




Agenda Item: D-2
Agenda Date: October 24, 2024
Agenda Placement: Admin
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

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:

1. An update on the Old Car Buy Back Program for vehicles retired during the period of July 1, 2024 through September 30, 2024; and
2. An update on the Landscape Equipment Electrification Fund (LEEF) Program for zero-emission landscape equipment vouchers during the period of July 11, 2024, through September 30, 2024.

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, funds allocated, emissions reduced, average cost-effectiveness of program, and vehicle owner location. During the first three months of Fiscal Year 2024-2025, 10 vehicles were retired. Relative to prior years of operation, this is a low participation rate, primarily due to the rising cost of used vehicles and owner reluctance to sell them. The California Air Resources Board (CARB) is scheduled to modify their Carl Moyer Program Guidelines October 24, 2024, which would allow the District to provide 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 and provide improvements that will benefit county residents.

Landscape Equipment Electrification Fund Program:

The Landscape Equipment Electrification Fund (LEEF) Program provides voucher incentive funds to businesses that operate gasoline powered landscape equipment in Santa Barbara County and voluntarily 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. Over the past 15 weeks, over 90% of the LEEF Program funds have been allocated to 44 projects.

Clean Air Grants Program:

The 2024 Clean Air Grants program was open to receive applications from July 29, 2024 to September 6, 2024, and the District budgeted approximately \$3 million in CARB grant funds and DMV surcharge revenue for projects. The District is currently reviewing 74 applications for eligibility and completeness. Of these 74 applications, there are 52 off-road replacements, 17 alternative vehicle fueling infrastructure purchases and installations, two (2) agricultural water pumps, two (2) marine engine repowers, and one (1) locomotive replacement project. 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/>. 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 executed grant agreements for 43 projects throughout Santa Barbara County with approximately \$3.7 million in CARB grant funds and DMV surcharge revenue. Of these 43 projects, there are 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, 63% of the 43 projects have been completed with the remainder in the implementation process.

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, 81% of the 57 projects have been completed.

For the 2021 Clean Air Grants program, the District is currently implementing 31 projects throughout Santa Barbara County with approximately \$2.7 million in CARB grants funds and DMV surcharge revenue. Of these 31 projects, there were 19 off-road equipment replacements, nine (9) alternative vehicle fueling infrastructure purchases and installations, two (2) electric school bus fleet expansions, and one (1) marine engine repower. Currently, 84% of the 31 projects have been completed.

For the 2020 Clean Air Grants program, the District is currently implementing 23 projects throughout Santa Barbara County with approximately \$1.8 million in CARB grants funds and

DMV surcharge revenue. Of these 23 projects, there were 17 off-road equipment replacements, four (4) alternative vehicle fueling infrastructure purchases and installations, one (1) electric school bus fleet expansion, and one (1) marine engine repower. Currently, 96% of the 23 projects have been completed and the following grant agreement for \$150,000 was recently terminated:

- AP202121: City of Solvang (infrastructure) – the City of Solvang requested termination of their grant agreement due to a reduced scope of project design and inability to expend the grant funds in a timely manner. The City of Solvang plans to reapply for grant funds at a future date. The unexpended grant funds from the City of Solvang projects will be redirected to other eligible projects to ensure that funds are allocated, implemented, and completed within the CARB grant program expenditure deadlines.

ATTACHMENTS:

- A. Old Car Buy Back Program Update
- B. Landscape Equipment Electrification Fund Program Update
- C. AP202121 Termination Letter

ATTACHMENT A

Old Car Buy Back Program Update

October 24, 2024

Santa Barbara County Air Pollution Control District
Board of Directors

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



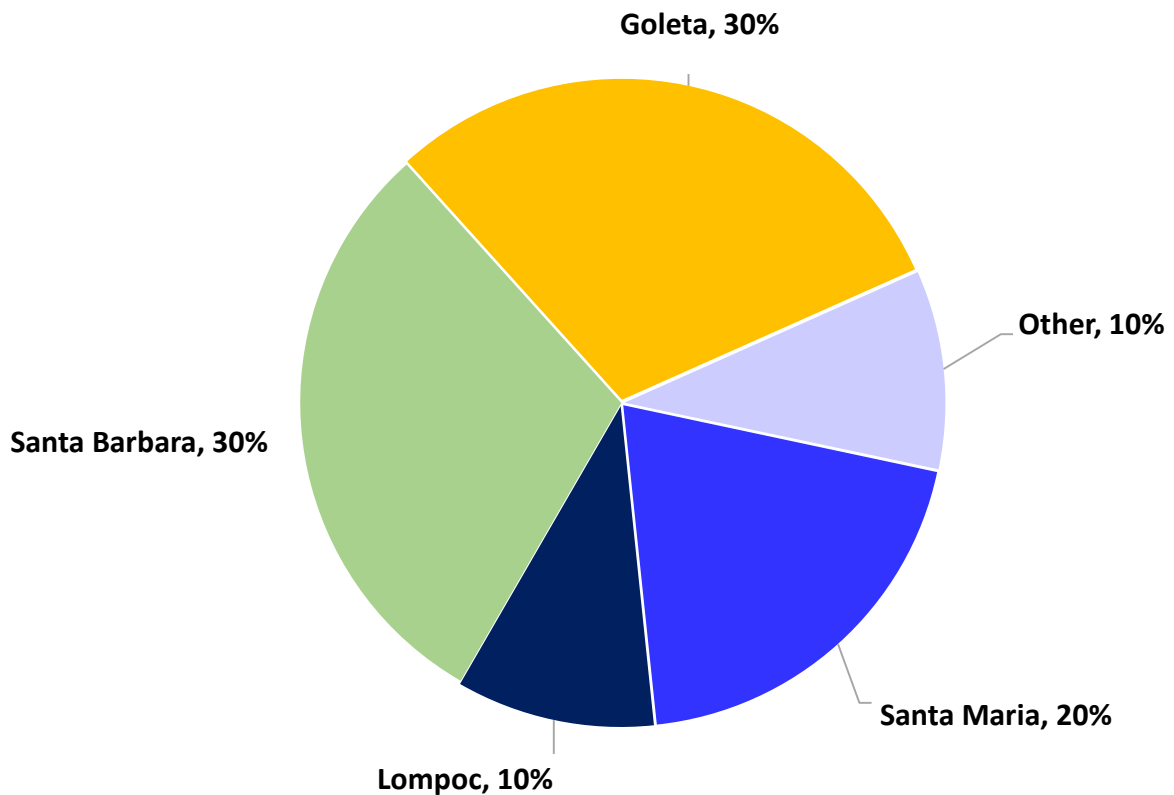
Old Car Buy Back Program Update

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 program is derived from \$2 DMV registration surcharge funds. Below is the program data for the most recent reporting period and the entire fiscal year.

Old Car Buy Back Program Activity		
	7/1/24 – 9/30/24	FY 2024 - 2025
Vehicles retired	10	10
Funds committed @ \$1,250/vehicle	\$12,500	\$12,500
Total tons reduced [NOx+ ROC + PM]	0.78	0.78
Average project cost-effectiveness	\$15,941/ton	\$15,941/ton

Vehicle Owner Location (FY 2023-2024)



ATTACHMENT B

Landscape Equipment Electrification Fund Program Update

October 24, 2024

Santa Barbara County Air Pollution Control District
Board of Directors

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



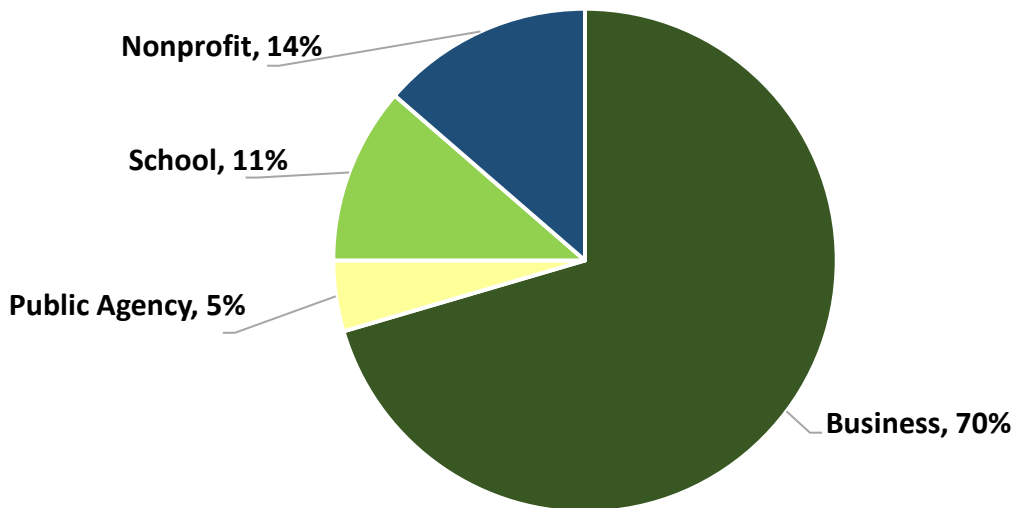
Landscape Equipment Electrification Fund (LEEF) Program Update

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 and the remainder 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 – September 30, 2024)				
Organization Type	Applications Received	Vouchers Issued		Funds Expended
	Number	Number	Funds Issued	
Business	36	31	\$356,768	\$258,929
Public Agency	2	2	\$7,180	6540
School	6	5	\$79,925	\$35,600
Non-profit	7	6	\$99,195	\$36,356
Total	52	44	\$543,068	\$337,425

VOUCHERS ISSUED BY ORGANIZATION TYPE



ATTACHMENT C

AP202121 Termination Letter

October 24, 2024

Santa Barbara County Air Pollution Control District
Board of Directors

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



August 15, 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 AP202121

Dear Sydney Rouse:

This letter is to request termination of Grant Agreement AP202121 between City of Solvang and the Santa Barbara County Air Pollution Control District from the 2020 Clean Air Grants Program.

The City has completed the design of the Parking Lot 5 project, which was intended to deliver the charging stations in the scope of the grant. The original grant included three level-3 chargers and five level-2 charging stations. The design has evolved to incorporate one level-3 and four level 2 charging stations. Furthermore the grant proposed several charging stations for public use in parking lot 4 as well as a level-3 charging station in the public right-of-way for the use by a future transit need that has not been identified or realized. It is also premature to install public charging stations in Lot 4, as the City is currently looking at a potential reconfiguration of the parking lot which would likely impact any charging stations installed.

Also, the design and process through PG&E to deliver the new service points have taken an inordinate amount of time and the installation of the service to feed these new chargers has not yet been scheduled. We do not plan on going out to bid for the project until there is a schedule from PG&E for the service drops

Lastly, the City has procured additional grant funding for parking Lot 5 overall development into a parking lot, which will be available in the fourth quarter of 2024.

Therefore, due to the reduction in the scope of the intended project design due to design and facility challenges and delays due to funding and utility coordination issues the City will not be able to expend the grant funds in a timely manner.

Based on this, City of Solvang is requesting termination of Grant Agreement AP202121 for cause according to Section 15.a (Termination).

Sincerely,

Randy Murphy, City Manager

City of Solvang



air pollution control district
SANTA BARBARA COUNTY

September 16, 2024

City of Solvang
Attn: Randy Murphy, City Manager
1644 Oak Street
Solvang, CA 93463

RE: Termination of Grant Agreement AP202121

Dear Randy Murphy:

The Santa Barbara County Air Pollution Control District (District) received your August 15, 2024, letter requesting termination of Grant Agreement AP202121 as executed on March 24, 2021. 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 City of Solvang in relation to the grant agreement, there is no obligation for City of Solvang to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

The District encourages City of Solvang to apply to future Clean Air Grant programs to install fueling or energy infrastructure to support the transition to cleaner, zero-emission technologies across Santa Barbara County.

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