

Agenda Item:

Agenda Date: January 16, 2025

Agenda Placement: Admin Estimated Time: N/A Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

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:

- 1. An update on the Old Car Buy Back Program for vehicles retired during the period of November 1, 2024 through December 31, 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 December 31, 2024; and
- 3. Summary of the 2024 Clean Air Grants Program emission-reduction grant agreements approved by the Air Pollution Control Officer for the period of August 1, 2024, through December 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, funds allocated, emissions reduced, average cost-effectiveness of program, and vehicle owner location. During the first three months of Fiscal Year 2024-2025, 12 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) approved modifications to their Carl Moyer Program Guidelines on October 24, 2024, which will now

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. The current dismantler contracts expire in August 2025 and the District plans to bring updated dismantler contracts that incorporate the guideline changes to the Board for discussion and approval this summer.

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 voluntary replace them with zero-emission landscape equipment. The fourth cycle of 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 a total of \$762,000 (i.e., approximately \$303,000 from the CARB Carl Moyer Program State Reserve fund and approximately \$459,000 from DMV surcharge revenue). Over the past 15 weeks, 100% of the LEEF Program funds have been allocated to 73 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 in the process of offering grant funds and executing grant agreements for 49 projects. Of these 49 projects, there are 36 off-road replacements, 11 alternative vehicle fueling infrastructure purchases and installations, one (1) agricultural water pump, and one (1) marine engine repower. 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. Seven grant agreements have been executed during the August 1, 2024 to December 31, 2024, review period.

For the 2023 Clean Air Grants program, the District executed grant agreements for 42 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, 9 alternative vehicle fueling infrastructure purchases and installations, four (4) marine engine repowers, and one (1) electric school bus fleet expansion. Currently, 74% of the 42 projects have been completed with the remainder in the implementation process and one grant agreement for \$70,000 was recently terminated:

• AP232417: County of Santa Barbara (infrastructure) – the County of Santa Barbara requested termination of their grant agreement due to incompatible funding timelines and construction timelines and unaccounted construction costs. The unexpended \$70,000 in grant funds from the County of Santa Barbara project will be redirected to other eligible projects to ensure that funds are allocated, implemented, and completed within the CARB grant program expenditure deadlines.

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, 82% 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, 87% 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.

ATTACHMENTS:

- A. Old Car Buy Back Program Update.
- B. Landscape Equipment Electrification Fund Program Update.
- C. Grant Agreement Approval Forms.
- D. Grant Agreement Termination: AP232417 County of Santa Barbara.

ATTACHMENT A

Old Car Buy Back Program Update

January 16, 2025

Santa Barbara County Air Pollution Control District Board of Directors



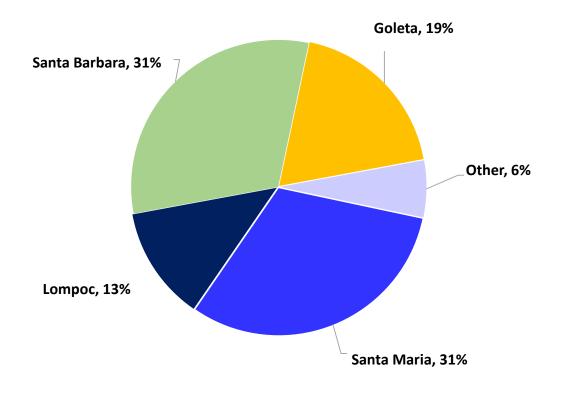
Old Car Buy Back Program Update

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					
	11/1/24 – 12/31/24	FY 2024 - 2025			
Vehicles retired	4	16			
Funds committed @ \$1,250/vehicle	\$5,000	\$20,000			
Total tons reduced [NOx+ ROC + PM]	0.27	1.22			
Average project cost-effectiveness	\$18,488/ton	\$16,417/ton			

Vehicle Owner Location (FY 2024-2025)



ATTACHMENT B

Landscape Equipment Electrification Fund Program Update

January 16, 2025

Santa Barbara County Air Pollution Control District Board of Directors



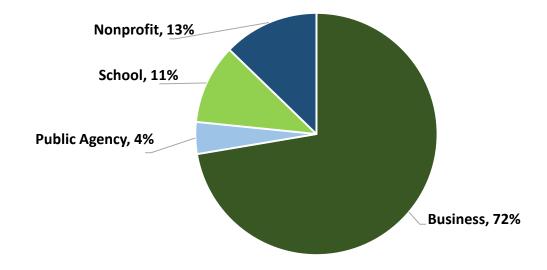
Landscape Equipment Electrification Fund (LEEF) Program Update

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 and \$458,962 from DMV surcharge revenue for a total of \$762,405 available for projects. 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, 2024, 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 – December 31, 2024)					
Organization	Applications Received	Vouchers Issued		Funds Expended	
Туре	Number	Number	Funds Issued		
Business	53	44	\$526,123	\$415,266	
Public Agency	4	4	\$16,870	\$16,230	
School	8	7	\$108,113	\$93,113	
Non-profit	8	7	\$111,299	\$93,723	
Total	73	62	\$762,405	\$618,331	

VOUCHERS ISSUED BY ORGANIZATION TYPE



ATTACHMENT C

Grant Agreement Approval Forms

January 16, 2025

Santa Barbara County Air Pollution Control District Board of Directors

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/10/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Marine Repower

PROJECT INFORMATION

Grantee: Channel Islands Expeditions (AP242501)

Project Location: Santa Barbara Harbor

Grant Agreement Amount: \$86,000

Old Equipment: Two 2007 Detroit Diesel marine engines 535hp (Tier 2)

New Equipment: Two 2024 John Deere marine engines 425hp (Tier 3)

Grant Cost-Effectiveness (\$/T): \$33,691

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 2 Years

Project Emission Reductions: 1.276 tons (0.638 tons/yr)

Approved:

Air Pollution Control Officer

Date:_10 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/10/2024

Grant Program: Carl Moyer

Grant Program Funds: \$1,424,000

Category: Off-Road

PROJECT INFORMATION

Grantee: Joseph Construction and Consulting, Inc. (AP242502)

Project Location: Santa Barbara County

Grant Agreement Amount: \$51,000

Old Equipment: 1999 John Deere Backhoe 71hp (Tier 1)

New Equipment: 2024 John Deere Backhoe 102hp (Tier 4F)

Grant Cost-Effectiveness (\$/T): \$27,216

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 3 Years

Project Emission Reductions: 1.917 tons (0.639 tons/yr)

Approved:

Air Pollution Control Officer

_{Date:} 10 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/10/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Off-Road

PROJECT INFORMATION

Grantee: Adam Bros Farming (AP242504)

Project Location: Santa Maria Valley

Grant Agreement Amount: \$135,000

Old Equipment: 1998 Case Agricultural Tractor 205hp (Tier 1)

New Equipment: 2023 Fendt Agricultural Tractor 282hp (Tier 4F)

Grant Cost-Effectiveness (\$/T): \$30,764

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 3 Years

Project Emission Reductions: 4.458 tons (1.486 tons/yr)

Approved:

Air Pollution Control Officer

Date:_10 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/18/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Off-Road

PROJECT INFORMATION

Grantee: City of Santa Barbara (AP242507)

Project Location: Santa Barbara

Grant Agreement Amount: \$33,000

Old Equipment: 1999 John Deere Loader 114hp (Tier 1)

New Equipment: 2024 DJ Products Electric Dolly 6hp (Electric)

Grant Cost-Effectiveness (\$/T): \$34,683

Cost-Effectiveness Limit (\$/T): \$522,000

Project Life: 7 Years

Project Emission Reductions: 1.050 tons (0.150 tons/yr)

Approved: / / / / / /

Air Pollution Control Officer

Date: 20 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/18/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Off-Road

PROJECT INFORMATION

Grantee: Santa Maria Harvesting (AP242510)

Project Location: Santa Maria Valley

Grant Agreement Amount: \$109,000

Old Equipment: 2000 John Deere Agricultural Tractor 99hp (Tier 1)

New Equipment: 2024 John Deere Agricultural Tractor 155hp (Tier 4F)

Grant Cost-Effectiveness (\$/T): \$13,457

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 3 Years

Project Emission Reductions: 8.274 tons (2.758 tons/yr)

Approved:

Air Pollution Control Officer

Date: 20 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/18/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Off-Road

PROJECT INFORMATION

Grantee: Valley View Farm Services (AP242511)

Project Location: Santa Maria Valley

Grant Agreement Amount: \$75,000

Old Equipment: 1995 Massey Ferguson Agricultural Tractor 76hp (Tier 0)

New Equipment: 2024 John Deere Agricultural Tractor 100hp (Tier 4F)

Grant Cost-Effectiveness (\$/T): \$21,430

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 3 Years

Project Emission Reductions: 3.528 tons (1.176 tons/yr)

Approved: M

Air Pollution Control Officer

Date: 20 Dec 2024

GRANT INFORMATION

To: Air Pollution Control Officer

Staff Contact: Mike McKay

Date: 12/18/2024

Grant Program: Community Air Protection

Grant Program Funds: \$1,211,000

Category: Off-Road

PROJECT INFORMATION

Grantee: Rancho Laguna Farms (AP242512)

Project Location: Santa Maria Valley

Grant Agreement Amount: \$64,000

Old Equipment: 2003 CAT Excavator 90hp (Tier 1)

New Equipment: 2024 CAT Excavator 108hp (Tier 4F)

Grant Cost-Effectiveness (\$/T): \$30,607

Cost-Effectiveness Limit (\$/T): \$34,000

Project Life: 3 Years

Project Emission Reductions: 2.175 tons (0.725 tons/yr)

Approved:

Air Pollution Control Officer

Date: 20 Dec 2024

ATTACHMENT D

Grant Agreement Termination: AP232417 – County of Santa Barbara

January 16, 2025

Santa Barbara County Air Pollution Control District Board of Directors



Jesús Armas, Director, Community Services
Andrew Myung, Deputy Director, Administration & Chief Financial Officer
Joe Dzvonik, Deputy Director, Housing & Community Development
Jeff Lindgren, Deputy Director, Parks Division
Garrett Wong, Interim Division Chief, Sustainability Division
Sarah York Rubin, Executive Director, Office of Arts & Culture



November 14, 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 AP232417

Dear Sydney Rouse:

This letter is to request termination of Grant Agreement AP232417 (Agreement) between County of Santa Barbara and the Santa Barbara County Air Pollution Control District from the 2023 Clean Air Grants Program.

The reasons for termination pertain to 1) incompatible funding timelines and construction timelines and the 2) unaccounted construction cost to be incurred by the County under Rule 15.

The Agreement would have funded the Wallace Avenue Project (Project) scope to installing four Level 3 curbside charging stations. To complete the Project, the County required several funding sources including SBAPCD Clean Air Grants and SBCAG's SB 1 funding. While the SBAPCD funding was already awarded, the SB 1 funding required an allocation request to the California Transpiration Commission requiring several months. The time to fully complete the allocation request from the CTC would have not been compatible to meet the proposed construction schedule of the Public Works led streetscape improvements, where the County would be able to construct the Project.

Additionally, the unforeseen construction burden under Rule 15 caused an increase in construction cost and time which was unaccounted for in both funding sources (SBAPCD and SBCAG) and construction schedules. The proposed interconnection design from SCE required three points of connection. This required trenching in areas which were recently paved by CalTrans and the County (Evans underpass) and required trenching through Union Pacific Rail Road right-of-way. Both locations required permit approvals and additional construction cost which were not accommodated in both APCD and SBCAG funding sources and the County's construction schedule of Wallace Ave.

Based on this, County of Santa Barbara is requesting termination of Grant Agreement AP232417 for cause according to Section 15.a (Termination).

Sincerely,

Garrett Wong,

Interim Sustainability Division Chief

County of Santa Barbara



December 9, 2024

County of Santa Barbara Attn: Garrett Wong, Interim Sustainability Division Chief 123 East Anapamu Street, 2nd Floor Santa Barbara, CA 93101

RE: **Termination of Grant Agreement AP232417**

Dear Garett Wong:

The Santa Barbara County Air Pollution Control District (District) received your November 14, 2024, letter requesting termination of Grant Agreement AP232417 as executed on April 30, 2024. 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 County of Santa Barbara in relation to the grant agreement, there is no obligation for County of Santa Barbara to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

The District encourages County of Santa Barbara 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

Aeron Arlin Genet, Air Pollution Control Officer

