

April 12, 2018

**UPDATE
ON PROPOSED LICENSING PROGRAM, DRAFT ORDINANCE, AND STAKEHOLDER INPUT
FOR STRUCTURED SOBER LIVING HOMES**

Background:

- Currently, structured sober living homes do not require a City license and are not regulated by the City of Phoenix.
- At the direction of the Phoenix City Council, staff developed a proposed licensing program and draft ordinance to regulate structured sober living homes.
- If the proposed licensing program and ordinance are approved by the City Council, structured sober living homes will then be required to obtain a City license and comply with the related City ordinance, once the new requirements go into effect.

Scope:

- The proposed licensing program and regulation is only for *structured* sober living homes as currently defined by Arizona Revised Statutes, Section 9-500.40 (C): Any premises, place or building that provides alcohol-free or drug-free housing, promotes independent living and life skill development and provides structured activities that are directed primarily toward recovery from substance use disorders in a supervised setting to a group of unrelated individuals who are recovering from drug or alcohol addiction and who are receiving outpatient behavioral health services for substance abuse or addiction treatment while living in the home.

Proposed Licensing Program Includes:

- Licensing structured sober living homes.
- Licensing structured sober living home managers.
- Establishing City-required minimum operation and supervision standards for the home.
- Requiring an initial application inspection and a yearly renewal inspection for the home.
- Fees charged to license applicants to fully recover the costs of the application process and required inspections:
 - Structured sober living home license \$1,500
 - Structured sober living home license annual renewal \$1,500
 - Structured sober living home manager \$200
 - Structured sober living home manager annual renewal \$40

Initial Draft Ordinance:

- A copy of the initial draft ordinance was published online at the beginning of February 2018, and is currently still available on the License Services web site at: www.phoenix.gov/licenseservices under **News & Updates**.

Public Input:

- Licensing staff collected public input related to the proposed licensing program and draft ordinance during February.
- A summary of comments collected can be found online at: www.phoenix.gov/licenseservices under **News & Updates**.

Elements of the Initial Draft Ordinance that were Modified Based on Public Input:

- Addition of a requirement that applicants disclose all business names under which they operate other homes.
- Removal of the high school diploma or GED requirement for managers.
- Clarification that parole/probation will be a basis for denial only if the parole/probation is related to one of the offenses specifically listed in the ordinance as a basis for denial.
- Revisions to the requirements related to manager presence on site to allow managers to be off premises on a limited basis.
- Exemption from work/volunteer requirements for residents who are diagnosed with a disability (including mental illness) that prevents them from meeting the requirement.
- Clarification of reasonable accommodation procedure for license applications.
- Exemption for homes that do not provide meals from the requirement to post/inform residents of meal schedules.
- Clarification that unpaid taxes or fees are only a basis for denial for a structured sober living home license, not a manager license.

Updated Draft Ordinance:

- A copy of the updated draft ordinance can be found online on the License Services web site at: www.phoenix.gov/licenseservices under **News & Updates**.

City Council Review:

- The proposed licensing program and updated draft ordinance is being scheduled for City Council review at the April 18, 2018 Formal Council Meeting. This meeting will take place at 2:30PM, in the City Council Chambers located at 200 W. Jefferson St., Phoenix, AZ 85003. The staff report for this item can be viewed online after the agenda is published at www.phoenix.gov under CITY COUNCIL MEETINGS - *April 18, 2018, 2:30 PM - Formal Meeting - Agenda*.

Contact: If you have any questions about this notice or anything related to the proposed licensing program or draft ordinance, please contact City Clerk License Services Supervisor Denise Archibald at denise.archibald@phoenix.gov or by calling 602-262-7003.

Pending Legislation:

- Senate Bill 1465, which is currently going through the State of Arizona legislative process, proposes sober living homes be regulated by the State, not cities. If the new law is approved, the State will take over licensing of sober living homes in approximately two years.
- Due to the timing of this bill, the current staff proposal is to move forward with the licensing of *structured* sober living homes as defined in State law today and as presented to stakeholders previously. Changes to the scope of licensing and/or regulation, as a result of this bill, will require broader stakeholder notification and input, and additional direction from the City Council.