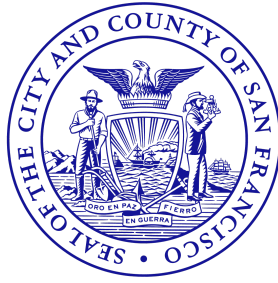


City and County
of San Francisco



Board of Supervisors
Member, District 6

MATT DORSEY

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NEWS RELEASE

‘Recovery Housing First’ sets target for at least 25 percent of S.F.’s supportive housing to be drug-free

Legislation would prioritize drug-free Recovery Housing instead of drug-permissive models of permanent supportive housing whenever funding allows for it

SAN FRANCISCO (June 17, 2024) — Supervisors Matt Dorsey and Rafael Mandelman today proposed legislation to prioritize drug-free recovery-oriented housing within San Francisco’s portfolio of site-based permanent supportive housing, or PSH. Entitled “Recovery Housing First,” the proposal would limit new implementations of drug-permissive PSH for adults exiting homelessness to projects whose funding source is legally restricted to such harm-reduction approaches. However, drug-free or recovery-oriented housing models would be required for unrestricted PSH funding. The legislation’s goal would be to ensure that Recovery Housing eventually accounts for at least 25 percent of San Francisco’s site-based permanent supportive housing portfolio.

The Dorsey-Mandelman legislation, as detailed in a formal legislative drafting request released at a City Hall news conference this morning, would require the Department of Homelessness and Supportive Housing, or HSH, to partner with the Department of Public Health, or DPH, to promulgate rules and regulations for Recovery Housing in San Francisco. Local policies would be aligned with federal standards for Recovery Housing as established by the U.S. Department of Housing and Urban Development (HUD), the Substance Abuse and Mental Health Services Administration (SAMHSA), and the National Alliance for Recovery

Residences (NARR). It would additionally include a low-barrier option for Recovery Housing PSH that solely prohibits the use of illegal drugs, which would be open to residents without diagnoses for substance use disorder who voluntarily agree to drug-free terms of tenancy. The low-barrier option would also enable site-based PSH projects and supportive service providers to satisfy the Recovery Housing requirement simply: with lease provisions to prohibit residents from using illegal drugs on site.

“‘Recovery Housing First’ will prioritize urgently needed alternatives to drug-permissive supportive housing, which for too many people in recovery is causing more harm than it’s reducing,” said **Supervisor Matt Dorsey**, who has publicly acknowledged his own journey in recovery from addiction and alcoholism. “What this legislation does is very simple: when PSH funding *requires* drug-permissive housing models, it can be *used* for drug-permissive housing models. But when PSH funding *allows* for Recovery Housing, it should be *used* for Recovery Housing — at least until San Francisco reaches a modest 25 percent target of drug-free PSH in its citywide portfolio. Amidst the deadliest drug crisis in San Francisco history, recovery can’t wait. With the passage of Proposition 1 last March, and with the legislature considering needed changes to state law to fund more recovery housing, San Francisco has critical new opportunities to expand drug-free options in our PSH portfolio. More recovery housing is essential — not solely for those seeking recovery from addiction, but also for those at-risk who simply want a residence free of illegal drug use. I’m grateful to Supervisor Mandelman for his partnership, and to my fellow recovery community members for advocating from a place of lived experience for approaches that work and that will help save lives.”

“I am continually inspired by San Francisco’s recovery community, which speaks courageously from lived experience and shares such a powerful commitment to helping others overcome their addictions and alcoholism,” said **Supervisor Rafael Mandelman**, a recovery community ally and Recovery Housing First co-sponsor. “It’s time to listen to our recovery community. Overwhelmingly, they share my conviction that no one exiting homelessness should need to choose between their recovery and a home that continually endangers it. ‘Recovery Housing First’ will add a desperately needed new choice that every unhoused San Franciscan deserves: recovery-oriented supportive housing, free of illegal drug use, if that’s what a resident wants. I’m grateful to Supervisor Dorsey and recovery community members from all across San Francisco for their leadership and advocacy on this worthy legislation.”

Drug-permissive requirements for state-funded PSH currently

California law currently mandates that 100 percent of state-funded PSH adhere to drug-permissive tenets incorporated into state “Housing First” policies, which require PSH operators to accept residents regardless of their “sobriety or use of substances” or “behaviors that indicate a lack of ‘housing readiness.’” Drug-free or recovery-oriented supportive housing is effectively prohibited from receiving state funding under Housing First’s current core components, codified in California Welfare & Institutions Code § 8255, which mandate lease provisions that the “use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction,” and that require supportive services to be “informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants’ lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use.”

Pending legislation authored by Assemblymember Matt Haney (D-San Francisco), however, is seeking to amend existing state law to allow up to 25 percent of state funding for housing and housing-based services to be used for Recovery Housing. On May 22, 2024, AB 2479 passed the Assembly on a 72-to-0 vote, and is now working its way through the State Senate. If both the state legislation and local legislation are enacted, California’s 25 percent Recovery Housing funding cap would complement San Francisco’s 25 percent Recovery Housing floor, maximizing available state funding for an evidence-based approach that HUD has strongly encouraged since the Obama Administration. SAMHSA last year updated guidance from HUD’s 2015 Recovery Housing Policy Brief,¹ pointing to research demonstrating “that recovery housing is associated with a variety of positive outcomes for residents including decreased substance use, reduced likelihood of return to use, lower rates of incarceration, higher income, increased employment, and improved family relationships.”²

Recovery Housing standards and practices

The “Recovery Housing First” proposal requires that local rules and regulations adhere to inclusive national standards from HUD, SAMHSA and the National Alliance for Recovery Residences, or NARR, in defining Recovery Housing, which consists of four levels from

¹ U.S. Department of Housing and Urban Development, Recovery Housing Policy Brief, December 2015, <https://www.hudexchange.info/resource/4852/recovery-housing-policy-brief/>.

² SAMHSA, Substance Abuse and Mental Health Services Administration. Best Practices for Recovery Housing, publication No. PEP23-10-00-002. Rockville, MD: Office of Recovery, SAMHSA, 2023, page 11: <https://store.samhsa.gov/sites/default/files/pep23-10-00-002.pdf>.

self-governing sober living environments to more structured therapeutic residential communities. The proposed legislation would also specify that restrictions on illegal drug-use would not bar PSH residents from using prescribed medications for behavioral or physical health conditions, including such medication-assisted treatments as buprenorphine, methadone, or naltrexone. This similarly follows SAMHSA guidance.

Relapses and returns to illegal drug use while residing in Recovery Housing would follow best practices promulgated by HUD and SAMHSA. Relapses would not be treated as an automatic cause for eviction, with program support that includes relapse prevention. Discharges from Recovery Housing PSH should only occur when a participant's behavior substantially disrupts the welfare of the recovery community in which the participant resides, although participants would remain eligible to reenter the program "if they express a renewed commitment to living in a housing setting targeted to people in recovery with an abstinence focus."

Residents of Recovery Housing who decide that they are no longer interested in housing with an abstinence focus, "or who are discharged from the program or evicted from the housing, are offered assistance in accessing other housing and services options, including options operated with harm reduction principles," as prescribed by federal guidance from HUD.

Community perspectives

"The Black community accounts for less than 6 percent of San Francisco's population and 31 percent of its drug overdose deaths — and there's no excuse to delay the abstinence-based, drug-free Recovery Housing our community is demanding if funding allows for it," said **Cedric Akbar**, co-founder of Positive Directions Equals Change, a drug treatment program, and a recently elected member of San Francisco's Democratic County Central Committee. "At the intersection of addiction and homelessness is a segment of the population who have managed to achieve and maintain sobriety. However, due to the absence of recovery housing now, they remain homeless or at-risk. San Francisco is in the worst drug crisis in our history. We need an ambitious plan like 'Recovery Housing First' to expand drug-free recovery housing options — and we need it now."

"Given my personal journey in recovery from substance use disorder, from harm-reduction to abstinence, I've long advocated for an effective housing ladder — from shelters, residential treatment, step down facilities, permanent supportive housing, to affordable and market-rate housing. It's incredibly challenging to complete a substance use disorder treatment program

and be faced with returning to an unsafe environment while committing to sobriety and attending outpatient services and support programs,” stated **Gary McCoy**, abstinent recovery and harm reduction advocate, and Democratic Party leader. “I applaud Supervisor Matt Dorsey, my long-time friend in recovery, and Supervisor Rafael Mandelman for taking this step in implementing additional resources for folks to succeed.”

“The stark reality of living in permanent supportive housing where active drug use is allowed is incredibly distressing, and it creates an unsafe and unstable environment for families like mine,” said **Danica Gutierrez**, a mother of three and recovery community member who lives in permanent supportive housing in the South of Market neighborhood. “Daily exposure to drug-related nuisances is bad enough for those of us who are adults in recovery. But I’m especially worried about the damage drug-permissive housing inflicts on young children like mine, who have already endured the emotional, physical, and psychological traumas of homelessness. As a single mom striving to provide a secure and nurturing home for my family, I am compelled to raise awareness about the urgent need for drug-free PSH options. That’s why I support ‘Recovery Housing First,’ and why I’m grateful to those advocating for it. Every child deserves a safe environment to flourish and grow, free from the shadows of substance abuse and all its repercussions. Addressing these challenges is crucial to safeguarding the wellbeing of our community’s most vulnerable members.”

“San Francisco needs different kinds of supportive housing for the diverse range of people who are homeless, including recovery-oriented housing for people with addictions,” said **Keith Humphreys**, professor of Psychiatry at Stanford University and former Senior White House Drug Policy Advisor to the Obama Administration. “Research shows that recovery housing helps residents cease substance use, find a job, and stay out of jail.”

“I’m thrilled to see a policy initiative that invites the recovery community to speak for itself on what works to help those who struggle with addiction or alcoholism,” said **Matt Graves**, a recovery advocate, YIMBY lead, and board member of the Castro Country Club, an LGBTQ+ sober community space. “Permanent Supportive Housing is most successful when it’s not a ‘one-size-fits-all’ approach for harm reduction alone, because not everyone’s experience with addiction fits into a singular ‘size.’ I’m particularly encouraged to see our city policy starting to align with the updated federal guidance from HUD and SAMHSA urging more recovery housing. I’m grateful to Supervisors Dorsey and Mandelman for engaging with the recovery community on this measure, and heeding our heartfelt experience.”

Richard Beal, Director of Recovery Services for the Tenderloin Housing Clinic said: “We ask people to go to detox, residential treatment, transitional housing, and they complete everything we ask them to do — and then we destabilize them by sending them to a potentially toxic environment that allows residential use of illegal drugs. Let’s complete the bridge for these successful clients by providing drug-free permanent supportive housing.”

“Our city needs to prioritize drug treatment and recovery housing,” said **Steve Adami**, executive director of The Way Out, a recovery-focused homelessness initiative of The Salvation Army. “The current response to our drug and homeless crisis is failing to meet the needs of people in recovery. Rampant drug use and overdose fatalities in Permanent Supportive Housing has become too common and does not create healthy environments for those seeking to live drug-and alcohol-free. ‘Recovery Housing First’ enlarges the solution space and provides critical housing options for people in recovery.”

“For far too long, people recovering from substance use disorder have been given no options for healthy, recovery-focused housing,” said **Gina McDonald**, co-founder of Mothers Against Drug Addiction and Death, or MADAAD. “It’s time to expand options that provide a clean and sober environment for people to heal and thrive in their sobriety. HUD has been urging cities to include Recovery Housing in their supportive housing portfolios since the Obama Administration. Yet nearly a decade later, San Francisco has made zero progress on it. It’s time to stop the excuses and start delivering drug-free housing options that have been delayed for too long. We appreciate Supervisors Dorsey and Mandelman for leading the way with this legislation.”

“Almost all permanent supportive housing in San Francisco allows active drug use, because drug-permissive policies prevent anyone from being evicted for it,” said **Cregg Johnson**, director of TRP Academy (for Treatment, Recovery and Prevention), a Tenderloin-based peer-led, abstinence-based therapeutic teaching community and transitional housing program. “That’s why so many drug overdose deaths happen in PSH. A *San Francisco Chronicle* analysis found that only one percent of San Francisco’s population lives in permanent supportive housing — but 16 percent of drug overdose deaths happen there. With ‘Recovery Housing First,’ when funding allows for drug-free housing, it’ll be required for drug-free housing —until at least 25 percent of San Francisco’s permanent supportive housing can serve those from the recovery community or who want to live in a drug-free environment. This is a common-sense policy that will save lives, and it deserves everyone’s support.”

“We know there is a huge demand for Recovery Housing in San Francisco: in a recent survey of our tenants, 71 percent of the roughly 450 who responded said they would prefer drug-free housing,” said **Randy Shaw**, executive director of the Tenderloin Housing Clinic. “This legislation will send a strong message about San Francisco’s commitment to recovery. I’m thankful to Supervisors Dorsey and Mandelman for putting it forward, and I strongly urge everyone to support it.”

“As someone in recovery myself, one of the greatest challenges I’ve seen for persons in treatment for substance use disorder is securing housing that will reinforce sobriety,” said **Thomas Wolf**, a recovery community advocate and founder of the Pacific Alliance for Prevention and Recovery. “Recovery housing gives them a chance. It extends recovery, reduces relapse, and saves lives.”

“I’m grateful to my fellow recovery community members and the advocates and experts with whom we’ve worked — on this and other needed policy priorities — since I first joined the Board of Supervisors, as well as my co-sponsor, Supervisors Mandelman” added **Supervisor Dorsey**. “We are also all enormously thankful to Assemblymember Matt Haney for his principled leadership in Sacramento as an author and champion for AB 2479, which would allow for up to 25 percent of state funding for housing and housing-based services to be used for Recovery Housing. This needed legislation will free up funding for Recovery Housing, and better align our City and our state with more enlightened national standards.”

Proposition 1 funding specifically authorizes ‘Recovery Housing’

In the March 5, 2024 Presidential Primary Election, California voters passed Proposition 1, which authorized \$6.38 billion in state general obligation bonds for mental health treatment facilities and supportive housing — including up to \$2 billion for permanent supportive housing for individuals exiting homelessness. Prop 1 specifically authorizes recovery housing, “as defined by the federal Department of Housing and Urban Development.” To the extent Prop 1 dollars may be used for PSH expenditures in San Francisco, the “Recovery Housing First” legislation would prioritize HUD-compliant recovery housing.

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For immediate release:

June 17, 2024

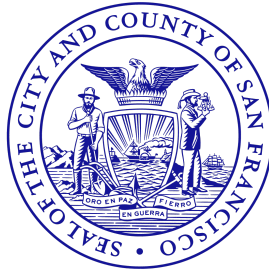
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City and County
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Board of Supervisors
Member, District 6

MATT DORSEY

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June 17, 2024

The Honorable David Chiu
c/o Deputy City Attorney Anne Pearson
OFFICE OF THE CITY ATTORNEY
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Transmitted by email to: Anne.Pearson@sfcityatty.org

Legislative Drafting Request: 'Recovery Housing First,' a proposed ordinance to prioritize drug-free recovery housing in San Francisco's supportive housing portfolio

Dear Deputy City Attorney Pearson,

This revised Legislative Drafting Request (LDR) follows up on work Supervisor Mandelman and I have been doing with you and your office on our legislative proposal to prioritize drug-free and recovery-oriented housing within San Francisco's Permanent Supportive Housing (PSH) portfolio. This letter will serve to finalize the details we request for legislative introduction.

POLICY OVERVIEW

Entitled "Recovery Housing First," our legislation seeks to ensure that Recovery Housing, as defined, will ultimately account for at least 25 percent of San Francisco's site-based permanent supportive housing portfolio. The proposed ordinance intends to accomplish this objective in the following ways:

- It would limit new implementations of drug-permissive site-based PSH for adults exiting homelessness to projects whose funding source is legally or contractually

restricted to such approaches. However, drug-free or recovery-oriented housing models would be required of all unrestricted funding sources for site-based PSH.

- It would require the Department of Homelessness and Supportive Housing (HSH), in coordination with the Department of Public Health (DPH), to promulgate local rules and regulations for Recovery Housing based federal policies and best practices.
- It would include a low-barrier Recovery Housing option, which would simply mandate a lease provision that prohibits the use of illicit drugs, and in which residential eligibility would be voluntary and not require a substance use disorder diagnosis.
- It would adhere to federal guidance in adopting standards and policies relating to relapses and returns to illicit drug use, and circumstances under which residents may be discharged or relocated, and fully comply with all landlord-tenant laws.

This legislation reflects a strong conviction Supervisor Mandelman and I share: that adults exiting homelessness — whether they are in recovery or simply wish to live in an environment free of illegal drug use — should have that option. No one should be forced to choose between their recovery and a home, and “Recovery Housing First” intends to provide a desperately needed new choice that every unhoused San Franciscan deserves.

REQUESTED LEGISLATIVE PROVISIONS

Definitions. For purposes of the “Recovery Housing First” proposed ordinance, the following definitions should apply:

- *“City” means the City and County of San Francisco.*
- *“Permanent Supportive Housing” means subsidized rental housing without a time limit on occupancy, and with on-site supportive services to help tenants maintain housing.*
- *“Site-Based Permanent Supportive Housing” means Permanent Supportive Housing that is located in a residential building where all of the residential units, except units that may be reserved for a superintendent or on-site staff, are operated as Permanent Supportive Housing.*

- *“Site-Based Permanent Supportive Housing Portfolio” means the total number of Site-Based Permanent Supportive Housing units that are operated or funded by the City at a given time.*
- *“Recovery Housing” means Permanent Supportive Housing that:*
 - *Serves individuals with a history of homelessness who are experiencing, or at risk of experiencing, serious mental illness or substance use disorder;*
 - *Uses substance use-specific services, peer support, or physical design features to support residents on a path to recovery from addiction;*
 - *Emphasizes abstinence from illegal substance use; and*
 - *Allows residents to use prescribed medications for behavioral or physical health.*
- *“Drug-Permissive Housing” means Permanent Supportive Housing that is:*
 - *Prohibited by law, by a condition of the receipt of funding, by policy, or by practice from evicting residents for the use of illicit drugs, without any other lease violations;*
 - *Required by law, by a condition of the receipt of funding, by policy, or by practice to accept applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services.*

Declaration of Policy. The ordinance should enact the following policy statement pertaining to Recovery Housing in San Francisco.

- *It shall be the policy of the City and County of San Francisco to expand the availability of Recovery Housing to meet the demand from individuals who seek to initiate or sustain recovery from substance use disorders, or who are at elevated risk for substance use disorders.*

Restrictions on uses of unencumbered PSH funding. The ordinance would place limitations on the use of PSH funding unencumbered by drug-permissive provisions of state or federal law until Recovery Housing accounts for at least 25 percent of Site-Based Permanent Supportive Housing Portfolio as follows:

- *No funds appropriated by the City and County of San Francisco for any contract, grant agreement, or loan agreement may be expended to increase the City's Site-Based Permanent Supportive Housing Portfolio unless:*
 - *The contract, grant agreement, or loan agreement would fund Recovery Housing, or*
 - *The Controller has certified within the prior 12 months that 25 percent of the City's Permanent Supportive Housing qualifies as Recovery Housing. The prohibition set forth in this section shall include, but not be limited to:*
 - *a) Entering into a grant agreement to fund an organization to provide services or operations for any Drug-Permissive Housing model of Site-Based Permanent Supportive Housing;*
 - *(b) Entering into a grant agreement to subsidize operations and/or rents for any Drug-Permissive Housing model of Site-Based Permanent Supportive Housing; and*
 - *(c) Entering into a loan agreement for the development and construction of any new Drug-Permissive Housing model of Site-Based Permanent Supportive Housing.*

Categorical exception whenever Recovery Housing is inconsistent with law or funding requirements. The ordinance would not apply to PSH projects whenever its funding source is encumbered by drug-permissive requirements, or when drug-permissive provisions are otherwise required by state or federal law.

- *This ordinance shall not apply to any appropriation for a contract, grant agreement, or loan agreement for Permanent Supportive Housing where operation of such Permanent Supportive Housing as Recovery Housing would be prohibited by law, or inconsistent with applicable conditions of funding.*

Annual accounting of Recovery Housing units. Because operative portions of the proposed ordinance depend upon Recovery Housing reaching a goal of 25 percent of the City's Site-Based Permanent Supportive Housing Portfolio, it should include an independent annual accounting by the City Controller's Office as follows:

- *By no later than March 1, 2025, and every year thereafter, the Controller shall submit to the Board of Supervisors a report certifying: 1) the number of units in the City's Site-Based Permanent Supportive Housing Portfolio; and 2) the percentage of such units that qualify as Recovery Housing. The Departments of Homelessness and Supportive Housing, the Mayor's Office of Housing and Community Development, and the Department of Real Estate shall provide relevant data and documentation to the Office of the Controller, and shall provide any assistance required to allow the Controller to submit the annual report.*

Rules and Regulations. Since the Obama Administration, HUD has strongly encouraged Recovery Housing as part of a "system-wide Housing First orientation that removes barriers whenever possible and that addresses the housing needs of people at all stages of recovery," from 2015 policy guidance on Recovery Housing. On December 29, 2022, President Joe Biden signed the Consolidated Appropriations Act of 2023 (Public Law 117-328), requiring the development of guidelines and best practices for state and local governments to promote the availability of high-quality Recovery Housing. Last year, the Substance Abuse and Mental Health Services Administration, or SAMHSA, released its Best Practices for Recovery Housing last year. It must also include a low-barrier option that would satisfy the Recovery Housing requirement with a lease provision prohibiting the use of illicit drugs.

Accordingly, the Rules and Regulations section should include the following:

- *HSH, in consultation with the Department of Public Health, shall promulgate rules and regulations to carry out the provisions of this ordinance. Such rules and regulations shall be consistent with best practices in the operation of Recovery Housing, including but not limited to, the following:*
 - *1) U.S. Department of Housing and Urban Development (HUD) policy guidance;¹*
and

¹ U.S. Department of Housing and Urban Development, Recovery Housing Policy Brief, December 2015, <https://www.hudexchange.info/resource/4852/recovery-housing-policy-brief/>.

- *2) Substance Abuse and Mental Health Services Administration (SAMHSA) Best Practices for Recovery Housing.*²
- *In addition, such rules and regulations shall, at a minimum, establish standards for a low-barrier Recovery Housing option that prohibits the use of illicit drugs, and adopt standards and policies relating to residents who relapse, the circumstances under which a resident may be discharged, and compliance with landlord-tenant laws.*

LEGISLATIVE FINDINGS

To the extent legislative findings may be helpful in support of this proposal, we welcome the opportunity to discuss including the following points and factual references:

- **San Francisco’s drug crisis is unprecedented in fatalities and racial disparities.** According to data from San Francisco’s Office of the Chief Medical Examiner (OCME), San Francisco posted the deadliest year attributable to drugs in its history last year,³ with 810 accidental overdose deaths reported. In 2022, DPH described drug overdoses as a public health crisis, noting that San Francisco’s OD death rate was “among the highest of large US cities.”⁴ DPH also pointed out the profound racial inequities that exist in our drug overdose fatalities, with Black San Franciscans having an opioid overdose death rate that “is more than five times higher than the citywide rate.” In 2023, the last complete year for accidental drug overdose statistics available from OCME, Black San Franciscans accounted for 31 percent of all fatal drug overdoses citywide — in a City where Black residents are less than 6 percent of the population.
- **PSH residents are vastly over-represented among drug OD deaths.** An analysis of 2023 data by the San Francisco Standard found that, “Inside taxpayer-funded supportive housing, nearly three people died of overdoses every week on average in

² SAMHSA. Best Practices for Recovery Housing. Publication No. PEP23-10-00-002. Rockville, MD: Office of Recovery, Substance Abuse and Mental Health Services Administration, 2023: <https://store.samhsa.gov/sites/default/files/pep23-10-00-002.pdf>.

³ Report on 2023 Accidental Overdose Deaths, Office of the Chief Medical Examiner, City and County of San Francisco, April 11, 2024, https://www.sf.gov/sites/default/files/2024-04/2023_OCME%20Overdose%20Report.pdf.

⁴ “Overdose Deaths are Preventable: San Francisco’s Overdose Prevention Plan,” San Francisco Department of Public Health – 2022, https://www.sf.gov/sites/default/files/2022-11/SFDPH%20Overdose%20Plan%202022%20EN_0.pdf.

the first seven months of this year, according to the medical examiner’s data.”⁵ A larger analysis of fatal overdoses in supportive housing SROs between January 2019 and August 2022, published by the *San Francisco Chronicle* in December 2022, found that, “San Francisco’s supportive housing SROs have been the site of at least 16% of all fatal overdoses citywide during that same period, though the buildings house less than 1% of the population.”⁶ The *Chronicle* analysis also found that “of the approximately 650 people who succumbed to accidental overdoses in the Tenderloin and along the adjacent Sixth Street corridor since 2019, more than 40% died inside residential hotels used as permanent housing for the formerly homeless.”

- **Untreated addiction strongly predicts a return to unsheltered homelessness.**

A recently published meta-analysis of 25 studies on substance use prevalence among homeless populations found that, “In numerous studies, more than two-thirds of homeless individuals have reported that substance use had been a major cause of their homelessness.”⁷ Additional research has shown that even for housed individuals with untreated drug addiction, the “impaired functioning associated with substance-use disorders may limit the ability of those in poverty to manage psychosocial and limited financial resources to retain housing.”⁸ A separate analysis of 1,862 county-level drug treatment cases reached similar conclusions in 2020, finding that more than half (55 percent) of drug treatment episodes that ended in homelessness “did not begin with homelessness.”⁹

⁵ “3 people die of drug overdoses every week in San Francisco supportive housing” by David Sjostedt, *San Francisco Standard*, Oct. 17, 2023, <https://sfstandard.com/2023/10/17/san-francisco-homeless-housing-drug-overdose-deaths/>.

⁶ “San Francisco’s deadly failure on the drug crisis is unfolding inside its own housing program” by Trisha Thadani and Joaquin Palomino, *San Francisco Chronicle*, Dec. 15, 2022, <https://www.sfchronicle.com/projects/2022/san-francisco-sros-overdoses/>.

⁷ Thomas Coombs, et al., “Understanding drug use patterns among the homeless population: A systematic review of quantitative studies,” *Emerging Trends in Drugs, Addictions, and Health*, Volume 4, 2024, 100059, <https://doi.org/10.1016/j.etdah.2023.100059>, <https://www.sciencedirect.com/science/article/pii/S2667118223000107>.

⁸ Thompson, Ronald G Jr et al. “Substance-use disorders and poverty as prospective predictors of first-time homelessness in the United States.” *American Journal of Public Health*, vol. 103, Suppl 2 (2013): S282-8. doi:10.2105/AJPH.2013. 301302, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3865876/>.

⁹ Victor B.A. Moxley, et al. “Predicting homelessness among individuals diagnosed with substance use disorders using local treatment records,” *Addictive Behaviors*, Volume 102, 2020, 106160, ISSN 0306-4603, <https://doi.org/10.1016/j.addbeh.2019.106160>.

- **There is strong demand for drug-free Recovery Housing in San Francisco.** HSH’s executive director recently acknowledged, “We have had a lot of people tell us this is what they want,” in a February news report.¹⁰ Randy Shaw, executive director of the Tenderloin Housing Clinic (or THC), similarly reported “a huge demand for drug-free housing,” noting a recent survey finding 71 percent support for living in a drug-free recovery-oriented housing.¹¹ Supervisor Mandelman and I are also personally aware of complaints from PSH residents we represent about the myriad challenges that active drug addiction is imposing on their residential communities. Indeed, a recent letter to my office from a mother of three — who has herself battled alcoholism — reported that “the prevalence of substance abuse has created an unsafe and unstable environment for families like mine.”¹²
- **Recovery Housing is necessary to comparatively assess Drug-Permissive housing.** The paucity of drug-free Recovery Housing PSH in San Francisco deprives city policymakers of needed opportunities to compare different approaches. Such assessments would be especially valuable in terms of comparing client outcomes, staff turnover rates, maintenance costs, calls for emergency services, and the general cost-effectiveness of different PSH models. Indeed, San Francisco’s experience with its drug-permissive approach in implementing its Shelter-In-Place (SIP) Hotel Program during the COVID-19 pandemic exposed significant unanticipated costs that were overwhelmingly attributable to behaviors related to residential drug use. According to a litigation declaration by a senior official of San Francisco’s HSH, “The SIP Hotel Program cost approximately \$400 million to administer,” but “also came at considerable back-end costs to the City,” with the declarant adding that, “nine of the hotel sites brought claims to the City alleging that the...otherwise unhoused guests

¹⁰ “San Francisco to Open First Permanent Supportive Housing for the Sober Community” by Sydney Johnson, KQED News, Feb. 8, 2024, <https://www.kqed.org/news/11975156/san-francisco-to-open-first-permanent-supportive-housing-for-the-sober-community>.

¹¹ “The Truth About Drug-Free Housing” by Randy Shaw, BeyondChron, Feb. 26, 2024, <https://beyondchron.org/the-truth-about-drug-free-housing/>.

¹² Redacted letter to Sup. Matt Dorsey, May 21, 2024, <https://acrobat.adobe.com/id/urn:aaid:sc:US:a7472081-7ee6-4f01-9b2b-174252f789b0>.

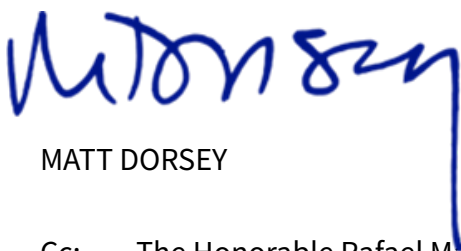
caused millions of dollars' worth of damage. The City ultimately was required to pay more than \$60 million to settle these claims."¹³

Conclusion

Among the many helpful perspectives offered in this legislative drafting effort, public health experts cautioned us late in the process that prior references to "harm reduction" models of PSH were imprecise and potentially confusing. Many harm reduction tactics are, in fact, ubiquitously employed even in abstinence-based treatment facilities and sober living environments. These can include overdose-reversing opioid antagonists like naloxone and medication-assisted treatments using opioid agonists like methadone and buprenorphine. Harm reduction tactics will play an essential role in a successful implementation of Recovery Housing, and for that reason harm reduction should not be regarded as necessarily distinct from recovery. For better clarity, site-based PSH models addressed in this legislation are now distinguished as Recovery Housing and Drug-Permissive Housing, which better comports with the meaning of current state law and this legislation's intent.

Thank you so much for your assistance in this legislative drafting process. Please know your legal expertise and partnership are greatly appreciated, and we welcome the opportunity to further discuss this LDR. My Chief of Staff, David Owen, at David.A.Owen@sfgov.org is familiar with this if I am unavailable. Thanks so much!

Sincerely,



MATT DORSEY

Cc: The Honorable Rafael Mandelman
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¹³ Declaration in *Hastings College of the Law et al. v. City and County of San Francisco*, U.S. District Court for the Northern District of California, Case No. 4:20-cv-3033-JST, <https://storage.courtlistener.com/recap/gov.uscourts.cand.359003/gov.uscourts.cand.359003.137.1.pdf>.