



Special Meeting  
08-14-17

**Item**  
**7.A.**

# Council Agenda Report

To: Mayor Peak and the Honorable Members of the City Council

Prepared by: Mary Linden, Executive Assistant

Approved by: Reva Feldman, City Manager 

Date prepared: July 11, 2017 Meeting date: August 14, 2017

Subject: Western States Sober Living Homes Reform Coalition (WSSLHRC)  
(Councilmember La Monte)

---

**RECOMMENDED ACTION:** At the request of Councilmember La Monte, authorize the City Manager to complete the necessary documentation for the City to join the Western States Sober Living Homes Reform Coalition (WSSLHRC), a coalition of cities in the states of Arizona, California, Nevada and Utah that advocates for national sober living home reforms to improve city and state responses to sober living home laws at the local level.

**FISCAL IMPACT:** None.

**DISCUSSION:** The Association of California Cities – Orange County (ACC-OC) has invited the City to join the WSSLHRC, a partnership of cities within western states, and potentially beyond, which are experiencing challenges stemming from sober living residences. The ACC-OC and WSSLHRC are working to draw attention to the lack of national oversight related to non-compliant drug and alcohol facilities and homes. The ability for local governments or even state legislatures to properly regulate these residences has been hampered by federal law. Without the necessary reforms at the national level, states and cities will be left without the ability to respond to the growing epidemic of drug abuse and local treatment options for the most vulnerable of residents.

Councilmember La Monte requests Council authorization for the City to join the WSSLHRC, which will aid the City's efforts in regulating sober living and drug and alcohol rehabilitation facilities on a local, regional, statewide and national level.

**ATTACHMENTS:**

1. Invitation letter from ACC-OC
2. WSSLHRC affiliation form



500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | www.ACCOC.org

Date, 2017

## **RE: Western States Sober Living Homes Reform Coalition**

Dear Western City Partner,

The Association of California Cities – Orange County (ACC-OC) would like to invite you to join the Western States Sober Living Homes Reform Coalition. This coalition is in partnership with a growing number of the cities within western states experiencing challenges stemming from sober living residences. The ACC-OC has spearheaded this effort on behalf of the cities within our Orange County, California membership to draw attention to the lack of national oversight related to non-compliant drug and alcohol facilities and homes. The ability for local governments or even state legislatures to properly regulate these residences has been hampered by federal law. Without the necessary reforms at the national level, states and cities will be left without the ability to respond to the growing epidemic of drug abuse and local treatment options for the most vulnerable of residents.

### **ACC-OC & Efforts**

The ACC-OC is a non-profit organization that represents the interests of the 34 Orange County cities and the County of Orange. ACC-OC serves as a resource for elected officials and municipalities, focusing on three key initiatives: education that empowers, policy that is collaborative, and advocacy that is service-oriented. We bring together our city members, the business community, non-profits, special districts, and higher education to find fair solutions to challenges that affect our cities, like those related to sober living homes.

ACC-OC has been at the forefront of sober living home reform, working with local leaders, and state and federal legislators to sponsor bills, support reform measures, facilitate educational meetings, and host televised town halls. We have a three-pronged approach to working with our communities on sober living home reform:

- We support federal action: H.R. 472 sponsored by Rep. Darrell Issa is a critical bill that would close loopholes that protect bad-acting sober living homes. If passed, the bill would amend the federal Fair Housing Act, empower cities to enforce current zoning laws, and limit the distance of facilities in their communities. The ACC-OC strongly supports this legislation and is working to build support across the state and beyond. Learn more about this bill [here](#).
- We are leading state action: ACC-OC has sponsored past statewide legislation and is currently working on Assembly Bill 572. There are just 16 state employees that enforce sober living facility regulation for the entire state of California. All of whom are located in one region of the state. AB 572 would allow cities to fund an enforcement employee,

500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | www.ACCOC.org



500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)

locally, in partnership with the state and the County of Orange, to more quickly address noncompliant sober living facility complaints and misconduct. Click [here](#) for information on AB 572.

- We are informing the public: ACC-OC has hosted public town halls, media efforts and other public education initiatives that are important to ensuring that the public is aware of their rights, how to effect change and who to call with concerns. Communicating what cities can and cannot do regarding the actions taken against sober living residences is imperative for city residents to understand. See articles and video on these town halls, [here](#).

There is no denying the necessity of providing treatment options for those in our community struggling with drug and alcohol abuse. In 2016, fatal drug overdoses hit a 10-year high in Orange County, and the Centers for Disease Control and Prevention (CDC) has called the national spike in drug abuse and overdose deaths a national epidemic. The issue of sober living home reform lies instead with those seizing on the lack of oversight to open sub-standard facilities, and the inability of cities to ensure that the facilities within their jurisdictions are functioning properly. SLHs have not only negatively affected cities and the composition of neighborhoods, but has also diminish the quality of living for those patients seeking treatment in residential settings.

### **Background**

In California, there are two types of sober living residences, licensed facilities and unlicensed homes. Sober living facilities (SLF) must be licensed through California's Department of Health Care Services (DHCS), when at least one of the following services is provided: detoxification, group sessions, individual sessions, educational sessions, or alcoholism or drug abuse recovery or treatment planning. The more difficult and unregulated residency type is referred to as a sober living home (SLH). SLHs are considered single family homes and are treated as such, as long as they maintain a group living situation of six people or under and do not offer any treatment to patients through any of the listed methodologies. No matter how closely that the SLH in question operates as a business or whether they are suspected to be providing what would be considered licensed treatments, if the SLH is a group of six people or fewer choosing to live among one another in a home, neither the state or a local government have the authority over how that home is regulated or operated. Additionally, the only entity with the ability to enforce any licensing standards and respond to complaints related to licensed facilities lies completely with DHCS.

The laws at the federal level have further propelled the proliferation of SLHs because of the protections that were enacted by the federal Fair Housing Act (FHA) and the Americans with Disabilities Act (ADA), which have been interpreted to extend those protections to SLHs and SLFs. These laws have prohibited the discrimination against those recovering from Alcohol or Other Drug (AOD) abuse by classifying these individuals as disabled. Fair housing law requires states and cities to make reasonable accommodations for the



500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)

disabled by not limiting their ability to reside in a home or enact laws that would treat those recovering from substance abuse any differently than another residence based on the residents who live within a single home. These federal laws have unintentionally left cities and states with little to no recourse to address the bad actors in the industry.

### **City Challenges**

In California, there are nearly 2,000 licensed facilities and countless unlicensed homes – an alarming 15% of which are located in the County of Orange. As an example, there were 83 licensed drug and alcohol treatment facilities and 95 unlicensed sober living homes within the city of Costa Mesa alone. The City contains a population of over 112,000 people, which is less than 3.5% of the total countywide population; this has led to an oversaturation of treatment facilities and homes that exceed a reasonable need for services within a single jurisdiction. The FHA and ADA laws didn't account for the determination of what would be considered a reasonable number of service providers. This is needed to maintain a healthy balance of treatment accessibility, while still preserving a residential environment.

The challenges presented by oversaturation has also led to the need for distancing requirements. When a neighborhood becomes absorbed with SLHs and SLFs a residential community turns into an institutionalized one – the very atmosphere that a residential recovery option is meant to avoid. Often, SLHs and SLFs operators will open residences directly next door to one another or over take an entire neighborhood block. This allows operators the ability to provide multiple service units, or to create institutionalized sized kitchens or living spaces for those living in the adjacent primary residences. This practice occurs on the same or different parcels of land to maintain the classification of an SLH or to expand SLF services. Cities cannot bar sober living residences to expand in this way because that would be considered discriminatory activity under FHA and ADA protections. The cities that do try to implement citywide ordinances requiring distancing requirements between multiple SLHs or SLFs have all faced time consuming and costly litigation – even in the few instances that the courts have ruled in favor of the city. The cities who have been successful in this remedy still face regulatory uncertainty, and the potential to be taken back to court on a case by case basis.

Due to the composition of SLFs housing six different tenants in what is normally meant for a single-family unit there are many behavioral complaints reported by community residents. These issues include, excessive smoking, an overabundance of trash and litter, loud noise, and a concentration of six or more vehicles for one household – leading to parking congestion. A handful of cities have done their best to regulate SLHs by enforcing local "nuisance" ordinances related to these behaviors, but that does not get to the core of the issue. Nuisance ordinances don't help in reducing a neighborhood's sober living residence proliferation, which multiplies these harmful externalities.

### **SLH Residents**

500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)



500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)

In addition to the fact the many cities are unable to regulate and enforce rules over sober living homes, the residents seeking treatment in SLFs and SLHs have little to no recourse related to the quality of their treatment of living situation. SLFs often have documented and licensed treatment plans that residents agree to participating in before residing in those facilities, but SLHs are not required to provide or offer any type of contract, report outcomes, and are not held to any accountability standards. In both cases, cities cannot field any complaints of misconduct or licensure noncompliance because of federal and state laws, even if reported by a client or resident.

The main concern related to the bad actors in the SLH industry is that these homes run primarily for profit due to the lack of oversight. In many scenarios, unlicensed SLHs charge their tenants unregulated rent prices as high as \$75,000 a month with the promise of providing a safe and sober living environment for clients to rehabilitate. Many facilities have been able to take advantage of insurance covered treatment costs that have been subsidized by government programs, without any type of eligibility thresholds to receive these dollars. Those recovering from addiction have been compelled to seek treatment in places like California or in western states at higher rates than other parts of the country because of the attractiveness of living in a welcoming climate, and operators' promises of 'resort-style' recovery. An overwhelming number of residents who live in western state sober living homes come from across the country, basing their move on operator advertisements and the draw of leaving behind negative influences and lifestyles in preparation for their treatment.

Unfortunately, those seeking treatment are often in desperate need, including families trying to find a safe environment for their young adult or teenage children. In 2011, 20 - year old Brandon Jacques' family paid a Prescott, Arizona facility \$14,500 a month to provide a sober living environment for their son. After he experienced an alcohol related incident in the Prescott home he was urged to move to a more 'effective' home in Newport Beach, California, by the owner and operator of these SLHs. When Brandon got to the Newport Beach facility he was moved to yet another home, in exchange for different profits traded between SLH operators. Within two months, Brandon died in the sober living home because he still had access to alcohol and was still practicing abusive behaviors. The only entity in the state of California with the authority to investigate misconduct didn't intervene or revoke associated licenses connected to the operators and owners until after Brandon's death.

Sadly, Brandon's case, is not the only incident of this kind. While those circumstances are egregious, many residents experience other negative fallouts including, continued substance use, poor living conditions, physical abuse, and the most frequent, the potential for homelessness. If a resident is unable to continue paying the high premium of rent, their insurance has run out, or their treatment is deemed to be over; SLH residents end up on the street and have become a part of the growing homeless population. California cities working with homeless individuals have reported that this has been the case, especially affecting many out of state former SLH residents. These residents had no other place to go, and in many cases, went back to abusing alcohol or other drugs.

500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)



500 S. Main Street, Suite #410, Orange, CA 92868 | P: (714) 953-1300 | F: (714) 953-1302 | [www.ACCOC.org](http://www.ACCOC.org)

### **Coalition**

The previously described sober living home problems are not unique to Orange County cities or even the state of California, sober living home challenges transcend city, county, and state lines. ACC-OC is working vigorously to find commonsense solutions to the currently broken system, but our voices would be much louder if they were heard together. We need our neighboring states and cities to join in our efforts to impact federal law. The sober living home laws passed at the state and local levels cannot truly have an impact until the risk of those laws being challenged or superseded at the national level have been diminished. The reforms introduced by H.R. 472 would be a welcome resource for cities across the country, and especially in our western region. We are inviting you to join the Western States Sober Living Homes Reform Coalition to help advocate for bills like H.R. 472 and other national regulatory and legislative efforts to reform sober living homes.

Please join our coalition by signing on to the attached document. This will allow us to include your city's affiliation on Coalition approved joint letters, shared advocacy information, and general Coalition promotion and outreach. Should you have any questions about the Western States Sober Living Homes Reform Coalition or about ACC-OC, please contact Diana Coronado, ACC-OC's Legislative Affairs Director, at (714) 953-1300 or at [dcoronado@accoc.org](mailto:dcoronado@accoc.org). We hope to be a resource to you, and we look forward to working with you and your City on this important mission!

Sincerely,

Heather Stratman  
Chief Executive Officer  
Association of California Cities – Orange County

**Western States Sober Living  
Homes Reform Coalition**  
WSSLHRC



**About WSSLHRC**

The Western States Sober Living Homes Reform Coalition (WSSLHRC/ Coalition) is made up of the cities in the states of; Arizona, California, Nevada, and Utah. The Coalition advocates for national sober living home reforms to improve city and state responses to sober living home (SLH) laws at the local level. WSSLHRC's advocacy includes, sober living home education, communication to national lawmakers on legislation and policies, and Coalition outreach.

The necessity of providing treatment options for those in our communities struggling with drug and alcohol abuse is of paramount importance to our cities. Striking the right balance between treatment accessibility, while still preserving residential environments for all constituents is part of that equation. WSSLHRC believes that sober living home reform lies in taking action against those seizing on the lack of oversight to open sub-standard facilities, and the inability of cities to ensure that the facilities within their jurisdictions are functioning properly. Noncompliant SLHs have not only negatively affected cities and the composition of neighborhoods, but have also diminish the quality of living for those patients seeking treatment in residential settings. The Coalition believes that together our voices can bring reforms to the broken SLH system.

**Contact Information**

City Name	
City Contact Name	
City Contact Title	
City Address	
City, State, Zip Code	
City Contact Phone	
City Contact E-Mail Address(s)	

**Information**

City Seal (JPEG, PDF)	
State Seal (JPEG, PDF)	
Current Mayor	
Appointed Council Representative	

**Agreement and Signature**

By signing this Coalition form the City agrees to participate in Coalition activities, letters, and other Coalition advocacy efforts when the City deems it is possible or appropriate for their communities.

City:

Name (printed)	
Signature	
City Title	
Date	

*Before a letter or advocacy effort is distributed or communicated the Association of California Cities – Orange County (ACC-OC) will inform the Coalition of any actions for consent and logo appearance on any printed materials or communication. There is no cost to participate in this coalition and this is not a law binding agreement.*