

## 2025 Community Funding Plan



Transportation and Climate Change Division

Sac Metro Air District

4/24/2025

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## Executive Summary

The Sac Metro Air District (District) is pleased to announce the release of \$8 million in funding under its Community Air Protection Incentives program. These funds are designed to promote projects that improve air quality in communities in Sacramento County identified by SB 535 (De León, Statutes of 2012) as well as within the District's AB 617 South Sacramento-Florin community. This program is funded with Greenhouse Gas Reduction Fund proceeds from the California Air Resources Board.

The community process selected two categories for applications. Each category will have its own budget to address the unique needs of each program. All programs will open for new applications on Thursday, May 1, 2025, and will be open for at least 45 days. Staff may immediately reopen the programs if there are not enough applications to spend the funding.

### Community Greening Projects

- \$3 million for new applications
- Competitive solicitation with ranking criteria
- Promote tree-planting and landscaping projects to reduce exposure to air pollution

### Zero-Emission On-Road Trucks and Buses and Infrastructure Support

- \$9 million for new applications (including other District funds)
- Competitive solicitation with ranking criteria
- Funding to scrap and replace existing vehicles with zero-emission heavy-duty vehicles
- Funding for publicly accessible electric vehicle chargers and hydrogen fueling stations





## Role of Incentives in Sacramento

Since 1996, the District has used incentives to promote activities that reduce air pollution in Sacramento. The District has robust regulations that require businesses and large organizations to comply with strict requirements designed to reduce pollution from most sources. However, the District is limited in its ability to regulate mobile sources of pollution like cars, trucks, locomotives, and airplanes. These sources also represent most emissions responsible for regional ozone formation.

The District relies on grant funding to incentivize the purchase and use of clean vehicles and fuels. Past projects replaced older diesel trucks with modern, cleaner diesel versions and promoted the use of natural gas and other combustion fuels to reduce pollution. District programs now promote the use of zero-emission technology when feasible.



The District manages several incentive programs designed to address unique concerns in the community. These programs include:

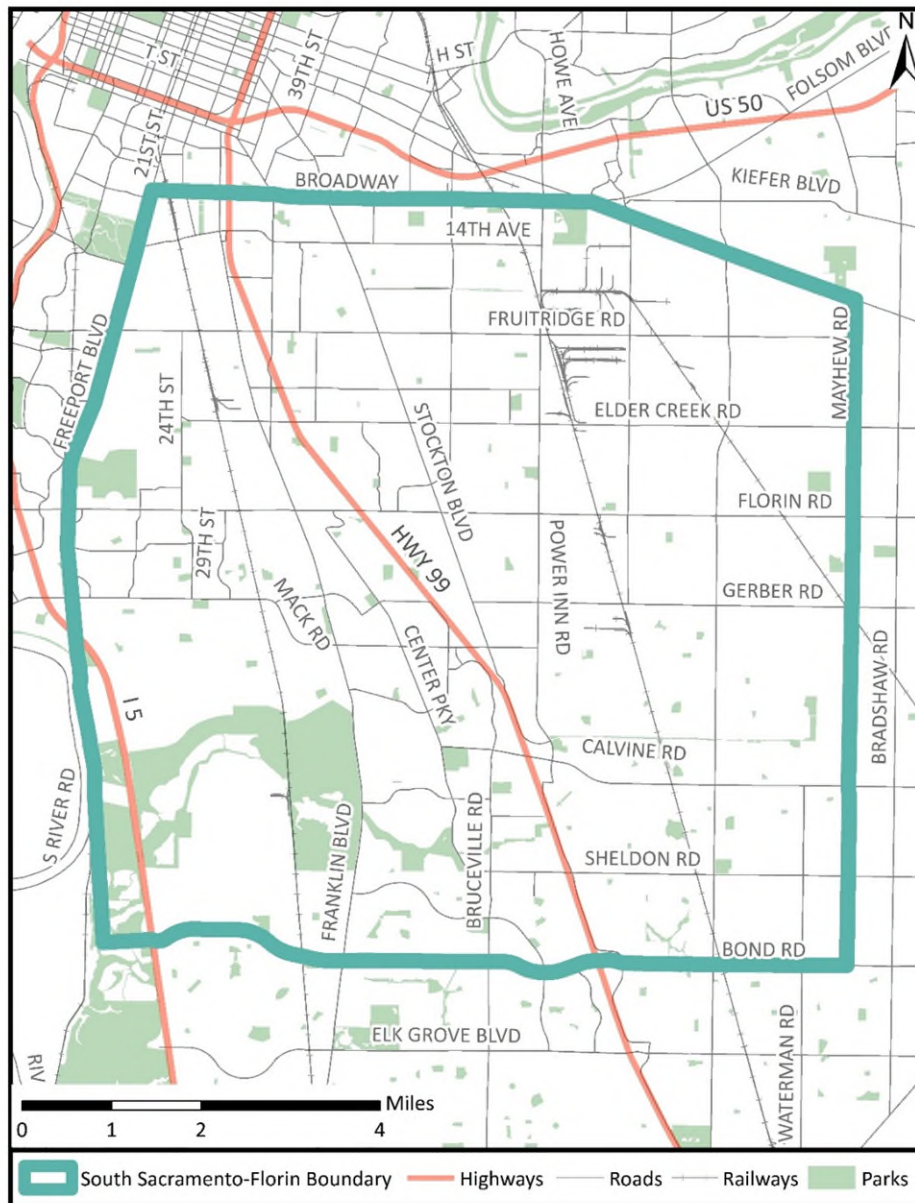
- **Carl Moyer Program** – designed to achieve maximum reductions in traditional air pollution throughout Sacramento County
- **Charlene McGhee Memorial Lawn & Garden Program** – continuing efforts to reduce pollution from commercial and residential landscaping equipment
- **Clean Cars 4 All** – helping to bring zero-emission, light-duty vehicles to income-qualified households
- **Sacramento Emergency Clean Air Transportation (SECAT) Program** – optimized to accelerate the use of zero-emission vehicles in the Sacramento region

Community Air Protection (CAP) Incentives are designed to address local air pollution concerns under the California AB 617 program. The legislature appropriated funding from the Greenhouse Gas (GHG) Reduction Fund to the California Air Resources Board (CARB) to distribute to local air districts to fund community projects. These funds have been used to fund the following types of projects in Sacramento County:

- Electric school buses with the Elk Grove Unified School District
- Our Community Car Share program support
- Solar-powered public EV chargers at Nicholas Park
- Tesla semi-trucks at the Pepsi Sacramento Bottling Plant
- Zero-emission lawn and garden equipment with the Southgate Recreation and Park District



In 2024, CARB expanded the role of CAP Incentives to include more options. These options align with evolving concerns in the community about community health and exposure to air pollution. The District's AB 617 community is transitioning to a Community Emissions Reduction Plan (CERP) that will require additional efforts to further reduce air pollution in the South Sacramento-Florin community. This funding plan will enhance our overall incentive strategy by providing critical improvements in community air quality. Strategic incentive projects combined with strong local enforcement of state and federal clean air requirements will help protect the health of community residents.



## Incentive Process Overview

All projects require submitting an online application through the District website. Each program has a unique application and supplemental documentation requirements. All required documents must be scanned into PDF format and uploaded with each application. One application can cover multiple pieces of equipment at one location.

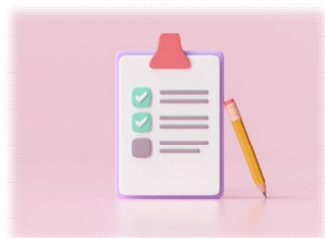
Once the application is submitted, you will receive a confirmation email. You will not receive a copy of the application, so please print out the completed application before submittal. If needed, you can request the official copy once the application has been assigned for review. Applications are typically reviewed within 30 days of receipt. However, for competitive programs, applications may be reviewed in order of receipt and priority of the application according to each solicitation.



If an application is selected for funding, the applicant will be contacted if they need to submit missing documents or additional information. Most projects also require an inspection of the existing equipment and/or property. An inspector will contact the person listed on the application to coordinate the site visit and all necessary inspection paperwork. All existing equipment must be fully operational at the time of inspection and no site improvements can be completed during the application period, or the application may be rejected.

All selected applicants will sign agreements with the District to receive funding and become approved participants. Funding over \$1 million to a single entity in a single calendar year requires approval by the District's Board of Directors. Agreements are executed using DocuSign and require an active email address for the signatory. Participants are required to comply with the agreements between 3-25 years after payment, including annual reporting and requirements on sale and transfer of funded equipment.

Once participants complete the project, they will submit the invoice paperwork to the District according to the requirements in the agreement. This will trigger the final inspections of the project to verify compliance with program requirements and update the agreement with the final equipment details. The inspection and invoice process typically takes three months or more to complete. Please plan for this timeline, as participants must pay the full cost of the project and then seek reimbursement from the District.



Annual usage reports will be sent to the contact listed in the agreement and must be completed and returned. Projects are subject to auditing by the District. Most on-road vehicles require the District to be listed as a lienholder on the vehicle, and other projects may require a security filing with the California Secretary of State. All interests are released at the end of the agreement if all terms and conditions are met. If the contact

information changes, equipment needs to be transferred to another party, or other modifications are necessary, please review the procedures on our [Participant Resources Page](#).

All projects selected for funding must comply with the District's Branding and Promotion requirements. Participants are required to design and affix the District's approved wordmark to each piece of equipment according to the specifications in the Incentives Toolkit posted on the District's website. Project photos and testimonials are required for all projects. Larger projects have more requirements. The Branding and Promotion requirements are in the [Incentives Toolkit](#).





# Community Greening Projects

The District has set aside approximately \$3 million for community greening and vegetative barrier projects. To be eligible for funding, applicants must meet all requirements outlined in the guidelines below.

## Funding Priority

Funding priority is given to projects that will impact the geographies specified here. The highest prioritized location are projects that will directly benefit the AB 617 – and other SB 535 and AB 1550 communities identified by CARB’s [California Climate Investments Priority Populations Mapping Tool 4.0](#). All other projects will be considered on a case-by-case basis based on their location in Sacramento County.

## Eligible Project Categories

Applicants may propose a project focused on community greening, a vegetative barrier, or both. Projects must directly reduce toxic and criteria air pollutants and provide other direct benefits and co-benefits for the community where the project is located.



Examples of eligible direct benefits include, but are not limited to:

- Enhanced environmental and air quality benefits
- Increased access to green spaces
- Promoting sustainable communities

Examples of eligible community co-benefits include, but are not limited to:

- Provides park or recreational benefits to SB 535 or AB 1550 communities.
- Proposed by an organization located or working within the District’s AB 617, or an SB 535 or AB 1550 community.
- Develops partnerships with local community organizations and businesses in order to strengthen outreach to communities.
- Uses interagency cooperation and integration.
- Uses existing public lands and facilitates the use of public resources and investments, including schools.
- Enhances community safety and promotes active mobility.

## Community Greening

Community greening projects incorporate green spaces and infrastructure into urban environments to improve the natural and built environments and enhance the quality of life for residents. Implementing community greening projects can address air pollution, GHG emissions, and urban heat island effects.

Eligible community greening projects will include a complete maintenance plan, or a statement explaining the reason it does not require one, and may focus on:

- Enhancing green spaces by planting trees or vegetation to reduce GHG emissions using natural and green infrastructure approaches to create a sustainable community.
- Converting or improving the built environment to provide the community with a new or transformed green space. Projects can consider adding shade to sidewalks, streets, buildings, and other spaces to reduce energy consumption and encourage active transportation.
- Green infrastructure that maximizes opportunities to reduce GHG emissions to improve sustainability. Examples may include, but are not limited to, permeable pavements, green roofs, rain gardens, vegetative barriers, and other measures.

### *Vegetative Barrier*

A vegetative barrier is a strip of densely growing plants, usually consisting of tree species, perennials, or grasses, that are generally planted across a slope perpendicular to the dominant slope. Vegetative barriers can be installed near roadways, major highways, surface streets, and neighborhoods to reduce traffic noise and exposure to air pollutants.

Eligible vegetative barrier projects will:

- Utilize the design elements and concepts contained in the U.S. Environmental Protection Agency's [Recommendations for Constructing Roadside Barriers to Improve Near-Road Air Quality](#), including barrier height, thickness, porosity, and length.
- Include a tree maintenance plan, which includes removal and replacement of dead trees and/or vegetation, during the specific project period.
- Select project plants that shall conform to the following characteristics:
  - Non-invasive
  - Roadway safety conformity (where applicable)
  - Maximizes GHG reductions
  - Low-biogenic volatile organic compound emitting
  - Minimize allergenic pollen

### *Eligible Applicants*

Applicants must be recognized by the Internal Revenue Service as either a 501(c)3 non-profit organization, community-based organization, school or educational institution, tribal government, other type of public agency, or private organization/foundation. Applicants must have the experience to coordinate with project partners, if any, and implement urban greening projects within the selected community.

Applicants must be the property owner or be able to obtain documented authority, such as a letter of commitment or agreement, from the property owner on which the project will be implemented.

Applicants shall comply with the District's or CARB's request to report on a regular basis (i.e. bi-weekly, monthly, etc.), inspect, meet, or discuss any part of the project as required.

### *Grant Funding Amounts*

The applicant must comply with applicable state and/or federal conflict of interest laws. To be eligible to receive incentive funding, the applicant must agree to disclose additional funding sources that include, but are not limited to, federal, state, and third-party private sources.

Eligible costs may include:

- Initial study supplies and materials.
- Labor and construction.
- Contracted services.
- Signs and interpretative aids communicating information about the project.
- Up to 25% of the grant request may be budgeted for non-construction costs, including, but not limited to, design, permitting, outreach, project-specific anti-displacement strategies, and direct project administration and management.
- Up to 10% of the grant request may be budgeted for contingency costs.
- Routine maintenance and rehabilitation over the life of the project are eligible for funding, so long as such costs are accounted for, and relevant purchases made after contract execution but prior to project completion.

Ineligible costs include operational overhead (i.e., rent, utilities, office equipment/supplies).

Payments will be made on a reimbursement basis. The participant agrees to pay for services, products, supplies, and maintenance for the lifetime of the project's minimum operational requirements, submits invoices and proof of payment, and is then reimbursed.

There are no maximum or minimum grant amounts. The District may consider additional factors including, but not limited to, economic benefits, geographic distribution of funds, previous grant performance, prioritized community status, cash or in-kind match, community or inter-agency support with supporting evidence, community engagement, and other potential project benefits, as well as partial funding.

## General Requirements

Proposed projects shall be completed by no later than April 30, 2028. The implementation phase shall be completed by the specified contract execution date. Applicants selected through this solicitation are required to commit to their projects for a minimum of 10 years.

Participants should operate and maintain the community greening or vegetative barrier project for a period of:

- At least 10 years for Grants up to \$100,000
- At least 20 years for Grants up to \$1 million
- At least 25 years for Grants over \$1 million

During the contract, implementation, and operational phase of the project, selected applicants must maintain the project and make the project available for inspection if requested by the District or CARB.



## Application Requirements

List of requested documents:

- Photographs of Site
- Location Map
- Cost Estimate
- Funding Plan
- Project Timeline
- Proof of Ownership or Permission from Owner to Modify Land
- CARB GHG Spreadsheet



Additional funding criteria and requirements for various project types are outlined in the CARB's Guidelines.

## Project Selection Criteria

The District will use the following competitive solicitation process to select community greening and vegetative barrier projects for funding. Projects will be ranked based on the point system outlined below and compared to other projects in the same category. While each project category has an initial funding allocation, the District may reallocate funding to other categories if not enough applications are submitted to meet program requirements.

Applicants will have a 45-day window to apply. After this period, District staff will evaluate applications and use a point system to rank projects. The District may hold additional solicitation periods at its discretion to meet the minimum requirements and deadlines.

## Criteria Ranking

10 possible points

Category	Points Available
<b>I. Cost-Effectiveness</b> <ul style="list-style-type: none"><li>• \$/ton GHG reduced</li><li>• Funding plan/other source of funding</li></ul>	<b>2</b>
<b>II. Project Location</b> <ul style="list-style-type: none"><li>• AB 617, SB 535 or AB 1550 (Gomez, statutes of 2016)</li></ul>	<b>3</b>
<b>III. Project Priorities</b> <ul style="list-style-type: none"><li>• Community greening &amp; vegetative barriers projects</li><li>• Maintenance plan</li><li>• Co-benefits</li><li>• Qualification &amp; community support</li></ul>	<b>5</b>

Projects may receive a maximum of 10 points based on the criteria categories below, and partial points may be issued based on the applicant's submission:

### *I. Cost-Effectiveness (up to 2 points)*

Two Points (2) – The project clearly demonstrates its efficiency in achieving a net GHG emissions reduction benefit and includes appropriate calculations for GHG reduction as required by CARB.

- [Calculation Spreadsheet](#)

### *II. Project Location (up to 3 points)*

A project may receive up to 3 points if both conditions are met.

Two Points (2) – The project is located in an SB 535 Community. The District prioritizes improving air quality in these areas. Most grant programs require priority funding in these areas. District staff will identify these projects using the [California Climate Investments Priority Populations Mapping Tool 4.0](#).

One Point (1) – Projects based in the AB 617 South Sacramento-Florin Community. AB 617 is a core priority for the District and is required under our grant programs. District staff will utilize the new [South Sacramento-Florin AB 617 boundary map](#) to identify projects in this area.

### *III. Project Priorities (5 Points)*

Projects may receive up to (5) points, two (2) points for Community Greening and Vegetative Barrier project description and objective, one (1) point for Operation Maintenance Plan, one (1) point for Community Co-benefits, one (1) point for Qualification and Community Support.

#### **Project Description and Objective: Community Greening or Vegetative Barrier (2 points)**

Project includes a clear description of the type of project the applicant is requesting funding for, and its purpose serving the community. If the project intends on planting vegetation, the applicant should list the type of vegetation and comply with the species listed in the project solicitation.

#### **Operational Maintenance Plan**

1 Point (1) – A well-developed maintenance plan is justified in the application. This includes acknowledgment of the project's timeline for post-funding maintenance. The maintenance plan clearly states how the applicant intends on maintaining the project, ensures that required replacement of vegetation will be met and complies with operational maintenance for the contracted period.

#### **Community Co-benefits**

One Point (1) – The project provides multiple co-benefits to the community such as enhancing the sustainability of the community, improving safe active transportation, increasing access to green space, or other co-benefits that impact the community's livability. All CAP projects must reduce criteria air pollutants and/or toxic air contaminants.

## Qualification & Community Support

One Point (1) – Applicant demonstrates the organization’s experience in completing similar types of community greening or vegetative barrier projects and provides examples of past projects, if applicable. The project has support from, but not limited to, the public, community organizations, and/or local agencies and provides supporting documentation.

## Project Selection

District staff will use the following ranking system to evaluate projects and give priority to high-scoring applications.

- Projects scoring **eight (8) points or higher** will receive priority funding consideration.
- Projects scoring between **six (6) and five (5) points** will be evaluated next, with priority given to those in SB 535 or AB 617-designated communities.
- Projects scoring **less than five (5) points** will be evaluated last but may still receive funding based on funding availability and program requirements.



The District may further differentiate between projects that score the same by prioritizing applications that were submitted first. Please note that ranking high on the application list does not guarantee funding. Ultimately, funding will be based first on meeting prioritized project location, type of project, and project readiness. The District may contact the applicant if there are additional questions regarding the application prior to awarding any points and/or funds. At its discretion, the District may solicit additional projects if insufficient projects are submitted to meet funding thresholds. Incomplete applications will not be considered and will be asked to resubmit.

Community greening and vegetative barriers projects must use the District Infrastructure Application. Applicants must provide all required documents as described in the online application. If applicants apply for multiple locations, each location must have a separate application. Locations dependent on irrigation must submit “Proof of Utility Service” which includes water service to the property.

On the application, please enter “Community Greening Project” in the field marked as “Other Infrastructure Project approved by CARB.” In the section that begins “Description of equipment that will use the infrastructure and anticipated annual use” please enter “N/A” in the required fields and ignore the remaining fields in the section.

Under the “File 5: Utility Service & Rule 16” file upload section, please upload a document describing how you plan to establish or improve water service at the proposed project location to support the landscaping or describe why water service is not needed. All other required documents must be combined into a single attachment and uploaded as “Additional Document 1.” This includes output from the CARB Urban Greening Benefits Calculator. If needed, applicants may combine required documents in up to three attachments uploaded into the additional document categories.



# Infrastructure Support for Clean Advanced Technologies

The District has allocated \$9 million for zero-emission on-road heavy-duty (HD) vehicle replacements, vehicle charging stations, and hydrogen fueling projects. To be eligible for funding, infrastructure applicants must meet all requirements outlined in the CAP Incentives and Carl Moyer Program guidelines.

## Eligible Project Categories

The District provides funding for alternative fueling and charging infrastructure through the Carl Moyer Program and the Community Air Protection Incentive Program. Infrastructure incentives are for hydrogen fueling stations and electric vehicle supply equipment (EVSE), also referred to as battery-electric vehicle charging stations. This solicitation is limited to Level 2 and higher battery-electric vehicle charging stations only. Applications for current EVSE upgrades will be considered on a case-by-case basis.

## Grant Funding Amounts

Grant funding only funds items essential to the infrastructure. Taxes, warranty, insurance, and delivery fees may be considered eligible costs at the District's discretion. Electric school bus chargers are the only project type eligible for 100% funding under both funding sources.

Below is a table summarizing the maximum funding caps by project category and source. Please note that actual awards are often lower than the maximum funding.

Project Type	Carl Moyer Program State Funding Caps	Community Air Protection Program State Funding Caps
Any infrastructure project	60%	60%
Projects with solar/wind power systems <sup>2</sup>	75%	85%
Publicly accessible project	+10%	+10%
Additional incentive for projects also serving a port, railyard, or freight facility	+10%	+10%
School Bus Charging	100%	100%
Any infrastructure project located at a Sensitive Receptor <sup>1</sup>	100%	100%

<sup>1</sup> Sensitive Receptor locations may include hospitals, schools, and day care centers, and such other locations as the air district board or California Air Resources Board may determine (California Health and Safety Code § 42705.5(a)(5)).

<sup>2</sup> Projects that include Solar/Wind Power systems must be capable of supplying at least 50% of the estimated electricity output of the EVSE. Applicants that include on-site renewable generation must provide a methodology for estimating the total energy provided for vehicle charging from the system to determine whether the generation meets the 50% requirement. Projects not connected to the electrical grid will be evaluated on a case-by-case basis and may not be eligible for funding.

Infrastructure funding is also dependent on eligible and ineligible costs. The District will evaluate quotes to determine an accurate funding estimate. Any purchases and/or payments prior to contract execution are not guaranteed funding. All eligible costs are listed in the [2024 Carl Moyer Guidelines](#) and include:

#### *Eligible Costs:*

1. Cost of design and engineering
  - a. (i.e., consulting, labor, site preparation, Americans with Disabilities Act accessibility, signage)
2. Cost of equipment
  - a. (e.g., charging/fueling units, electrical parts, energy storage equipment, materials)
3. Cost of installation directly related to the construction of the station
4. Meter/data loggers
5. On-site power generation system that fuels or powers covered sources
  - a. (i.e., solar and wind power generation equipment)
6. License fees, environmental fees, commissioning fees (safety testing), and on-site required safety equipment
7. Select fees may also be incurred pre-contract execution (i.e., permits, inspections, design, engineering, site preparation)

#### *Ineligible Costs:*

1. Upgrades to existing infrastructure that do not increase output capacity
2. Fuel and energy costs
3. Non-essential equipment hardware
4. Operation cost
  - a. (e.g., operational fees, maintenance, repairs, improvements, spare parts)
5. Insurance
6. Grantee administration costs, work performed, or self-reimbursement
7. Travel/lodging
8. Employee training and salaries
9. Legal fees
10. Real estate property purchases/leases
11. Performance bond costs
12. Construction management
13. Stormwater plan costs
14. Security costs
15. Testing and soil sampling
16. Hazardous materials, including permitting, handling, and disposal

## General Requirements

1. The project must be located in Sacramento County.
2. The project must comply with all applicable federal, State, local laws and requirements including environmental laws, and State building, environmental 10/24/2024 10-5 INFRASTRUCTURE and fire codes. For instance, air districts or applicants may need to perform CEQA review and obtain approval prior to funding a project.
3. Work must be performed by contractors and/or electricians that meet all required licensing, certification, and statutory requirements for the eligible project type (e.g., AB 841 [Ting, Chapter 372, Statutes of 2020]).
4. Publicly accessible stations should be accessible to the public 24 hours a day or as many hours as allowed by local ordinance. Publicly accessible stations with restricted access such as gated facilities must be accessible to the public during the facility's regular business hours.
5. Publicly accessible stations must provide equal access and opportunities to all users.

## Application Requirements

1. Proof of Location Ownership or Lease Agreement.
2. Proof of Utility Service: Attach a copy of the project site utility bill or a letter from the utility company stating service will be available for the project site.
3. [Rule 16](#) Analysis and Quote from Electric Utility must be completed prior to application submittal, if applicable.
4. Timeline and Description of Permits and Local Agency Approvals for the Project.
5. Site Design Documents: Attach a site map (aerial view) showing the proposed location of the equipment and labels that identify each piece of equipment.
6. Project Cost Quote.
7. A copy of the District Vendor Payee Data Record (PDR) Form.

## Low-Carbon Fueling Infrastructure

Most large infrastructure projects require utility upgrades that must be evaluated under Rule and Regulation 16 (Rule 16). Consequently, the application process will require site capacity evaluation documentation from the Sacramento Municipal Utility District (SMUD) or documentation showing the project is exempt from Rule 16 requirements. This applies to all battery charging and hydrogen stations. Please note that this may require payment of fees and wait times of up to six months, which may delay the date the District can accept an application. All approvals must be completed before application. The District may reject applications that have not completed this process.

Please note that this manual is not an exhaustive list of program requirements. The Carl Moyer and CAP Incentives Guidelines outline additional funding criteria and requirements that the District will use to evaluate projects. If you have any questions, please email [LEVIP@airquality.org](mailto:LEVIP@airquality.org).





## Zero-Emission On-Road Trucks and Buses

The District has allocated \$9 million for zero-emission on-road HD vehicle replacements, vehicle charging stations, and hydrogen fueling projects. To be eligible for funding, on-road applicants must meet all requirements outlined in the CAP Incentives and Carl Moyer Program guidelines.

### Eligible Project Categories

Funding is available to replace or scrap older school buses, delivery trucks, refuse trucks, utility vehicles, emergency vehicles, airport shuttles, and other community vehicles with zero- or near-zero-emission replacements. Except for school buses, eligible vehicles must have a Gross Vehicle Weight Rating (GVWR) of 14,001 lbs. or greater.

All fleets must demonstrate compliance with and surplus to current applicable rules, regulations, and requirements. Funded projects must not be required by any federal, State, or local rule or regulation.

### Grant Funding Amounts

Grant funding only funds items essential to the vehicle's operation. Taxes, warranty, insurance, and transport fees may be considered eligible costs at the District's discretion. Funding amounts will be based on the existing vehicle's average annual usage, project life, and program funding caps. Fleet averages cannot be used to determine usage except for school buses funded through the CAP Incentives program. Below is a table summarizing the maximum funding caps by project category and source. Please note that actual awards are often lower than the maximum funding.

Project Type <sup>1</sup>	Carl Moyer Program State Funding Caps <sup>2</sup>	Community Air Protection Program State Funding Caps <sup>3</sup>
School Bus (GVWR ≥ 8,501 lbs.)	\$400,000 for ZE Replacements 60% for Optional Low-NOx	None for ZE Replacements 60% for Optional Low-NOx
Heavy Heavy-Duty Truck/Bus (GVWR > 33,000 lbs.)	\$410,000 for ZE Replacements	None for ZE Replacements
Medium Heavy-Duty Truck/Bus (19,501 ≤ GVWR ≤ 33,000 lbs.)	\$180,000 for ZE Replacements	None for ZE Replacements
Light Heavy-Duty Truck/Bus (14,001 ≤ GVWR ≤ 19,500 lbs.)	\$170,000 for ZE Replacements	None for ZE Replacements
Emergency Vehicle and Transit Bus without (FTA) funding (GVWR ≥ 14,001)	80% of the ZE Replacement Cost	None for ZE Replacements

<sup>1</sup> On a case-by-case basis, additional project types may be eligible under the Carl Moyer or CAP Incentives Program.

<sup>2</sup> Fleets > 20 vehicles may receive funding of no more than 50% of the new vehicle cost, except for public emergency vehicles, public school buses, and ZE projects for public transit vehicles.

<sup>3</sup> Except for emergency vehicles and school buses, no more than 95% of vehicle cost for fleets ≤ 3, no more than 90% for fleets with more than three and ≤ 10, and no more than 60% for fleets > 10.

## General Requirements

To be eligible for funding, applicants must replace their combustion-powered vehicle(s) with CARB-certified zero-emission technologies. Only school buses may replace their fleet with advanced technologies certified to meet the Optional Low NOx Engine Emissions Standards for HD Engines (i.e., 0.02 g/bhp-hr. NOx standard).

General program requirements are outlined below:

1. Applicant must have a physical address within Sacramento County and/or predominantly operate in Sacramento County.
2. Applicant must currently be the sole owner of the baseline vehicle. In addition, the participant must have owned and operated the vehicle throughout at least the previous 24 months.
3. School buses must have a CHP safety certification (CHP Form 292).
4. School districts cannot replace more than 15% of their bus fleet with vehicles emitting NOx.
5. Before grant approval, applicants must be pre-screened for regulatory compliance, outstanding violations, open cases, and previous project funding.
6. The replacement vehicle must be in the same weight class as the baseline vehicle (e.g., LHD, MHD, or HDD). Zero-emission replacement vehicle projects where the replacement vehicle is not within the same weight class as the baseline vehicle may still be eligible on a case-by-case basis.
7. The participant must be the registered owner of the replacement vehicle.
8. The District must be listed as a lien holder on vehicle replacement projects through the contract term. Additionally, the participant must annually:
  - a. Provide registration and proof of insurance to the District.
  - b. Complete and submit usage surveys, including miles driven in Sacramento County and California, and details regarding maintenance and servicing.
9. The baseline vehicle must be scrapped through one of our approved recyclers.
10. The new vehicle must be put into operation and inspected by District staff before reimbursement is granted. Note that private entities may be subject to a cost-share requirement.

## Baseline Vehicle Requirements

To be eligible for funding, the baseline vehicle must currently operate on diesel or alternative fuel such as compressed natural gas. The vehicle must have an engine model year between 2010 and 2019 (except for school buses or log trucks), and the engine must be compliant. The project must demonstrate surplus to all applicable rules, regulations, or requirements (e.g., Truck and Bus Regulation, Advanced Clean Fleet Regulation, Clean Truck Check HD/IM Program, etc.) to be eligible for funding. Engines operating under an extension not included in the applicable regulation, such as the Statewide Truck and Bus Regulation, or under program advisory, are not eligible for funding. For information about applicable rules, regulations, and/or requirements a fleet must demonstrate surplus to, please go to the [CARB On-road Heavy-Duty Vehicles website](#).

The baseline vehicle must currently be registered and have been registered in California for the past 24 months (except for seasonal vehicles and those eligible under the military service provision of the Carl Moyer Guidelines). Out-of-state IRP or registration is not eligible. The baseline vehicle must be based in California. District staff must also inspect the baseline vehicle to confirm its operational and roadworthy condition.

## Replacement Vehicle Requirement

To be eligible for funding, replacement vehicles must be certified to an optional 0.02 g/bhp-hr. NOx and 0.01 g/bhp-hr. PM emission standard or cleaner (school bus projects only), or must have a CARB-issued executive order confirming the vehicle meets the zero-emission standards. The replacement vehicle must also have the same axle and body configuration as the baseline vehicle, with some flexibility allowed based on the latest technology. Additionally, the engine horsepower must be no more than 25% greater than the baseline engine horsepower. In limited situations, such as zero-emission vehicle availability, the District may approve an increase in horsepower difference.

Zero-emission vehicles must meet Zero-Emission Powertrain (ZEP) Certification Regulation, including, but not limited to, a minimum warranty period of three years or 50,000 miles (60 months or 75,000 miles for zero-emission school buses). The warranty must cover the motor, drivetrain, battery, or energy storage, and parts and labor. Please refer to the [California Standards and Test Procedure for New 2021 and Subsequent Model HD Zero-Emission Powertrains](#) for complete information on warranty requirements for zero-emission vehicles and school buses. Optional Low-NOx school buses must purchase a major component engine warranty in accordance with warranty requirements (HD Low NOx Omnibus Regulation), including covering parts and labor.

## Application Requirements

Participants will need to submit an electronic application for funding consideration. Please ensure your application includes the following documents scanned into PDF, JPEG, PNG, or XLSX format:

1. A copy of the Certificate of Compliance from CARB's TRUCRS Database or proof of applicable compliance requirements.
2. Copy of the baseline vehicle title with no active lienholders. The applicant must have been the sole owner of the vehicle for at least the previous 24 months.
3. A copy of the current and valid vehicle registration.
4. A printout of the DMV Vehicle Registration Record showing that the vehicle has been registered in CA for the past 24 months. Vehicles that operate seasonally must be registered in CA for three to six continuous months per 12-month period for the previous 24 months.
5. Conclusive documentation (logbooks, maintenance records, tax records, etc.) of annual miles traveled in CA covering two 12-month periods from the previous 30 months. The applicant must certify that at least 51% of total usage has been in California.
6. Proof of insurance for the old vehicle for the previous 24 months, such as insurance cards.
7. Photo of the vehicle manufacturer tag or the manufacturer's build sheet copy.
8. Photo of the engine tag showing the engine family number, serial number, make, and model.
9. Photo of the vehicle's current odometer reading.
10. A copy of the baseline and new engine/motor CARB Executive Order.
11. A copy of the project cost quote and vehicle specifications sheet.
12. A copy of the District Vendor Payee Data Record (PDR) Form.

Please note that this manual is not an exhaustive list of program requirements. The Carl Moyer and CAP Incentives Guidelines outline additional funding criteria and requirements that the Air District will use to evaluate projects. If you have any questions, please email [LEVIP@airquality.org](mailto:LEVIP@airquality.org).

## Project Selection Criteria

The District will use the following competitive solicitation process to select on-road and infrastructure projects for funding. Projects will be ranked based on the point system outlined below, compared to other projects in the same category. While each project category has an initial funding allocation, the District may reallocate funding to other categories if not enough applications are submitted to meet program requirements.

Applicants will have a 45-day window to apply. After this period, District staff will evaluate applications and use a point system to rank projects. The District may hold additional solicitation periods at its discretion to meet the requirements and deadlines of either the CAP Incentives or Carl Moyer programs.

Infrastructure and on-road projects may receive a maximum of 6 points based on the following shared criteria:

Two Points (3) – The project is located in an SB 535 Community. The District prioritizes improving air quality in these areas. Most grant programs require priority funding in these areas. District staff will identify these projects using the [California Climate Investments Priority Populations Mapping Tool 4.0](#).

Two Points (2) – Projects based in an AB 1390-designated community as defined under the [Sac Metro Air District AB1390 Policy](#). The Carl Moyer Program requires that at least 50% of our funding be allocated to these communities. District staff will identify these projects using census tract codes and match them with the qualifying census tract codes listed in the district's AB 1390 policy.

One Point (1) – Projects based in the AB 617 South Sacramento-Florin Community. AB 617 is a core priority for the District and is required under our grant programs. District staff will utilize the new [South Sacramento-Florin AB 617 boundary map](#) to identify projects in this area.

Projects may receive an additional two (2) points based on the specific project category criteria listed below, for a total of **8 possible points**.

### Infrastructure



One Point (1) – Infrastructure projects located at a site with sensitive receptors. CAP Incentives guidelines require priority funding in these areas. A sensitive receptor is defined as “Any residence, including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade twelve (K-12) schools; daycare centers; and health care facilities such as hospitals or retirement and nursing homes. A sensitive receptor includes long-term care hospitals, hospices, prisons, and dormitories or similar live-in housing.”

One Point (1) – Infrastructure projects that are publicly accessible. This means any infrastructure project available to provide fuel or energy to all members of the general public with no physical access restrictions, contract, or release of liability requirements. Infrastructure requiring the public to set up an account will

not be deemed publicly accessible. Publicly accessible stations with restricted access, such as gated facilities, must be accessible to the public during the facility's regular business hours.

## On-Road

One Point (1) – On-road projects replacing school buses, public agency/utility vehicles, or emergency vehicles with zero-emission technology. These projects may be eligible for higher funding caps and are considered a priority. For more information on these types of projects, please refer to [Chapter 4 of the Carl Moyer Guidelines](#).

One Point (1) – On-road projects consisting of a fleet size of 20 vehicles or less. One point will be awarded to small fleets to ensure that smaller fleets have funding opportunities. Fleets with more than 20 vehicles will still be considered under this solicitation.



## Project Selection

District staff will use the following ranking system to evaluate projects and give priority to high-scoring applications.

- Projects scoring **four (4) points or higher** will receive priority funding consideration
- Projects scoring between **two (2) and three (3) points** will be evaluated next, with priority given to those in SB 535 or AB 1390-designated communities.
- Projects scoring **less than two (2) points** will be evaluated last but may still receive funding based on funding availability and program requirements.

The District may further differentiate between projects that score the same by prioritizing applications that were submitted first. Please note that ranking high on the application list does not guarantee funding. Ultimately, funding will be based first on meeting CAP Incentives and Carl Moyer requirements, including spending a certain percentage of funding in SB 535 or AB 1390-designated communities. At its discretion, the District may solicit additional projects if insufficient projects are submitted to meet funding thresholds specified in the CAP Incentives or Carl Moyer Guidelines. Additionally, at its discretion, the District may also evaluate projects using cost-effectiveness, [Pollution Burden Percentiles](#), and other metrics that align with the CAP Incentives and Carl Moyer Guidelines to rank projects further. Incomplete applications will not be considered and will be asked to resubmit.