Accept and Appropriate $30,400,000 in State Vehicle Replacement Funding and Approve the Continued Implementation of the District’s Vehicle Repair and Replacement Programs

San Joaquin Valley Air Pollution Control District
Governing Board Meeting

June 15, 2023
Valley’s Need for Mobile Source Reductions

- Reducing emissions from mobile sources is a key District strategy to meet federal ambient air quality standards
- Voluntary incentive programs play important role in reducing emissions from mobile sources to reach attainment and meet air quality goals
- Valley low income/priority communities most impacted by older vehicles, higher vehicular air pollution, and higher fuel costs
- District Drive Clean in the San Joaquin Program provides Valley residents with options for reducing emissions from passenger vehicles, with focus on low-income and disadvantaged communities
Drive Clean in the San Joaquin Tune In Tune Up Vehicle Repair Program

• Provides residents with options for reducing emissions from vehicles through financial assistance for smog-related repairs
  – Implemented with program partner Valley Clean Air Now (Valley CAN)
• Traditionally weekend screening events rotated throughout Valley
• Vehicles screened for likelihood to fail smog test
  – Owners of high emitting vehicles provided vouchers for up to $850 in vehicle emission repairs including pre- and post-repair smog tests, diagnostic time and emissions related repairs
• Vouchers redeemed at participating STAR-certified smog shops
  – Unregistered vehicles are able to complete registration once repairs are completed and vehicle passes smog test
Drive Clean in the San Joaquin
Tune In Tune Up Vehicle Repair Program (cont’d)

• In response to COVID-19 pandemic, District and Valley CAN worked collaboratively to develop a new program model to continue vehicle repair program
• Weekend Tune In Tune Up events resumed in June 2021 with added focus on small, rural communities throughout the Valley
• Outreach efforts continue throughout disadvantaged communities in Valley including rural communities
  – Events resulted in over 2,600 vehicle repairs completed to date
  – Direct participation resulted in over 14,000 vehicle repairs completed to date
  – Weekend events continue to provide opportunity to engage residents on Districts vehicle replacement program as well as other available incentive programs including CGYM and Burn Cleaner
Tune-In Tune-Up Recognized for Efficiency/Equity

• UCLA Luskin Center for Innovation released report in June 2020 discussing District’s response to COVID-19 pandemic
  – Applauds District’s response in addition to environmental and economic benefits of program
  – Concludes that program continues to reduce vehicle emissions and improve air quality in San Joaquin Valley
  – May 2021 report highlights and commends District efforts in reaching disadvantaged communities through implementation of vehicle replacement program

• California’s 4th Climate Change Assessment: “Thanks to this program, vehicle emissions in the San Joaquin Valley are decreasing. Tune in and Tune Up is a model of balancing efficiency and equity.”
Weekend Tune In Tune Up Events
Proposed Vehicle Repair ("Tune In Tune Up")
Program Implementation – FY 2023-24

- $12 million in funding included in 2023-24 Recommended Budget
  - $9,250,000 in vehicle repair funding
  - $2,750,000 in program administration and event-related expenses
- 16 weekend events planned throughout the Valley
- Direct participation process available to Valley residents
- Projected to achieve 19,000 vehicle repairs

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Drive Clean in the San Joaquin Vehicle Replacement Program

• In 2014, Board authorized first of its kind clean vehicle replacement pilot program in conjunction with Tune In Tune Up emissions repair program  
  – Serves as a model for state’s Clean Cars 4 All Program  
• Since 2015, District has received over $57 million in state funding to operate Clean Cars 4 All Program (under Drive Clean in the San Joaquin)  
  – Historically, incentives ranged from $2,500 - $9,500 based on income level, disadvantaged community status, and replacement vehicle  
  – Over 4,600 high polluting vehicles replaced with cleaner models to date  
  – New vehicles primarily electric, plug-in hybrid, and hybrid-electric  
• September 2021, Board approved changes to increase model year eligibility to 2006 and older and removing emission failure requirement  
  – Resulted in significant increased demand for program funds by Valley residents
Cleaner Vehicles Deployed in Communities (FY 2022-23 to date)

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<th>Vehicle Type</th>
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Proposed Vehicle Replacement Program Implementation - FY 2023-24

- District recently received additional grant awards from CARB for an additional $30.4 million in program funds
  - $24.7 million in funding for vehicle purchases
  - $5.7 million for District and Valley CAN program administration
- Funding will support over 2,000 vehicle replacement projects
- Valley CAN responsibilities include:
  - Program management/oversight
  - Program outreach
  - Applicant assistance
  - Coordinating vehicle purchases with applicants and dealerships
  - Reporting program information to the District
- Funding to support existing applications as well as new applications
  - Anticipate to begin accepting new applications late summer
Vehicle Replacement Program Updates

• Recent grant agreements from CARB include changes to program requirements to increase/expand participation throughout District
  – Increased incentive levels up to $12,000 for BEVs (up from $9,500)
  – Includes expansion to non-disadvantaged communities
  – Removal of traditional hybrid vehicles as of 12/31/24
  – Additional survey and data collection requirements
  – Increased allowance for program administration

• District will work closely with CARB to ensure an effective transition to the newly approved program incentive levels and requirements

• Opportunity for additional program funding in next fiscal year through State budget and CARB funding plan process
Drive Clean in the San Joaquin Program Outreach

• District and Valley CAN utilize grassroots program outreach model to reach low income and disadvantaged community residents throughout the Valley
  – Weeknight community based events held at local business or public space to engage community members about the program
  – Utilize partnerships with community based organizations to communicate program information through existing networks
  – Localized social media outreach in order to connect with residents

• Approach to program outreach has resulted in high level of participation throughout the District’s disadvantaged communities
  – Participation from more than 98% of Valley disadvantaged communities
Recommendations

• Accept and appropriate up to $30,400,000 in additional funding from the California Air Resources Board and authorize the Board Chair, with Executive Director/APCO recommendation, to execute an agreement with Valley Clean Air Now for the continued implementation of the District’s Drive Clean in the San Joaquin vehicle replacement program.

• Authorize the Board Chair, with Executive Director/APCO recommendation, to execute an agreement with Valley Clean Air Now for the continued implementation of the District’s $12,000,000 vehicle repair program included in the District’s fiscal year 2023-24 Budget.

• Authorize Executive Director/APCO to make administrative changes to the programs, in order to ensure successful implementation of program funding.