

Sweetened Beverage Tax Community Advisory Board

<https://www.seattle.gov/sweetened-beverage-tax-community-advisory-board>

Date: March 23, 2020

To: Ben Noble, Director of City Budget Office

From: The Sweetened Beverage Tax Community Advisory Board

Subject: SBT funds and emergency response to the coronavirus crisis

CC: Councilmember Lorena González, Councilmember Lisa Herbold, Councilmember Debora Juarez, Councilmember Andrew J. Lewis, Councilmember Tammy J. Morales, Councilmember Teresa Mosqueda, Councilmember Alex Pedersen, Councilmember Kshama Sawant, Councilmember Dan Strauss

The Sweetened Beverage Tax Community Advisory Council is writing in response to the proposed legislation to reallocate Sweetened Beverage Tax revenue to address emergency food needs and projected economic downturns caused by the coronavirus outbreak. We appreciate the opportunity to comment on this legislation.

First, we support the use of SBT funds to provide emergency grocery vouchers to families facing increased food insecurity due to the current crisis. We appreciate the City's quick development of this program, which is consistent with the legislative intent of the SBT to provide access to affordable food. While we are saddened to see the proposal to pull back funding from the Healthy Food Fund, P-Patch infrastructure, and water bottle filling stations, we also understand this crisis has significant economic impacts that require difficult decisions.

However, we would like additional information about the voucher program and how funding changes were decided. We also have recommendations about how the City should prioritize funds and eligibility when making further decisions in this rapidly evolving time. The CAB requests that CBO and relevant departments respond to these questions and recommendations.

Emergency Grocery Voucher Eligibility

The CAB understands the need to move quickly in order to provide these benefits to people with immediate food needs. We do want to make sure that the voucher program is serving people in an equitable way. We would like to see more data, if available, about households that receive the childcare vouchers. We are looking for information that would indicate whether these vouchers are going to people most impacted by reductions in workforce and income.

As the voucher program is expanded, we ask the City to consider ways to tailor the vouchers to those most impacted by this crisis – including those in sectors experiencing the most significant reductions in workforce. A recent [report from Community Attributes](#) gives initial projections of jobs and industries most impacted in the short-term and longer term; we recommend this and other updated reports guide how the City prioritizes immediate funds and long term planning. We also request that the [CAB's budget principles](#) continue to be considered in addition to priorities specific to this crisis.

Proposed Reallocations of SBT Funds

In addition to providing funding for the emergency grocery vouchers, the proposed legislation pulls back funds from the Healthy Food Fund, P-Patch infrastructure, water bottle filling stations, and summer youth programs. While the CAB is saddened to see these funds pulled back, we appreciate that no existing programs are being cut at this time. When the City moves out of this time of crisis, we will pursue refunding of these community-supported programs.

Below we have included questions to better understand why these reductions were identified as the most appropriate/necessary at this time. We also have recommendations for how to consider prioritization of funds as this crisis continues to evolve.

QUESTIONS

1. **What other sources is the City using to fund emergency response programs/services and plan for an economic downturn?** The SBT-funded programs being pulled back in this proposal are intended for and were recommended by communities most impacted by health and education inequities. The need for relief in our community is real but should not be at the expense of, or cause additional burden to, the most vulnerable. We would like to see that the city is considering using revenue streams and possible funding reductions in other areas as well to reduce harm to the most vulnerable.
2. **How was the projected shortfall in SBT revenue calculated?** In past years, what proportion of SBT revenue has come from restaurant sales versus retail sales?
3. **Why did CBO choose to use only a portion of the reserve fund?**
4. **If the City of Seattle receives relief funds from the federal government, how will allocation of those funds be prioritized? Could a portion go towards re-funding programs CBO is proposing to pull back?**

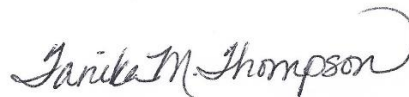
RECOMMENDATIONS

- **Prioritize communities the SBT is intended to serve:** The CAB understands that these uncertain times may require additional reprioritization of funds. The people who are most impacted by this outbreak in many cases are also those disproportionately impacted by health and education inequities. We understand that the City needs to move quickly, but it is still critical to center community voices in your decision-making.
- **Prioritize programs that improve access to food and child health/development:** The ongoing impacts of the coronavirus will continue to make programs that provide food and child health/development support critical. While the way these supports are provided may need to adjust in this time of business closures and social distancing, we ask that you continue to protect and prioritize funding for these services moving forward. Some immediate needs we are aware of are packing and sanitation supplies for food banks and meal programs and activation of programs (such as the summer meals program) that can help students and their families receive food while schools are closed.
- **Continue transparency initiated by creation of the SBT fund:** We understand and are supportive of quickly reallocated funds to support emergency response needs. We ask that the City still honor the spirit with which a [dedicated SBT fund was created](#) by continuing transparency in how SBT revenues are being deployed to address the current crisis. The CAB appreciated the chance to review this legislation and requests that practice continues moving forward. As the City moves out of this crisis, we also will support efforts to reinstate SBT-funded programs that are set aside during this time.

Thank you for considering our comments,



Jen Moss, Co-Chair



Tanika Thompson, Co-Chair

Sweetened Beverage Tax Community Advisory Board

Barbara Baquero | Position 2, Food Access Representative
Rebecca Finkel | Position 3, Food Access Representative
Laura Flores Cantrell | Position 7, Public Health Representative
Adrian Lopez-Romero | Position 10, Early Learning Representative
Dila Perera | Position 11, Early Learning Representative
Paul Sherman | Position 9, Public Health Representative
Christina Wong | Position 6, Public Health Representative