




air pollution control district
SANTA BARBARA COUNTY

Agenda Item: H-1
Agenda Date: October 15, 2020
Agenda Placement: Regular
Estimated Time: 15 Minutes
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

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SUBJECT: Landscape Equipment Electrification Fund (LEEF) Program Year 2

RECOMMENDATION:

Approve and authorize the Air Pollution Control Officer to use up to \$100,000 from the District's Clean Air Fund to establish and implement the Landscape Equipment Electrification Fund (LEEF) Program Year 2.

BACKGROUND:

The District Board approved the LEEF Pilot Program with Resolution 19-19 in December of 2019. Funded with \$100,000 from the District's Clean Air Fund, the pilot program distributed vouchers for the purchase of electric landscape equipment on a first-come, first-served basis to eligible organizations. The vouchers, of up to \$10,000 each, were used for the purchase of electric mowers, leaf blowers and vacuums, edgers, trimmers, chainsaws, and pole saws. The voucher covered up to 60% of the purchase price for landscape equipment and up to 100% of the purchase price for an additional battery or charger for each piece of equipment purchased. Eligible organizations included commercial landscape businesses as well as public agencies and schools or school districts that perform their own landscape maintenance and are located or do business within Santa Barbara County. More information on the pilot program is available on the District's website at www.ourair.org/LEEFProgram.

The pilot program ran successfully over the spring and summer of 2020. The District received considerable interest in the program with a total request of \$164,021 in funding, exceeding the program's budget of \$100,000. The pilot program offered vouchers to seven businesses, one public agency, ten schools, and provided funding for 293 pieces of electric landscape equipment. The program received interest countywide with 56% of projects located in south county (Santa Barbara and Goleta), 16% in mid-county (Santa Ynez, Los Olivos, and Buellton), and 28% in north county (Santa Maria and Lompoc).

Aeron Arlin Genet, Air Pollution Control Officer

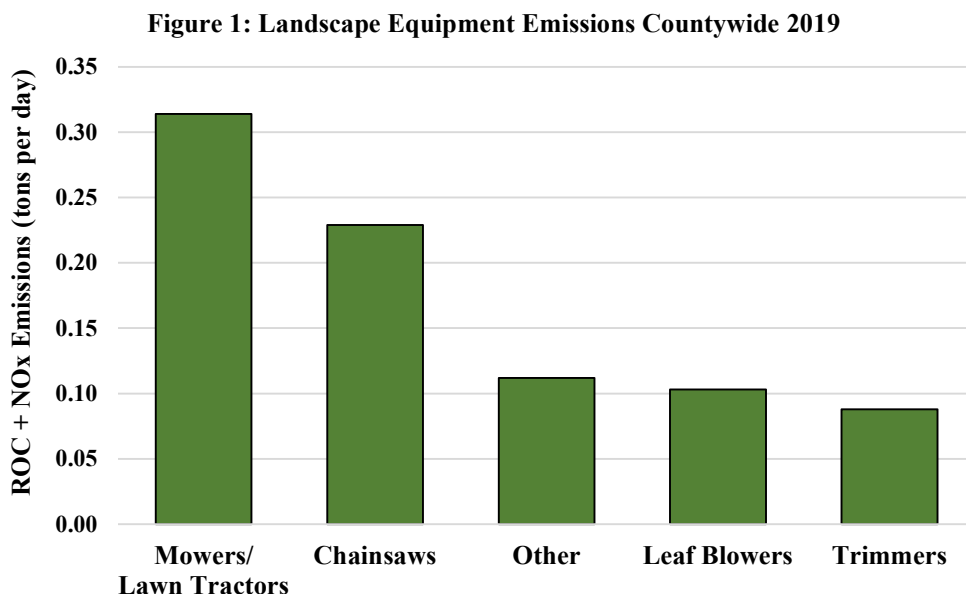
The District issued a survey and received valuable feedback from the participants of the pilot program. Overall, participants were highly satisfied with the electric equipment. The participants experienced both challenges and benefits using their new electric equipment; the largest challenge mentioned was the frequency and length of time required to recharge batteries. In addition to air quality benefits, organizations expressed that they enjoyed co-benefits from use of electric equipment: they are quiet, effective, do not require refueling, and are easy to use.

DISCUSSION:

The LEEF Program helps reduce gasoline- and diesel-powered landscape equipment pollutant emissions including reactive organic compounds (ROCs), nitrogen oxides (NOx), particulate matter, toxic air contaminants, and carbon dioxide. The program also helps community members, organizations, and employees experience the health and environmental benefits of cleaner technology that may ultimately lead to greater use of zero-emission landscape equipment throughout the region.

Air Quality Impacts

Every year, the District receives numerous complaints about air pollution from landscape equipment in neighborhoods throughout the County. Figure 1 shows an estimate of the ozone-forming emissions (ROC and NOx) that each type of landscape equipment emitted in Santa Barbara County during 2019.¹ Lawn mowers and lawn tractors polluted the most, with 0.31 tons of smog-forming emissions per day, followed by chainsaws at 0.23 tons per day, other equipment (including stump grinders, aerators, wood-splitters, tillers, and shredders) at 0.11 tons per day, leaf blowers at 0.10 tons per day, and lastly trimmers at 0.09 tons per day. In total, landscape equipment emitted 2% of the County's total on-shore ROC and NOx emissions in 2019.

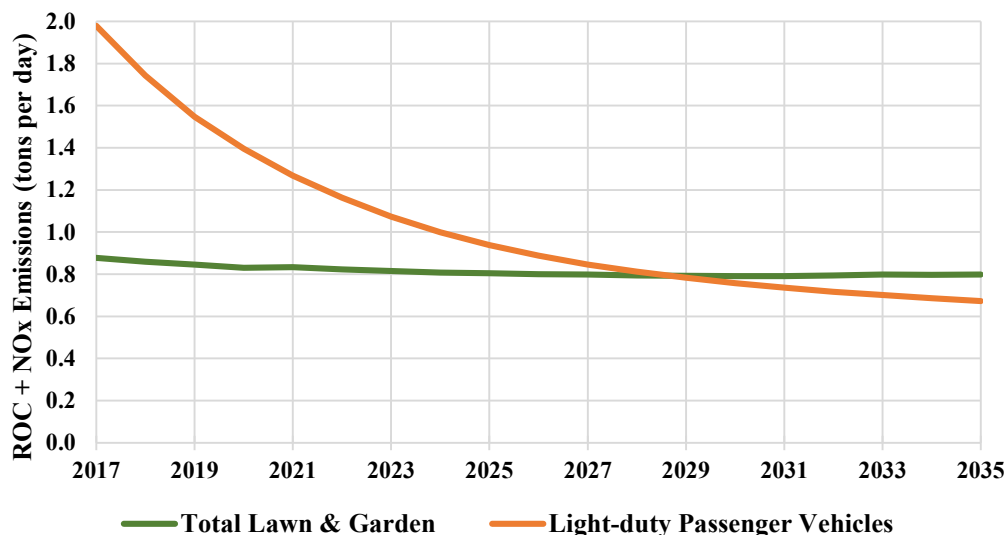


Without intervention, smog-forming emissions from landscape equipment are expected to exceed those emissions from light duty passenger cars in Santa Barbara County near 2029 (Figure 2).

¹ Emission inventory data provided by CARB's CEPAM Trend Tool, 2019 Ozone SIP v1.01

As other emission categories get cleaner, smog-forming emissions from landscape equipment are not expected to decrease drastically under business-as-usual circumstances.

Figure 2: Smog-forming Emissions from Landscape Equipment and Passenger Cars Countywide 2017-2035



State Actions

The California Air Resources Board (CARB) is working to update statewide regulations to further reduce emissions from this source category. CARB is currently considering stricter emission standards for the sale of new landscape equipment, including the requirement for all new sales to be zero-emission by 2028. To help with this effort, CARB recently released a new Small Off-Road Engines emissions model (SORE2020), which uses updated data to estimate landscape equipment emissions and includes different implementation scenarios in the future. Currently, CARB's Carl Moyer program funds can be used to establish an incentive program to replace gasoline lawn mowers with electric mowers. However, the Carl Moyer program is labor-intensive to set up, only includes lawn mowers, and restricts the amount of incentive funding that can be offered.

LEEF Year 2 Proposal

Feedback from the pilot program participant survey, along with lessons learned during operation of the pilot program, were used to improve the program design for Year 2 as laid out in the attached Work Plan. Proposed changes to Year 2 of the program include:

- Use a ranking system to prioritize projects and a discrete application period, rather than funding projects on a first-come, first-served basis. The proposed ranking system prioritizes applicants that are on the wait list from the pilot program, applicants located or operating in a state-designated AB 1550 low-income community,² and new applicants.
- Expand eligible organizations to include non-profit agencies for funding.
- Include an additional voluntary disposal incentive for organizations wishing to discard their old gasoline equipment.

² ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm

- Remove the restriction that the program fund only one battery OR charger at 100% cost per piece of equipment purchased; instead, the program will fund one additional battery AND one additional charger at 60% cost.
- Reduce the maximum voucher amount from \$10,000 to \$7,000, to allow more organizations to participate in the program.

Upon Board approval, the District plans to launch Year 2 of the LEEF Program in November of 2020.

The District plans to provide program information on the District's website, www.ourair.org, and advertise the LEEF program to eligible organizations in English and Spanish. Initial outreach ideas include sending postcards and emails to contacts of eligible organizations that the District has identified including 200 contacts of commercial landscape businesses, public agencies, and schools. Efforts also include issuing a news release and posting to social media. Additionally, the District plans to partner with landscape equipment retailers in the County to promote the program and to create opportunities for interested organizations to test the electric equipment. The program includes educational components to ensure that participants are aware of how to operate leaf blowers to minimize air quality impacts.

Fiscal Year 2020-21 Clean Air Fund Commitments

The current recommendation is to use up to \$100,000 from the District's Clean Air Fund to establish and implement the Landscape Equipment Electrification Fund (LEEF) Program Year 2.

However, additional funding may become available to the program pending the outcome of the District's participation in the South Central Coast California Electric Vehicle Infrastructure Project (CALeVIP) for Fiscal Year (FY) 2020-21. The CALeVIP project has the potential to leverage local funds with state funds to greatly increase electric vehicle charging infrastructure in the region; your Board was briefed on the CALeVIP program in January 2020. However, due to state budget challenges related to the COVID-19 pandemic, the South Central Coast CALeVIP Project has been delayed. If the CALeVIP project continues to experience delays, additional FY 2020-21 Clean Air funds may become available. If that were the case, the District would seek board approval to add up to \$100,000 of Clean Air funds to the LEEF Program Year 2 budget.

FISCAL IMPACT:

The District's Clean Air Fund was established by the District Board in March of 2019 with Resolution 19-03. The Clean Air Fund is funded by Notice of Violation revenues for projects undertaken by the District and/or third parties that provide air quality and human health benefits to the Santa Barbara County Community. The District has identified up to \$100,000 from the District's Clean Air Fund to implement the LEEF Program Year 2. The Clean Air Fund totaling \$200,000 is included in the District's budget for FY 2020-21. Additionally, if CALeVIP does not move forward in FY 2020-21, the District may seek Board approval to add up to \$100,000 of funds currently allocated for the District's participation in CALeVIP to the LEEF Program Year 2 budget.

ATTACHMENTS:

- A. Landscape Equipment Electrification Fund (LEEF) Program Year 2 Work Plan

ATTACHMENT A

Landscape Equipment Electricification Fund (LEEF) Program Year 2 Work Plan

October 15, 2020

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110

Santa Barbara County Air Pollution Control District's Landscape Equipment Electrification Fund (LEEF) Program

YEAR 2 WORK PLAN
OCTOBER 2020



air pollution control district
SANTA BARBARA COUNTY

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I. Overview

The Santa Barbara County Air Pollution Control District (District) designed the Landscape Equipment Electrification Fund (LEEF) program to help commercial landscape businesses and other public and private organizations to adopt zero-emission landscape equipment. This second year of the LEEF program incorporates lessons learned and participant feedback from a successful pilot program implemented during the spring and summer of 2020. LEEF is administered by the District and is funded with at least \$100,000 from the District's Clean Air Fund.

The Year 2 LEEF program will offer vouchers to landscape businesses and non-profit agencies, as well as public agencies and schools that perform their own landscape maintenance services. Adoption of zero-emission landscape equipment will reduce emissions from gasoline- and diesel-powered landscape equipment, and will also help community members, businesses, and employees experience the benefits of cleaner technology that may ultimately lead to greater adoption of zero-emission landscape equipment on a county-wide level.

II. Applicant Eligibility and Prioritization

The following organizations that are located in or operate a business within Santa Barbara County, and will commit to use the equipment for a majority of the time (greater than 50%) within Santa Barbara County for a minimum of three years, will be eligible for LEEF vouchers:

- Commercial landscape businesses
- Non-profit agencies
- The following entities will be eligible if they provide in-house landscape maintenance for their grounds:
 - Public agencies
 - Public/private schools or school districts

Commercial businesses will be required to provide their business license as part of the application. Non-profit agencies must provide their Employment Identification Number (EIN) and their non-profit status must be verified by the District. Each organization will be eligible for one voucher at a maximum amount of \$7,000.

Applications for the Year 2 LEEF Program will be accepted over a 45-day period, and funds will be distributed as vouchers to eligible organizations using a ranking system. Applicants that were on the waiting list from the pilot program will be contacted to determine their interest in applying for Year 2 of the LEEF program and to request any additional information required to complete the Year 2

application. Once the application period has ended, all applications will be scored. Each applicant will receive three points if they are on the waiting list from the pilot program, two points if they are located in or will use the equipment in a state-designated low-income community,¹ and one point if they are a new applicant who has not previously received funding from the pilot program and is not on the waiting list. Priority for funding will be given to applicants with the most points, until the available funding is committed. When the application acceptance period ends, the District will compile the contact information of organizations who are interested in future potential funding opportunities.

III. Equipment Eligibility and Voucher Amounts

In order to receive reimbursement, equipment purchased for use with the voucher must be an all-electric model of one of the equipment types listed below. Equipment must be new and can be purchased from any retailer or manufacturer of electric landscape equipment, including online retailers and manufacturers. Each voucher amount is based on the purchase price of the eligible electric equipment and does not include additional costs such as taxes, fees, accessories, and delivery charges. Actual reimbursement amounts may be reduced based on the final cost of eligible equipment identified in the purchase receipt. If discounts are provided by the retailer or manufacturer that are not factored into the price of proposed equipment on the application, the payout will be based on the final cost paid by the program participant.

The voucher will cover up to 60% of the purchase price for the following equipment. Each piece of new equipment is limited to one additional battery and one additional charger. As mentioned earlier, the maximum voucher amount is \$7,000 per organization.

| Equipment Type | Voucher Amount |
|--|-----------------------|
| <ul style="list-style-type: none"> • Ride-on Mowers • Walk-behind Mowers • Leaf Blowers/Vacuums • Edgers • Trimmers • Chain saws • Pole saws • Additional Batteries* • Additional Chargers* | 60% of purchase price |

*limited to one additional battery AND one additional charger per piece of purchased equipment

¹ As determined by California Assembly Bill 1550, see www3.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm.

Voucher Reimbursement

After purchasing the new equipment, each participant will submit their voucher to the District for reimbursement before the voucher expiration date (60 days after voucher issuance). If the applicant can provide good cause, the voucher expiration date may be extended for up to 30 days at the discretion of the District. The reimbursement request must include the following information before payment will be disbursed to the participant:

1. Signed voucher;
2. Receipts of purchased equipment;
3. Substitute W-9 Form, exact form to be provided by the District;
4. California Form 590, Withholding Exemption Certificate; and
5. Certificate of Destruction (if applicant participates in the voluntary disposal incentive).

The District will reimburse the participant via check or direct deposit within 45 days of submittal of the required materials.

Voluntary Disposal Incentive

The program will offer an additional incentive amount for participants that voluntarily destroy their old like-for-like gasoline- or diesel-powered landscape equipment at a dismantler within the county. When the applicant fills out the application, they must indicate the types and amounts of equipment they intend to destroy. The disposal incentive only covers like-for-like replacement, so each piece of equipment that is destroyed must be the same type of equipment that the applicant purchases under the incentive program.

In order to receive the disposal incentive payment, the participant must submit a Certificate of Destruction with their reimbursement request to the District. The Certificate of Destruction must include the amount and type of each piece of equipment that is destroyed and be signed by a dismantler. It must also contain the participant's certification that the equipment is operable. The District will provide \$30 for each piece of equipment that is destroyed in this manner. The total disposal incentive may not exceed \$500 and will not be included in the \$7,000 maximum voucher amount that each organization can receive. The District will provide the participants with a list of local dismantlers that will accept the equipment for disposal.

IV. Outreach and Education

The District will provide program information on the District's website, www.ourair.org, and advertise the LEEF program to entities that are eligible for the voucher. The District has identified nearly 200 contacts of commercial landscape businesses, public agencies, and schools as candidates for outreach.

Initial outreach ideas include:

- Postcards and emails to identified commercial landscape businesses, public agencies, school districts, and universities in the county;
- News releases (with Spanish translation) with full distribution:
 - Social media (Twitter, Instagram, Nextdoor);
 - Send to District Board members;
 - Send to District Community Advisory Council members;
 - Via MailChimp; and
 - Postcards to organizations that promote green or sustainable landscaping (e.g., Santa Barbara County Green Gardener Program, Santa Barbara County Green Landscape Consortium, and the Santa Barbara County Green Business Program).

The District will work with landscape equipment retailers in the County to create opportunities for interested organizations to test the electric equipment. The District plans to also partner with these local retailers to promote awareness of the program.

The program will include educational components to ensure that participants are aware of how to properly dispose of old gasoline- or diesel-powered equipment and how to operate leaf blowers to minimize air quality impacts. Educational material will be distributed alongside information about the LEEF program via postcards, emails, and news releases through the outreach strategies described above.

V. Timeline

| Activity | Date |
|--|--|
| District Board of Directors request for approval | October 15, 2020 |
| Public outreach | Late October 2020 and ongoing |
| Application acceptance window | November to December 2020 |
| Vouchers Issued | December 2020 till all funds committed |

VI. Recordkeeping

The District will keep track of the following information for each voucher:

- Tracking number for each voucher (application # and voucher #);
- Location of organization and whether an organization is located in or operates equipment in a state designated (AB 1550) low-income community;
- Commercial business license (if applicable);
- Employment Identification Number (if applicable);
- Rank for each applicant based on scoring criteria;
- Total voucher amount;
- Voucher expiration date;
- New equipment purchased with each voucher including equipment type, manufacturer, model, retailer, and price estimate;
- Copies of receipts for all purchased equipment;
- Date of voucher submittal;
- Tax forms (Substitute W-9 form and CA 590 form);
- Certificate of Disposal (if applicable); and
- Date voucher funds dispersed by District.

VII. Workflow

The following workflow will be used to expend funds in a timely manner and to track information:

1. Application received during the application period. Applications received after the application period has ended will not be accepted. The application will include:
 - a. Name and address of applicant;
 - b. What motivated them to apply to the program;
 - c. Applicant certifications;
 - d. Business license for commercial landscape businesses and Employer Identification Number (EIN) for non-profit agencies;
 - e. Type of equipment to purchase including make, model, retailer, and price;
 - f. How many pieces of equipment the applicant intends to dispose of.
2. Applications will be reviewed for completeness as they come in. If an application is incomplete, the applicant will be notified to make corrections and resubmit.
3. Applications will be ranked according to scoring criteria when the application period ends.

4. If chosen, the applicant will receive a voucher with tracking number, expiration date, equipment approved for purchase, and a maximum eligible funding amount. Applicants that are not chosen will be notified and their contact information will be saved for future LEEF Program opportunities.
5. Participant will purchase approved equipment and voluntarily dispose of old equipment (if applicable).
6. The participant will submit their voucher to the District for reimbursement within 60 days of voucher issuance. The reimbursement request will include the signed voucher form, receipts of purchased equipment, required tax forms, and a Certificate of Destruction (if applicable).
7. The District will process each reimbursement request submittal and issue payment to the participant within 45 days.