

Sweetened Beverage Tax Community Advisory Board (CAB) Meeting Notes

MEETING SUMMARY	<p>Date: May 15, 2020</p> <p>Time: 9:00 AM – 1:00 PM</p> <p>Location: Virtual meeting</p>
MEMBERS PRESENT:	Adrian Lopez-Romero, Barbara Baquero, Christina Wong, Dila Perera, Jen Moss, Laura Flores Cantrell, Paul Sherman, Rebecca Finkle, Tanika Thompson
MEMBERS ABSENT:	<p><i>Seat 1 – Vacant (Food Access Representative, Council appointment)</i></p> <p><i>Seat 4 – Vacant (Community Representative, Mayor appointment)</i></p>
GUESTS:	<p>Office of Sustainability & Environment: Alyssa Patrick, Bridget Igoe, Sharon Lerman</p> <p>Human Services Department: Amaury Ávalos, Seán Walsh, Sindy Nguyen</p> <p>City Budget Office: Akshay Iyengar</p> <p>Guest Facilitator: Maketa Wilborn</p> <p>The Vida Agency: Priya Saxena, Tamara Power-Drutis, Amalia Martino, and Gabriele Le</p>
DECISIONS MADE	<p>1. CAB approved updates to its Values, Budget Principles, and Meeting Agreements</p>

Meeting Notes

The meeting was facilitated by CAB Co-Chairs T. Thompson and J. Moss, with guest facilitator M. Wilborn.

Welcome and Introductions

CAB members introduced themselves. City staff and guests from the public introduced themselves.

Public Comment

Erica Chung, Green Shoots Consulting

E. Chung partnered with the CAB on the second phase of its 2019 community engagement ([read summary report here](#)) by conducting a multicultural and multilingual focus group and survey to seek community input on early learning priorities. She shared some highlights of what she learned. Parents of young children need more affordable and quality childcare, she said. Community engagement participants reported they earn too much to afford childcare subsidies but too little to afford high-quality care. The need for culturally relevant and language specific childcare and after school programming is especially desired so children can grow up with their heritage. Additionally, parents would like to see more family support in schools that is culturally competent and language specific and more programs providing food access with culturally appropriate food. The COVID-19 pandemic and economic fallout will further exacerbate disparities in communities of color and amplifies these needs for families and people. Increasing access to culturally appropriate food and childcare will need additional support beyond what was allocated in 2019 and further engagement with communities most impacted is needed as well.

Co-Chair Updates

J. Moss and T. Thompson met recently with the co-chairs from the [Environment Justice Committee](#) facilitated by the Office of Sustainability and Environment to learn about the EJC's work and priorities. They are preparing feedback shared from the EJC and will report back to the CAB soon. One EJC member who participated in the CAB's recent community engagement work (phase 2) felt as though the process had a hard stop and lacked adequate follow-up – i.e. there were no opportunities to engage further with the CAB.

A question was also raised about whether stores with Seattle addresses, but which are outside of Seattle city limits, are paying the tax and, if so, they can too benefit from SBT-funded programming.

Approving revised values, principles, agreements

The CAB reviewed the revised values, budget principles, and agreement document. There were no additional comments or concerns.

****CAB Decision Point****

The revised values, budget principles, and agreements were approved by consensus.

Overview of the public awareness and sugary drinks countermarketing campaign funded by Sweetened Beverage Tax (SBT) revenue

Presented by The Vida Agency | Links to [Final Report](#), [Executive Summary](#), [PowerPoint Presentation](#)

A research team from The Vida Agency presented key findings and recommendations from its research, conducted between December 2019 and April 2020, to inform the development of a public awareness and counter-marketing campaign highlighting the adverse health effects of sugary drinks.

Research included a focus group of 40 Seattle-based young adults, a digital self-administered survey of 510 individuals in the Seattle-metropolitan area, and a case study interview with Chief Seattle Club. Research prioritized insight from Black, Latinx, American Indian / Alaska Native, and low-income communities, particularly youth and young adults between the age of 12-29 ("Priority Populations").

Key Findings:

- 95% of survey respondents associated sugary drinks with a serious health risk, especially weight gain, obesity, Type 2 Diabetes, and tooth decay. While 81% of Priority Population survey respondents believed sugary drinks are bad for their health, 96% consumed more than the recommended limit of sugary drinks in the week prior to taking the survey
- Sugary drinks are offered in 90% of Priority Population respondent households and 70% of schools, making it easy for young adults to over-consume.
- Juice, sugary coffee, and Coca Cola were the most consumed drinks by survey respondents, who drink them for taste, craving, convenience, and energy. Most are aware of being targeted by advertisers, but do not believe it affects their beverage choices or habits.
- Water was the preferred alternative to sugary drinks across demographics, with a preference to consume water from the tap or from a reusable water bottle.
- Priority Population respondents who had consumed eight or more glasses of water in the 24 hours prior to the survey drank fewer sugary drinks than their peers.

Key Recommendations

- Focus counter-marketing on juice, the most consumed sugary drink. Consider creating small grant opportunities to support organizations to make beverage transitions.
- Focus health risk awareness marketing on type 2 diabetes (as opposed to weight gain or obesity)
- Promote water as a healthy alternative and use positive message (e.g. “Water, the official drink of athletes everywhere”)
- Engage communities in activities which increase access to water

SBT Revenue Update

Presented by Akshay Iyengar, City Budget Office

A. Iyengar provided an update on the projected SBT revenues (see table below), emphasizing that there is a lot of uncertainty about the full economic impact of the COVID-19 crisis and budget numbers will continue to change. Revenue and shortfall projections provide both “baseline” and “downside” estimates. Baseline estimates are the basis for CBO’s working assumptions. Downside estimates are a worst-case scenario, although the reality is the forecast is looking more like a downside scenario, due to an anticipated slow recovery. The city is planning for difficult year.

The Mayor is in discussion with Council about how to adjust the budget. Some SBT-backed programs are currently on hold and may be the basis for formal cuts, although this is still to be determined.

A. Iyengar encouraged the CAB during its deliberations to develop recommendations that address the downside scenario (i.e. a \$2.5 million shortfall).

A. Iyengar also briefly presented the [SBT Financial Report](#), which the CAB will receive annually in addition to ad hoc reports.

Sweetened Beverage Tax Financial Plan – Revised (as of May 15, 2020)	2020 Revised*	2021 Projected	2022 Projected
2019 Ending Balance (Actuals)	17,009,849		
Encumbrances + Carryforwards	7,311,156		
Department of Education and Early Learning	6,696,171		
Office of Sustainability and Environment	614,985		
Beginning Balance	9,698,693		
<i>Revenue (Adopted 2020)</i>	<i>24,329,000</i>	<i>24,451,000</i>	<i>24,696,000</i>
Revenue Revised (Baseline)	16,876,250	21,514,583	23,969,505
Revenue Revised (Downside)	15,366,875	20,771,875	23,969,505
Expenditures	28,030,707	23,213,000	23,670,000
Department of Education and Early Learning	9,239,793	9,028,000	9,299,000
Department of Parks and Recreation	187,281	309,000	318,000
Human Services Department	5,884,713	4,892,000	5,039,000
Office of City Auditor	500,000	515,000	530,000
Office of Sustainability and Environment	11,718,919	5,963,000	5,972,000
Department of Neighborhoods	-	2,506,000	2,512,000
Worker Retraining	500,000	-	-
Reserve Fund	-	-	299,505
Ending Balance (Baseline)	(1,455,764)	(1,698,417)	-
Ending Balance (Downside)	(2,965,139)	(2,441,125)	-

*The 2020 revised budget numbers include the \$5 million reallocation for emergency grocery vouchers, as well as the corresponding reductions to Department of Neighborhoods and Seattle Parks and Recreation budgets and the SBT reserve fund. These reductions are:

- \$3.2 million transferred from the Department of Neighborhoods Healthy Food Fund (\$2.5 million) and one-time P-Patch (\$725,000) appropriations.
- \$413,000 transferred from Parks and Recreation the one-time water bottle filling station appropriation.
- \$1.1 million reduction in reserves (out of \$2 million). Since then, revised revenue projections make it likely there will be no money remaining at year end for reserves.

Emergency Grocery Voucher Update

Presented by Sharon Lerman, Office of Sustainability and Environment (OSE)

S. Lerman provided an update on the emergency grocery voucher program. Key highlights:

- In mid-March, as the COVID-19 crisis was first emerging in Seattle, OSE quickly developed a program to provide emergency grocery vouchers to struggling households. With an initial \$5 million in SBT funding redeployed from other programs, OSE enrolled 6,250 households in the program by the end of March, providing \$400/month in grocery vouchers for 2 months.

- The first round of vouchers went out in March and April and served many people in the groups identified in amendment 1 of [CB 119746](#).
- Subsequent waves of vouchers were sent to an additional 1,713 households (for May and June) and 1,113 households (for June and July).
- The April Emergency Grocery Voucher redemption rate was roughly 80%. At the end of each month, any unredeemed benefit is being reinvested into enrolling additional households into the program.

Questions from CAB

Q: Is there a plan for handling vouchers that are sent to individuals but don't make it due to mailing and address issues?

A: Yes, OSE has a process for handling returned mail/vouchers. First, staff attempts to contact the household and fix the address. If the address can be updated/fixed, the vouchers are resent. If no contact is established, there is a second attempt to send the vouchers to the same address. If mail is returned a second time, then the voucher is given to a new enrollee. We are still looking at ways to improve these processes given constraints. Overall, less than 5% of vouchers are returned in the mail.

Q: Is there any consideration of how this program may be rolled into Fresh Bucks program?

A: The programs are quite separate and distinct. The emergency grocery voucher is a short-term emergency benefit. Our current budget does not allow us to extend this benefit to all Fresh Bucks customers. In an ideal world, we would make the emergency grocery benefit redeemable at many more retailers. For example, we are expanding Fresh Bucks benefits to other retailers because this is an ongoing program. But we do not have the staff capacity or bandwidth to operationalize the emergency benefit at more stores, as this would require different point-of-sale procedures at each retailer type. Our goal was to make this as accessible as possible across the Seattle and Safeway was willing and able to do it.

Q: It's concerning that 20% of the vouchers are not being redeemed. What are the barriers for those families who are not going to store to use their benefit? Is it a transportation issue? Is it Safeway? Is there anything being done to understand the barriers that could inform future programming?

A: In the first round of mailings, people were not expecting the benefit. For example, child care subsidy participants received the grocery vouchers but it is reasonable to imagine some families didn't know what the vouchers were and/or didn't even open the mail. This won't be the case with future enrollments, which were coordinated by a community-based organization [with direct contact with recipients]. While it is too soon to report updated redemption rates, in May we are already seeing much higher redemption rates mid-month compared to the same time in March.

Additionally, there is some nuance in the redemption data and what information we get from Safeway. We don't know if some people just aren't using the entire benefit amount or if some people are not going at all.

In terms of transportation, we have a system to provide shopping and delivery options for people who request them. Unfortunately, the benefit was unable to integrate with Safeway's online ordering, but we anticipated delivery needs. OSE staff members are shopping for clients and delivering groceries.

T. Thompson said Got Green can assist with delivery if needed.

Several CAB members expressed appreciation for all OSE is doing to implement the grocery voucher program, especially setting up a delivery option for voucher recipients who are not able to go to the store themselves for health/safety reasons.

Q: Is there additional budget to sustain these efforts if there is a prolonged emergency?

A: We have exhausted our current budget for this emergency effort. July is the last month anyone will receive benefits with current funding. I agree that there will be sustained need, but we don't have any identified budget beyond July, and we are not anticipating additional philanthropic funding. We are hopeful that increased unemployment and SNAP benefits will help, and we are working to scaffold emergency food resources.

C. Wong mentioned that Washington is applying to offer Pandemic EBT to expand benefits for children who are eligible for free and reduced price meals. One of the challenges is trying to capture newly eligible families. C. Wong is interested in connecting with S. Lerman and A. Patrick to share lessons learned on how to message and communicate these emergency benefits.

Q: In terms of prolonging the emergency vouchers, some community-based organizations might be willing to fund these for their clients but at a reduced benefit – \$400/month for two months is prohibitively steep for some organizations. Is there a way to lower the benefit amount? Recognizing there was probably good thinking that went into this benefit level, lowering the amount might make it possible to reach more families, albeit with fewer benefits.

A: Yes, if this continues, we could consider different benefit levels.

<The CAB took a 10-minute break from 11:02-11:12>

Funding Priorities and Criteria Development

Facilitated by Maketa Wilborn

M. Wilborn facilitated the remainder of the CAB's meeting, which focused on the following objectives:

- Identify priority areas for funding considering the budget shortfall and urgency of the COVID-19 crisis
- Clarify and align on program funding criteria to guide likely reallocation of SBT funds for emergency response
- Identify a protocol for fund reallocation that details communication between the CAB and the City Budget Office

CAB members used MURAL, a digital workspace for visual collaboration, to discuss their funding priorities and criteria. Results from the discussions and prioritization activities are summarized in the following pages.

No final decisions were made at this meeting. As planned, the CAB will take the work from today's meeting and continue the discussion at its June meeting (scheduled for Friday, June 5, 2020).

Discussion Item #1: If further cuts are needed for 2020, what the CAB's priorities when considering programs that are currently receiving funding?

The CAB split into two groups and used a MURAL Bullseye Planning Diagram to prioritize funding areas into *High*, *Medium*, and *Low* priority. The original bullseye diagram is included in the Appendix (starts on page 11) and is transcribed below. Results from this initial prioritization exercise will be discussed at the June 5 CAB meeting.

CAB Priority	Funding Category	
	Food Access	Early Learning & Child Development
High	<ul style="list-style-type: none"> Fresh Bucks¹ Senior meals and home delivery Food banks and systems support² 	<ul style="list-style-type: none"> [NEW] Grants for community-led programming⁹, to include [NEW] Resource support for parents (culturally and linguistically specific)¹⁰ Support for children with developmental delays¹¹
Medium-High	<ul style="list-style-type: none"> Food Access Opportunity³ Healthy food in childcare⁴ 	
Medium		<ul style="list-style-type: none"> Financial assistance for childcare (CCAP) Support for family child care providers¹²
Low-Medium	<ul style="list-style-type: none"> Healthy food in schools⁵ After school and summer meals⁶ 	
Low	<ul style="list-style-type: none"> Recreational programming⁷ Countermarketing/public awareness⁸ 	<ul style="list-style-type: none"> Birth-to-three provider coaching and training¹³

CAB Priority	Funding Category		
	General	Cut in 2020	2020 one-time funds
High	<ul style="list-style-type: none"> CAB administration Program evaluation 		
Medium-High	<ul style="list-style-type: none"> Culturally relevant, in-language outreach re: available program 	<ul style="list-style-type: none"> Healthy Food Fund (grants for community-led programming)¹⁴ 	<ul style="list-style-type: none"> Essential child/family supplies¹⁵
Medium			
Low-Medium		<ul style="list-style-type: none"> Water bottle filling stations at community centers¹⁶ 	<ul style="list-style-type: none"> Water bottle filling stations at schools¹⁶
Low		<ul style="list-style-type: none"> Evaluation infrastructure and capacity building P-Patch infrastructure 	<ul style="list-style-type: none"> Food and meal infrastructure grants Scratch cooking assessment Scratch cooking pilot

Discussion Notes:

1. **Fresh Bucks** is one of the highest priorities since this provides direct financial support to people.
2. **Food banks, including systems support**, are also high priority, especially right now during pandemic crisis. It will be important to consider how to focus on food bank infrastructure (e.g. supplies, refrigeration, transportation) and what resources are already available.
3. **Food Access Opportunity Fund** is a way to reach and support the community and grassroots organizations directly, which is why it is higher priority.
4. **Healthy food in childcare** a higher priority than healthy food in schools because schools are closed whereas childcare anticipated to re-open earlier.
5. **Healthy food in school** – Regarding school-based programs, we don't know what school is going to look like in the fall – will it even be open? Programs that only work when schools are operating may be less of a priority. OSPI (state department of education) and federal money are currently funding meals that are being offered at schools.
6. **After school and summer meals** – Could SBT funds for Out of School Time Nutrition help support the cost of getting food to people? Could SBT funds support transportation or extra location needs?
7. **Recreational programming** is a lower priority due to social distancing directives.
8. **Countermarketing campaign** – Opportunity for any campaign to not lose focus on the disparities. How do we promote people to drink more water in the crisis (a recommendation of The Vida Agency)? Can we direct some of the countermarketing campaign funds towards focusing on a campaign to promote water?
9. **Prenatal-to-three grants for community-based organizations (CBOs)** – This has been a CAB recommendation for two years, but City has not acted on it. DEEL has no early learning grantmaking opportunities for CBOs. Grants would build capacity for CBOs, which is important for long-term sustainability. This is an upstream strategy and community advised CAB to explore a mix of upstream and downstream strategies.
10. **Resource support for parents (culturally and linguistically specific)** could be integrated into the prenatal-to-three grantmaking program.
11. **Support for children with developmental delays** is especially important as families are made more vulnerable by the COVID crisis.
12. **Family Child Care support** especially important due to impacts of pandemic. In fact, family child care will need expanded support.
13. **Birth-to-three provider coaching and training** seems like a lower priority during COVID crisis, although in the longer-term this is important.
14. **Healthy Food Fund** – want more information about what this is and how it is structured.
15. **Essential child/family supplies** – lower priority since the funds already happened and were used. Maybe worth requesting again or in an on-going basis?
16. **Water bottle filling stations** – revisit this activity and make it a priority when schools are back in session. The Vida Agency's recommendation about water promotion could be interesting to explore here. Reallocating funding for water bottle filling stations in community centers may be important to bring back sooner than later.

Discussion Item #2: If it looks like funds will need to be cut from existing programs, what criteria does the CAB want the city to take into consideration when making those cuts?

CAB members used MURAL to generate ideas on virtual sticky notes and then grouped the notes into themes or affinity groups. The results are below.

Theme: Priority Populations

- How well does the program address an identified community need?
- Prioritize POC community-based organizations
- Highest level of funding available to priority populations and most vulnerable
- Prioritize investments that are helping communities of color meet essential needs for food and child care
- What organizations are benefiting from the program? Prioritize keeping programs that are POC led and directed as well as serving POC directly
- Protect investments that help people access low-barrier services (e.g. food banks and meal programs don't require identifying/personal information; Fresh Bucks helps people buy food even if they aren't enrolled in SNAP; in other words, protect food gap services)

Theme: Consider Current (COVID) Context

- Where are other funds available to compensate for loss?
- Any new COVID-specific resources that become available
- Feasibility of the recommendation in light of COVID-19 – for instance, if they were looking at the expansion of the fruit and vegetable snacks, take into consideration school closures and school capacity to store, prepare, and distribute fresh foods
- Protect investments that not only connect with essential needs but generate economic activity—like Fresh Bucks since that's money spend and input into our system

Theme: Maximize Direct Support; Minimize Overhead

- Prioritize strategies that provide direct funds in grants
- Preserve direct support over indirect, in the next year
- Prioritize areas with less admin costs—funding into existing programs
- Little to no cuts to programs providing direct food services to community
- What is the actual amount that goes into the community?
- Consider ratio of direct impact to admin costs
- Be efficient – leverage existing infrastructure and systems [not a sticky note but verbally shared]
- Prioritize expanding existing programs vs. creating new

Theme: CAB Alignment Agreement

- Do our research on programs before making dramatic cuts
- Ensure that everyone is in agreement
- Use an equity lens in our decision making

Theme: Prevention-oriented

- How does the program support prevention?
- How the decision will positively or negatively affect a population?

Theme: General Reminders to City

- SBT funds are a protected revenue source for expansion of new programming in food access and early education with a focus on birth-to-three—not meant to supplant existing funding for ongoing programming
- Follow the CAB’s budget principles

During the discussion of criteria themes, B. Baquero commented that the CAB’s newly updated/approved [budget principles](#) would also be relevant guidance to give the city and, in fact, echo many of these ideas.

Discussion Item #3: As the City Budget Office reallocates SBT funds to stand up new emergency measures/programs (such as the Emergency Grocery Voucher Program), what criteria does the CAB want them to consider?

There was brief discussion about the validity of this question since the Emergency Grocery Voucher Program is being messaged as a short-term effort (ending in July). One CAB member clarified the point is to consider what guidance the CAB wants to give the city if additional SBT funds are reallocated for emergency efforts.

The following ideas were generated:

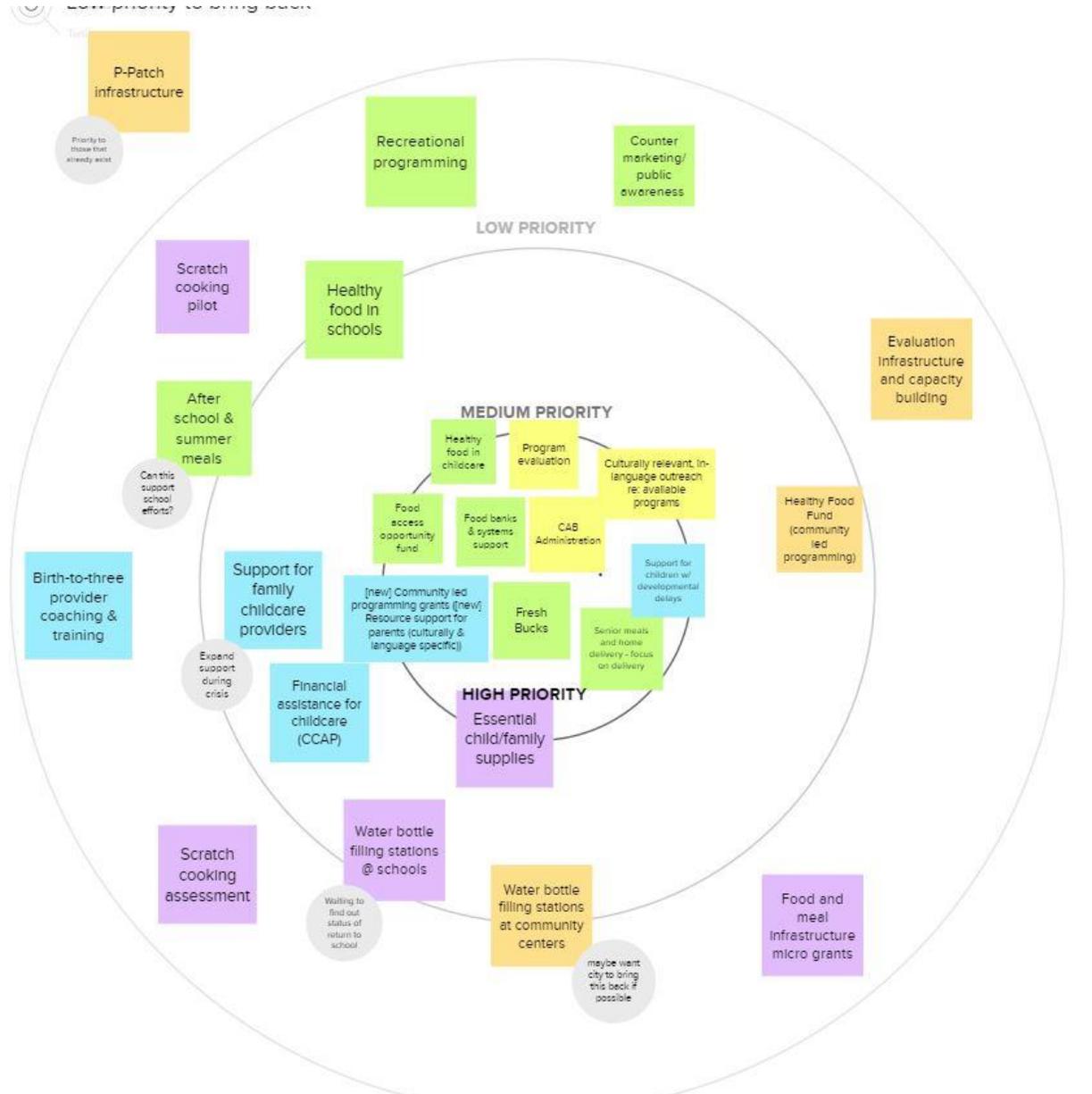
- As funds are being distributed quickly, back up plans need to be in place to ensure families are not left behind
- Find ways to open participation to unidentified families or groups
- Will this better serve the community than existing programs?
- Does this align with the CAB’s principles?
- What is the criteria for transitioning from short-term emergency programs to expand or enhance ongoing programs that work towards same goals?
- Priority populations
- Communication plan to ensure new emergency programs are communicated clearly across populations
- Identify and address the barriers to using the vouchers
- Reduce the amount of the money per family to maximize/stretch out the limited resources

The meeting adjourned at 1pm.

-END-

Appendix: MURAL Whiteboards

Discussion Item #1: If further cuts are needed for 2020, what the CAB's priorities when considering programs that are currently receiving funding?



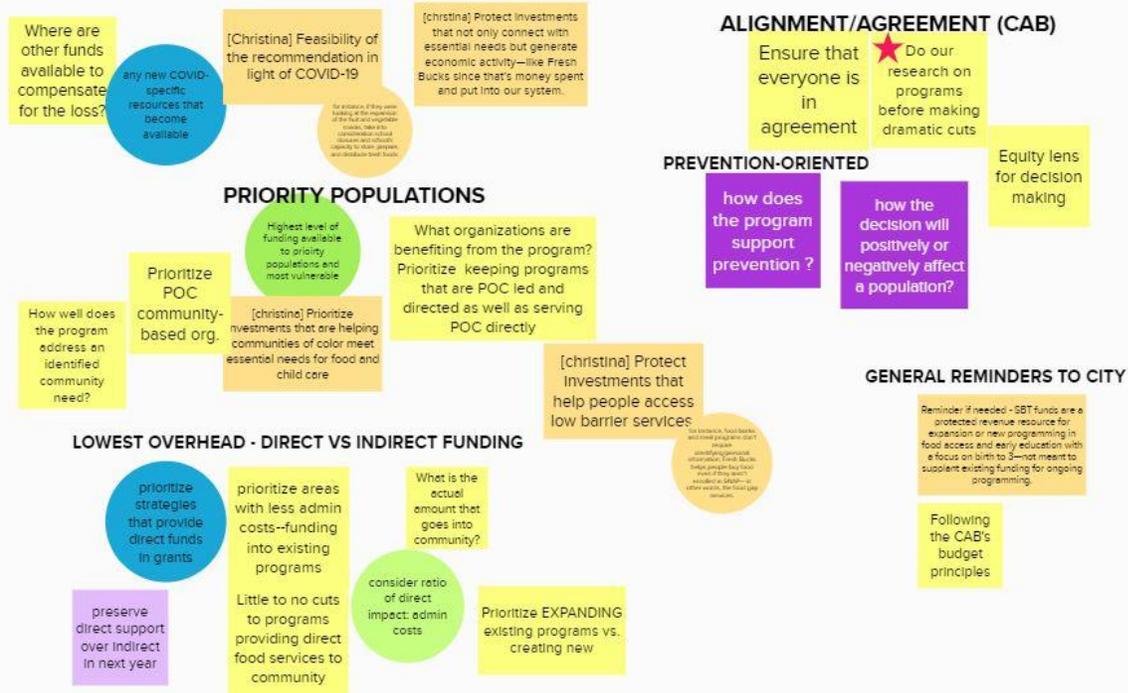
Discussion Item #2: If it looks like funds will need to be cut from existing programs, what criteria does the CAB want the city to take into consideration when making those cuts?

Criteria for SBT Program Funding Cuts



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If it looks like funds will need to be cut from existing programs, what criteria does the CAB want the city to take into consideration when making those cuts?



Discussion Item #3: As the City Budget Office reallocates SBT funds to stand up new emergency measures/programs (such as the Emergency Grocery Voucher Program), what criteria does the CAB want them to consider?

SBT Funds Reallocation Criteria



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As the CBO reallocates SBT funds to stand up new emergency measures/programs (such as the Emergency Grocery Voucher Program), what criteria does the CAB want them to consider?

As funds are being distributed quickly, back up plans need to be in place to ensure families are not left behind

Finding ways to open participation to unidentified families or groups

Will this better serve the community than existing programs?

What's the criteria for transitioning from short-term emergency program to expand or enhance ongoing program that works towards same goals?

Communication plan to ensure new emergency programs are communicated clearly across populations

Does this align with the CAB principles?

Priority populations

What DID NOT work with the implementation of this program?
Issues/Concerns?

Identifying/addressing the barriers to using the vouchers

Reducing the \$ amount per family to maximize/stretch out limited resources