

# Sugary Drinks Distributor Tax Advisory Committee

## Budget Recommendations and Descriptions, FY 26-27 and FY 27-28



The Sugary Drinks Distributor Tax Advisory Committee (SDDTAC) would like to preface these recommendations with gratitude for the strong support from San Francisco partners and residents. When the Commission Streamlining Task Force initially proposed eliminating the committee, the community responded with nearly 40 letters of support and waited many hours to provide public comment—leading the Task Force to reverse its decision and unanimously vote to remove the sunset provision. The SDDTAC takes its role seriously as the voice of San Francisco voters and is honored to represent their will in making these recommendations.

The SDDTAC's FY 26-27 and FY 27-28 budget recommendations focus on Whole Health, Whole Community—a comprehensive, equity-centered approach to chronic disease **prevention and management of type 2 diabetes, heart disease, and tooth decay**. These recommendations prioritize evidence-based, culturally responsive, and scalable interventions that address both the prevention and management of type 2 diabetes and heart disease, advance oral health, promote water consumption and healthy food access.

According to the [2024 San Francisco Community Health Assessment](#), five of the top 10 leading causes of death in San Francisco are preventable, nutrition-sensitive chronic diseases. This includes cardiovascular diseases and diabetes—conditions that disproportionately impact Black, Indigenous, and People of Color (BIPOC) and low-income communities.

Aligned with the San Francisco Department of Public Health's (SFPDPH) commitment to Getting to Zero on long-term health disparities, the proposed investments support integrated strategies through a **direct service community-based grants program** that:

- **Expands access to preventive care and chronic disease management services** through integrated community-based screenings and strong referral pathways to culturally competent services.
- **Promotes healthy eating and active living** by investing in partnerships that increase access to affordable, nutritious foods and by connecting residents to **moderate to vigorous physical activity programs** that are accessible, culturally relevant, and community-led.
- **Supports culturally tailored health education and outreach** led by **community health workers (CHWs)** who provide trusted, linguistically appropriate health education, chronic disease prevention messaging, and **navigation to services and resources**.
- **Strengthens community capacity** by funding organizations that center community voice and leadership, and that are equipped to deliver **sustainable, equity-driven health promotion initiatives** rooted in the lived experiences of priority populations.
- **Increases access to safe, appealing drinking water** through hydration station installations, reusable water bottles for all incoming SFUSD students, and education campaigns that promote water as the beverage of choice.

In addition to the community-based grants program, SDDTAC recommends funding to support:

- **School-based oral health programs** that provide screenings and **dental sealant applications**;
- **Culturally relevant oral health care education and linkage to services** in high-need neighborhoods (Chinatown, Mission, District 10);
- **Healthy school meals and school partnerships** that improve nutrition environments and support lifelong healthy eating habits;
- **Food access initiatives**, such as **Market Match** and **healthy food purchasing supplements**, that increase affordability and access to fresh, nutritious foods for low-income residents.

- **Healthy food access and nutrition education** for children 0-5, school-aged, and transitional-aged youth.

## Accelerated Timeline and Strategic Approach

After meeting with DPH leadership in September 2025 and anticipating another challenging budget year, the SDDTAC recognized that its traditional timeline—finalizing recommendations by March 1—would be too late, as City budgets were already being drafted.

The SDDTAC accelerated their process by three months and developed a new approach: the North Star (approved on November 19, 2025), which upholds SDDTAC values and the will of voters by allocating all funds as originally intended, and the Bridge Plan (approved on December 17, 2025), which accounts for the City's budget deficit while striving to protect community priorities.

### North Star (Two-Year Plan)

- Represents the committee's ideal, values-driven approach: data-driven, evidence-based, and community-centered.
- Fully aligns with the intent of the tax and the will of San Francisco voters.
- Excludes allocations to the Human Services Agency (HSA) to maintain focus on health equity and chronic disease prevention.

### Bridge Plan (One-Year Plan)

- Developed to navigate fiscal uncertainty while maintaining alignment with the tax's intent and SDDTAC values.
- Assumes reallocation of \$7M of the \$7.5M allocated to HSA in FY 25-26.
- Provides a strategic redistribution of remaining funds across priority areas to minimize disruption to community programs.
- Serves as a proactive strategy to safeguard community priorities during a period of financial uncertainty.

The following tables outline the proposed North Star and Bridge Plan allocations and program descriptions designed to advance our shared goals of a healthier San Francisco for all.

## SDDTAC Budget Recommendations, FY 26-27 and FY 27-28

Total projected SDDT revenue for FY 26-27 and FY 27-28: \$11,372,000.

### Type 2 Diabetes and Heart Disease Prevention & Management

<i>Mutually Reinforcing Strategies</i>	<i>North Star FY 26-27</i>	<i>North Star FY 27-28</i>	<i>Bridge Plan FY 26 - 27</i>
<b>Direct Service Community-Based Grants</b> for community health worker-led education and navigation, linkages/referrals, screenings, and partnerships with healthy food hubs.	\$4,726,605	\$4,726,605	\$320,000
<b>Early Childhood Education/Nutrition</b> (0-5 years old)	\$250,000	\$250,000	\$200,000
<b>Healthy School Meals</b> and nutrition education	\$1,400,000	\$1,400,000	\$1,000,000
<b>Student-led action</b> for healthy food and water consumption	\$350,000	\$350,000	\$200,000
<b>Healthy Food Access</b> for Peace Parks Transitional Aged Youth	\$300,000	\$300,000	\$100,000
<b>Healthy Food</b> Purchasing Supplements	\$2,000,000	\$2,000,000	\$691,605
<b>Healthy School</b> Grants	\$300,000	\$300,000	\$300,000
HSA Citywide Food Access Programs	\$0	\$0	\$7,000,000
<b>Healthy Retail</b>	\$0	\$0	\$0
<b>Total type 2 diabetes and heart disease prevention &amp; management</b>	<b>\$9,326,605</b>	<b>\$9,326,605</b>	<b>\$9,811,605</b>

### Oral Health & Water for Community Wellbeing

<i>Mutually Reinforcing Strategies</i>	<i>North Star FY 26-27</i>	<i>North Star FY 27-28</i>	<i>Bridge Plan FY 26-27</i>
<b>School-based oral health screenings and sealant applications</b>	\$415,000	\$415,000	\$415,000
Culturally relevant oral health care education and linkage to services in <b>Chinatown, Mission, and D10</b> .	\$720,000	\$720,000	\$415,000
<b>Water access</b> in school and community settings for promotion, education, and water bottles.	\$300,000	\$300,000	\$120,000
<b>Total Oral Health &amp; Water for Community Wellbeing</b>	<b>\$1,435,000</b>	<b>\$1,435,000</b>	<b>\$950,000</b>

### Staffing and Total

	<i>North Star FY 26-27</i>	<i>North Star FY 27-28</i>	<i>Bridge Plan FY 26-27</i>
<b>Total SDDT Staffing</b>	<b>\$610,395</b>	<b>\$610,395</b>	<b>\$610,395</b>
<b>Total</b>	<b>\$11,372,000</b>	<b>\$11,372,000</b>	<b>\$11,372,000</b>

## SDDTAC Budget Descriptions and Recommendations by Category: North Star Plan (Two-Year)

The tables below outline the SDDTAC's funding recommendations by category, along with corresponding budget descriptions. The Controller's Office has forecasted SDDT revenue of **\$11,372,000** for both FY 26-27 and FY 27-28. The "Percentage" column shows the share of the total projected revenue allocated to each category.

### Type 2 Diabetes & Heart Disease Prevention and Management

#### *Direct service community-based grants*

Expands access to preventive care and chronic disease management services through integrated community-based screenings (e.g., blood pressure, blood glucose, and oral health), strong referral pathways to culturally competent services, promoting healthy eating active living, access to safe and appealing drinking water, and strengthening community access and capacity to address the prevention and management of type 2 diabetes and heart disease.

#### *Early childhood nutrition/education (0-5)*

Supports child care educators in implementing research-based best practices in nutrition and physical activity for children from birth to age 5 through the Healthy Apple Program.

#### *Healthy school meals and nutrition education*

Healthy school meals and school partnerships to improve nutrition environments, increase nutrition education, and support lifelong healthy eating habits.

#### *Student-led action for healthy food and water consumption*

Supports student-led initiatives to promote healthy food and water consumption among peers and funds SFUSD staff to coordinate SDDT-funded wellness efforts across SFUSD.

#### *Healthy food access for Peace Parks (transitional-aged youth)*

Healthy meals and snacks for the Recreation and Parks Department Peace Parks program that provides transitional-aged youth opportunities to engage in healthy recreational activities, building community wellness, and preventing violence in District 10 neighborhoods.

#### *Healthy food purchasing supplements*

Increases affordability and access to fresh, nutritious foods for low-income residents.

#### *Healthy School Grants*

Supports CBO and school partnerships that engage students through moderate/vigorous physical activity and encourage life-long healthy eating/active living habits.

#### *HSA Citywide Food Access Programs*

Equitable food access and distribution to priority populations through the citywide food access program

#### *Healthy Retail*

Supports small businesses to increase healthy food access in high-risk, impacted communities and neighborhoods by supporting business operations, promoting community engagement, and improving the retail environment. While Healthy Retail has been recommended and funded in the past, the SDDTAC chose to prioritize other programs and initiatives that provide scalable intervention, and this decision was supported by the Office of Economic and Workforce Development.

Type 2 Diabetes & Heart Disease Prevention and Management	FY 26-27	%	FY 27-28	%	Dept Rx
Direct Service Community-Based Grants	\$4,726,605	41.6%	\$4,726,605	41.6%	DPH/CHEP
Early Childhood Nutrition/Education	\$250,000	2.20%	\$250,000	2.20%	DPH
Healthy School Meals and Nutrition Education	\$1,400,000	12.31%	\$1,400,000	12.31%	DCYF
Student-led action for healthy food and water consumption	\$350,000	3.08%	\$350,000	3.08%	DCYF
Healthy Food Access for Peace Parks Transitional Aged Youth	\$300,000	2.64%	\$300,000	2.64%	RPD
Healthy Food Purchasing Supplements	\$2,000,000	17.9%	\$2,000,000	17.9%	DPH/CHEP
Healthy School Grants	\$300,000	2.64%	\$300,000	2.64%	DPH
Healthy Retail	\$0	0%	\$0	0%	OEWD
<b>Total Type 2 Diabetes &amp; Heart Disease Prevention and Management</b>	<b>\$9,326,605</b>	<b>82.01%</b>	<b>\$9,326,605</b>	<b>82.01%</b>	

## Oral Health & Water for Community Wellbeing

### *School-based oral health screenings and sealant applications*

Provision of school-based oral health screenings and dental sealant applications and funds DPH staff to implement and coordinate oral health care for school-based youth.

### *Oral health care coordination and services*

Culturally relevant oral health care education and linkage to services in high-need neighborhoods (Chinatown, Mission, and District 10).

### *Water access in school and community settings for promotion, education, and water bottles.*

Increases access to safe, appealing drinking water through hydration station installations, reusable water bottles for all incoming SFUSD students, and education campaigns that promote water as the beverage of choice.

Oral Health & Water for Community Wellbeing	FY 26-27	%	FY 27-28	%	Dept Rx
School-based oral health screenings and sealant applications	\$415,000	3.65%	\$415,000	3.65%	DPH
Oral health care coordination and services	\$720,000	6.33%	\$720,000	6.33%	DPH
Water access in school and community settings	\$300,000	2.64%	\$300,000	2.64%	DPH
<b>Total Oral Health &amp; Water for Community Wellbeing</b>	<b>\$1,435,000</b>	<b>12.62%</b>	<b>\$1,435,000</b>	<b>12.62%</b>	

## Sugary Drinks Distributor Tax (SDDT) Staffing

SDDT supports three positions: (1) a program manager to provide backbone support for the SDDTAC, including staffing meetings in compliance with Sunshine/Brown Acts, coordinating city agencies and CBOs, guiding strategy, managing reports, and overseeing media and nominations; (2) staff to manage community-based grants by overseeing contractors, leading the CBO RFP process, providing technical

assistance, and supporting evaluation efforts; and (3) an epidemiologist to conduct research and evaluation, including data analysis for annual reports, managing data purchases, and implementing the SDDT evaluation plan.

SDDT Staffing	FY 26-27	%	FY 27-28	%	Dept Rx
SDDT staffing	\$610,395	5.37%	\$610,395	5.37%	DPH
<b>Total SDDT Staffing</b>	<b>\$610,395</b>	<b>5.37%</b>	<b>\$610,395</b>	<b>5.37%</b>	

## SDDTAC Budget Descriptions and Recommendations by Category: Bridge Plan (One-Year)

The tables below outline the SDDTAC's one-year bridge plan funding recommendations by category, along with corresponding budget descriptions. The Controller's Office has forecasted SDDT revenue of **\$11,372,000** for both FY 26-27 and FY 27-28. The "Percentage" column shows the share of the total projected revenue allocated to each category.

### Type 2 Diabetes & Heart Disease Prevention and Management

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#### *Early childhood nutrition/education (0-5)*

Supports child care educators in implementing research-based best practices in nutrition and physical activity for children from birth to age 5 through the Healthy Apple Program.

#### *Healthy school meals and nutrition education*

Healthy school meals and school partnerships to improve nutrition environments, increase nutrition education, and support lifelong healthy eating habits.

#### *Student-led action for healthy food and water consumption*

Supports student-led initiatives to promote healthy food and water consumption among peers and funds SFUSD staff to coordinate SDDT-funded wellness efforts across SFUSD.

#### *Healthy food access for Peace Parks (transitional-aged youth)*

Healthy meals and snacks for the Recreation and Parks Department Peace Parks program that provides transitional-aged youth opportunities to engage in healthy recreational activities, building community wellness, and preventing violence in District 10 neighborhoods.

#### *Healthy food purchasing supplements*

Increases affordability and access to fresh, nutritious foods for low-income residents.

#### *Healthy School Grants*

Supports CBO and school partnerships that engage students through moderate/vigorous physical activity and encourage life-long healthy eating/active living habits.

### *Healthy Retail*

Supports small businesses to increase healthy food access in high-risk, impacted communities and neighborhoods by supporting business operations, promoting community engagement, and improving the retail environment. While Healthy Retail has been recommended and funded in the past, the SDDTAC chose to prioritize other programs and initiatives that provide scalable intervention, and this decision was supported by the Office of Economic and Workforce Development.

Type 2 Diabetes & Heart Disease Prevention and Management	Bridge Plan FY 26-27	%	Dept Rx
Direct Service Community-Based Grants	\$320,000	2.81%	DPH/CHEP
Early Childhood Nutrition/Education	\$200,000	1.76%	DPH
Healthy School Meals and Nutrition Education	\$1,000,000	8.79%	DCYF
Student-led Action for Healthy Food and Water Consumption	\$200,000	1.76%	DCYF
Healthy Food Access for Peace Parks Transitional Aged Youth	\$100,000	0.88%	RPD
Healthy Food Purchasing Supplements	\$691,605	6.08%	DPH/CHEP
Healthy School Grants	\$300,000	2.64%	DPH
Healthy Retail	\$0	0%	OEWD
<b>Total Type 2 Diabetes &amp; Heart Disease Prevention and Management</b>	<b>\$2,811,605</b>	<b>24.72%</b>	

## Human Services Agency

### *Citywide Food Access Programs*

\$7Mil to provide equitable food access and distribution to priority populations through the citywide food access program

Equitable Food Access and Distribution	Bridge Plan FY 26-27	%	Dept Rx
HSA citywide food access programs	\$7,000,000	61.55%	HSA
<b>Total Equitable Food Access and Distribution</b>	<b>\$7,000,000</b>	<b>61.55%</b>	

## Oral Health & Water for Community Wellbeing

### *School-based oral health screenings and sealant applications*

Provision of school-based oral health screenings and dental sealant applications and funds DPH staff to implement and coordinate oral health care for school-based youth.

### *Oral health care coordination and services*

Culturally relevant oral health care education and linkage to services in high-need neighborhoods (Chinatown, Mission, and District 10).

### *Water access in school and community settings for promotion, education, and water bottles.*

Increases access to safe, appealing drinking water through hydration station installations, reusable water

bottles for all incoming SFUSD students, and education campaigns that promote water as the beverage of choice.

<b>Oral Health &amp; Water for Community Wellbeing</b>	<b>Bridge Plan FY 26-27</b>	<b>%</b>	<b>Dept Rx</b>
School-based oral health screenings and sealant applications	\$415,000	3.65%	DPH
Oral health care coordination and services	\$415,000	3.65%	DPH
Water access in school and community settings	\$120,000	1.06%	DPH
<b>Total Oral Health &amp; Water for Community Wellbeing</b>	<b>\$950,000</b>	<b>8.35%</b>	

## Sugary Drinks Distributor Tax (SDDT) Staffing

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<b>SDDT Staffing</b>	<b>Bridge Plan FY 26-27</b>	<b>%</b>	<b>Dept Rx</b>
SDDT staffing	\$610,395	5.37%	DPH
<b>Total SDDT Staffing</b>	<b>\$610,395</b>	<b>5.37%</b>	