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Baker Places Achieves Significant Milestone with Approval of Repayment Agreement by SF Board of Supervisors

SAN FRANCISCO (April 3, 2024) – [PRC](#), a leading San Francisco nonprofit that offers comprehensive services for individuals living with HIV/AIDS, mental illness and substance use disorder, today announced that Baker Places (Baker), a subsidiary of PRC, achieved a major milestone toward long-term financial sustainability with support from SF Department of Public Health and The SF Controller's Office.

On April 2, the San Francisco Board of Supervisors approved legislation from the Department of Public Health, sponsored by Supervisor Mandelman and cosponsored by Supervisors Ronen, Dorsey, and Safai, marking a significant step forward for Baker Places. The approved legislation includes two pivotal agreements: a Repayment Agreement and a Purchase and Sale Agreement. The Repayment Agreement allows the City to fully recover Baker's debt through a \$3 million credit for the sale of 333 7th Street, formerly operated by Baker as the Jo Ruffin Place residential mental health and substance use disorder treatment program. Additionally, Baker will repay the remaining \$4.67 million inclusive of interest over 23 years. Since July 2023, Baker began paying back the City totaling \$180,900.

"I have full confidence in Baker's leadership team. This has been one of the most impressive comebacks I have seen in my 15 years working in the District 9 office. From day one the Baker team has been honest, accountable, talented, and passionate. I congratulate them," stated **Supervisor Hillary Ronen**.

Under the leadership of Baker's new executive team, significant advancements were achieved over the past year and a half to stabilize Baker's financial condition and ensure its long-term sustainability. These advancements include increases to City contracts, program restructuring, cost-cutting, filling critical finance roles, establishing an operating reserve, and developing a long-term financial sustainability plan in partnership with the Controller's Office and DPH.

Furthermore, PRC strengthened its governance with a 50% increase in new board membership and a strong finance committee. This strategic enhancement ensures greater oversight and accountability, contributing to Baker's improved financial and operational efficacy.



PRC Board Members stand to be recognized at Budget and Finance Committee Hearing March 27, 2024

*“We are thrilled to close this chapter in Baker’s history by doing our part to pay the City back and maintaining over 200 critical treatment beds in San Francisco, without disruption to our clients, said **Chuan Teng, CEO of PRC.** “This endeavor has been a journey marked by dedication, innovation, and unwavering commitment from both our team and our partners at DPH and the City. Together, we have achieved remarkable milestones and overcome numerous challenges, demonstrating the power of collaboration and shared vision.”*

The approval of this agreement underscores Baker's commitment to accountability, transparency, and the continued provision of essential services to individuals facing mental health and substance use challenges. Baker Places remains dedicated to its mission and looks forward to a future marked by resilience, innovation, and community support.

About Baker Places

Baker is a non-profit corporation providing mental health and substance use disorder treatment and housing for San Franciscans. Using a social rehabilitation model, Baker helps people learn and regain skills to live fully and productively in the community.

Since its incorporation in 1969, Baker has provided residential mental health and substance use disorder treatment programs through a partnership with the City. Services include Hummingbird psychiatric respites, 60-day crisis stabilization, 90-day residential treatment, and long-term co-op housing programs with case management. Baker currently operates over 200 residential treatment beds across more than 30 facilities in San Francisco.

In 2017, Baker was acquired by PRC, a San Francisco non-profit providing legal advocacy, emergency financial assistance, and workforce development services to people with HIV, mental illness, and substance use disorder. Baker maintains its separate legal entity, but it is managed by PRC.

Together, Baker and PRC employ 230 staff and serve over 5,000 San Franciscans annually. Clients served are 55% HIV+, 56% LGBTQ+, 51% age 50+, 24% Black/African American, 57% unhoused or marginally housed, and 100% low-income.

About PRC

PRC is a San Francisco-based nonprofit social impact organization serving the needs of the City’s most vulnerable people and communities. PRC’s multifaceted programs offer supportive services to those living with HIV/AIDS, substance use disorder, mental illness or other social determinants of health that most often stem from the broader systemic challenges of historic economic, social and racial inequities. PRC, in service since 1987, assists over 5000 individuals annually. For more information, please visit www.prcsf.org.

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