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2019 MAY 16 PM 6:16

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: Sugar-Sweetened Beverage
Community Advisory Board
Recommendations

DATE: May 16, 2019

City Administrator Approval

Date:

5/16/19

RECOMMENDATION

Staff Recommends That The City Council Receive A Supplemental Report on the Sugar-Sweetened Beverage Advisory Board's Recommendations for Fiscal Year (FY) 2018-2019 and FY 2019-2021.

REASON FOR SUPPLEMENTAL REPORT

The Sugar-Sweetened Beverage Advisory Board approved recommendations for Measure HH funding allocations for FY 2018-2019 and FY 2019-2021 on May 13, 2019. **Attachment A** "Sugar-Sweetened Beverage Community Advisory Board Funding Recommendations" is submitted as a supplemental to Item 6, titled "Measure HH Budget Allocation Funding FY 2018-19" for the Life Enrichment Committee Agenda on May 28, 2019.

Item: _____
Life Enrichment Committee
May 28, 2019

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive A Supplemental Report on the Sugar-Sweetened Beverage Advisory Board's Recommendations for Fiscal Year (FY) 2018-2019 and FY 2019-2021.

For questions regarding this report, please contact Sara Bedford, Human Services Director at (510) 238-6794.

Respectfully submitted,



ACTING ON BEHALF OF SARA BEDFORD

SARA BEDFORD

Director, Human Services Department

Attachments: (1)

A: Sugar Sweetened Beverage Community Advisory Board Funding Recommendations

**Sugar-Sweetened Beverages Community Advisory Board
Funding Recommendations**

FY 2018-2019 RECOMMENDATIONS	
<p>City</p> <ul style="list-style-type: none"> - Parks and Rec - Workforce Development - Oakland Public Libraries - Human Services Department (Food, Seniors, Homeless, Headstart) 	20%
<p>OUSD</p>	20%
<p>Grant Program</p> <p>We recommend the Human Services Department continue to administer the grants program but partner with the SSB Board and other community partners to ensure capacity building TA to enable access for prospective applicants.</p> <p>Recommended funding areas include the existing program areas of:</p> <ul style="list-style-type: none"> - Prevention through Education and Promotion - Healthy Neighborhoods and Places - Health Care Prevention and Mitigation - Policy and Advocacy <p>And will now include:</p> <ul style="list-style-type: none"> - Healthy Food Business Technical Assistance <ul style="list-style-type: none"> o Obtain floor/shelving layout assessments to increase healthy food/beverage (not dietary supplements) inventory. o Layout to implement a floor plan to highlight healthy alternatives at the front of the store and other prominent positioning and/or shelving plan for increasing healthy food inventory. o Marketing support to highlight the alternatives to sugary sweetened beverages that they offer. o Business bootcamp, capital strategy, and other third party services that increase capacity for a business to provide affordable healthy food and beverages to USDA designated low access neighborhoods. <p>The SSB Board also recommends that \$1.5 million of the FY18-19 40% Grant Program allocation be made available to fund the remaining eligible proposals from the Year 1 Community Grants RFP for Reducing Consumption of Sugar Sweetened Beverages.</p>	40%
<p>Special Initiatives</p> <p>We recommend that half of the Special Initiative Fund allocation go towards discretionary/rapid response funding, with the other half towards capital and community investments.</p> <ul style="list-style-type: none"> - Investment Strategies <p>Launch an RFP process to identify a Community Development Financial Institution (CDFI) to administer a "soda alternative" fund that would enable allocated Measure HH funds as risk capital to small businesses providing affordable culturally appropriate healthy food alternatives to communities impacted by SSBs. The following ideas are also based on the greatest needs and hard to come by capital for community driven interventions, such as:</p> <ul style="list-style-type: none"> o Mezzanine capital: Mezzanine capital is a form of financing that is part debt and part equity. It incorporates equity-based options, such as warrants, with a lower-priority debt to provide flexible long term capital for use in buy-outs or growth financings. Frequently unsecured, it usually bears interest at a higher rate than secured loans and often gives the lender a stake in the equity of a project. Mezzanine debt is often used to finance acquisitions, buyouts and accelerated growth. o Runway capital: Capital used to finance overhead before generating positive cash flow from operations of a project. 	10%

**Sugar-Sweetened Beverages Community Advisory Board
Funding Recommendations**

<ul style="list-style-type: none"> ○ Microlending capital: Microloans are short-term loans with relatively low interest rates. Generally these loans are offered to small or developing businesses/projects with modest capital requirements and little-to-no revenue history. <p>*NOTE: An RFP for the CDFIs that would want to administer this fund would need to include the CDFIs experience with small business lending, their expertise in healthy food, their plan to additionally capitalize the program in the case of diminishing Measure HH funds, their proposed borrower requirements, their loan application requirements, the staffing of the fund administration.</p> <ul style="list-style-type: none"> - Capital Improvements This would involve a set aside for one-time capital improvements that are aligned with and in service to addressing the impacts of SSBs as defined below that would be in alignment with the SSB funding criteria. Capital improvements versus infrastructure repairs are definitions below. - Rapid Response Discretionary Funds Projects and initiatives in this area would need to meet the following criteria: <ul style="list-style-type: none"> ○ Be urgent and immediate ○ Have demonstrably far reaching capacity ○ Target high risk communities ○ Be equitable ○ Project ready 	
<p>Project Delivery + Evaluation</p> <ul style="list-style-type: none"> - Board administrative staffing - Communications - Community planning + engagement - Evaluation 	<p>10%</p>

Sugar-Sweetened Beverages Community Advisory Board Funding Recommendations

FY 2019-2020 & FY 2020-2021 RECOMMENDATIONS	
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<p>OUSD</p> <p>Grant Program</p> <p>We recommend the Human Services Department continue to administer the grants program but partner with the SSB Board and other community partners to ensure capacity building TA to enable access for prospective applicants.</p> <p>Recommended funding areas include the existing program areas of:</p> <ul style="list-style-type: none"> - Prevention through Education and Promotion - Healthy Neighborhoods and Places - Health Care Prevention and Mitigation - Policy and Advocacy <p>And will now include:</p> <ul style="list-style-type: none"> - Healthy Food Business Technical Assistance <ul style="list-style-type: none"> o Obtain floor/shelving layout assessments to increase healthy food/beverage (not dietary supplements) inventory. o Layout to implement a floor plan to highlight healthy alternatives at the front of the store and other prominent positioning and/or shelving plan for increasing healthy food inventory. o Marketing support to highlight the alternatives to sugary sweetened beverages that they offer. o Business bootcamp, capital strategy, and other third party services that increase capacity for a business to provide affordable healthy food and beverages to USDA designated low access neighborhoods. 	20%
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**Sugar-Sweetened Beverages Community Advisory Board
Funding Recommendations**

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<p>Project Delivery + Evaluation</p> <ul style="list-style-type: none"> - Board administrative staffing - Communications - Community planning + engagement - Evaluation 	<p>10%</p>

DEFINITIONS

Capital Improvements

- Improvements that "put" property in a better operating condition
- Restores the property to a "like new" condition
- Addition of new or replacement components or material sub-components to property
- Addition of upgrades or modifications to property
- Enhances the value of the property in the nature of a betterment
- Extends the useful life of the property
- Improves the efficiency of the property
- Improves the quality of the property
- Increases the strength of the property
- Increases the capacity of the property
- Ameliorates a material condition or defect
- Adapts the property to a new use
- Plan of Rehabilitation Doctrine

Infrastructure Repair

- Improvements that "keep" property in efficient operating condition
- Restores the property to its previous condition
- Protects the underlying property through routine maintenance
- Incidental Repair to property

Sugar-Sweetened Beverages Community Advisory Board Funding Recommendations

CRITERIA

The Oakland SSB Board recommends that any Measure HH funding deployed for city departments and OUSD be aligned with the intention of diet related disease prevention and mitigation in neighborhoods and populations most impacted by sugary sweetened beverages. The SSB board is able to provide criteria to this effect upon request.

Examples of this include:

Oakland Parks and Recreation Youth Development

Criteria for OPRYD can be seen in the 2018 Oakland Parks and Recreation Foundation report where a scoring system is provided. Given this scoring system, it is our recommendation that any allocated Measure HH funds focus on parks with D and F scores located within economically disadvantaged or gentrifying neighborhoods.

Oakland Unified School District

Criteria for OUSD funding should target:

- Schools with at least fifty percent of students who are on free and reduced lunch
- Food for programming should come from local sources and tracked
- Target all ages from elementary to high school

Oakland Public Library

Criteria for Oakland Public Library funding should target:

- Support work involving adopting healthy organizational policies or procedures
- Support Summer or after-school programming that promotes healthy eating and active living
- Support reading programs that promote healthy eating and active living
- Support incentive programs that encourage participation