



## SF AIDS agencies, rehab facility plan merger

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Positive Resource Center, a San Francisco-based nonprofit that helps people who're living with HIV/AIDS or mental health disabilities, is planning to merge with Baker Places, a local agency that provides residential substance abuse treatment and other services, the organizations announced Monday.

The merged organization, which would maintain the Positive Resource Center name, is likely to include AIDS Emergency Fund, which offers financial assistance to people disabled by HIV/AIDS.

The nonprofits said in a news release Monday that about 5,000 clients would benefit from the combination of "multiple, like-minded services." The three groups' aggregate budget would be \$20 million.

PRC Executive Director Brett Andrews, 51, who would be the CEO of the new organization, said in a brief interview, "We're very excited. We're going to have an opportunity to bring a broad array of these complementary and comprehensive services under one roof."

Among other assistance, PRC provides benefits counseling and employment services.

Andrews, who's gay and declined to state his HIV status, has a current base salary of \$161,000. He wasn't sure what his new salary would be.

"We're still in contract negotiations," he said.

BP Executive Director Jonathan Vernick, 64, will leave his current post after October 31 to become a special adviser to the merged organization.

In an interview, Vernick, who's been with BP for 33 years, said he'd been looking "to make some plans for my own succession" when he met about nine months ago with Andrews, whom he's known for years, and discussed a merger.



Sandra Nathan, left, executive director of AIDS Emergency Fund; Brett Andrews, executive director of Positive Resource Center; and Jonathan Vernick, executive director of Baker Places Inc., have announced plans to merge the three agencies. Photo: Courtesy Terrence McCarthy

He said that among other considerations, BP, which has a budget of \$14 million, "is dependent on local funding for virtually all its programs," and PRC "has a very active fundraising arm," so he thought "it would be a very good marriage."

Vernick, an HIV-negative straight ally, said the transition should be seamless for BP's clients.

"Because of the service PRC provides, particularly their jobs program, I believe there will actually be more clients than are currently involved in it and will benefit from that significantly."

Vernick's salary is \$198,000. He's not sure how much he'd make as a special adviser.

"The agreement we have is that I will be paid based on an hourly rate that hasn't been negotiated," he said. The number of hours he'd work also hasn't been determined.

## **AEF**

The inclusion of AEF in the merger is surprising but likely to occur. Sandra Nathan, an African-American lesbian, became executive director of AEF and Breast Cancer Emergency Funds nine months ago "to lead both organizations through a strategic planning and restructuring process," PRC's news release said. She'll leave her role when the merger's complete.

The Breast Cancer Emergency Fund will remain as an independent entity.

AEF was born out of the leather community in the early days of the AIDS epidemic.

"In 1982, a group of San Franciscans came together to pay bills for their friends that were too ill to work due to HIV/AIDS," Nathan stated, and AEF is still providing financial assistance to more than 2,000 low-income people.

"This proposed merger will provide even greater financial assistance by increasing the availability of services that are still in demand," she said.

David Cumpston, a spokesman for the agencies, said in response to emailed questions that AEF's clients would continue to get their checks the same way they are now.

According to Nathan, "AEF is very strong. We had \$1.7 million in income last year, and have \$2.3 million in reserves, largely through bequests."

BCEF's budget is \$839,000.

"AEF is not undergoing strategic restructuring because it is in trouble," she said in response to emailed questions. "It is a strategic decision based on our desire to more effectively meet the needs of our clients."

She added, "The decision to investigate a possible merger was the outcome of an examination of our options through a strategic planning process. Then, based on a discussion of those options, the board chose to look into a potential merger with a like-minded organization."

In an interview, Nathan said that after taking time off, she would "sort out what my next steps will be with the hope of returning to the nonprofit sector."

She plans to work with BCEF "on a part time basis through the end of August," and is "working with the board to come up with a new organizational structure that will provide for the leadership of the organization after I exit."

Her combined salary is \$160,000. She declined to share her age.

Mike Smith, a gay man who led AEF for more than 12 years before stepping down in 2015, praised the merger.

"AEF's reserves and cash flow are very healthy. These community agency mergers always work better when both partners are strong and services complement, not compete, with each other," Smith told the *B.A.R.* Tuesday via a Facebook message. "AEF and PRC are probably the two AIDS service organizations that already work closest together daily to provide coordinated short term and long-term financial help for the same base of clients."

Smith said the merger is "a win for both programs and all clients."

He also praised Andrews, with whom he had worked for many years.

"I am delighted to see that a partnership that Brett and I nurtured together for many years become a permanent one-stop solution for our clients in need," Smith said.

In the news release, BCEF board Chair Heather Renshaw said her group's focus "will be to continue to raise funds that directly help low-income women maintain medical care and basic living expenses when they're too sick to work. Furthermore, we're going to more deeply engage our donors, funders, and other key stakeholders to take our compassionate service model to the next level of growth."

The boards of BP and PRC have unanimously approved the merger plans. The deal between the two groups "is subject to customary closing conditions, including notice and consent requirements under applicable regulations," according to the agencies.

Cumpston said that "the intended merger" with AEF "will not be definite and final until the board votes on it in the coming weeks."

The new PRC would have a staff of approximately 250. None of the agencies would lay off employees. The buildings that are part of each group will still be in operation, but PRC's office at 785 Market Street will remain the headquarters.

Board of Supervisors President London Breed stated that the merger would "facilitate an integrated, comprehensive health care approach to minimize any additional stress from paying medical bills to finding housing while getting treatment."

San Francisco Health Director Barbara Garcia, a lesbian, stated, "Due to expanded health care options provided through the Affordable Care Act, many departments of public health and health and human services nonprofits across the country are restructuring, with a priority focus on integration. This merger not only achieves this purpose, but it also brings together multiple services to meet the many needs of our community."

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