SACRAMENTO METROPOLITAN



Sac Metro Air District - Overview of the 2021 Community Air Quality Grant Solicitation

The Sac Metro Air District has over \$18 million in mobile source incentive funding to improve air quality in Sacramento. Most of this funding is available in Sacramento, Solano, and Yolo Counties in partnership with the Yolo-Solano Air Quality Management District. **The application period opens on March 29, 2021 and closes on May 28, 2021.** Applicants are encouraged to submit their proposals. The primary purpose of this funding is to promote zero emission equipment used instead of diesel in communities impacted by air pollution, however applications are accepted for other categories. All funding will be released with one common application.

Funding will be available to replace existing heavy duty vehicles with zero emission trucks and buses, install low carbon fueling infrastructure, replace older farm tractors, upgrade locomotives, and other eligible projects. Applications are open to private companies, government agencies, and others to promote clean transportation and goods movement in Sacramento. Any applications not funded may be used to advocate for more funding in the future, so please apply for any projects.

Four programs – Community Air Protection Incentives, Carl Moyer Program, Proposition 1B, and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) – represent most of this funding. While each funding source has its own guidelines, the programs generally use the Carl Moyer Program or GMERP guidelines for project eligibility. Air districts can choose to fund specific project categories, and the Sac Metro Air District will exercise this option. These options will be explained in each program section.

The Sacramento Emergency Clean Air Transportation (SECAT) Program is a local grant program developed in partnership with the Sacramento Area Council of Governments (SACOG) with more flexibility to promote community zero emission vehicle projects. This program is like the state Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), but only open for trucks based in El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba counties.

Projects will be evaluated by staff including potential inspections of existing equipment following safety protocols. Applicants selected for funding will enter into grant agreements and proceed with funding.

Funding Overview

Generally, applicants do not need to choose a specific funding source when applying for their project. Some project types cannot be funded with certain funding sources, and some funding sources may offer a higher funding amount than others. Staff will work with applicants to identify the best funding sources for their application to best leverage available funding and meet community needs while providing maximum funding for the project. To assist applicants, the following table shows the maximum funding by project type and funding source. Please note that actual awards may be lower than the maximum funding.

Project Type	Community Air Protection Incentives	Carl Moyer Program	SECAT	Proposition 1B	FARMER
Farm Tractor Replacement (Sac County Only)		Up to 80% of tractor cost			
Heavy Duty Truck Replacement			\$100,000 per vehicle	Up to \$200,000 per truck	
Locomotive Engine Repowers	Up to 75% of switcher repower cost	Up to 75% of switcher repower cost		Up to 75% of repower cost	
Low Carbon Fueling Infrastructure	Up to 60% for most projects	Up to 60% for most projects			
Marine Vessel Engine Repowers		Up to 85% for marine repowers			
New Zero Emission Heavy Duty Vehicle*			\$100,000 per vehicle		
Refuse Truck Replacement	Up to \$200,000 for zero emission refuse truck	Up to \$200,000 for zero emission refuse truck	\$100,000 per vehicle		
Rough Terrain Forklift Replacement		Up to 80% of forklift cost			
Zero Emission School Bus Replacement	Up to \$400,000 for zero emission school bus	Up to \$400,000 for zero emission school bus	\$100,000 per vehicle		
Zero Emission Transport Refrigeration Units				Up to 80% of TRU cost	
Zero Emission Utility Vehicle Replacement					Up to 75% of eUTV cost up to \$13,500

^{*} Note: this includes all vehicles with a class 4 weight rating and above including buses, micro shuttles, refuse trucks, and other similar vehicles.

For this solicitation, HVIP funding can only be used with SECAT. CORE funding can be combined with all funding sources. Other sources of funding may not be eligible as match. Please contact staff if you plan to use or apply for other grants as part of your application.

Other Funding Opportunities in our area:

- CalStart Funding Finder Tool <u>FundingFinderTool.org</u>
- California VW Mitigation Trust <u>CaliforniaVWTrust.org</u>
- o <u>Light-Duty Electric Vehicle Infrastructure</u> **Opening Q1 2021**
- o Zero-Emission Freight and Marine Projects Tentatively Opening Q1 2021