



**TENDERLOIN HEALTH**  
a continuum of care

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**Tenderloin Health Closing Doors due to Funding Cuts**

*Partnering with SF Department of Public Health to Ensure Client Care Continues Uninterrupted*

**SAN FRANCISCO, CA** – Due to continued funding challenges, the Board of Directors at Tenderloin Health (TLH) announced today that it has voted to discontinue operations of the agency. TLH has focused on providing a continuum of care to vulnerable, poor and homeless residents living with or at the greatest risk of acquiring HIV/AIDS in the Tenderloin and surrounding areas.

“The major issue has always been the large amount of existing debt TLH faced when I came on board in November 2009,” said David Fernandez, CEO. “Despite these financial challenges, however, TLH was able to provide critical services to our clients for the past two years. This debt, combined with operating deficits and significant recent cuts in government funding have made it impossible for us to keep our doors open.”

Before making the decision to close, TLH explored several other strategic options, including potential mergers, liquidating its assets (primarily real estate at 255 Golden Gate Avenue) and scaling down and reassigning some programs and services). Unfortunately, none of these other options were viable for the agency.

“The Department of Public Health (DPH) is extremely grateful to the staff and management of Tenderloin Health for providing HIV/AIDS care, compassionate case management and stable housing for hundreds of clients. Over the past several years, we have been working very closely with TLH to try to help them recover from their historic financial problems and continue their mission,” said Barbara A. Garcia, San Francisco’s Director of Health. “The last two years saw significant changes and movement towards stability under David’s guidance. Unfortunately, the recent loss of over \$500,000 in federal funding undermined all the progress they made.”

Most importantly, services to TLH clients will continue without interruption. “Our highest priority is taking care of our clients,” added Fernandez. “We therefore will work closely with DPH, San Francisco’s Human Services Agency (HSA) and the new providers over the next several months to ensure the same level and quality of services that Tenderloin Health has offered.”

“The Human Services Agency and Department of Public Health will continue to partner with TLH to ensure that tenants in our supportive housing buildings continue to receive the housing and services that have helped stabilize their lives,” said Trent Rhorer, Director of San Francisco’s Human Services Agency. “TLH has been a quality provider in HSA’s Master Lease Program for the past six years and we are very thankful for their service to an extremely vulnerable population.”

Until a full transition plan is in place, TLH will continue to provide the same comprehensive suite of services and programs to its clients. These programs include counseling, prevention and housing services. DPH and HSA have been working closely with TLH’s Board and senior staff to create a transition plan. Both agencies are currently in negotiations with other local organizations to transition the programs. These negotiations include a commitment to opportunities for employment for many of the current TLH staff who are specialists in the needs of this client community.

An announcement of the new providers is expected to be made by the end of January 2012.