

Sugary Drinks Distributor Tax Advisory Committee

DRAFT MINUTES

June 17, 2026

5:00pm

Join Online Via Zoom

<https://us02web.zoom.us/j/83987569782>

Meeting ID: 839 8756 9782

Join Via Phone: +1 (669) 444-9171

Order of Business:

1. Call to Order / Roll Call – Meeting called to order at: 5:02pm
SDDTAC Members Present: Jamey Schmidt, Linda Kuo, Chester Williams, Alesandra Lozano, John Maa, Michelle Kim, Priscilla Rodriguez, Shoon Mon, Abby Cabrera, Gabriela Castellanos, Tiffany Kenison, Saeeda Hafiz
SDDTAC Members Absent: Linda Barnard, Prasanthi Patel, Laura Urban, Jennifer Lebarre

Public: Jacklyn Wong, Cathleen Xing, Clara Obstfeld, Santiago Silva, Peggy Moriarty, John English, Rebecca Flores
2. Land Acknowledgement
3. Approval of Minutes for Previous (May) Meeting [Action]
Michelle motions to approve May meeting minutes. Saeeda seconds. Alesandra abstains. 10 votes, minutes are approved.
4. Review and Consideration of Regular Agenda [Action]
Jamey motions to approve agenda. Chester seconds. 11 votes, motion passes. Agenda is approved.
5. General Public Comment – no public comment
6. SDDT FY 26-27 Budget Recommendations and Allocations [Discussion and Possible Action]

Chair provided context to the SDDT budget allocations that were received from the Mayor's Office, prior to the presentation from Santiago Silva from the Mayor's budget office. She presented comparison chart for SDDT FY 26-27 SDDTAC bridge plan vs. Mayor's proposed allocations.
7. Mayor's Proposed SDDT Budget FY 26-27, Santiago Silva, Mayor's Budget Office [Discussion and Possible Action]

Santiago Silva from Mayor's budget office presented on the SDDT FY 26-27 budget allocations. He provided a budget overview, noting that the city closes a significant two-year general fund deficit. The SDDT allocation of \$11.6Mil in FY 26-27, \$11.8Mil in FY 27-28. There continues to be unknown and uncertainty at the State and Federal level – most notably HR1's cuts to Medi-Cal and CalFresh. SDDT revenue is important in preserving food-access for those who are/will be experiencing Medi-Cal and CalFresh benefits. The city is responding to the federal cuts with a \$34M reserve to commit to HSA staffing to process MediCal renewals which are now due every 6 months and new work requirement screening. SDDT food access funding is concentrated in HSA city wide food access programs (\$7.45Mil).

Santiago shared that SDDTAC chairs met with Mayor's office staff to provide explanation to SDDTAC recommendations. The mayor's office did their best to adhere to the SDDTAC bridge plan recommendations. He presented the SDDT budget breakdown with current FY 25-26, FY 26-27 and FY 27-28 allocations. The allocation did not include the \$320K community-based grants as it was carry forward funds from FY 25-26.

Member asked why the oral health task forces again was not funded. The funds for the sealant staff do not increase the participation of children. Parental consent rates have decreased by 20% for Spanish speaking participants. There is talk about HR1, the dental benefits are changing, not just MediCal, removing dental benefits and will increase visits go to emergency care and overwhelm the medical system. It is very shortsighted for not including oral health service. Santiago responds that if HSA was reduced to \$7Mil and to fund other programs in the Bridge Plan, there would be difficult trade offs. He acknowledges the lack of funding to oral health and understands the consequences of how the bridge plan programs were recommended. Unfortunately, the decision to not fund oral health services and linkages in order to keep the city-wide food access to be whole.

Member shared that in respect to dental care and preventing chronic disease, we are battling big industries to prevent chronic health in our future. As the Mayor's office works on budget issues and we see that food insecurity, dental pain ends up in emergency rooms, the committee is trying to reduce this pervasive and perpetuating problem of ultra processed food and specifically sugar sweetened beverages. I want to make the plea that what is being done by the SDDTAC is preventing the long-term costs to healthcare, which is a challenge. Santiago appreciates the work of the SDDTAC.

Member asks for accountability when funds are tabulated and there is an increase, since this is an income driven tax, committee should be able to see increase, as the committee has been good stewards of the soda tax funds. In the bridge plan the committee allocated \$7Mil, the city still takes half a million more and why is it being increased for HSA? Is there a line-item cost due to the HR1, what is that offsetting? Communities are asking SDDTAC, why isn't the soda tax funding going to the community as the tax was voted on. SDDTAC wants to be accountable to the communities when making their recommendations. Santiago responds that soda tax revenue is decreasing, however it isn't budgeted to the dollar and always budget over and is just the expenditure that is shared. Anything not funded beyond the soda tax is from the general fund. Additionally, Santiago responds to the HSA question, the details of CFAT programs, will share that information to staff to share with the SDDTAC. He will follow up with the Controller's office on how the office relays projected amount to recommend amounts annually. Member asks to uplift more details from HSA on where soda tax is going.

Member recommends that there be a system in place that allows the SDDTAC to think about how to support the HSA work is doing. To receive more communication from HSA and mayor's office to support future SDDTAC budget recommendations, as transparency is important.

Member asked what data is useful to the Mayor's office when making budget decisions. Santiago responds that he is open to meeting bi-annually, the bridge plan was incredibly helpful made it relatively easy, but it will never be straight forward, it mostly because they are facing tough trade offs and consequences.

Chair shared that in the future, the SDDTAC would like to be clearer as they put forward their recommendations that they want to see the recommendations adopted in full and having conversations on where the Mayor's Office sees how it can be allocated and having continuous conversation. The soda tax continues to bring in revenue despite the city deficit. The soda tax funds are general funds however, the tax comes from the community, and it is the charge of the SDDTAC to provide budget recommendations that support and align with community.

8. Potential Food Coordination Legislation, Peggy Moriarty, Mayor's Office [Discussion and Possible Action]

Peggy, assistant chief for health and human services, shared that at the end of last year, the Mayor convened a group of stakeholders within the food space. In order to understand what the gaps were in the community and challenges. The outcome of that conversation was clear that there was a need for greater coordination in the food related efforts from the city side and in partnership with community partners and organizations, also given the federal policy changes that would make it harder for residents to access benefits. The city is investing in order to keep as many residents on benefits as possible, specifically on CalFresh. It is important to work collaboratively as a system to figure out what can be done to support residents.

The Mayor's office is proposing three components of food legislation. HSA would establish a food security coordination office that would enhance the role of the existing CFAT team to coordinate across all departments in food related work. The second component is the proposal of creating a Food Security Council. The community expressed interest and desire to have transparent forum for these issues to be addressed. This council would not be created into the legislation but stood up by the mayor in partnership with HSA. The third component would include a 5-year assessment and planning cycle, and for it to be aligned with the current plan for a city-wide community needs assessment led by DCYF. She shared the proposed timeline of the legislation process where they are seeking to engage community and solicit feedback in May and June, finalizing the legislation and introduce to the Board of Supervisors and potentially pass in September and the council would start in October.

Member asked if the Mayor intends to continue taking soda tax revenue to fund this coordinated office. As it is of concern, that slowly the SDDTAC and community are going to see more of the soda tax revenue away from the recommendations fully funding another coordinated office? Peggy responds that the city is not doing that, the soda tax revenue goes to fund programs within CFAT, it does not fund the actual staffing at HSA/CFAT.

Member expresses concern for those who will be appointed for this coordination office, 5 of 13 are city appointed and other 8 are mayor appointed. It seems to be all mayor appointed to coordinate food and for up to \$7.5Mil and possibly more in the future.

Member noted in previous presentation from Santiago Silva that there would need to be more HSA staffing to process residents who have CalFresh benefits twice a year, is that correct? Peggy responds that the city is trying to keep as many on accessing benefits as possible and recognize those who will lose access. The food security coordination Office hires, are from funds drawn down from the state and federal reserve that the Mayor put in place when he came into office for unexpected state and federal changes, like this to be used to staff up eligibility workers and workforce development specialists at HSA to connect them or keep them connected to primarily federally funded benefits. The soda tax funds do not go to staffing up the HSA eligibility workers.

Members stated that since the committee hasn't received how the soda tax funds going to HSA, what are those funded food related grants? Peggy responds that soda tax funds are specifically funding community-based organizations that provide food supports within the community, such as community markets, food delivery.

Member states that the committee has been trying to partner with HSA to try and get as much information about the CFAT program and soda tax funding, for more detail as where and how much of it goes to HSA programs, rather than being told it goes into HSA's baseline budget. We will be inviting HSA to present to the committee to answer some of those questions.

Member stated that the SDDTAC makes its recommendations that are focused on upstream measures directed to community organizations to administer through community-based programs and residents. It's harder for SDDTAC to understand that when large investments go into a large department and told its part of their baseline budget, when soda tax funds and the tax itself is rooted in the heart of community and driven by community partners that deliver it. We want to be accountable for those soda tax funds and be transparent, so that transparency is also delivered back to the community. Peggy responds that she will check in with the HSA team as well.

Member expresses frustration with HSA, since the questions have always been where are the soda tax funds going? We've tried to ask that question proactively but never have gotten a straight answer. There seems to be contradictions when the Mayor's office says they want a public and transparent forum, but the intent is to bypass the Brown Act, which is concerning. You can't sacrifice transparency for expediency, especially when it comes to proposals like this. I don't agree with the appointment process and mayor appointed seats. The Brown Act was enacted for an advisory committee, especially when the budget isn't adopted as is recommended specifically the SDDTAC budget. Peggy responds that the proposed advisory council can still adhere to the same agenda setting, sharing of minutes, etc without some of the constraints that are associated with a Brown Act body that make it more difficult to administer.

Members share the feeling of suspicion, when it shows that \$7.5Mil soda tax funds (a small fraction of the city's budget) in the setting that HSA has ignored us in this partnership, and so here you are building a partnership with different agencies, and have been ignored to create a partnership when we have had over half of the SDDT budget moved into HSA. What are the long-term intentions for the soda tax budget, what constituents voted on for the SDDTAC and am very concerned. Peggy responds that there is a lot of concern about folks being able to access food. The mayor's office wants to make sure that they are shoring up supports and is seen as a core need.

Member said that there will always be a need for food security and we are aware of that, although it has become a pattern with soda tax funding to support that, it makes me suspicious, what will happen to our allocations next year? We are going to see a greater cost to healthcare with chronic disease. When we see that \$7.5Mil of soda tax funds move to HSA, it impacts the work the SDDTAC is doing and is rooted in the community and voters of SF. What are you and the city thinking about the long-term impact is of our committee, and how it is going to propagate and grow the one you're developing for food security? Peggy responds that the proposed council is intended to address food insecurity, as was the Food Security Task Force.

Member suggests in adding in consumer voice to the council, particularly those that may not be appointed and do some recruitment on those who are living the lived experience of food insecurity and benefit from the program. The soda tax committee is not just focused on food security but also about this wider commitment to well-being. How do we maintain high levels of health through food and making sure that those who are really experiencing negative impacts are benefiting and also helping to uphold what the soda tax was intended to do.

Peggy responds that community partners to be eligible to serve on the council would be excluded from any procurements. Community partners on the proposed council would support setting up strategy, vision, help inform RFPs, but not directing funding.

Member added that if CFAT has RFPs, etc, SDDTAC would like to be part of that process to partner and synergize. We are trying to play on the same team.

Chair opens up the invitation to Peggy to meet quarterly to maintain partnership and for the SDDTAC to be a liaison. Peggy responds yes to having the dialogue and knowing that we may not always agree but there is transparency.

Send written feedback to Peggy Moriarty peggy.moriarty@sfgov.org by June 26, 2026.

9. DPH Staff Report [Discussion and Possible Action]

a. Debrief SDDT annual meeting

On May 28th convened annual meeting at the SF LGBT Center. Speakers and panelists were SDDT funded grantees and presented their work. The latter part of the day, In Advance shared their work on the community action research. Breakout groups discussed issues related to SDDTAC structure, what gets taxed and how, where the tax money goes and relationship mapping tax success. In Advance will present more updates at the August SDDTAC meeting.

b. Commission Streamlining Taskforce (CSTF) recommendations to be reviewed by the Board of Supervisors in July. Should the board of supervisors approve the recommendations it will go onto the November ballot. The SDDTAC is in favor, since the CSTF recommendation on the SDDTAC was to eliminate the sunset.

10. SDDTAC Summer Recess Vote [Discussion and Action]

Jamey motions for SDDTAC recess in July. Linda seconds. 9 votes, motion passes.

11. SDDTAC Strategic Implementation Plan Vote [Discussion and Action]

Staff share the SDDTAC Strategic Implementation Plan strategies and goals for members to vote for approval. The plan is an evolving document, however the strategies and goals remain, as well as the mission, vision, values and priority populations. The strategies include:

Policy/revenue protection : focuses on protecting, strengthening, and potentially increasing soda tax revenue by advancing policy, improving budget accountability, and reducing threats to long-term funding stability.

Data and Evidence: focuses on using data, evaluation, research, and community-informed learning to guide recommendations, measure impact, and strengthen accountability.

Collaboration/Collective Impact: focuses on building partnerships, aligning with community and cross-sector efforts, and strengthening collective action to advance chronic disease prevention and health equity.

Education and Awareness: focuses on increasing awareness of the soda tax, SDDTAC's role, and the impact of funded investments among decision-makers, partners, and the broader public.

Governance: focuses on building and sustaining the structures, processes, leadership, and administrative support needed for SDDTAC to operate effectively, equitably, and consistently over time.

Chester motions to adopt the SDDTAC strategic implementation plan. Jamey seconds. 9 votes, motion is approved.

12. Subcommittee Update [Discussion and Possible Action]

a. Co-Chair – co-chairs met with Santiago Silva from the Mayor's budget office on June 1st before Mayor released budget; chairs trying to be of support to do advocacy during add back season, so let chairs know if interested (Gaby and Jamey interested). Abby shared what some of the lessons are learned from previous add back seasons and that one of the big asks will be about oral health taskforces (either renaming districts, etc).

Member shares that SF operate from the Mayor's Office, decisions have already been made. All the hard work is being done and what needs to be done is to do toward next year since the current year has already been decided. When more people come out to advocate, then they may listen, we will need a plan.

b. Infrastructure – did not meet quorum

c. Community Input – Shoon shared that subcommittee reviewed strategic implementation plan. Shoon will be headed to Yale University

d. Data & Evidence – reviewed implementation plan and SDDT budget

13. Committee Member Proposed Future Agenda Items [Discussion and Possible Action]

- InAdvance Presentation
- Review of year 2 strategic implementation plan
- Possible update on SSB landscape at the national/local city level
- Invite HSA to present at September SDDTAC meeting

14. Announcements [Discussion and Possible Action]

- Michelle Kim, leaving DCYF as of June 17, 2026, it has been an honor to learning about the work, and has accepted a job working closer to home. Members thank Michelle for her leadership, guidance and support on the SDDTAC.
- Saeeda – SFUSD has oral health posters and art contests. Members expressed interest in seeing art designs by students that focus on oral health.

15. Adjournment [Action]

Jamey motions to adjourn. Chester seconds. Meeting is adjourned at 7:12pm.