

## **BUDGET DELIBERATIONS**

### **SWEETENED BEVERAGE TAX AND SUPPORTED PROGRAMS**

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## I. INTRODUCTION:

This memo discusses the background of the Sweetened Beverage Tax (SBT) established by the Council earlier this year and the proposed allocation of funds across a range of programs and departments in the Proposed 2018 Budget. It also discusses a number of issues with the programming of SBT revenues and highlights several Councilmembers' proposals for the use of these funds

## II. BACKGROUND:

Beginning January 1, 2018, a new tax on the distribution of sugar-sweetened beverages (Sweetened Beverage Tax or SBT) will be collected. The tax, established under [Ordinance 125324](#), will generally be \$0.0175 per fluid ounce of beverage distributed. Beverages distributed in concentrated form (syrops or powders) will be taxed based on the amount of the "end-product" expected to be made. There is a lower tax rate of \$0.0100 per fluid ounce to be applied to the distribution of sweetened beverages produced by a manufacturer certified by the Director of Finance to have had annual gross receipts (business income) of between \$2M and \$5M. Beverages certified to have been produced by a manufacturer with annual gross receipts of \$2M or less may be deducted from the volume of product to be taxed. In addition, the following are not subject to the tax:

- Beverages in which the primary ingredient is natural milk or the two primary ingredients water and either grains, nuts, legumes, or seeds;
- Medical beverages;
- Liquid sold for weight loss purposes;
- Infant or baby formula;
- Alcoholic beverages;
- 100 percent natural fruit or vegetable juice without added sweeteners;
- A concentrate that a consumer mixes with other ingredients to create a beverage;
- A beverage containing fewer than 40 calories per 12 ounces; and
- Sweetened medication, such as cough syrup.

The SBT is expected to raise approximately \$14,816,000 in 2018. The ordinance dedicates the revenues to specific purposes. First, for the first five years that the tax is collected (2018 - 2022) 20 percent of the net proceeds is dedicated to the following one-time or limited-duration expenditures:

1. One-time costs necessary to enable the Department of Finance and Administration (FAS) to administer the tax, such as computer systems;
2. Up to \$5M in total as a one-time contribution to an endowment for the Seattle Colleges' 13th Year Promise Scholarship program;
3. Up to \$1.5M in total for job retraining and placement programs for workers adversely impacted by the tax; and
4. Funding to construct or enhance classroom facilities for use by the Seattle Preschool Program.

The remainder of the proceeds from the SBT are limited to use in support of and in order of priority, as follows:

1. Expanding access to healthy and affordable food, closing the food security gap, and promoting health food choices through programs such as:
  - a. Community-based investments to expand food access, such as food banks and meal programs;
  - b. Fresh Bucks and Fresh Bucks to Go;
  - c. Implementation of the Seattle Food Action Plan;
  - d. Public health and nutrition programs targeted to assist persons experiencing diabetes and obesity;
  - e. Public awareness campaigns to highlight the impact of sugar-sweetened beverages on health outcomes and increase education about healthy food and beverages; and
  - f. Capital investments to promote healthy choices, such as water bottle filling stations in schools and community centers.
2. Supporting evidence-based programs that improve the social, emotional, educational, and physical and mental health for children, especially those services that seek to reduce the disparities in outcomes for children and families based on race, gender, or other socioeconomic factors and to prepare children for a strong and fair start in kindergarten.
3. Administration of assessing and collecting the tax.
4. Ensuring resources for the Office of Sustainability and the Environment (OSE) and the Sweetened Beverage Tax Community Advisory Board (more about this below).
5. The cost of evaluations by the Office of the City Auditor (OCA) of SBT-funded programs, including health outcomes, and the economic impacts of the tax.

The legislation that created the SBT also established a Sweetened Beverage Tax Community Advisory Board (CAB) to advise and make recommendations to the Mayor and City Council, including funding recommendations across the range of permitted programs. The CAB is directed to publish an annual report summarizing tax collection efforts, programs funded to date, and any completed studies evaluating the tax or program funded by it, as well as stating its recommendations for the allocation of SBT revenues to programs. The legislation is silent on the matter of whether the CAB must issue a report in 2017 and CAB is not yet fully appointed.

The programming of expected SBT revenues in the Proposed 2018 Budget was therefore not developed with the CAB. Instead, the proposed budget appropriates SBT revenues in four portions:

1. \$2,963,885 of one-time funding appropriated (from the 20 percent designated for 5 years) for job retraining, 13<sup>th</sup> Year, and FAS administrative costs associated with the collection of the SBT;
2. \$4,956,320 of ongoing funds appropriated directly to a range of food access programs in OSE,

education and mentoring programs in DEEL and Parks, tax administration in FAS, and evaluation in the Auditor's Office;

3. \$4,120,639 appropriated for HSD food access programs and Department of Education and Early Learning (DEEL) early learning programs, subject to a proviso prohibiting expenditures until the CAB has filed its recommendations; and
4. \$2,775,156 as a reserve in Finance General and available for appropriation at a later date.

The allocation of the \$14,816,000 of total forecast SBT revenues by program area in the 2018 proposed budget is summarized in Table 1.

**Table 1: Programming of Sweetened Beverage Revenues in Proposed 2018 Budget:**

Area of Expenditure	One-Time	Ongoing	Total
Administration (FAS)	\$1,082,000	\$179,711	\$1,261,711
Job Retraining Reserve (Installment)	\$500,000	-	\$500,000
Program Evaluations (Auditor)*	-	\$500,000	\$500,000
<b>Subtotal - Administration</b>	<b>\$1,582,000</b>	<b>\$679,711</b>	<b>\$2,261,711</b>
Early Learning Programs (DEEL; Proviso)	-	\$2,735,000	\$2,735,000
13th Year (installment) (DEEL)	\$1,381,885	-	\$1,381,885
K-12 Programs (DEEL)	-	\$1,004,500	\$1,004,500
Our Best (DEEL)	-	\$189,000	\$189,000
Parent-Child Home Program (DEEL)	-	\$525,000	\$525,000
My Brother's Keeper (Parks)	-	\$153,750	\$153,750
<b>Subtotal - Education Programs</b>	<b>\$1,381,885</b>	<b>\$4,607,250</b>	<b>\$5,989,135</b>
Fresh Bucks, Food Action Plan (OSE)	-	\$2,404,359	\$2,404,359
Food Access (HSD; Proviso)	-	\$1,385,639	\$1,385,639
<b>Subtotal - Food Programs</b>		<b>\$3,789,998</b>	<b>\$3,789,998</b>
TBD - for Community Advisory Board	-	\$2,775,156	\$2,775,156
<b>Subtotal - TBD</b>		<b>\$2,775,156</b>	<b>\$2,775,156</b>
<b>Total</b>	<b>\$2,963,885</b>	<b>\$11,852,115</b>	<b>\$14,816,000</b>

*Note: \$480,000 of this allocation to the Auditor was provided in 2017 via an interfund loan to be repaid from 2018 SBT collections. Further details about programs funded in each department are included in the following section.*

### III. DEPARTMENTAL BUDGET SUMMARIES AND ISSUE IDENTIFICATION:

#### A. DEPARTMENT OF EDUCATION AND EARLY LEARNING (Brian Goodnight)

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In the 2018 Proposed Budget, the Department of Education and Early Learning's (DEEL) budget contains approximately \$5.8M of funding from Sweetened Beverage Tax (SBT) proceeds. Most of the funding is used to continue programs and investments started in 2017 with one-time funding provided by the General Subfund (GSF). The programs proposed to be funded with SBT proceeds are:

1. \$102,500 for Summer Melt – Summer Melt programs are intended to improve post-secondary college enrollment for youth from low-income families. As many as one in five high school graduates who gain college admission fail to enroll the fall after graduation. This program offers college-intending graduates with 2-3 hours of summer support to aid them in completing crucial steps in the enrollment process. The 2017 Adopted Budget contained \$100,000 in GSF to begin the program, but the department encountered difficulties in setting up the program in time for students in the summer of 2017. The funding in the proposed budget would launch the program in 2018 and is expected to serve approximately 500 students.
2. \$189,000 for Our Best Initiative Mentoring Campaign – The 1st Quarter 2017 Supplemental budget ordinance included \$300,000 in GSF to launch a pilot mentoring campaign as a component of the City's Our Best Initiative. The Our Best Initiative focuses on improving the life outcomes for young Black men, working across City departments and with community partners in the areas of education, employment, health, safety, and positive relationships. The goal of the mentoring campaign is to double the number of Black men mentoring young Black men and boys through formal mentoring programs. To accomplish this goal, the department contracted with the Seattle Cares Mentoring Movement (SCMM) to recruit, train, and refer Black male mentors to both City-funded and non-City-funded mentoring agencies.

DEEL expects to spend roughly two-thirds of the supplemental appropriation on the SCMM contract in 2017. To fund the contract in 2018, the department will use the unspent funds from 2017 and has requested \$189,000 in SBT proceeds. In addition, the proposed budget uses \$181,000 from DEEL's operating fund balance to pay for a Strategic Advisor 3 position that oversees the initiative. This employee was previously housed in the Mayor's Office, but will be moving to a newly created position in DEEL in 2018.

3. \$440,750 for Innovation High School – The 2017 Adopted Budget included \$430,000 in GSF to pilot an innovation model at one high school, based on the Families and Education Levy middle school innovation program. Innovation investments focus on a "whole student" approach that addresses academic skills, social emotional development, health, and family engagement. Through a competitive process open to schools that currently receive Levy funds, Cleveland High School was selected. Cleveland is using the 2017 funding during the 2017-2018 school year to implement strategies to reduce disciplinary actions, improve attendance, adopt more rigorous and culturally relevant curricula, and improve college and career planning. The

funding included in the proposed budget would continue these investments through the 2018-2019 school year.

4. \$461,250 for Culturally Specific Summer Learning – This funding would continue a program started in 2017 to provide high-quality, culturally specific summer learning slots in qualifying programs. In 2017, the culturally specific summer learning program Request for Investments received responses that requested funds well in excess of the \$340,000 of funding originally advertised. The \$340,000 of GSF was subsequently augmented with \$110,000 of funding from the Families and Education Levy, for a total program amount of \$450,000. The Levy also provides funding every year for summer learning programs for students that are behind grade level, are not proficient in math and reading, or are English language learners. The culturally specific summer learning slots are available to students regardless of their academic status, and are prioritized for African-American/Black students and other students of color.
5. \$525,000 for Parent-Child Home Program – The Parent-Child Home Program (PCHP) is an evidence-based two-year home visitation literacy program for two- and three-year-old children that is administered by United Way of King County. The City has historically provided funding for PCHP through the Families and Education Levy. In 2016, the City invested approximately \$556,000 to support the participation of 160 children, which funded about 83 percent of the total cost of participation, with the rest coming from United Way.

In 2017, United Way began ramping down its support of PCHP and the City started covering the entire cost for each child enrolled (about \$4,300 per child per year). The 2017 Adopted Budget provided \$500,000 of GSF in addition to the planned Levy contribution of \$574,354, and with those funds the City was able to support 251 children in the program.

The 2018 Proposed Budget maintains the City's support of 251 children with \$588,139 in Levy funding and \$525,000 of SBT proceeds. The SBT proceeds are intended to replace the 2017 GSF contribution and, of this amount, \$25,000 would be used to help fund a regional coordinator position that supports PCHP throughout the entire state. In total, through a funding partnership with King County Best Starts for Kids and United Way, PCHP is expected to serve close to 590 Seattle children in 2018.

6. \$1,381,885 for 13th Year Promise Scholarship Program – The 13th Year Promise Scholarship program provides all graduating seniors from Cleveland, Chief Sealth International, Rainier Beach, and West Seattle high schools with one year of free in-state tuition at South Seattle College. The program also offers students a variety of workshops during their senior year to prepare for college enrollment and to improve math and English skills if necessary. In the 2017 Adopted Budget, Council added \$750,000 in GSF funding to expand the program's reach by funding non-tuition components of the program. The same level of funding (\$750,000 GSF) was included in the 2018 Endorsed Budget, and remains in the 2018 Proposed Budget.

The 2018 Proposed Budget also provides \$1,381,885 of SBT proceeds as part of a multi-year effort to create a \$5M endowment for the program. The department is currently in conversations with Seattle Colleges about this proposed endowment funding and how the funding will be used.

7. \$2,735,000 and 7.0 FTE for Birth–Age 5 Child Care Providers – This proposed SBT funding would be used to provide new and expanded services for child care providers serving children from birth to age five. The proposal is based on recommendations contained in the Seattle Education Action Plan, which was adopted by Council in June 2017, and would primarily fund support services for family child care and birth-to-age-three child care providers, along with associated staffing increases. The department anticipates using the funds for the following activities:

Family Child Care (FCC) Program Support (\$662,000):

- Nurse health support \$218,000
- HighScope curriculum provider training \$200,000
- FCC hub operational support \$160,000
- PCHP program for FCC providers \$72,000
- FCC advisory council \$12,000

Comprehensive Support for Birth-to-Age-3 Child Care Providers (\$873,093):

- Nurse health support \$393,000
- Professional development opportunities \$310,000
- Universal screening materials \$118,260
- Professional development for DEEL staff \$30,000
- Coaching continuum \$21,833

In addition to the activities and costs shown above, DEEL is also proposing to hire seven additional staff to implement, manage, and support this range of programs. The proposed staffing additions are:

- 1.0 FTE Birth–Age 5 Program Manager to manage and support early learning strategies and contracts;
- 3.0 FTE Early Education Specialists, Sr. to provide coaching for birth-to-age-3 providers;
- 1.0 FTE Grants and Contracts Specialist, Sr. to help handle the increased number of contracts stemming from new services;
- 1.0 FTE SBT Fund Manager to oversee DEEL’s SBT program investments; and
- 1.0 FTE Training and Education Coordinator to develop and coordinate training and professional development for birth-to-age-three providers.

The 2018 Proposed Budget restricts the funding for this item with a proviso contained in Section 7 of the transmitted budget ordinance stating that the appropriations may not be spent until the Sweetened Beverage Tax Community Advisory Committee files its written recommendations.

## **B. HUMAN SERVICES DEPARTMENT (Asha Venkataraman)**

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The 2018 Proposed Budget allocates \$1,385,639 of sweetened beverage tax expenditures to the Human Services Department (HSD). The funding is subject to proviso limiting expenditure solely for expanding access to healthy and affordable food, and may not be spent until the Sweetened Beverage Tax Community Advisory Committee (CAB) sends its recommendations to the Mayor and Council. Of the \$1.39M, the proposed budget appropriates funding to four different initiatives. First, \$423,576 is allocated to expansion of the Farm to Table program, a community partnership providing more affordable healthy food to programs serving low income children through stipends and training. \$129,984 covers a new Senior Grants and Contracts Specialist to manage existing and new contracts and increases to full-time a Planning and Development Specialist II to conduct research and align food access programs. \$255,568 will go to contracts, while the remaining \$38,024 will be spent on operating costs and overhead. The funding will extend service from 1,850 children to another 1,050 children.

Second, \$551,359 is allocated to expanding the Fresh Bucks to Go program, which distributes free or low-cost fresh bags of local fruits or vegetables every other week at pre-school programs serving low income families. \$102,933 will fund a new Senior Grants and Contracts Specialist manage existing and new contracts and integrate efforts into existing HSD programs. \$402,409 will go to contracts, while the remaining \$46,017 will fund operating costs and overhead. The funding will extend the current pilot to a year-round program and expand service from 700 to 1,400 participants.

Third, \$216,160 is allocated to expand food bank and meal expansion programs at existing locations and will be included in the 2019 Request for Proposals regarding food and meals. \$200,000 will fund contracts and the remaining \$16,160 will fund overhead costs. The funding will allow food banks and meal programs to expand service from \$126,095 individuals to an additional 1,100 participants.

Lastly, \$194,544 is allocated to the Out-of-School Time Nutrition program, which combines the Summer Food Service Program and the Afterschool Meals program to provide year-round food access to vulnerable children and youth while they are out of school. \$47,522 will cover the addition of a new Human Services coordinator to replace a temporary summer coordinator to do outreach, coordination, and monitoring for the program. \$127,093 will fund contracts, while the remaining \$19,929 will fund operating costs and overhead. The funding will provide 3,600 additional meals during the school year.

## **C. DEPARTMENT OF PARKS AND RECREATION (Traci Ratzliff)**

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\$153,750 is included in the Department of Parks and Recreation's (DPR) 2018 proposed budget to continue funding of My Brother's Keeper Mentoring Program included in DPR's 2017 budget. This program serves African American/Black students currently not meeting standards on the state student assessment test. This program is operated by the DPR at five community learning centers (Aki Kurose, Denny, Mercer, McClure and Washington). The program was funded with GSF in 2017.



**D. OFFICE OF SUSTAINABILITY AND THE ENVIRONMENT (Peter Lindsay)**

**2018 Fresh Bucks Spending**

Fresh Bucks program administered by the Office of Sustainability and the Environment (OSE) aims to provide low-income Seattle residents assistance purchasing healthy fruits and vegetables from Seattle-area farmer’s markets. Seattle residents who qualify for state and federal food assistance (also known as SNAP) are eligible for program benefits that take the form of matching SNAP purchases with up to \$10 worth of fresh fruits and vegetables. About \$2.4M of new incremental additions to OSE’s budget are related to expansion of the Fresh Bucks program and support to the Sweetened Beverage Tax Community Advisory Board provided by funds sourced from the City’s SBT. Table 2 summarizes new City funding related solely to expansion of the Fresh Bucks program.

**Table 2: Total 2018 Fresh Bucks Spending by Category**

<b>Expenditure Categories</b>	<b>2017 Adopted* (A)</b>	<b>2018 Proposed* (B)</b>	<b>Difference (B-A) (C)</b>
Fresh Bucks Benefits – SNAP participants	\$352,000	\$600,000	\$248,000
Fresh Bucks Benefits – non-SNAP participants “food gap”	\$0	\$400,000	\$400,000
Staffing: Program management and grants admin.	\$220,000	\$945,788	\$725,788
Program Support, Outreach and Systems	\$229,000	\$1,064,000	\$840,000
One-time Facility Upgrades	\$0	\$151,000	\$151,000
<b>Totals</b>	<b>\$801,000</b>	<b>\$3,080,778</b>	<b>\$2,279,778</b>
<b>Total FTEs</b>	<b>2</b>	<b>7</b>	<b>5</b>

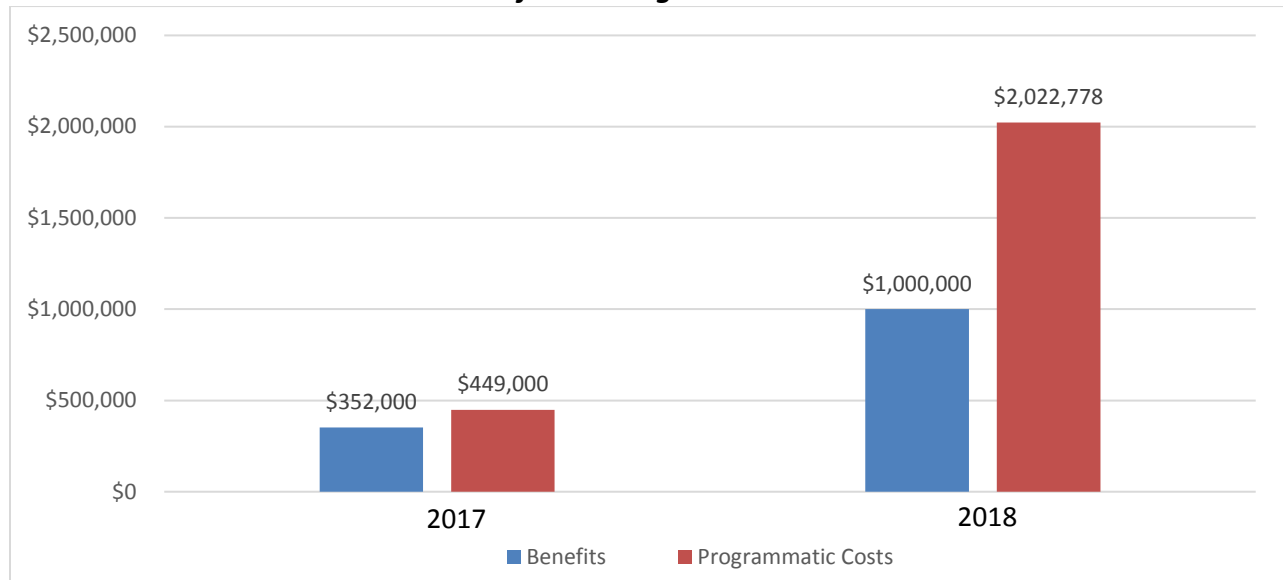
\*These figures include grants, which are not appropriated in the Adopted or Proposed budgets.

OSE’s proposed 2018 Proposed Budget increases total Fresh Bucks program expenditures by 285 percent, adding \$726,000 in new appropriations for five new FTEs and reclassifying two existing positions and \$648,000 in additional Fresh Bucks benefits. New spending will pay for increased benefits and new initiatives to expand Fresh Bucks participation by:

- increasing the number of retail locations where Fresh Bucks are accepted;
- expanding community-based outreach and promotion efforts;
- increasing the number of clinics and patients participating in Fresh Bucks RX—where health care providers provide a “prescription” that may be redeemed for benefits at participating farmer’s markets and retail locations.
- map relevant city, state, and federal benefit and affordability programs in partnership; and
- develop eligibility criteria and techniques to expand Fresh Bucks for people in the food security gap.

One concern may be the rapid expansion of programmatic costs relative to the level of benefits provided to Seattle residents. The chart below compares the value of benefit expenditures and programmatic costs for the 2017 Adopted Budget and 2018 Proposed Budget.

**Chart 1: 2017 & 2018 Fresh Bucks Benefits vs. Programmatic Costs**



Based on data provided by the Executive, the ratio of distributed benefits to total program expenditures was 43 percent in the 2017 Adopted Budget, whereas with the incremental adds included in the 2018 Proposed Budget the ratio of benefits to total expenditures was 33 percent. The 2018 Proposed programmatic costs also include \$250,000 of one-time activities expected to shift to direct benefits in 2019, resulting in a ratio of 41 percent. In 2018, OSE plans to distribute \$600,000 in SNAP-eligible Fresh Buck program benefits through new and existing channels and distribute \$400,000 of SBT funded benefits for SNAP-ineligible residents within the “food security gap.” OSE does not currently manage a healthy food program aimed at SNAP-ineligible residents and the Proposed Budget includes \$150,000 for consultant support to help define a new benefit redemption system and \$170,000 for data management system resources to implement the “food security gap” program. Timing for completion of the consultant work is unknown and may influence OSE’s ability to distribute benefits related to the “food security gap.”

#### **E. DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES (Erik Sund)**

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The SBT will be administered by the City Finance Division within FAS, which oversees collection of the City’s other business taxes and fees, such as the Business License Tax, more commonly known as the Business & Occupation Tax. In addition to \$1,082,000 provided to reimburse FAS for one-time costs for modify and deploy computer system needed for the collection of the tax, the Proposed 2018 budget includes \$179,111 of ongoing funding to maintain a Management Systems Analyst position and related expenses required to administer the tax. Both the systems funding and the employment position were originally authorized in the 2<sup>nd</sup> quarter supplemental budget ordinance ([Ordinance 125383](#)).

**Issue Identification:**

**1. Rapid Program Expansion and Future Funding Risks**

Since inception, OSE has relied upon federal and local grant funding matched by the City’s General Fund or through in-kind contributions from program partners to partially pay for the Fresh Bucks program. The federal Food Insecurity Nutrition Incentive (FINI) grant program supports projects like Fresh Bucks to increase healthy food choices for SNAP participants. Without re-authorization by Congress or a new federal Farm Bill, funding for the FINI grant program is scheduled to end in March 2019. In the context of SBT revenues that may diminish over time and a decrease in federal funding will require that the Fresh Bucks program become more dependent on Sweetened Beverage Tax revenue. Given the scale of the proposed changes to OSE’s appropriations in the context of balancing multiple priorities when passing a budget, Council may want to consider a phased approach—adding some incremental funding to allow for greater definition of new programs, technology purchases and new channels for participation—to program appropriations recognizing that there is substantive work in OSE to determine parameters for Fresh Bucks expansion prior to the distribution of benefits.

**Options** (options are mutually exclusive):

- A. No Change -- Pass the 2018 Proposed Budget as transmitted to Council;
- B. Scale investments related to the “food security gap” program including proposed FTEs and funding for \$400,000 in benefits proposed for distribution in 2018 to the planned completion date of OSE’s program design study and reduce appropriations accordingly; or
- C. Proviso appropriations related to the distribution of “food security gap” benefits until completion of the program design study and a transmittal of a written report describing findings of the study and proposed implementation plan for the SNAP-ineligible portions of the Fresh Bucks program.

**F. OFFICE OF THE CITY AUDITOR (Bob Morgan, Erik Sund)**

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The ordinance establishing the SBT requires the Office of City Auditor (OCA) contract with academic researchers to complete an annual evaluation of the effects of the tax, including:

- 1. Economic outcomes, such as household food expenditures, beverage prices, employment levels, and store revenues;
- 2. Health behaviors, such as consumption habits;
- 3. Intermediate health outcomes;
- 4. Identification and assessment of food deserts in the city; and
- 5. The effectiveness and efficiency of foodbank networks in the city.

The evaluation is to be developed in collaboration with the CAB is to use data collected specifically for its purposes. The ordinance further directs that a minimum of \$500,000 of per year for the first five years beginning with the date of adoption of the ordinance, shall be dedicated to the evaluation.

## **Issue Identification:**

### **1. SBT Evaluation**

The 2<sup>nd</sup> quarter supplemental budget ordinance of 2017 ([Ordinance 125383](#)) included a \$480,000 appropriation for the OCA to cover the expected costs of a contract with Public Health-Seattle & King County (PHSKC) to develop baseline evaluation data against which the effects of the SBT and related programs can be measured. The Proposed Budget for the OCA includes an appropriation of \$20,000 for SBT evaluation work, effectively providing one year of the \$500,000 minimum stated in the SBT ordinance for both the baseline work and the first year (2018) evaluation. Additionally, PHSKC has requested \$596,564 rather than \$500,000 to fund its recommended plan for the first-year evaluation work.

#### **Options (NOT mutually exclusive):**

- A. No Change -- Pass the 2018 Proposed Budget as transmitted to Council. The OCA would have to reduce expenditures in other areas within its \$2,168,043 budget if it were to spend the specified \$500,000 on SBT evaluation efforts in 2018
- B. Increase the 2018 appropriation for the OCA by \$480,000 GSF to provide the meet the annual funding amount of \$500,000 specified in [Ordinance 125383](#) for 2018 evaluation efforts. The OCA would need to reduce expenditures in other areas or work with PHSKC in order to scale back scope and cost of the planned evaluation work.
- C. Increase the 2018 appropriation for the OCA by \$576,564 GSF to provide the full \$596,564 requested by PHSKC to conduct the 2018 evaluation.

## **IV. BUDGET ACTIONS PROPOSED BY COUNCILMEMBERS AS OF 10/09/17:**

### **1. OSE Support for Environmental Justice Committee (CM O'Brien)**

Increase funding in OSE by \$75,000 to support the Environmental Justice Committee's work related to city-wide environmental equity initiatives and prioritizing \$250,000 of baseline funding for strategies that address sustainability throughout Seattle.

### **2. Healthy Foods Here (CM Herbold)**

Explore implementation of the Office of Economic Development's Healthy Foods Here pilot study recommendations developed in collaboration with King County Public Health. Central Staff are exploring two key questions, (a) potential use of Sweetened Beverage Tax revenue for programmatic activities described in the Healthy Foods Here pilot and (b) the scale of appropriate investment for Seattle.

### **3. Ride Share Vouchers for Food Deserts (CM Johnson)**

This proposal calls for a proviso restricting a portion of 2018 SBT revenues for use in a pilot program providing ride share vouchers to residents in low-income housing located in food deserts in order to assist them in reaching grocery stores and farmers' markets. The dollar amount to be restricted by proviso has yet to be determined.

#### **4. Reprogram SBT Funding from Education Programs to Food Access Programs (CM Juarez)**

This proposal would shift funding toward food access programs, which are designated as the highest priority for receipt of ongoing revenues in the SBT ordinance. The proposal indicates an intent to continue the SBT-supported education programs in DEEL for 2019 and beyond using funds from a renewed Families and Education Levy and to fund My Brother's Keeper, which is administered by DPR, using Parks funds. Specific priorities for additional food access program funding under this proposal include food banks whose services are available to all people in Seattle regardless of income or participation in other service programs. A proviso might be approved to set aside HSD funding until the department has provided a plan for the allocation of additional funding.