



SEATTLE CITY COUNCIL

Finance and Housing Committee

Agenda

Wednesday, February 1, 2023

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
Alex Pedersen, Member
Sara Nelson, Member
Andrew J. Lewis, Member

Chair Info: 206-684-8808; Teresa.Mosqueda@seattle.gov

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SEATTLE CITY COUNCIL
Finance and Housing Committee
Agenda
February 1, 2023 - 9:30 AM

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<http://www.seattle.gov/council/committees/finance-and-housing>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at

<http://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin two hours before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to Councilmember Mosqueda at Teresa.Mosqueda@seattle.gov

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda**C. Public Comment****D. Items of Business****1. 2023 Capital Improvement Projects Quarterly Monitoring Watchlist**

Supporting
Documents:

[Central Staff Memo
Presentation](#)

Briefing and Discussion

Presenter: Edin Sisic, Council Central Staff

2. Sugary Beverage Tax Update

Supporting
Documents:

[Presentation](#)

Briefing and Discussion

Presenters: Tanika Thompson-Bird, Co-Chair, and Jen Moss, Co-Chair, Sweetened Beverage Tax Community Advisory Board; Bridget Igoe, Office of Sustainability and Environment

E. Adjournment



Legislation Text

File #: Inf 2226, **Version:** 1

2023 Capital Improvement Projects Quarterly Monitoring Watchlist

January 27, 2023

M E M O R A N D U M

To: Finance and Housing Committee
From: Edin Sisic, Analyst
Subject: 2023 Capital Project Watch List

On February 1, 2023, the Finance and Housing Committee will discuss the proposed list of capital projects for which the Executive will provide enhanced quarterly reporting during 2023 (“2023 Watch List”). At the Committee’s following meeting, on February 15, the Committee will consider and possibly vote on a resolution memorializing the 2023 Watch List. This memorandum describes the proposed list of capital projects, provides background information on prior Council action, and summarizes next steps.

Summary

Consistent with [Resolution 31853](#), adopted in November 2018, the Executive submitted a proposed 2023 Watch List on January 13, 2023. The Executive’s proposed 2023 Watch List will be reflected in a forthcoming resolution as a starting place for the Council’s consideration. The Committee can add to or otherwise change the list by amending the resolution. However, given the level of effort it takes to compile the enhanced quarterly reports, the Executive is interested in the list of projects being kept to a manageable size. Table 1 contains the proposed list of projects.

Table 1. Proposed 2023 Watch List

Finance and Administrative Services (FAS) | Information Technology Department (ITD) | Seattle City Light (SCL) | Seattle Department of Transportation (SDOT) | Seattle Parks and Recreation (SPR) | Seattle Public Utilities (SPU)

	Dept	CIP ¹ Project ID	Project Title
1.	FAS	MC-FA-FS31	Fire Station 31 Replacement
2.	FAS	MC-FA-HCMSYS	Human Capital Management System
3.	ITD	MC-IT-C6304	Criminal Justice Information System Projects
4.	SCL	MC-CL-YR8351	Overhead Equipment Replacements
5.	SCL	MC-CL-ZT8307	Alaskan Way Viaduct and Seawall Replacement – Utility Relocations
6.	SDOT	MC-TR-C013	RapidRide J Line
7.	SDOT	MC-TR-C040	Center City Streetcar Connector
8.	SDOT	MC-TR-C051	Madison BRT – RapidRide G Line
9.	SDOT	MC-TR-C054	SPU Drainage Partnership – South Park
10.	SDOT	MC-TR-C072	Alaskan Way Main Corridor
11.	SDOT	MC-TR-C073	Overlook Walk and East-West Connections Project
12.	SDOT	MC-TR-C096	Georgetown to South Park Trail
13.	SDOT	MC-TR-C102	Northlake Retaining Wall

¹ CIP = Capital Improvement Program

	Dept	CIP ¹ Project ID	Project Title
14.	SPR	MC-PR-21005	Smith Cove Park Development
15.	SPR	MC-PR-21007	Parks Central Waterfront Piers Rehabilitation
16.	SPR	MC-PR-41040	Lake City Community Center Redevelopment
17.	SPU	MC-SU-C3614	Ship Canal Water Quality Project
18.	SPU	MC-SU-C3806	South Park Stormwater Program

The starting point for the 2023 CIP Watchlist is the approved 2022 Watch List, adopted by [Resolution 32047](#). The Executive’s proposed list for 2023 would remove three SDOT projects that were included in the list adopted by the Council for 2022: Delridge Way SW – RapidRide H Line (MC-TR-C042), Route 7 Transit-Plus Multimodal Corridor Project (MC-TR-C053), and West Seattle Bridge Immediate Response (MC-TR-C110). All three projects have either been completed or will reach substantial completion before the end of February 2023. The proposal does not include adding any projects in 2023. For all remaining projects on the list, the Executive will, consistent with Resolution 31853, submit an enhanced quarterly report for each project. Additionally, the Executive will provide summary level information about other discrete capital projects and ongoing capital programs.

Background

The Council established expectations for enhanced reporting requirements for Capital Improvement Program (CIP) projects in 2018 through Resolution 31853. The resolution establishes a detailed format for the quarterly reports and a process for determining an annual “Watch List” of projects for which the Executive would provide quarterly reports. Specifically, by January 15 of each year, the Executive is requested to propose a list of projects for inclusion on the annual Watch List. The Council communicated its intent to establish a final annual Watch List by resolution and has done so in each subsequent year.

Next Steps

After Committee discussion of the Executive-proposed 2023 Watch List of February 1, the resolution will be prepared for introduction. Councilmembers interested in proposing amendments to add or remove projects from the 2023 Watchlist should notify Central Staff by February 6.

The Committee will continue discussion of the 2023 Watch List and will possibly vote on the resolution and any proposed amendments at its February 15 meeting.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director



SEATTLE CITY COUNCIL
CENTRAL STAFF

2023 Capital Project Watch List

EDIN SISIC, ANALYST

FINANCE AND HOUSING COMMITTEE

FEBRUARY 1, 2023

Summary

- In 2018 (Res 31853), Council established expectations for enhanced quarterly reporting for a “Watch List” of Capital Improvement Program (CIP) projects
- The process calls for the Executive to propose a list of projects for inclusion on the annual Watch List by January 15
- Council has adopted an annual Watch List via resolution for each subsequent year
- In addition to the enhanced reports for the Watch List projects, the Executive will also provide summary level information about other capital projects and programs

Summary (Cont'd)

- The Executive submitted a proposed 2023 Watch List on January 13
- The proposed 2023 Watch List contains 18 projects
- Proposed changes from the adopted 2022 Watch List include removal of three Seattle Department of Transportation (SDOT) projects:
 - Delridge Way SW – RapidRide H Line (MC-TR-C042)
 - Route 7 Transit-Plus Multimodal Corridor Project (MC-TR-C053)
 - West Seattle Bridge Immediate Response (MC-TR-C110)

Finance & Administrative Services (FAS)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
1.	Fire Station 31 Replacement	MC-FA-FS31	\$54,000.00
2.	Human Capital Management System	MC-FA-HCMSYS	\$60,936.00

Information Technology Department (ITD)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
3.	Criminal Justice Information System Projects	MC-IT-C6304	\$62,868

Seattle City Light (SCL)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
4.	Overhead Equipment Replacements	MC-CL-YR8351	\$551,132*
5.	Alaskan Way Viaduct and Seawall Replacement - Utility Relocations	MC-CL-ZT8307	\$257,180

**Ongoing Program – amount represents actuals through 2022 and the 2023-2028 adopted CIP budget*

Seattle Department of Transportation (SDOT)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
6.	RapidRide J Line	MC-TR-C013	\$130,356
7.	Center City Streetcar Connector	MC-TR-C040	\$237,085
8.	Madison BRT - RapidRide G Line	MC-TR-C051	\$166,921
9.	SPU Drainage Partnership - South Park	MC-TR-C054	\$9,999
10.	Alaskan Way Main Corridor	MC-TR-C072	\$374,355
11.	Overlook Walk and East-West Connections Project	MC-TR-C073	\$199,339
12.	Georgetown to South Park Trail	MC-TR-C096	\$9,100
13.	Northlake Retaining Wall	MC-TR-C102	\$27,500 - \$35,000

Seattle Parks Department (SPR)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
14.	Smith Cove Park Development	MC-PR-21005	\$8,550
15.	Parks Central Waterfront Piers Rehabilitation	MC-PR-21007	\$111,017
16.	Lake City Community Center Redevelopment	MC-PR-41040	\$40,500

Seattle Public Utilities (SPU)

	PROJECT TITLE	CIP PROJECT ID	2023-2028 CIP TOTAL PROJECT COST (000's)
17.	Ship Canal Water Quality Project	MC-SU-C3614	\$570,000
18.	South Park Stormwater Program	MC-SU-C3806	\$134,876

Next Steps

- February 6 – notify Central Staff of any proposed amendments
- February 15 – possible vote on resolution and any proposed amendments

Questions?



Legislation Text

File #: Inf 2227, **Version:** 1

Sugary Beverage Tax Update

Sweetened Beverage Tax Community Advisory Board

Presentation to the Finance & Housing Committee

February 1, 2023

Tanika Thompson-Bird, CAB Co-Chair

Jen Moss, CAB Co-Chair



Photo credit: Farm to Table



Agenda

- Background
- Role of the Sweetened Beverage Tax Community Advisory Board (CAB)
- Program highlights
- Policy considerations and recommendations
- Q & A

(Agenda Footnote)

- Not included in today's presentation – the 5-year Sweetened Beverage Tax Evaluation (authorized by Section 5B of [Ordinance 125324](#)).
- Visit [CAB webpage](#) for details and evaluation reports.
- Look for new reports assessing consumption of sugary beverages 24-months post-tax, coming out soon.

Background



Sweetened Beverage Tax

Supporting healthy food and child health and development



Beginning in 2018, Seattle started taxing sugar-sweetened beverage products distributed within the city ([Ordinance 125324](#)). The Sweetened Beverage Tax (SBT) is not a sales tax charged directly on consumers. Instead, this tax makes distributors pay a tax (of 1.75 cents per ounce) on sugar-sweetened beverage products they distribute within the City of Seattle.

Why did Seattle pass this tax?

The tax was designed to improve the health of Seattle residents by reducing the sales and consumption of sugary drinks. In addition, the tax revenue is primarily used to support healthy food access, child development, and early learning programs. Research has shown that sugary drinks can lead to long-term weight gain, which can increase risk of developing **type 2 diabetes, high blood pressure,** and heart disease. Sugary drinks also lead to cavities. A 20-ounce bottle of soda can pack over 15 teaspoons of added sugar and over 250 calories with poor nutritional value.



- SBT started in 2018
- [Tax is levied on distributors of sugary beverages \(1.75 cents per ounce\)](#)
- Designed to improve the health of Seattle residents by reducing the sales and consumption of sugary drinks
- Raises revenue for programs that increase food security and access to healthy food, and support children's health and early learning ([SMC 5.53.055](#))



[Click here](#) to access our fact sheet in multiple languages

Community Efforts to Design the SBT

In 2017, community coalitions led efforts to ensure SBT revenue would be reinvested to benefit low-income communities and communities of color and close the food security gap.

This is a legacy the CAB continues today.



Role of the Sweetened Beverage Tax Community Advisory Board (CAB)



- Established by [Ordinance 125324](#)
- Advise and make [recommendations](#) to the Mayor and City Council on programs and services supported by the SBT
 - Budget
 - Policy
 - Program implementation
- Serve as a conduit for community priorities

CAB in 2023 ([click here](#) for roster)



Jaimee Marsh
#1: Food Access

FEEST



Barbara Baquero
#2: Food Access

UW School of Public Health



Rebecca Finkel
#3: Food Access

*Puget Sound Education
Service District*



Bilan Aden
#4: Community

*African Community
Housing & Development*



Tanika Thompson-Bird
#5: Community

Got Green



Christina Wong
#6: Public Health

Northwest Harvest



Kristin Sukys
#7: Public Health

*Food is Medicine
Consultant*



Jen Moss
#8: Public Health

WSU SNAP-Ed



Barbara Rockey
#9: Public Health

Treehouse



Munira Mohamed
#10: Early Learning

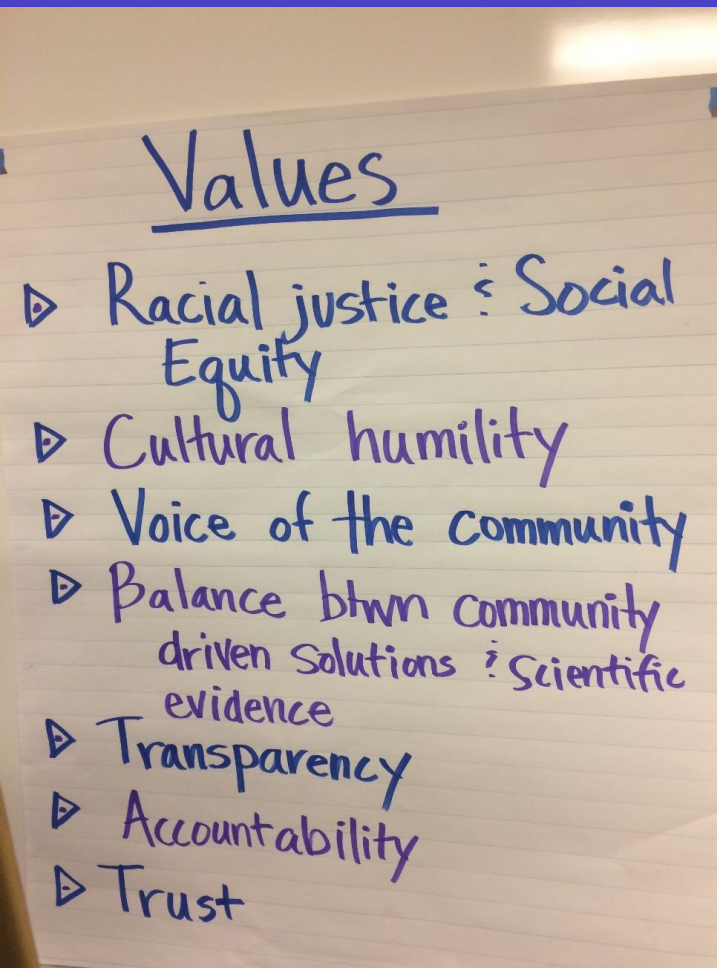
Treehouse



Dan Torres
#11: Early Learning

Bezos Family Foundation

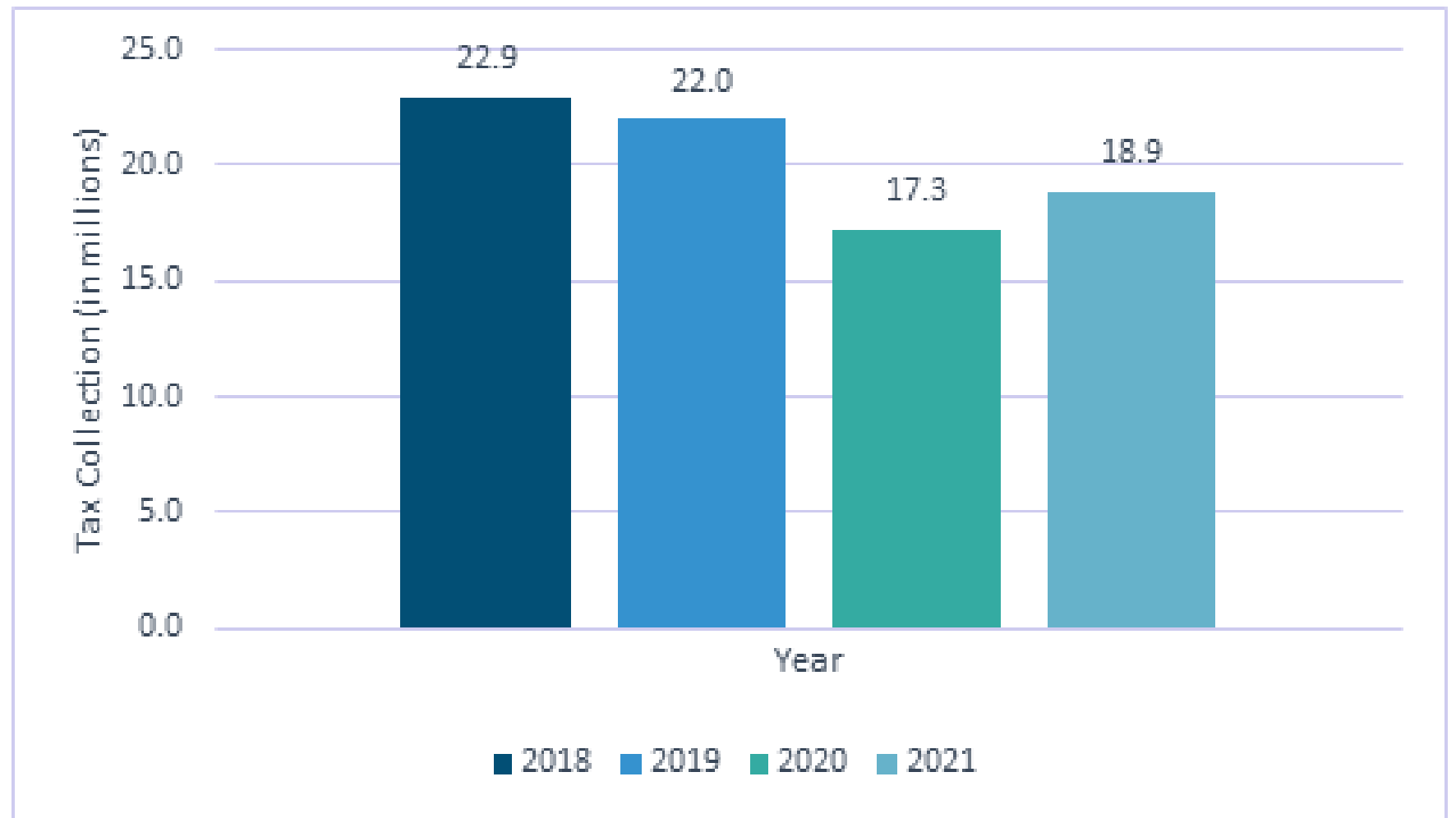
CAB's Process and Approach



- [Monthly meetings](#), open to the public
- Values-driven facilitation and decision making
 - [Vision, Values, Budget Principles](#)
 - [Bylaws](#)
- Informed by community priorities, current context, and program information

Photo credit: CAB. Values posted on flipchart paper during a deliberative meeting.

SBT Collection



[2021 Annual Report](#) (Chapter 2, pp 7-11)

SBT Spending Plan

Expenditures	2022 Proposed* (\$)
Office of City Auditor^	
Office of Sustainability & Environment	5.9 million
Department of Education & Early Learning	7.8 million
Human Services Department	4.9 million
Department of Parks & Recreation	303K
Department of Neighborhoods	2.9 million

*Source: [SBT \(00155\) Financial Plan](#) from the 2022 Proposed Budget.

^Five-year evaluation of SBT (\$500K/year 2017-2021) has wrapped up.

SBT Program Highlights

Photo credits: Public Health – Seattle & King County (upper right), Food Equity Fund (lower right), stock image (lower left).



The Need

Food Security Programs

- Food security is essential to health, wellbeing, and child development.
- 11% of Seattle residents experience food insecurity.
- Due to socioeconomic inequities, rates of food insecurity are significantly higher for BIPOC households, low-income households, and households with children.

Prenatal-to-Three Programs

- Prenatal to age three period of development sets the foundation for all future health and wellbeing.
- Infants and toddlers need loving, stimulating, stable, and secure care environments.
- Social, economic, and environmental disparities and adversity in the early years of a child's life lead to disparities in health and educational outcomes later.

Prenatal-to-Three Programs

SBT Investments (DEEL)	Impact Snapshot*
Prenatal-to-Three Community Grants Program	10 grassroots organizations awarded \$1.5 million in funding
Child Care Assistance Program	733 income-eligible families (85% BIPOC) benefitted from subsidies
Health & Developmental Supports	178 children served with intensive developmental support
Home Visiting/Parent Child+	290 families served with home visiting supports (46 visits per family)
Birth-to-Three Provider Coaching and Training	22 classrooms received high-quality coaching
Family Child Care (FCC) Support	35 FCC providers participated in new home visiting model

*Data is from 2021 and includes only the SBT-funded outcomes. Our 2022 report will be coming out this year.

[2021 Annual Report](#) (Chapter 5, pp 31-39)

Prenatal-to-Three Community Based Organizations

Atlantic Street Center
Boyers Children's Clinic
Bulle Consulting
Children's Home Society of Washington
CISC
Communities of Rooted Brilliance
Congolese Integration Network
East African Community Services
El Centro de la Raza
Empowering Youth and Families Outreach
Encompass
Families of Color Seattle
Horn of Africa Services
InterCultural Children and Family Services
Iraqi Community Center of Washington
Kinderling
InterCultural Children and Family Services

Korean Community Service Center
Neighborhood House
Northwest Center Kids
Rainier Valley Midwives
RHL Consulting
Start Early (formerly known as the Ounce)
Stolte Family Foundation
The Maternal Coalition
United Indians
United Way of King County
Verrenti Consulting
Villa Comunitaria
Voices of Tomorrow
West African Community Council
Wonderland Developmental Center
YWCA of Seattle

Food Security Programs

SBT Investments	Impact Snapshot*
Community grants** (DON)	35 food justice organizations awarded \$1.2 million
Fresh Bucks (OSE)	12,100 enrolled households; \$5.2 million in produce benefits redeemed
Food banks (HSD)	270,000 food banks visits at 18 food bank organizations and 20 locations
Meal programs (HSD)	1,200,000 meals provided in community and elder congregate meal settings
Farm to Preschool (HSD)	36,000 produce bags (43% local, 30% BIPOC farms) distributed in preschools sites
Healthy Food in Schools (OSE)	4,000 students (15 schools) served fruit and veggie snacks, 4x/week, every week
Water filling stations (OSE)	8 new water filling stations installed at low-income schools (20 installations total)
Food Policy (OSE)	Staffing and community engagement to update the Food Action Plan

*Data is from 2021 and includes only the SBT-funded outcomes unless otherwise noted. Our 2022 report will be coming out this year.

** In 2021, SBT funds to support community grant programs were transferred from HSD to DON. In 2021, DON extended the grants of the HSD grantees while it designed and planned for the release of what is now called the Food Equity Fund. Today, the Food Equity Fund is \$2.3 million per year ongoing.

[2021 Annual Report](#) (Chapter 4 , pp 14-30)

Food Security Community Based Partners

Afghan Health Initiative
African Community Housing & Development
American Polynesian Organization
Ammana Warehouse & Grocer
AMpowering (formerly Ravishing Women)
Asian Counseling and Referral Services
Atlantic Street Center
Avole Coffee, LLC
Ballard Food Bank
Black Dollar Days Task Force
Black Farmers Collective
Black Star Farmers
Byrd Barr Place
Casa Latina
Children's Home Society of Washington
CISC (Chinese Information & Services Center)
Coalition of Immigrants, Refugees and
Communities of Color (CIRCC)
Colored Girls Garden Club
COMIDA
Community House Mental Health Agency,
Inc.
Community Lunch on Capitol Hill
Cultivate South Park
Delridge Grocery Cooperative
East African Community Services
El Centro de la Raza
Eritrean Association in Greater Seattle
FamilyWorks

FareStart
Farmstand Local Foods LLC
FEEST
Filipino Community of Seattle
First Tongan Seniors Nutrition
Food is Love Project
Foundation for Sustainable Community
(doing business as Farmer Frog)
Fruteria Sandoval
Got Green
Harameyn Halal Grocer
Harborview Medical Center
Hip Hop is Green
Horn Of Africa Services
HT Oaktree Market
Hunger Intervention Program
Interim Community Development
Association
International Community Health Services
Jewish Family Service of Seattle
Kaiser Permanente
Kandelia
Lake City Collective
Latino Community Fund
Lifelong Chicken Soup Brigade
Lonely Whale
Mary's Place
Mendoza's Mexican Mercado
Mercy Housing

Nakani Native Program
Neighborcare Health Systems
Neighborhood Farmers Market Alliance
Neighborhood House
North Helpline
Northwest Seattle Gambian Association
Nourishian for Life
Nurturing Roots
Odessa Brown Children's Clinic
OSL
Pacific Coast Harvest
Phinney Neighborhood Association
Pike Market Senior Center
Pike Place Market Foundation
Pike Place Market Preservation and
Development Authority
Plant Based Food Share
Public Health Seattle & King County
Puget Sound Labor Agency
Queen Anne Farmers Market
Queer The Land
Rainier Beach Action Coalition
Rainier Valley Food Bank
Recovery Cafe
Restore and Repair Missionary Outreach
ROOTS Young Adult Shelter
S'well
Safeway Corporation
Seattle Chinatown International District PDA

Seattle Farmers Market Association
Seattle Indian Center
Seattle Indian Health Board
Seattle Public Schools
Society of St. Vincent de Paul
Solid Ground
Somali Family Safety Task Force
Somali Health Board
Sound Generations
South Park Senior Citizens
Temple Lifestyle
The Food Bank at St. Mary's
Tilth Alliance
United Indians of All Tribes Foundation
University District Service League
Villa Comunitaria
West African Community Council
West Seattle Food Bank
White Center Food Bank

[2021 Annual Report](#)



Photo credits: stock image (left); field trip with HSD Senior Meals program (middle); Farm-to-Preschools (right).

Policy Considerations

Key Points

- Food security and prenatal-to-three programs/services are essential to a healthy, thriving and equitable Seattle.
- There are identified needs and opportunities in these programs/services, e.g.:
 - Increase offerings of culturally relevant foods and services in hunger relief programs
 - Invest in culturally and linguistically relevant outreach for the Developmental Bridge program
 - Expand the Food Equity Fund (which saw *\$10.5 million* in funding requests with \$3.8 million available in 2022; in 2023, only \$2.3 million is available)
 - Increase Fresh Bucks customer service supports and enroll waitlisted households
 - Invest in actions identified in the Food Action Plan Update to foster an equitable food system
- Structural constraints with SBT limit the SBT Fund from meeting current and future needs.

SBT Revenue Forecasts

Summary of Selected General Government Revenues

Revenue Source	2022			2023			2024			Total
	2022 - Revised per Proposed Budget	2022 - November Forecast	Diff: November vs. Proposed	2023 - Proposed Budget	2023 - November Forecast	Diff: Nov. vs. Proposed	2024 - Proposed Budget	2024 - November Forecast	Diff: Nov. vs. Proposed	3-Year Total Difference
General Government Revenues										
Payroll Tax	\$279,640	\$279,640	\$0	\$294,120	\$294,120	\$0	\$311,470	\$311,470	\$0	\$0
Admission Tax	\$20,350	\$20,350	\$0	\$21,430	\$21,430	\$0	\$22,150	\$22,150	\$0	\$0
Sweetened Beverage Tax	\$21,770	\$20,700	(\$1,070)	\$21,980	\$20,390	(\$1,590)	\$22,530	\$20,700	(\$1,830)	(\$4,490)
Short-Term Rental Tax	\$9,050	\$9,630	\$580	\$9,310	\$9,430	\$120	\$9,950	\$10,080	\$130	\$830
REET	\$106,600	\$95,260	(\$11,340)	\$94,760	\$68,060	(\$26,700)	\$94,660	\$68,640	(\$26,020)	(\$64,060)
Transportation-Specific Revenues										
Trans. Ben. Dist. - Sales & Use Tax	\$51,030	\$51,620	\$590	\$52,910	\$52,250	(\$660)	\$54,350	\$53,360	(\$990)	(\$1,060)
Trans. Ben. Dist. - Vehicle License Fee	\$15,480	\$15,480	\$0	\$15,690	\$15,690	\$0	\$15,910	\$15,910	\$0	\$0
Commercial Parking Tax	\$37,870	\$37,560	(\$310)	\$46,110	\$45,030	(\$1,080)	\$49,130	\$47,050	(\$2,080)	(\$3,470)
SSTPI - Parking Infraction Penalties	\$12,720	\$12,720	\$0	\$14,840	\$14,840	\$0	\$14,060	\$14,060	\$0	\$0



2023 Budget Process and Beyond

- SBT Fund faced a budget gap in 2022 and 2023.
- Cuts to critical prenatal-to-three and food security programs were on the table.
 - We worked with departments to identify strategic reductions that would not impact direct services for residents in need. **But this means the current SBT spending plan is as bare bones as possible.**
- **FG-903-A-001-2023** in the Select Budget Committee's Initial Balancing Package transferred \$1.2 million JumpStart Fund in 2023 and 2024 (one-time) to SBT Fund to keep programs whole through 2024.
- **If we face 2025 with the current forecast and the SBT Fund's planning reserve is \$0 and the \$1.2 million JumpStart allocations ends, there will be a shortfall.**

Structural Issues with SBT

- **SBT does not adjust for inflation.** Meanwhile, inflation and food prices continue to be historically high—a serious issue for food insecure households *and* food security programs.
 - In 2022, food prices increased by 9.9 percent. Food-at-home prices (groceries) increased by 11.4 percent, while food-away-from-home prices increased by 7.7 percent ([USDA Food Price Outlook 2023](#)).
- **SBT could be a declining revenue source (by design).**
 - While studies measuring the impact of SBT on consumption are showing mixed results, one study using Nielsen grocery store scanner data suggested there was a 22 percent immediate, sustained reduction in taxed beverage volume sold up to 2-years post-tax (reviewed in [Powell LM et al. 2022](#)).
- **SBT tax rate cannot be changed due** to an industry-backed initiative ([WA I-1624](#)) that prohibits local governments from enacting sugary beverage taxes *and* prohibits any existing taxes, fees, or assessments from being increased after January 15, 2018.

Recommendations

1. Identify alternative revenue resources to plug anticipated 2025 SBT shortfall. Further cuts to food security and prenatal-to-three services should not be an option.
2. City's new Revenue Stabilization Work Group needs to consider structural issues with SBT.
3. Food security and prenatal-to-three programs/services need diverse and progressive revenue streams to meet urgent need in communities.

City of Seattle Forms Revenue Stabilization Work Group

by [Jamie Housen](#) on October 11, 2022



Balanced team of experienced, policy-minded civic leaders will develop and recommend innovative long-term solutions to halt increasing General Fund revenue gap and address regressive tax system

Seattle – Today, Mayor Bruce Harrell and Councilmember Teresa Mosqueda (Pos. 8 – Citywide) announced the formation of the City's Revenue Stabilization Work Group. The group includes a diverse array of local leaders and policy experts, who will analyze issues and recommend solutions at the intersection of the City's increasing General Fund budget revenue gap and reliance on declining and regressive tax sources.

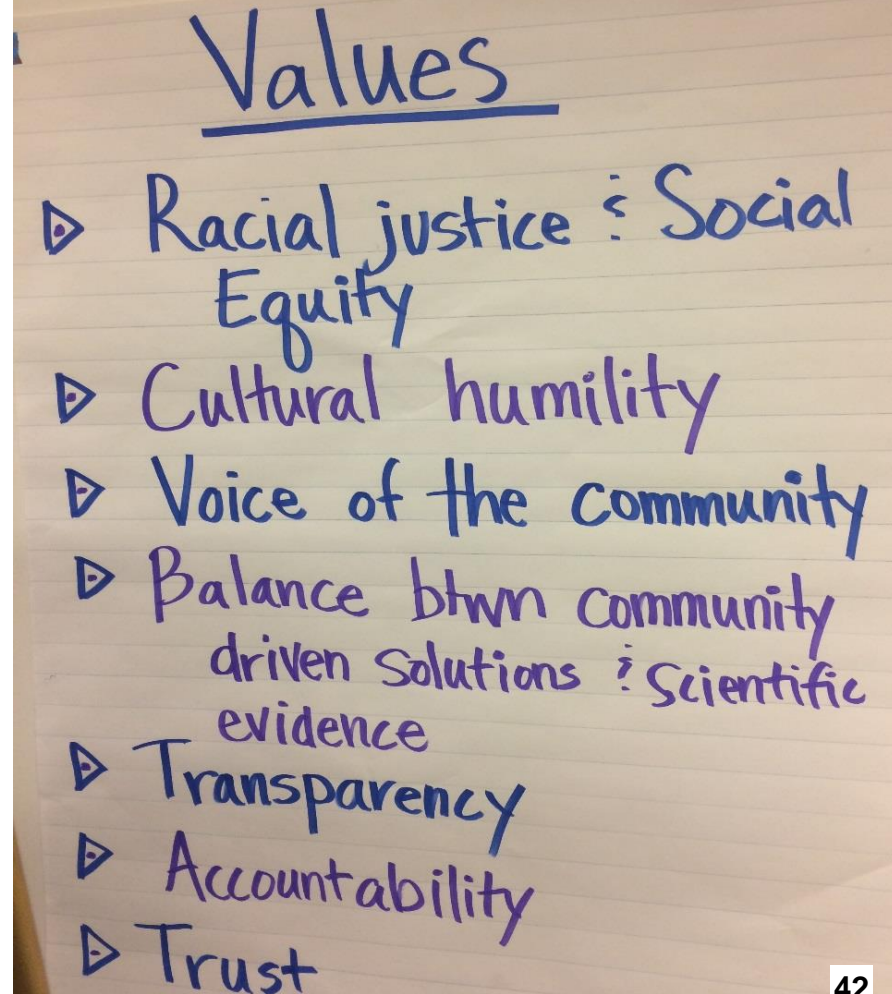
CAB 2023 Workplan

Photo credits: OSE Health Food in Schools (upper right); stock image (lower right); Farm-to-Preschools (lower left).



CAB 2023 Priorities

- Consider how to commemorate the 5th year of SBT
- Review and update CAB values, budget principles, bylaws
- Develop new framework to guide CAB budget recommendations when there is SBT budget volatility
- Continue advising SBT-funded departments on program implementation
- Transmit annual budget recommendations to Mayor and City Council
- Produce 2022 SBT Annual Report



Values

- ▷ Racial justice : Social Equity
- ▷ Cultural humility
- ▷ Voice of the community
- ▷ Balance btwn community driven solutions : Scientific evidence
- ▷ Transparency
- ▷ Accountability
- ▷ Trust



Sweetened Beverage Tax Community Advisory Board

Photo credits: OSE Fresh Bucks (upper); stock image (lower right).

Thank you!

