



Sugar-Sweetened Beverage  
Produce Panel of Experts (SSBPPE)

ACTION CALENDAR  
January 19, 2016

To: Honorable Mayor and Members of the City Council

From: Sugar Sweetened Beverage Product Panel of Experts Commission

Submitted by: Jennifer Browne, Chairperson, SSBPPE Commission

Subject: Allocation of Funds for Grant Program to Reduce the Consumption of Sugar Sweetened Beverages (SSBs) in Berkeley and to Address the Effects of SSB Consumption

RECOMMENDATIONS

1. Adopt a Resolution allocating \$2,000,000 from the general fund in FY 2016-2017 that shall be invested in a grant program administered and coordinated by the Berkeley Public Health Division consistent with the SSBPPE's goals to reduce the consumption of sugar sweetened beverages (SSBs) in Berkeley and to address the effects of SSB consumption. This will be a one-time investment specified as follows:
  - a. Direct the City Manager to authorize up to 42.5% of the allocated funds to be distributed to the Berkeley Unified School District through a Request for Proposal (RFP) process for grants to schools that support infrastructure, programming, and education activities to reduce consumption of SSBs and to address the effects of SSB consumption for the period, July 1, 2016 to June 30, 2017. The BUSD funding process is separate from the RFP process for the general community-based organization funding process and shall be guided by the SSBPPE Prevention Strategies and Outcomes Criteria for BUSD Funding (Attachment 1).
  - b. Direct the City Manager to authorize at least 42.5% 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 SSBs and to address the effects of SSB consumption for the period, July 1, 2016 to June 30, 2017. The community-based organization funding RFP process is separate from the BUSD funding process and shall be guided by the SSBPPE Prevention Strategies and Outcomes Criteria (Attachment 2).
2. Direct the City Manager to authorize 15% of the allocated funds to support the Berkeley Public Health Division 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.

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### FISCAL IMPACTS OF RECOMMENDATION

Measure D, passed in November of 2014, created two provisions, namely: a) a 1 cent per ounce tax on sugary drinks distributed in Berkeley and b) creation of a Panel of Experts Commission. The collection of this tax commenced in March of 2014 and is being deposited into the City's general fund. The SSBPPE Panel of Experts Commission's recommendation to Council for allocation of \$2 million is independent of the amount of tax collected from the distribution of SSBs in Berkeley. This request will create a liability of \$2 million for the Berkeley general fund in FY 2016-2017.

### CURRENT SITUATION AND ITS EFFECTS (Ordinance: SUGAR-SWEETENED, 2014)

Our nation, our state, and our community face a major public health crisis. Diabetes, obesity, and tooth decay have been on the rise for decades. Although no group has escaped these epidemics, children as well as low income communities and communities of color have been and continue to be disproportionately affected. While there is no single cause for the rise in diabetes, obesity, and tooth decay, there is overwhelming evidence of the link between the consumption of sugary drinks and the incidence of diabetes, obesity, and tooth decay.

Sugary drinks such as soft drinks, energy drinks, sweetened teas, and sport drinks offer little or no nutritional value, but massive quantities of added sugar. A single 20-ounce bottle of soda, for instance, typically contains the equivalent of approximately 16 teaspoons of sugar. Before the 1950s, the standard soft-drink bottle was 6.5 ounces. In the 1950s, larger size containers were introduced, including the 12-ounce can, which became widely available in 1960. By the early 1990s, 20-ounce plastic bottles had become the norm. At the same time, hundreds of millions of dollars have been spent in an ongoing massive marketing campaign, which particularly targets children and people of color. In 2006 alone, nearly \$600 million was spent in advertising to children under 18. African American and Latino children are also aggressively targeted with advertisements to promote sugar laden drinks.

The resulting impact on consumption should not be surprising. The average American now drinks nearly 50 gallons of sugary drinks a year. Childhood obesity has more than doubled in children and tripled in adolescents in the past 30 years; in 2010, more than one-third of children and adolescents were overweight or obese. The problem is especially acute with children in California. From 1989 to 2008, the percentage of children consuming sugary drinks increased from 79% to 91% and the percentage of total calories obtained from sugary drinks increased by 60% in children ages 6 to 11. This level of consumption has had tragic impacts on community health. Type 2 Diabetes –previously only seen among adults –is now increasing among children. If the current obesity trends are not reversed, it is predicted that one in three children and nearly one-half of Latino and African American children born in the year 2000 will develop type 2 diabetes in their lifetimes.

Our community has not been immune to the challenge of unhealthy weight gain and obesity. In 2008-09, over 40% of Berkeley 9th graders were overweight or obese. These

overweight and obese children have a much greater chance of being obese as adults, with all the health risks that entails. An Asian resident of Berkeley is almost 3 times more likely than a white resident to have been diagnosed with diabetes, and an African American resident of Berkeley is 14 times more likely than a white resident to be hospitalized for diabetes.

Tooth decay, while not as life threatening as diabetes or obesity, still has a meaningful impact, especially on children. In fact, tooth decay is the most common childhood disease, experienced by over 70% of California's 3rd graders. Children who frequently or excessively consume beverages high in sugar are at increased risk for dental cavities. Dental problems are a major cause of missed school days and poor school performance as well as pain, infection, and tooth loss in California.

There are also economic costs. In 2006, for instance, overweight and obesity-related costs in California were estimated at almost \$21 billion.

**BACKGROUND**

In November of 2014, the Berkeley voters passed Measure D, which requires 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 investments to both reduce the consumption of sugary drinks as well as to address the health consequences of the consumption of sugary drinks.

Per the SSBPPE's charge, the SSBPPE Commission, on 12/14/15, approved this recommendation to the Public Health Division for \$2,000,000 from the Berkeley City Council for allocation of to be made available to invest in grants program, marketing and branding materials and to launch an education and communication campaign to reduce the consumption of sugary drinks as well as to address the health consequences of the consumption of sugary drinks. The SSBPPE Commission motioned as follows:

**Moved to adopt and forward the Recommendations to Council from SSBPPE (for \$2,000,000).**

- M/S/C:** Commissioners Fenstermacher and Browne
- Ayes:** Commissioners Browne, Crawford, Fenstermacher, Morales, Namkung, Rose, Sinai, and Scheider
- Noes:** None
- Abstain:** None
- Recused:** None
- Absent from vote:** None
- Excused:** Commissioner Moore

**Motion passed.**

### ENVIRONMENTAL SUSTAINABILITY

When sugary drink consumption decreases due to the direct investments in programs and activities, the SSBPPE expects that there will be a reduction to the City's waste stream.

### RATIONALE FOR RECOMMENDATION

The SSBPPE Commission estimates that \$2 million invested in strategies that reduce access to SSBs, improve access to water, limit marketing of SSBs to children, implement education and awareness campaigns with specific populations will increase the City of Berkeley's action for reducing the consumption of SSBs and improve the health of Berkeley residents, particularly those most impacted by obesity, diabetes, tooth decay, and heart diseases. The Commission further estimates that the \$2 million investment will increase the capacity of community-based organizations and schools to develop multi-level interventions that include education, institutional change, policy, system and/or environmental change with measureable outcome data and evaluation to show the rise in public awareness about the harmful impacts of SSBs, reduce consumption of SSBs over time and reduce the risks among residents of Berkeley.

To have the greatest impact, the SSBPPE Commission recommends that the following populations be prioritized:

- a) Children and their families with a particular emphasis on young children who are in the process of forming lifelong habits.
- b) Individuals with limited resources.
- c) Groups exhibiting higher than average population levels of diabetes, obesity, and tooth decay rates.
- d) Groups that are disproportionately targeted by the beverage industry marketing.

### ALTERNATIVE ACTIONS CONSIDERED

- a) City of Berkeley Public Health Division allocate 100% of the recommended allocation. The Commission determined that the Public Health Division will require at least 15% of the allotted funds for administrative support to implement the grants program and coordinate the evaluation of funded programs.
- b) Select a grant making foundation to administer and monitor the grant process. The Commission determined that they need to be hands-on and review the proposals from community agencies and schools in order to make educated recommendations for funding to the Council.
- c) The SSBPPE administer and monitor the grant process. The Commission determined that it is not structured to administer and monitor the grant process.

### CITY MANAGER

See companion report.

### CONTACT PERSON

Jennifer Browne, Chair, SSBPPE Commission, (510) 725-9360

ATTACHMENTS

1. SSBPPE Prevention Strategies and Outcomes Criteria
2. SSBPPE Prevention Strategies and Outcomes Criteria for BUSD Funding
3. Resolution



## SSBPPE Prevention Strategies and Outcomes Criteria for Berkeley Unified School District (BUSD) Funding

Sugar-Sweetened Beverage  
Product Panel of Experts - (SSBPPE)

The SSBPPE Commission adopts the following recommendations to City Council for a grant proposal process for BUSD. This recommendation is separate from the SSBPPE Community Grants Request for Proposal (RFP) process. Only BUSD is eligible for this funding. A district proposal must conform to the criteria below and must be adopted by the school board.

### **Definition:**

BUSD Schools are defined as any BUSD school or program from early childhood education through high school including out-of-school care programs and family engagement.

### **The BUSD Subcommittee recommends:**

1. **Up to 42.5% of the City Council's funding to reduce the consumption of Sugar-Sweetened Beverages (SSBs) is allocated for program implementation at BUSD. The SSBPPE will consider and recommend full or partial funding depending on the proposed outcomes. This will be a one year grant for the 2016-2017 school year.**
  - a. **Priority areas:**
    - i. Reducing access to SSBs,
    - ii. Improving access to water,
    - iii. Implementing education and awareness programs to reduce SSB consumption at BUSD,
    - iv. Developing multi-level interventions that include education and awareness, institutional change, policy change, systems change, and/or environmental change.
  - b. **Priority Populations:**
    - i. Children and their families; pre-school through high school,
    - ii. Children living in households with limited resources,
    - iii. Groups exhibiting higher than average population levels of diabetes, obesity, and tooth decay,
    - iv. Groups that are disproportionately targeted by the beverage industry marketing.

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**c. The highest priority outcomes that should be tracked and measured for beneficiaries of funded programs include:**

- i. Increases in knowledge and awareness of the health risks (oral health, diabetes, and obesity) of consuming sugary drinks. Changes in attitudes reflecting a preference for water or other non-sugary drinks among BUSD students and staff.
- ii. Decreased consumption of sugary drinks among BUSD students and staff.
- iii. Increased family engagement to raise awareness about the health impacts of sugary drink consumption. Changes in family attitudes reflecting a preference for water.

**d. Only Berkeley Unified School District can apply for this funding.**

**2. The Grant Process:** City staff will provide opportunities for technical assistance during the grant application process.

**a. Proposal Requirements:**

- i. Proposals must reflect approval from the BUSD School Board.
- ii. BUSD will not sell or serve sugar-sweetened beverages (as defined by the SSB tax) at any BUSD schools or campuses.
- iii. Awarded funding will not supplant BUSD 2015-2016 General Fund allocations.
- iv. Funded projects will publicly reflect support from City of Berkeley Program.
- v. Funded project will include methods for evaluating its process and outcomes based on SMART Objectives.
- vi. The proposal timeline and budget are feasible.

**b. Criteria for proposal (not all have to be met, but are encouraged):**

- i. The proposal decreases consumption of sugary drinks and/or address the health effects (dental decay, diabetes, obesity) of the consumption of sugary drinks.
- ii. The proposal addresses priority populations.
- iii. The proposal addresses identified needs in BUSD.
- iv. The proposal is innovative.
- v. The proposal is collaborative.
- vi. The proposal builds capacity and/or are there elements that are sustainable beyond the grant period.
- vii. The proposal leverages other resources in BUSD.

**3. The BUSD contract will be administrated by the City of Berkeley Public Health Division according to established guidelines.**

**4. Recommend to Council that the grant application process will occur on a timeline that allows the funding allocation to be part of the FY2016-2017 BUSD budget.**

- i. RFP issued February 2016
- ii. Proposals due March 2016
- iii. Review by SSBPPE and staff April 2016
- iv. Recommendations finalized April 2016
- v. Council reports (SSBPPE and staff companion report) with funding recommendations May 2016
- vi. Budget approval June 2016
- vii. Work commences July 2016, with contracts finalized in the first/second quarter of FY2016-2017.





## SSBPPE Prevention Strategies and Outcomes Criteria

Sugar-Sweetened Beverage  
Product Panel of Experts - (SSBPPE)

**Recommended actions to reduce Sugar-Sweetened Beverage (SSB) consumption and decrease health disparities.**

- 1. It is recommended that \$2,000,000 be invested in grants for programs to reduce the consumption of SSBs in Berkeley and to address the effects of SSB consumption. This will be a one-time investment, with funded initiatives to commence 7/1/16 and conclude 6/30/2017.**
  - a. The types of interventions that should be prioritized include actions to:**
    - i. Reduce access to SSBs.
    - ii. Improve access to water.
    - iii. Limit marketing of SSBs to children.
    - iv. Implement education and awareness campaigns with specific populations, including measurable outcome data.
    - v. Develop multi-level interventions that include education, institutional change, policy, system and/or environment change.
  - b. Priority Populations:**
    - i. Children and their families with a particular emphasis on young children who are in the process of forming lifelong habits.
    - ii. Individuals with limited resources.
    - iii. Groups exhibiting higher than average population levels of diabetes, obesity, and tooth decay rates.
    - iv. Groups that are disproportionately targeted by the beverage industry marketing.
  - c. The highest priority outcomes that should be tracked and measured for beneficiaries of funded programs include:**
    - i. Increases in knowledge of the health risks of consuming sugary drinks  
Changes in attitudes reflecting a preference for water or other non-sugary drinks
    - ii. Decreased consumption of sugary drinks
  - d. Organizations that are prioritized to apply for funding include:**
    - i. Berkeley-based organizations and service providers serving the population of Berkeley.
    - ii. Non-profit (501(c)(3) or groups with a Berkeley-based fiscal agent.

- iii. Schools as defined by the SSBPPE Schools Subcommittee. Berkeley Unified School District (BUSD) programs will only be able to access BUSD specified funding.

## 2. The Grant Process:

- i. Every effort should be made to simplify the SSB grant process.
- ii. City staff should make available opportunities for technical assistance for first time applicants.

### a. Requirement for receiving a grant:

- i. Funded organizations must have in place or agree to adopt prior to being funded an organizational policy prohibiting serving SSBs at organization-sponsored events or meetings.
- ii. Awarded funding will not supplant any existing funding.
- iii. Funded projects will publicly reflect support from City of Berkeley Program.
- iv. Does the project include methods for evaluating its process and outcomes based on SMART Objectives?

### b. Criteria for ranking proposals (encouraged):

- i. Does it decrease consumption of sugary drinks and/or address the health effects of the consumption of sugary drinks?
- ii. Does it reach priority populations?
- iii. Does it meet an unmet need in Berkeley?
- iv. Does it have a reasonable timeline; is it feasible?
- v. Is it innovative?
- vi. Does it include partnerships? Is it collaborative?
- vii. Does the budget match the work plan?
- viii. Does it build capacity and/or are there elements that are sustainable beyond the grant period?
- ix. Does the proposal leverage other work going on in Berkeley?

3. **Recommend that Council further direct the City manager and staff to execute and manage the contracts that result from the RFP process.** Council's funding decisions will be based on the recommendations made by the SSBPPE and City staff, after review and ranking of proposals. The Commission may want to recommend a reporting schedule for grantees (e.g. quarterly).

#### o NOTE: Staff will:

- i. Draft and finalize contracts with each funded entity
- ii. Manage the invoicing and payment process
- iii. Implement performance, outcomes, and evaluation measures consistent with priorities outlined above, and monitor each contract in accordance with those measures
- iv. Report back to Council and the Commission

4. **Recommend to Council that the RFP process should occur on a timeline that allows the funding allocation to be part of the FY2016-2017 budget process.** This will allow funded entities to commence work at the start of FY2016-2017 (July 1, 2016).

- i. RFP issued February 2016
- ii. Proposals due March 2016
- iii. Review by SSBPPE and staff April 2016
- iv. Recommendations finalized April 2016
- v. Council reports (SSBPPE and staff companion report) with funding recommendations May 2016
- vi. Budget approval June 2016
- vii. Work commences July 2016, with contracts finalized in the first/second quarter of FY2016-2017.

RESOLUTION NO. ##,###-N.S.

ALLOCATION: \$2,000,000 FOR GRANT PROGRAM

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

WHEREAS, the City Council is committed to decreasing the consumption of SSBs and mitigate the harmful impacts of SSBs on the population of Berkeley; and

WHEREAS, many studies demonstrate that high intake of SSBs is associated with risk of Type 2 diabetes, obesity, hypertension 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 9<sup>th</sup> 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 3<sup>rd</sup> 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 \$2,000,000 from the general fund in FY 2016-2017 to be invested as follows:

1. Allocate up to 42.5% of the allocated funds to be distributed to the Berkeley Unified School District through a Request for Proposal (RFP) process for grants to schools that support infrastructure, programming, and education activities to reduce consumption of SSBs and to address the effects of SSB consumption for the period, July 1, 2016 to June 30, 2017. and
2. Allocate at least 42.5% 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 SSBs and to address the effects of SSB consumption for the period, July 1, 2016 to June 30, 2017; and
3. Allocate 15% of the allocated funds to support the Berkeley Public Health Division 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 record signature copy of the said contract to be on file in the office of the City of Berkeley.