the Department of Public Works to the Mayor's Office of**  
5 **Community Development for inclusion in City's CDBG Program in order to satisfy**  
6 **HUD's demand for City reimbursement relating to the improper use by The Third Street**  
7 **Economic Development Corporation of \$51,706 in grant funds at 5048 Third Street.**

9 WHEREAS, The City granted \$51,706 in Community Development Block Grant  
10 (“CDBG”) funds to The Third Street Economic Development Corporation, a nonprofit  
11 corporation (the “Third Street EDC”), in order to permit the Third Street EDC to acquire a  
12 property at 5048 Third Street (the “Property”) for community purposes; and

13 WHEREAS, The Third Street EDC failed to use and maintain the Property in  
14 accordance with applicable CDBG regulations and instead transferred the Property to another  
15 nonprofit corporation in violation of its grant agreement with the City; and

16 WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has  
17 required the City to reimburse HUD \$475,000, the current fair market value of the Property, as  
18 a result of the failure to use and maintain the Property in accordance with applicable HUD  
19 regulations; and

20 WHEREAS the City can satisfy the reimbursement obligation through the transfer of  
21 \$475,000 and management oversight of two previously approved DPW projects that are  
22 CDBG eligible; and,  
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1           WHEREAS, Funds are being used for accessibility upgrades for the Silver Avenue  
2 Family Health Center (1525 Silver Avenue) and the Ocean Park Health Center (1351 24th  
3 Avenue); now, therefore be it

4           RESOLVED, That the City and County of San Francisco supports and  
5 authorizes the transfer of funds and management oversight of \$205,000 in accessibility  
6 improvements for the Silver Avenue Family Health Center and \$270,000 in accessibility  
7 improvements at the Ocean Park Health Center facility from Department of Public Works to  
8 the Mayor's Office of Community Development for inclusion in the City's CDBG Program in  
9 order to satisfy HUD's demand that the City reimburse the CDBG Program in the amount of  
10 \$475,000 for the improper use of grant funds at the Property.