



Office of the City Manager

## ACTION CALENDAR

March 27, 2018

To: Honorable Mayor and Members of the City Council

From: Dee Ridley-Williams, City Manager

Submitted by: Paul Buddenhagen, Director, Health, Housing & Community Services Department

Subject: Companion Report: The SSBPPE Commission's Proposed Policy to Refrain from Procuring, Selling, and Serving Sugar-Sweetened Beverages.

### RECOMMENDATION

Recommend that the City Council refer the SSBPPE Commission's recommendation to staff for further analysis of potential impacts on City of Berkeley programs, and present findings to the SSBPPE Commission for review.

### FISCAL IMPACTS OF RECOMMENDATION

Potential impacts on programs could include reduced program revenue and reduced staff resources.

### CURRENT SITUATION AND ITS EFFECTS

The Sugar Sweetened Beverage Product Panel of Experts has recommended that the Berkeley City Council adopt an Ordinance amending the Administrative Code to direct the City of Berkeley departments and City food services contractors to refrain from:

- 1) Procuring sugar-sweetened beverages with City funds;
- 2) Selling sugar-sweetened beverages on City property, including in vending machines; and,
- 3) Serving sugar-sweetened beverages at City meetings and events on City property.

An initial survey of City Departments indicates that further study of the impact of this recommendation is warranted, but will take more time. Implementing the SSBPPE recommendations may have potential impacts on City departments and programs, including reduced program revenue and reduced staff resources. Initial feedback from City Departments includes:

- Parks and Recreation resident programs do not serve soda, but do serve other beverages such as lemonade, punch and hot chocolate. Family camps depend on revenue from participants, and removing beverage choice may have negative

impacts on the ability of the Parks and Recreation programs to generate much-needed revenues.

- Berkeley Police Department provides vending machines for staff who may not be able to leave the building on overnight shifts for safety reasons. Removing beverages from the current vending machine might also result in removal of vending machines due to reduced sales. BPD also purchases drinks for periodic large scale events (mutual aid events).

These are just two examples of the potential impacts of removing sugar-sweetened beverages from City vending machines and programs. Consequently, staff recommends that Council refer the SSBPPE Commission's policy recommendation to staff for further impact analysis on City of Berkeley programs.

#### BACKGROUND

In November of 2014, Berkeley voters passed Measure D, requiring both the collection of a 1 cent per ounce tax on the distribution of sugary drinks in the City of Berkeley and the convening of a Panel of Experts (the Sugar Sweetened Beverage Products Panel of Experts--SSBPPE) to recommend general fund investments to both reduce the consumption of sugary drinks as well as to address the health consequences of the consumption of sugary drinks.

Since January 19, 2016, the City Council has passed resolutions allocating a total of \$5 million in budget code 010-9703-410.35-10 between FY2015 through FY2019 for mini-grants, branding and education campaigns, and funding of community agencies as per SSBPPE Commission's recommendations. The resolutions included allocation of overhead funding to pay for staff support and evaluation and education campaigns from the public health division.

#### ENVIRONMENTAL SUSTAINABILITY

This recommendation has no direct environmental sustainability effects.

#### CONTACT PERSON

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