

Recovery Housing Program

The Pilot Program to Help Individuals in Recovery From a Substance Use Disorder Become Stably Housed (Recovery Housing Program), was authorized under Section 8071 of the Support for Patients and Communities (SUPPORT) Act. The Recovery Housing Program (RHP) allows states and the District of Columbia to provide stable, transitional housing for individuals in recovery from a substance-use disorder. HUD published the allocations for the appropriated Recovery Housing Program funds to 25 grantees on HUD's website on February 13, 2020. The Further Consolidated Appropriations Act, 2020 (Pub. L. 116-94) ("FY 20 Appropriations Act") made available \$25,000,000 for activities authorized under Section 8071 3 and required the Secretary of HUD to allocate the funds based on the percentages shown in Table 1 of the Federal Register Notice published on April 17, 2019 (84 FR 16027) (the "Formula Notice").

As required by the SUPPORT Act, HUD allocated funds only to states with an age adjusted rate of drug overdose deaths above the national overdose mortality rate, according to the Centers for Disease Control and Prevention. The Commonwealth of Massachusetts was awarded 4.30% of the \$24,500,000 allocation; after a 2% percent (\$500,000) deduction of technical assistance funds from the total allocation which will be used by the Secretary of HUD to provide technical assistance to grantees. As a result, the Commonwealth was awarded \$1,052,000.00. Five percent of this amount, \$52,600 will be allocated for administrative costs.

The SUPPORT Act requires amounts appropriated or amounts otherwise made available to grantees for RHP be treated as though such funds are CDBG funds under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5302) ("HCD Act") and authorizes the Secretary of HUD to waive or specify alternative requirements to any provision of title I of the HCD Act necessary to facilitate or expedite the use of RHP funds, except for requirements related to fair housing, nondiscrimination, labor standards, the environment, and requirements that activities benefit persons of low- and moderate-income. Except as provided in Section 8071 or in the Notice of FY2020 Allocations, Waivers, and Alternative Requirements for the Pilot Recovery Housing Program ([Docket No. FR-6225-N-01], the statutory and regulatory provisions governing the CDBG program shall apply to grantees.

Requirements at 42 U.S.C. 5306(d) and 24 CFR 570.480(g) are waived to the extent necessary to allow a state to use its RHP grant to directly carry out activities, rather than only distribute its RHP funds to units of general local government. The Commonwealth is permitted to directly fund a public or private nonprofit entity as a subrecipient, may procure a for-profit entity to carry out the RHP activities, or may

use state employees to administer RHP-funded activities. The Commonwealth may also distribute or use RHP funds in entitlement areas and may, pursuant to applicant response and need for these funds.

Pursuant to section 102(c) of the HCD Act, the chief executive officer of a state or a unit of general local government may designate one or more public agencies to undertake activities assisted by RHP funds. Given that RHP is subject to CDBG program requirements, DHCD may enter into an interagency agreement with the Massachusetts Department of Public Health (DPH), the Center for Community Recovery Innovations (CCRI), a nonprofit subsidiary corporation of MassHousing, or other entities (all of whom have experience with other federally funded programs supporting recovery from a substance use disorder) that help nonprofits create or preserve affordable sober housing in Massachusetts for individuals in recovery. These partnerships will help the Commonwealth to focus RHP funds towards projects that complement (but do not supplant) federal substance abuse-related assistance.

Executive Summary

The Commonwealth will use its allocation for the following eligible activities:

- i. Rehabilitation and Reconstruction of Multi-Unit Residential. RHP funds will be used for the rehabilitation or reconstruction of publicly- or privately-owned buildings and improvements with two or more permanent residential units that otherwise comply with 24 CFR 570.202(a) and section 105(a)(4) of the HCD Act (42 USC 5305(a)(4)) for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
- ii. Relocation. RHP funds may be used for relocation payments and other assistance for permanently or temporarily displaced individuals and families in connection with activities using RHP funds, to the extent eligible under 24 CFR 570.201(i) and section 105(a)(11) of the HCD Act (42 USC 5305(a)(11)).

Sober homes, also known as alcohol- and drug-free (ADF) housing, can offer people new to recovery a safe and positive environment. These group living homes ensure that people in recovery are not isolated and can share their success and support with others reaching for the same goal. They are not treatment programs but can be a lifesaver for people finishing inpatient or residential treatment without a healthy home environment to return to, or who want for their living situation to support their recovery.

In July 2014, [Massachusetts passed legislation](#) that mandates the monitoring and voluntary certification of sober homes in Massachusetts. The Bureau of Substance Addiction Services of the MA Department of Public Health currently contracts with two organizations to apply national standards (National Association of Recovery Residences (NARR) Level 2) to these homes, made specific to include Massachusetts laws. These organizations – the Massachusetts Association for Sober Housing (MASH) and the Recovery Homes Collaborative (RHC) – inspect and certify the homes, as well as provide training and technical assistance to sober housing operators seeking certification. Homes are funded by residents' rent, not by the state.

In addition, the law states that although a sober home is not required to be certified to operate, a state agency or vendor with a statewide contract to provide treatment services, or a state agency or officer setting conditions for release, parole, or discharge, may not refer a person to a residence that is not certified. As such, effective September 1, 2016, state agencies and their vendors shall only be able to refer clients to certified alcohol and drug free (ADF) housing. Any home not certified is restricted from state agency referrals until certified.

MASH certified homes adhere to strict standards, including core principles that ensure the houses are well operated, maintain the rights of residents, are recovery oriented, and promote health. The number of certified sober homes in Massachusetts quickly grew. MASH certified 61 homes (780 beds) in 2016; the number of MASH certified homes in 2020 was 187 (2517 beds).

MA G.L.c. 148 §26H requires that “lodging houses” as defined in the state building code be equipped with a sprinkler system. Sober homes fall into the definition of “lodging houses” if six (6) or more unrelated people reside there. A recent MA SJC ruling confirmed the designation of sober homes as “lodging houses” and therefore subject to local fire code. As such, sober homes located in municipalities which have adopted section 26H and meet the definition of a “lodging house” must have a compliant sprinkler system if they are not already installed. The estimated cost to install a sprinkler system is approximately \$35,000-\$75,000.

Currently, there are 187 certified sober homes (2,517 beds) which serve approximately 3,700 individuals annually. Approximately 90% of the homes do not have sprinkler systems nor can afford to install one. Because the law requires that sober homes be compliant with fire laws, those without sprinkler systems risk being de-certified. Aligning with local fire code is imperative to maintaining and continuing to grow the state’s certified sober homes.

RHP Administration Summary

MA DHCD may contract with Mass Housing’s Center for Recovery Innovations (CCRI) through DPH or contract directly to either entity to provide the SUPPORT Act funds to maintain certified sober housing for individuals. As required by the SUPPORT Act, HUD funds are allocated only to states with an age-adjusted rate of drug overdose deaths above the national overdose mortality rate, according to the Centers for Disease Control and Prevention.

MA Housing CCRI will award grant funds through a project solicitation process. For purposes of this procurement, only projects requesting the purchase and installation of automatic fire detection, fire suppression, or fire extinguishing systems will be considered.

Proposed applicant requirements are as follows.

- I. Eligible applicants must propose automatic fire detection, fire suppression, or fire extinguishing systems projects that assist Massachusetts residents, and:
 - a) be owners and/or operators of a MASH Certified Sober Home, in good standing (as evidenced by signed Good Standing form from MASH);
 - b) have operated the same house for 1 or more years and have participated in the recertification process at least once.
 - c) own the property for which funds are being requested.

*** Applications from sober homes owned or controlled by minorities, women, persons with disabilities, veterans, or LGBTQ persons will be strongly encouraged.

II. Proposed projects must be determined eligible under:

a) Priority One: Certified Sober Home with 6 or more residents

For Priority One projects, eligible project costs include all related costs to installing an automatic fire detection, fire suppression, or fire extinguishing system including equipment, installation, and labor costs.

b) Priority Two: Certified Sober Homes in good standing with less than six residents or homes that had been in good standing but were forced to voluntarily de-certify due to the costs of an automatic fire detection, fire suppression, or fire extinguishing system.

For Priority Two projects, eligible project costs include all related costs to installing an automatic fire detection, fire suppression, or fire extinguishing system including the cost of equipment, installation, and labor costs.

Applicants may only propose projects that are for the installation of automatic fire detection, fire suppression, or fire extinguishing system as required by local fire code or agreed-upon by local fire authorities. Proposed projects will improve and preserve the stock of affordable sober housing in Massachusetts. All Housing Proposals must meet all applicable Federal and State handicap accessibility laws, codes and requirements.

Additional Considerations

- a) Applications from entities with the greatest need and ability to implement will be prioritized based on qualitative and/or quantitative information from applicants that demonstrates a need for RHP funding.
- b) The projected demand for the proposed temporary recovery housing solution and the financial need for assistance will also be considered.

Use of Funds

- CCRI will award in total up to \$999,400 for proposals in FY20 funds.
- Award amounts will be based on anticipated budget to complete projects. It is expected that the maximum award will not exceed \$75,000.
- Eligible project costs include all related costs to installing an automatic fire detection, fire suppression, or fire extinguishing system including equipment, installation, and labor costs
- Relocation expenses.

The RHP activities, when taken as a whole, will not benefit moderate-income persons to the exclusion of low-income persons.

- Resources/Other Funds -No other funds for these projects are anticipated.
- It is anticipated that 14 – 20 properties will be assisted depending upon actual costs of fire suppression systems and these projects will improve and preserve the stock of affordable sober housing in Massachusetts.
- It is anticipated that between 160- 250 individuals in recovery will be assisted.

Expenditures

The Commonwealth will provide oversight and monitor CCRI to ensure that at least 30 percent of its RHP funds are expended within one year from the date the funds are available. Monthly and quarterly reporting and oversight of drawdown requests will be used to monitor and track this progress. The Commonwealth intends to contract with CCRI for period of three years and will monitor the progress over this time via reporting requirements.

The Commonwealth will allow no more than 5% of the RHP grant to be used for administrative costs to help CCRI administer these projects and to comply with federal and state requirements. We propose that \$52,600 will be allocated for administrative costs for a CDBG consultant, or staff person, to assist CCRI with the implementation of these funds. Pre-award/Pre-Agreement Costs will be determined at time of contract execution.

National Objective Compliance

In accordance with the HUD's expansion of Limited Clientele National Objective to include RHP-assisted housing, (a waiver and alternative requirement to the limited clientele national objective criteria at 24 CFR 570.208(a)(2) and 570.483(b)(2)(i)(B) and to the extent necessary to enable the use of the limited clientele national objective for acquisition, rehabilitation, reconstruction, or new construction activities assisted by RHP funds that provide stable, temporary housing to individuals in recovery from substance use disorder; DHCD will comply with the modification of Limited Clientele Presumptions, in which persons in certain group categories may be presumed to be low- and moderate-income persons, including the homeless, pursuant to the requirements at 24 CFR 570.208(a)(2)(i)(A) or 570.483(b)(2)(ii)(A). HUD has modified the requirements at 570.208(a)(2)(i)(A) and 570.483(b)(2)(ii)(A) to add additional categories of groups of persons that, when served exclusively or in combination with groups of persons in other listed categories, may be presumed to benefit persons, 51 percent of whom are low- and moderate-income, barring any evidence to the contrary. Under this alternative requirement, the categories are expanded to include persons who meet the federal poverty limits or are insured by Medicaid.

Definitions

- a. **Individual in recovery** - Recovery is a process of change through which individuals improve their health and wellness, live self-directed lives, and strive to reach their full potential.
- b. **Substance use disorder** - The MA 105 CMR 164.000 regulation defines SUD as: Substance Use Disorder – any condition pertaining to substance use disorder as defined by the current edition of the Diagnostic and Statistical Manual of Mental Disorders.

SAMHSA (Substance Abuse and Mental Health Services Administration) defines SUD/addiction as: Mental health and substance use disorders affect people from all walks of life and all age groups. These illnesses are common, recurrent, and often serious, but they are treatable, and many people do recover. Mental disorders involve changes in thinking, mood, and/or behavior. These disorders can affect how we relate to others and make choices. Reaching a level that can be formally diagnosed often depends on a reduction in a person's ability to function as a result of the disorder. For example:

- Serious mental illness is defined by someone over 18 having (within the past year) a diagnosable mental, behavior, or emotional disorder that causes serious functional impairment that substantially interferes with or limits one or more major life activities.
- For people under the age of 18, the term “Serious Emotional Disturbance” refers to a diagnosable mental, behavioral, or emotional disorder in the past year, which resulted in functional impairment that substantially interferes with or limits the child’s role or functioning in family, school, or community activities.
- Substance use disorders occur when the recurrent use of alcohol and/or drugs causes clinically significant impairment, including health problems, disability, and failure to meet major responsibilities at work, school, or home.

Contacts:

DHCD - Patricia Roushanaei, Acting Community Development Manager

Mass DPH - Jennifer Halstrom, Director Housing and Homelessness Services

Mass Housing - Ed Chase, Director CCRI