



Sugar- Sweetened Beverage Product Panel of Experts

ACTION CALENDAR

May 14, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, Health, Housing and Community Services

Subject: Companion Report: Grant Allocation: Approve Funding Recommendation for Programs to Reduce Consumption of Sugar-Sweetened Beverages (SSBs)

RECOMMENDATION

Adopt the Sugar Sweetened Beverage Product Panel of Experts' (SSBPPE) funding recommendations and twelve (12) resolutions authorizing the City Manager to enter in contracts with the Berkeley Unified School District and the Community Based Organizations for FY2020 and FY2021 with the following caveats: 1) remove the City of Berkeley as a grantee and remove the resolution that is included as Resolution #12 in the SSBPPE Commission's Council report relating to the Public Health division, 2) adopt Resolution #13 in the SSBPPE Commission's Council report and amend the amount to be distributed as \$4.474 million, as was passed by Council on January 22, 2019, and 3) reduce all grantees' and the Public Health division allocations equally to reach the adopted figure (about 5%).

FISCAL IMPACTS OF RECOMMENDATION

Council allocated \$4.474 million on 1/22/19. If Council approves the amounts reflected in the SSBPPE report, it will increase the general fund allocation to this effort by \$276,000 from \$4.474 million to \$4.750 million.

CURRENT SITUATION AND ITS EFFECTS

At the January 22, 2019 Council Meeting, the council approved a resolution to allocate \$4.474 million of the General Fund for FY 2020 and FY2021 with the following direction:

- 40% of the allocation to Berkeley Unified School District
- 40% of the allocation towards grants to community-based organizations to be managed by the Public Health Division
- 20% of the allocation to the Berkeley Public Health Division to support the coordination and monitoring of the grant process, coordination of the overall program evaluation, and produce an annual report with 10% of this portion of the allocation to fund and manage a media campaign.

The language from the annotated agenda of that meeting states:

Action: Items 27a and 27b moved to Consent Calendar. Adopted Resolution No. 68,746–N.S. from Item 27a revised to include the dollar amounts in 27b.

The dollar amounts referred to in the City Manager’s report clarified that if Council wanted to augment the base funding level of \$3 million dollars to more closely correspond with the revenues generated from Measure B, the additional amount to be allocated was \$1.474 million (not \$1.75 million as stated in item 27a), resulting in a total allocation of \$4.474 million dollars. This amount was included in the final language of the resolution adopted, Resolution No. 68,746-N.S. As noted above, if Council agrees to the lower, approved amount, each funded agency and the public health division should have their award decreased by approximately 5%, as opposed to taking all of that money from the public health division, which would change the percentage of distributions approved in the January 22, 2019 meeting.

In its recommendations to fund community-based organizations, the SSBPPE is recommending that the City of Berkeley be included as a grantee with direction of the work staff must perform. The allocation of general fund to the Public Health division is done through the annual budget appropriation process and the division cannot be a grantee of the City for City general funds. Additionally, it is not within the purview of the SSBPPE to assign or direct staff work, this remains the responsibility and authority of the City Manager.

BACKGROUND

In November 2014, the City of Berkeley passed a general tax ordinance on the distribution of sugar-sweetened beverage products in the City. This ordinance also provided for a Sugar Sweetened Beverage Product Panel of Experts to “make recommendations on how and to what extent the City should fund programs to further reduce the consumption of sugar-sweetened Beverages in Berkeley and address the consequences of such consumption.”

The resolution approved by the Council allowed for administrative funding for the administration and monitoring of the grantee contracts, evaluation, and supporting the development of an annual report. This administrative funding allowed for the staffing (i.e. secretary for the commission, administrator for grant management, staff for evaluation, etc.) and operational costs associated with supporting this effort.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental impacts associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

The Council passed a resolution on January 22, 2019 for an allocation of \$4.474 million to support this important work. The City Manager supports the funding recommendations of the SSBPPE, and wants to match the funding amount previously approved by City Council. It is also inappropriate for the SSBPPE to direct staff work or include City of Berkeley programs as a grantee of City of Berkeley general funds.

ALTERNATIVE ACTIONS CONSIDERED

The Council can adopt the SSBPPE recommendations of \$4.75 million and allocate an additional \$276,000 in general funds to cover the increased expenses; the Council can allocate the original figure passed by Council on 1/22/19 (\$4.474 million) and reduce recommended allocations equally by approximately 5%; or Council can recommend the \$4.363 amount reflected in the RFP which represents the actual dollar amount the City of Berkeley estimates is available to fund these programs, resulting in a decrease of approximately 8% to all funded entities.

CONTACT PERSON

Kelly Wallace, Interim Director, HHCS, 981-5107

Attachments:

1: Resolution No. 68,746-N.S. Allocation: \$4.474 Million Total for Sugar-Sweetened Beverage Consumption and Reduction Grant Program in FY20/21

RESOLUTION NO. 68,746-N.S.

ALLOCATION: \$4.474 MILLION TOTAL FOR SUGAR-SWEETENED BEVERAGE CONSUMPTION AND REDUCTION GRANT PROGRAM IN FY20 AND FY21

WHEREAS, the consumption of sugar-sweetened beverages (“SSB”) in Berkeley is impacting the health of the people in Berkeley; and

WHEREAS, in FY18 and FY19, the City Council awarded a total of \$3 million upon the recommendation of the SSBPPE Commission to demonstrate the City’s long-term commitment to decreasing the consumption of SSB and mitigate the harmful impacts of SSB on the population of Berkeley; and

WHEREAS, many studies demonstrate that high intake of SSB is associated with risk of Type 2 Diabetes, obesity, tooth decay, and coronary heart disease; and

WHEREAS, hundreds of millions of dollars have been spent in an ongoing massive marketing campaign, which particularly targets children and people of color; and

WHEREAS, an African American resident of Berkeley is 14 times more likely than a White resident to be hospitalized for diabetes; and

WHEREAS, 40% of 9th graders in Berkeley High School are either overweight or obese; and

WHEREAS, tooth decay is the most common childhood disease, experienced by over 70% of California’s 3rd graders; and

WHEREAS, in 2012, a U.S. national research team estimated levying a penny-per-ounce tax on sweetened beverages would prevent nearly 100,000 cases of heart disease, 8,000 strokes, and 26,000 deaths over the next decade and 240,000 cases of diabetes per year nationwide.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to allocate \$4.474 million from the General Fund to be disbursed in two (2) installments of \$2.237 million in FY20 and \$2.237 million in FY21 and invested as follows:

1. Allocate up to 40% of the allocated funds to Berkeley Unified School District (BUSD) through a grant proposal to reduce the consumption of sugar-sweetened beverages (SSBs) through the implementation and enhancement of the BUSD cooking and gardening programs for the period, July 1, 2019 to June 30, 2021; and
2. Allocate at least 40% of the allocated funds through a RFP process managed by the Public Health Division for grants to community-based organizations consistent

- with the SSBPPE's goals to reduce the consumption of SSB and to address the effects of SSB consumption for the period, July 1, 2019 to June 30, 2021; and
3. Allocate 20% of the allocated funds to support the Berkeley Public Health Division (BPHD) to coordinate and monitor the grant process, coordinate the overall program evaluation, and produce an annual report that disseminates process and outcome data resulting from the SSBPPE funding program. A comprehensive and sustainable media campaign that coordinates with all regional soda tax efforts will be managed by BPHD with 10% of this portion of the allocation.

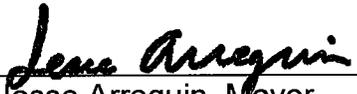
A records signature copy of the said agreement and any amendments to be on file in the Office of the City Clerk.

The foregoing Resolution was adopted by the Berkeley City Council on January 22, 2019 by the following vote:

Ayes: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, and Arreguin.

Noes: None.

Absent: None.



Jesse Arreguin, Mayor

Attest: 

Mark Numainville, City Clerk

