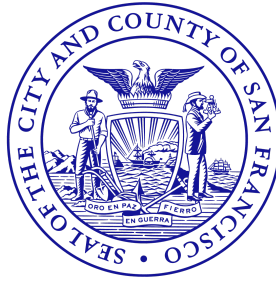


City and County  
of San Francisco



Board of Supervisors  
Member, District 6

**MATT DORSEY**

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## NEWS RELEASE

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# **Dorsey legislation would designate Prop 1 funding for drug-free Recovery Housing**

*Funding from \$6.38 billion state mental health bond, which allows for recovery housing, would mandate it for Permanent Supportive Housing in San Francisco*

SAN FRANCISCO (Dec. 3, 2024) — Supervisor Matt Dorsey will today propose legislation to prioritize drug-free and addiction-recovery options in San Francisco’s portfolio of permanent supportive housing, or PSH, for individuals exiting homelessness. If approved, the ordinance would require that funding from the Proposition 1 Mental Health and Substance Use Bond that specifically authorizes Recovery Housing be used exclusively for drug-free and Recovery Housing options in San Francisco. California voters passed the Prop 1 bond in the March 5, 2024 Presidential Primary Election.

San Francisco’s current PSH portfolio adheres almost exclusively to drug-tolerant provisions of California’s “Housing First” core components — even when not legally required to do so — mandating “a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants’ lives,” and providing that the use of illegal drugs by PSH residents “without other lease violations, is not a reason for eviction.”

The long-standing practice effectively prohibits drug-free options for recovery community members eligible for PSH placement, which according to Dorsey lends a strong rationale for why Prop 1 dollars should prioritize desperately needed Recovery Housing options.

“Recovery Housing is an urgently needed priority for many San Franciscans exiting homelessness, and we should be doing everything we can to prioritize drug-free strategies like it to incentivize and support long-term recovery from addiction,” said **Supervisor Matt Dorsey**, who has publicly acknowledged his own journey in recovery from addiction and alcoholism. “Prop 1’s passage gives San Francisco a once-in-a-generation opportunity to make real and significant progress to expand our drug-free and Recovery Housing options, which are right now sorely lacking from our PSH portfolio. It’s a priority that’s not solely important to those recovering from addiction, but also for at-risk individuals and families who simply want to live in a residential community free of illegal drug use. I’m grateful to my fellow recovery community members for advocating for this legislation, which is informed by lived experience and motivated by a shared conviction that long-term recovery saves lives.”

### **About Prop 1 and Recovery Housing**

The passage of Proposition 1 in March 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. For the PSH portion of the bond, Prop 1 specifically authorizes recovery housing “as defined by the federal Department of Housing and Urban Development,” or HUD.<sup>1</sup>

Since the Obama Administration, HUD has recognized Recovery Housing as being consistent with the low-barrier principles of Housing First, “so long as entry into the program is based on the choice of the program participant.”<sup>2</sup> HUD defines Recovery Housing as “a housing model that uses substance use-specific services, peer support, and physical design features to support individuals and families on a particular path to recovery from addiction, typically emphasizing abstinence.”

Federal guidance on Recovery Housing was last year updated by the U.S. Substance Abuse and Mental Health Services Administration, or SAMHSA, which describes the evidence-based approach as being “associated with a variety of positive outcomes for residents including

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<sup>1</sup> State of California, Secretary of State, Official Voter Information Guide, Proposition 1, Presidential Primary Election, Tuesday, March 5, 2024, <https://acrobat.adobe.com/id/urn:aaid:sc:us:af010770-249d-4515-8453-1365c695d121>.

<sup>2</sup> U.S. Department of Housing and Urban Development, Recovery Housing Policy Brief, December 2015, <https://www.hudexchange.info/resource/4852/recovery-housing-policy-brief/>.

decreased substance use, reduced likelihood of return to use, lower rates of incarceration, higher income, increased employment, and improved family relationships.”<sup>3</sup>

### **Demand for Recovery Housing**

Nearly 21 million American adults self-identify as being in recovery from a substance use problem, according to the National Survey on Drug Use and Health, or NSUDH,<sup>4</sup> accounting for approximately 8.1 percent of the adult population nationwide. Together with NSUDH findings that government assistance beneficiaries are statistically more likely to be in recovery for substance use disorders, available data suggests a strong likelihood that drug-free and recovery-oriented PSH options would be sought-after in San Francisco. Last year, an informal survey of residents of the Tenderloin Housing Clinic reported by its executive director, Randy Shaw, found that fully 71 percent of THC’s existing residents would prefer to live in drug-free housing. An official from San Francisco’s Department of Homelessness and Supportive Housing told an interviewer on a prospective recovery housing project last February that, “We have had a lot of people tell us this is what they want.”<sup>5</sup>

### **Recovery Housing standards and practices**

According to the formal Legislative Drafting Request Dorsey made public today, local rules and regulations for Recovery Housing should adhere to well-established national standards from HUD, SAMHSA and the National Alliance for Recovery Residences, or NARR. These federal standards define four different levels of Recovery Housing, ranging from self-governing sober living environments to more structured therapeutic residential communities. Similarly reflecting SAMHSA guidance, Dorsey’s legislation will 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.

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<sup>3</sup> SAMHSA, Substance Abuse and Mental Health Services Administration. “Best Practices for Recovery Housing,” publication No. PEP23-10-00-002. Rockville, MD: Office of Recovery, 2023: <https://store.samhsa.gov/sites/default/files/pep23-10-00-002.pdf>.

<sup>4</sup> SAMHSA: “Recovery from Substance Use and Mental Health Problems Among Adults in the United States.” Publication No. PEP23-10-00-001. Rockville, MD: Office of Recovery, 2023: <https://store.samhsa.gov/sites/default/files/pep23-10-00-001.pdf>.

<sup>5</sup> “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>.

As with a separate legislative proposal called “Recovery Housing First” — which Dorsey is co-sponsoring with Supervisor Rafael Mandelman — relapses or returns to illegal drug use while a Recovery Housing resident would also follow best practices promulgated by HUD and SAMHSA. Relapses would not be treated as an automatic cause for eviction, with relapse prevention being offered as program support. 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**

“Our city must prioritize recovery housing to address the urgent drug and homelessness crisis effectively,” said **Steve Adami**, executive director of The Way Out, a recovery-focused homelessness initiative of The Salvation Army. “The current approach falls short of meeting the needs of individuals in recovery. Publicly funded housing has become plagued by widespread drug use and overdose fatalities, creating environments that are unsafe and unsuitable for those striving to maintain a drug and alcohol-free life. Supervisor Dorsey’s legislation to prioritize Prop 1 funding for drug-free Recovery Housing represents a pivotal step forward — expanding the range of solutions and offering vital housing options that support individuals in recovery.”

“Housing insecurity and substance use disorder are two interconnected challenges that disproportionately affect individuals in recovery, particularly in a city like San Francisco,” said **Cedric Akbar**, co-founder of Positive Directions Equals Change, a drug treatment program, and elected member of San Francisco’s Democratic County Central Committee. “Building a network of housing options that is flexible, accessible, and compassionate can play a crucial role in breaking the cycle of addiction and homelessness, ensuring that all responsible individuals have the opportunity to live with dignity, stability and achieve long-term recovery. That’s why I’m happy to support Supervisor Dorsey’s legislation to prioritize drug-free Recovery Housing for Prop 1 funding in San Francisco.”

“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 G.**, a recovery community member and mother of three. “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-tolerant housing inflicts on young children like mine, who have already endured the emotional, physical, and psychological traumas of homelessness. As a 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 Supervisor Dorsey’s push to prioritize Prop 1 bond funding for Recovery Housing. 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.”

“California voters authorized bond funding for Recovery Housing with their passage of Proposition 1, and Supervisor Dorsey’s legislation will make sure Recovery Housing is prioritized for the Prop 1 dollars San Francisco seeks for supportive housing,” said **Matt Graves**, a YIMBY member, recovery community advocate, and board member of the Castro Country Club, an LGBTQ+ sober community space, speaking in his individual capacity. “Recovery Housing is a needed option that aligns with federal guidance on Housing First principles and better serves the diversity of needs among those exiting homelessness.”

“I live in a Permanent Supportive Housing facility where rampant drug use, drug-driven disorders, and people with severe mental illnesses without requisite services create a traumatic environment that is anything but ‘supportive’ to my wellbeing and my sobriety,” said **Daniel McClenon**, a District 6 resident. “For those of us doing the hard work to recover from our addictions, we desperately need drug-free housing with comprehensive supportive services that empower us with the tools we need to succeed in long-term recovery. It makes no sense for San Francisco to prioritize the needs of active drug users with drug-tolerant housing, while denying drug-free options to those of us in the recovery community. This is not compassionate, and we need real Recovery Housing immediately. I support Supervisor Dorsey’s legislation and its prioritization for Prop 1 funding.”

“Utilizing funds from Proposition 1 for recovery housing is one of the most appropriate and smartest investments of this critical funding I can think of. 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’m thankful to Supervisor Dorsey for staying true to his commitment to bringing diverse experts and community leaders to the table, and consistently focusing on our recovery community.”

“It’s outrageous and unfair that San Francisco’s Permanent Supportive Housing policies protect the rights of active drug users while ignoring the needs of those in recovery who are asking for drug-free and recovery-oriented options,” said **Gina McDonald**, co-founder of Mothers Against Drug Addiction and Death. “San Francisco is failing to make needed progress to implement Recovery Housing, despite the urging of the Obama Administration’s HUD a decade ago that it be an available option in Permanent Supportive Housing portfolios. It’s time to stop the excuses and start delivering drug-free housing options that have been delayed for too long. Recovery can’t wait, and MADAAD is grateful to Supervisor Dorsey for legislation that will prioritize and deliver on the promise of Recovery Housing.”

“As a formerly homeless person recovering heroin and fentanyl addiction, it was critical for me in early recovery to be able to live in a home that reinforced my sobriety,” said **Thomas Wolf**, a recovery community advocate and founder of the Pacific Alliance for Prevention and Recovery. “Too many people who complete treatment in San Francisco get housed in the same environment where they experienced drug addiction. Recovery Housing is a key element missing from our continuum of care in San Francisco. It’s beyond time we fund it. It reduces relapse and saves lives. Anyone who doesn’t support this, doesn’t support recovery as a solution to our drug crisis.”

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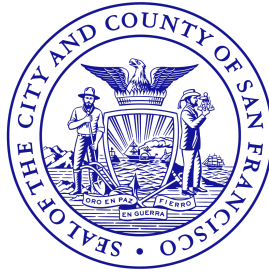
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City and County  
of San Francisco



Board of Supervisors  
Member, District 6

**MATT DORSEY**

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December 3, 2024

The Honorable David Chiu  
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**Legislative Drafting Request: Prioritizing Recovery Housing, as defined by the federal Department of Housing and Urban Development, for Prop 1 funding in San Francisco**

Dear Deputy City Attorney Russi,

This Legislative Drafting Request (LDR) follows up on my email of November 3 in which I sought preliminary legal guidance on possible legislative options to prioritize drug-free and addiction-recovery options in San Francisco's portfolio of permanent supportive housing, or PSH, for individuals exiting homelessness. I now request that this legislation be drafted.

**BACKGROUND**

**Prop 1 State General Obligation Bond.** In the Presidential Primary Election of March 5, 2024, California voters enacted Proposition 1, a \$6.38 billion state general obligation bond<sup>1</sup> that apportioned funding as follows:

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<sup>1</sup> State of California, Secretary of State, Official Voter Information Guide, Proposition 1, Presidential Primary Election, Tuesday, March 5, 2024, <https://acrobat.adobe.com/id/urn:aaid:sc:us:af010770-249d-4515-8453-1365c695d121>.

- \$4.4 billion for mental health treatment facilities; and
- \$2 billion for supportive housing for homeless veterans and homeless individuals with behavioral health challenges.

Respecting the \$2 billion portion of bond funding, Prop 1 amended California Welfare and Institutions Code Section 5830 in relevant part to provide as follows:

Housing interventions shall comply with the core components of Housing First, as defined in subdivision (b) of Section 8255, and may include recovery housing, as defined by the federal Department of Housing and Urban Development. (Emphasis added.)

I am informed that the Mayor’s Office of Housing and Community Development (MOHCD) and the Department of Homelessness and Supportive Housing (HSH) will be lead agencies in pursuing Prop 1 funding for supportive housing in San Francisco.

**HUD’s 2015 Recovery Housing Brief.** Since the Obama Administration, the U.S. Department of Housing and Urban Development, or HUD, has recognized Recovery Housing as being consistent with the low-barrier principles of Housing First, “so long as entry into the program is based on the choice of the program participant.”<sup>2</sup> HUD defines Recovery Housing as “a housing model that uses substance use-specific services, peer support, and physical design features to support individuals and families on a particular path to recovery from addiction, typically emphasizing abstinence.”

**SAMHSA’s 2023 Best Practices for Recovery Housing.** On December 29, 2022, President Joe Biden signed the Consolidated Appropriations Act, 2023 (Public Law 117-328), updating federal guidance on Recovery Housing by the U.S. Substance Abuse and Mental Health Services Administration, or SAMHSA.<sup>3</sup> Describing the evidence-based approach as being “associated with a variety of positive outcomes for residents including decreased substance

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<sup>2</sup> U.S. Department of Housing and Urban Development, Recovery Housing Policy Brief, December 2015, <https://www.hudexchange.info/resource/4852/recovery-housing-policy-brief/>.

<sup>3</sup> SAMHSA, Substance Abuse and Mental Health Services Administration. “Best Practices for Recovery Housing,” publication No. PEP23-10-00-002. Rockville, MD: Office of Recovery, 2023: <https://store.samhsa.gov/sites/default/files/pep23-10-00-002.pdf>.



use, reduced likelihood of return to use, lower rates of incarceration, higher income, increased employment, and improved family relationships,” SAMHSA summarized four levels of Recovery Housing, as defined by the National Alliance for Recovery Residences, or NARR, that “range from those that are peer run to those that are clinically focused.”

### **POLICY OVERVIEW**

The legislation I request seeks to ensure that Recovery Housing, as defined, will be expanded to serve the needs of individuals in recovery or at elevated risk for substance use disorders (SUDs) who are exiting homelessness in San Francisco:

- The proposed legislation should require that funding from the Proposition 1 Mental Health and Substance Use Bond that specifically authorizes Recovery Housing be used exclusively for drug-free and Recovery Housing options in San Francisco.
- As with the “Recovery Housing First” legislation I am co-sponsoring with Supervisor Rafael Mandelman,<sup>4</sup> I ask that this requested legislation incorporate and require adherence to federal guidance from HUD and SAMHSA.
- Beyond the four NARR levels, I request that a low-barrier “recovery-safe” option be included mandating a residential lease provision to prohibit the use of illicit drugs, for which eligibility would be voluntary and not require an SUD 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.

I think this is an elegant step in the right direction, which would count toward the portion of recovery housing that Supervisor Mandelman and I are aspiring to create in the citywide PSH portfolio with our the Recovery Housing First legislation.

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<sup>4</sup> Board of Supervisors, City and County of San Francisco, File #: 240800, “Administrative Code - Expanding Recovery Oriented Permanent Supportive Housing,” Introduced: July 30, 2024, <https://sfgov.legistar.com/LegislationDetail.aspx?ID=6816062&GUID=6C913028-632C-4E7B-BDB6-818D8BF2111B&Options=ID|Text|&Search=Recovery+Housing>.

## CONCLUSION

This legislation reflects my strong conviction that adults exiting homelessness — whether they are in recovery or simply wish to live in an environment free of illegal drug use — should have those options, which are right now sorely lacking from San Francisco’s Permanent Supportive Housing portfolio. No one should be forced to choose between their recovery and a home, and prioritizing Prop 1 funding for this worthy and evidence-based purpose will provide a desperately needed new choice that every unhoused San Franciscan deserves.

Thank you so much for your assistance in this legislative drafting process. Please know how much I value and appreciate your office’s legal guidance and partnership. I welcome the opportunity to further discuss this LDR at your convenience. My Chief of Staff, David Owen, at [David.A.Owen@sfgov.org](mailto:David.A.Owen@sfgov.org) is familiar with this request if I am unavailable.

Thanks so much!

Sincerely,



MATT DORSEY

Cc: The Honorable Rafael Mandelman  
[Rafael.Mandelman@sfgov.org](mailto:Rafael.Mandelman@sfgov.org)