Councilmember Wells Commends Attorney General for Southwest Community House Lawsuit

(Washington, DC) – Residents of Southwest DC are closer to finding out what has happened to Southwest Community House (SWCHA) since it ceased serving residents and sold its property. After more than a year of working closely with the Office of the Attorney General (OAG), Councilmember Wells is pleased to announce that this week a Complaint for Receivership and Other Relief was filed with DC Superior Court. This action seeks to put any SWCHA remaining resources back into the community either through appointment of a receiver or dissolution of the nonprofit and distribution of assets. Councilmember Wells is anxious to see that any funds remaining from the sale of the property be put to good use for the neediest in our neighborhood through disbursal to other local charitable organizations with purposes similar to SWCHA.

Since 1931, SWCHA had operated as a District nonprofit corporation to provide social services to the neighborhood residents from its headquarters at 156 Q St., SW. Through funding primarily from United Planning Organization (UPO) it provided canned goods, clothing, used furniture and case work services to thousands of neighbors. As a condition of the grants received from UPO, SWCHA was required to provide regular annual financial audits. After a financial audit for fiscal years 2004 and 2005 revealed inadequate documentation to support account balances and transactions, UPO admonished SWCHA board of directors for failures of internal controls. UPO then ended its Community Service Block Grant arrangement with SWCHA and refused to provide further funding. In 2006, SCWHA abruptly sold its property and closed all operations.

Since that time, SCWHA has made only three charitable disbursements totaling less than $3,000 and leaving residents, neighbors and former clients to wonder what happened to the almost $500,000 it received for the sale of the property. In 2010, Councilmember Wells received numerous inquiries and responded by coordinating with the Attorney General of the District of Columbia to conduct an investigation into the status of the SWCHA and to protect any assets for the community.

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