

D-2 Agenda Item:

Agenda Date: August 15, 2024

Agenda Placement: Admin Estimated Time: N/A Continued Item:

Board Agenda Item

Air Pollution Control District Board TO:

Aeron Arlin Genet, Air Pollution Control Officer FROM:

CONTACT: Lorena Saldana, Executive Assistant/Board Clerk, (805) 979-8282

SUBJECT: District Grant and Incentives Program Activity

RECOMMENDATION:

Receive and file the following grant program related activity:

- Summary of the Old Car Buy Back Program for vehicles retired during fiscal year 2023-1. 2024;
- 2. An update on the Landscape Equipment Electrification Fund (LEEF) Program for zeroemission landscape equipment vouchers during the period of July 11, 2024 through July 31, 2024; and
- Summary of the 2023 Clean Air Grants Program emission-reduction grant agreements 3. approved by the Air Pollution Control Officer for the period of May 1, 2024, through July 31, 2024; in accordance with Board Resolution Number 20-13.

DISCUSSION:

This item provides an update on grant and incentive programs and activities that occurred since your last Board meeting.

Old Car Buy Back Program:

The Old Car Buy Back Program update includes the number of vehicles retired, summary retired, funds allocation, emissions reduced, average cost-effectiveness of program, and vehicle owner location. For Fiscal Year 2023-2024, only 47 vehicles were retired, which is a 45% reduction in participation from the previous fiscal year and an 85% reduction from Fiscal Year 2018-2019. The primary reason for the program's decline in participation is due to the rising cost of used vehicles and owner reluctance to sell them. During 2024, the District has been coordinating with

the California Air Resources Board (CARB) to modify their Carl Moyer Program Guidelines to allow an increased incentive amount to program participants and raise the cost-effectiveness threshold which would allow the program to accept a wider range of vehicle model years. During Fiscal Year 2024-2025, the District plans to provide improvements to the Old Car Buy Back Program that will benefit county residents.

<u>Landscape Equipment Electrification Fund Program:</u>

The Landscape Equipment Electrification Fund (LEEF) Program provides voucher incentive funds to businesses that operate gasoline powered landscape equipment in Santa Barbara County and voluntary replace them with zero-emission landscape equipment. The LEEF Program launched on July 11, 2024 and the District employed a wide range of bilingual outreach tools including postcards sent direct mail, email outreach list to almost 500 organizations, news-releases, social media posts, community newsletters, public presentations, and an equipment demonstration event. The LEEF program is currently funded with approximately \$303,000 from the CARB Carl Moyer Program State Reserve fund and \$300,000 from DMV surcharge revenue. In the first three weeks of the program, over 64% of the LEEF Program funds have been allocated to projects.

Clean Air Grants Program:

The 2024 Clean Air Grants program launched on July 29, 2024, and the District has budgeted approximately \$3 million in CARB grant funds and DMV surcharge revenue. Applications for grant funds will be accepted until the program window closes on September 6, 2024. The District will prioritize zero-emission technology projects, along with projects operating in low-income and disadvantaged communities throughout Santa Barbara County, as defined by this map: https://webmaps.arb.ca.gov/PriorityPopulations/. Project categories include on-road heavy-duty vehicles, alternative fueling infrastructure, off-road equipment, marine vessels, agricultural engines, and locomotives. Successful projects will be eligible to receive a grant within a range from \$10,000 to \$250,000.

For the 2023 Clean Air Grants program, the District is currently implementing 43 projects throughout Santa Barbara County with approximately \$3.7 million in CARB grant funds and DMV surcharge revenue. Of these 43 projects, there were 28 off-road equipment replacements, 10 alternative vehicle fueling infrastructure purchases and installations, four (4) marine engine repowers, and one (1) electric school bus fleet expansion. Currently, 60% of the 43 projects have been completed.

For the 2022 Clean Air Grants program, the District is currently implementing 57 projects throughout Santa Barbara County with approximately \$3.9 million in CARB grants funds and DMV surcharge revenue. Of these 57 projects, there were 37 off-road equipment replacements, 12 alternative vehicle fueling infrastructure purchases and installations, three (3) marine engine repowers, two (2) on-road heavy-duty vehicles, two (2) electric school bus fleet expansions, and one (1) agricultural water pump. Currently, 95% of the 57 projects have been completed and the following two grant agreements were recently terminated:

- AP222306 Santa Barbara Unified School District: \$138,000
 - The school district was unable to budget the upfront capital necessary to install five (5) dual port Level 2 electric vehicle charging stations.

- AP222343 Los Olivos School District: \$10,000
 - The school district was able to fully fund the cost of the one (1) single port Level 2 electric vehicle charging station with a grant from the Central Coast Community Energy organization.

Funds from these two terminated projects will be redirected to other eligible projects to ensure funds are allocated, implemented, and completed within the grant program expenditure deadlines.

ATTACHMENTS:

- A. Old Car Buy Back Program Update
- B. Landscape Equipment Electrification Fund Program Update
- C. Grant Agreement Approval Forms
- D. AP222306 and 222343 Termination Letters

ATTACHMENT A

Old Car Buy Back Program Update

August 15, 2024

Santa Barbara County Air Pollution Control District Board of Directors



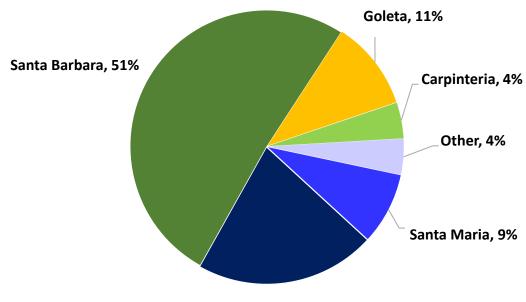
Old Car Buy Back Program Update – FY 2023-2024 Summary

The District's Old Car Buy Back Program currently pays Santa Barbara County vehicle owners \$1,000 to voluntarily retire their fully legal and operational 1997 or older, light or medium duty car, truck, van, or SUV. The regional dismantlers earn \$250 for each vehicle that they help retire. Currently, the total program cost is \$1,250 to retire a vehicle.

The program accelerates the improvement of air quality by removing high polluting vehicles from the road, quicker than normal vehicle attrition. Funding for the Old Car Buy Back Program is derived from DMV surcharge revenue. Below is the program data for the most recent reporting period and the summary for the 2023-2024 fiscal year.

Old Car Buy Back Program FY Summary				
	6/1/2024 – 6/30/2024	Fiscal Year 2023-2024		
Vehicles retired	0	47		
Funds committed @ \$1,250/vehicle	\$0	\$58,750		
Total tons reduced [NOx+ ROC + PM]	0	3.80		
Average project cost-effectiveness	-	\$15,804/ton		

Vehicle Owner Location (Fiscal Year 2023-2024)



Lompoc, 21%

The Old Car Buy Back Program operates under the requirements set by the California Air Resources Board (CARB) Carl Moyer Program Guidelines. These Guidelines establish the maximum amount of funds a vehicle may receive and the cost-effectiveness limit, which restricts the maximum eligible vehicle model year that can be purchased. Program participation has declined over the past decade, and particularly during the last several years as the costs for a used vehicle has increased significantly and participants are less inclined to sell their vehicle. For comparison, the Old Car Buy Back Program purchased more than 600 vehicles in 2012, then declined to approximately 300 vehicles in 2018, and only 47 vehicles purchased over the last 12 months.

Over the past year, District staff has been participating in CARB working groups to update the Carl Moyer Program Guidelines in order to increase public participation. Potential changes to the program include an increased maximum amount an eligibile vehicle may receive, and an expansion of the cost-effectiveness limit, which would allow the District to broaden the range of vehicle model years. CARB is scheduled to bring these Guideline changes to their Board for approval in October 2024. If approved, the District will be able to incorporate changes to our Old Car Buy Back Program, which should lead to increased benefits to participants. During Fiscal Year 2024-2025, the District will continue to partner with CARB and explore opportunities to provide county residents with better financial incentives for their light duty vehicles.

ATTACHMENT B

Landscape Equipment Electrification Fund Program Update

August 15, 2024

Santa Barbara County Air Pollution Control District Board of Directors



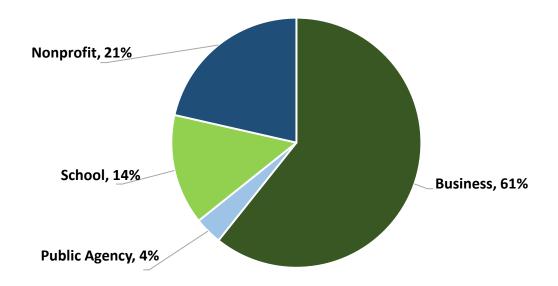
Landscape Equipment Electrification Fund (LEEF) Program Update

The LEEF Program offers vouchers for the trade-in of gasoline landscape equipment for zero-emission electric landscape equipment. Businesses, nonprofit organizations, public agencies, and public schools that perform their own landscape maintenance services, and that are located in or conduct business within Santa Barbara County, are eligible to participate in the LEEF Program. The current cycle of the LEEF Program is funded with \$303,443 from the California Air Resources Board Carl Moyer Program State Reserve funds and \$300,000 from DMV surcharge revenue. The voucher covers a large portion of the purchase price for new equipment, including mowers, leaf blowers, edgers, trimmers, chainsaws, batteries, and chargers. Vouchers are issued on a first-come, first-served basis. The program reopened on July 11 and has been very popular with community members.

The program helps to reduce gasoline landscape equipment emissions, including nitrogen oxides, particulate matter, carbon dioxide, and other pollutants. The program also helps community members, businesses, and employees experience the health and environmental benefits of cleaner technology.

LEEF Program Voucher Incentives (July 11 – 31, 2024)				
Organization	Applications Received	Vouche	ers Issued	Funds Expended
Туре	Number	Number	Funds Issued	
Business	22	17	\$225,255	\$9,100
Public Agency	2	1	\$3,590	-
School	5	4	\$59,800	\$5,600
Non-profit	6	6	\$98,983	-
Total	35	28	\$387,628	\$14,700

VOUCHERS ISSUED BY ORGANIZATION TYPE



ATTACHMENT C

Grant Agreement Approval Forms

August 15, 2024

Santa Barbara County Air Pollution Control District Board of Directors

GRANT AGREEMENT APPROVAL FORM

GRANT INFORMATION		
To:	Air Pollution Control Officer	
Staff Contact:	Sydney Rouse	
Date:	6/28/2024	
Grant Program:	\$2 DMV	
Grant Program Funds:	\$879,698	
Category:	Infrastructure	
PROJECT INFORMATION		
Grantee:	City of Lompoc (AP232420)	
Project Location:	Lompoc	
Grant Agreement Amount:	\$187,000	
New Equipment:	Four (4) dual-port Level-2 electric vehicle charging stations One (1) dual-port Level-3 electric vehicle charging station	
Grant Cost-Effectiveness:	Not Applicable for Infrastructure	
Cost-Effectiveness Limit:	Not Applicable for Infrastructure	
Project Life:	3 Years	
Project Emission Reductions: Not Applicable for Infrastructure		

Date: ____

Please contact the Board Clerk to review this grant agreement

GRANT AGREEMENT APPROVAL FORM

GRANT INFORMATION		
To:	Air Pollution Control Officer	
Staff Contact:	Sydney Rouse	
Date:	6/28/2024	
Grant Program:	Moyer Year 25	
Grant Program Funds:	\$828,245	
Category:	Infrastructure	
PROJECT INFORMATION		
Grantee:	Brisa Encina, L.P. (AP232421)	
Project Location:	Lompoc	
Grant Agreement Amount:	\$12,000	
New Equipment:	Three (3) Level 2 electric vehicle charging ports	
Grant Cost-Effectiveness:	Not Applicable for Infrastructure	
Cost-Effectiveness Limit:	Not Applicable for Infrastructure	
Project Life:	3 Years	
Project Emission Reductions: Not Applicable for Infrastructure		
Approved: Mulacit	10 July 2024 Date:	

Please contact the Board Clerk to review this grant agreement

Air Pollution Control Officer

ATTACHMENT D

AP222306 and 222343 Termination Letters

August 15, 2024

Santa Barbara County Air Pollution Control District Board of Directors



June 28, 2024

Santa Barbara Unified School District Attn: Kimberley Hernandez, Asst. Superintendent of Business Services 720 Santa Barbara Street Santa Barbara, CA 93101

Termination of Grant Agreement AP222306 RE:

Dear Kimberley Hernandez:

The Santa Barbara County Air Pollution Control District (District) received your June 21, 2024 letter requesting termination of Grant Agreement AP222306, as executed on June 22, 2023. This letter serves as the District's acknowledgement and acceptance of your termination of the grant agreement for good cause, pursuant to Section 15.a (Termination).

Since the District has not provided any grant funds to Santa Barbara Unified School District in relation to the grant agreement, there is no obligation for Santa Barbara Unified School District to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

Please contact Jim Fredrickson of my staff at fredricksonj@sbcapcd.org or (805) 979-8328, if you would like to discuss this issue further. Thank you.

Sincerely,

Aeron Arlin Genet,

Air Pollution Control Officer



Aeron Arlin Genet, Air Pollution Control Officer







Main Office 720 Santa Barbara Street Santa Barbara, CA 93101 Phone: 805.963.4338

> TDD: 805.966.7734 SBUnified.org

June 21, 2024

Santa Barbara County Air Pollution Control District Attn: Sydney Rouse 260 N. San Antonio Rd. Suite #A Santa Barbara, CA 93110

RE: Request to Terminate Grant Agreement AP222306

Dear Sydney Rouse:

This letter is to request termination of Grant Agreement AP222306 between Santa Barbara Unified School District and the Santa Barbara County Air Pollution Control District from the 2022 Clean Air Grants Program.

Santa Barbara Unified School District is unable to provide the upfront capital for the electric vehicle charging stations at this time.

Based on this, Santa Barbara Unified School District is requesting termination of Grant Agreement AP222306 for cause according to Section 15.a (Termination).

Sincerely,

Kimberley Hernandez, Asst. Superintendent of Business Services Santa Barbara Unified School District



June 28, 2024

Los Olivos School District Attn: Ray Vazquez, Superintendent and Principal 2540 Alamo Pintado Avenue Los Olivos, CA 93441

RE: **Termination of Grant Agreement AP222343**

Dear Ray Vazquez:

The Santa Barbara County Air Pollution Control District (District) received your June 12, 2024 letter requesting termination of Grant Agreement AP222343, as executed on May 1, 2023. This letter serves as the District's acknowledgement and acceptance of your termination of the grant agreement for good cause, pursuant to Section 15.a (Termination).

Since the District has not provided any grant funds to Los Olivos School District in relation to the grant agreement, there is no obligation for Los Olivos School District to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

Please contact Jim Fredrickson of my staff at fredricksonj@sbcapcd.org or (805) 979-8328, if you would like to discuss this issue further. Thank you.

Sincerely,

Air Pollution Control Officer



Aeron Arlin Genet, Air Pollution Control Officer







Los Olivos Elementary School District

2540 ALAMO PINTADO AVENUE
P.O. BOX 208 • LOS OLIVOS, CA 93441
Telephone (805) 688-4025
FAX (805) 688-4885

Date: June 12, 2024

Santa Barbara County Air Pollution Control District Attn: Sydney Rouse 260 N. San Antonio Rd. Suite #A Santa Barbara, CA 93110

RE: Request to Terminate Grant Agreement AP222343

Dear Sydney Rouse:

-Sincerely,

This letter is to request termination of Grant Agreement AP222343 between Los Olivos School District and the Santa Barbara County Air Pollution Control District from the 2022 Clean Air Grants Program.

Los Olivos School is terminating this grant agreement because we were able to secure funding through CCCE for the full cost of the charger and the infrastructure installation.

Based on this, Los Olivos School District is requesting termination of Grant Agreement AP222343 for cause according to Section 15.a (Termination).

Ray Vazquez, Superintendent and Principal Los Olivos School District