




air pollution control district
SANTA BARBARA COUNTY

Agenda Item: F-2
Agenda Date: January 15, 2026
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 Heat Clean Program for woodsmoke reduction projects from the start of the program of May 8, 2025, through December 31, 2025;
2. An update on the Old Car Buy Back Program for vehicles retired during the period of October 1, 2025, through December 31, 2025; and
3. Status report for the 2021-2025 Clean Air Grant Programs: fund allocations and expenditures;
4. Summary of the 2025 Clean Air Grants Program emission-reduction grant agreements approved by the Air Pollution Control Officer for the period of August 1, 2025, through December 31, 2025; 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.

Heat Clean Program

The Heat Clean Program was launched on May 8, 2025, and the District employed a wide range of bilingual outreach tools including flyers sent to participating installers, email outreach to individuals and organizations, a news release, social media posts, and community newsletters. The Heat Clean Program provides incentive funds for the voluntary replacement of wood-burning

heaters (fireplaces and wood stoves) with electric heaters (heat pumps and electric fireplace inserts). The Heat Clean Program is funded with approximately \$400,000 from the California Air Resources Board's (CARB) Woodsmoke Reduction Program. Applications are being processed in a first-come, first-served order and incentives will be awarded until the funds are depleted. Households in a State-designated low-income or disadvantaged community or on tribal lands, or that document low-income eligibility, can receive an enhanced voucher up to \$12,000 toward replacement with an electric air-source heat pump, and up to \$7,000 toward replacement with an electric fireplace insert. All other households may be eligible for a standard voucher up to \$5,000 toward replacement with an electric air-source heat pump and up to \$2,500 toward replacement with an electric fireplace insert. The replacement heater must be purchased and installed with a participating installer. There are eight (8) installers for heat pumps and three (3) installers for electric fireplace inserts.

As of December 31, 2025, 66 voucher project applications have been received which includes 34 enhanced fireplace inserts, 13 enhanced heat pumps, 14 standard fireplace inserts, and five (5) standard heat pumps, for a total of about \$392,000 in voucher funds issued. As of December 31, 2025, nearly \$205,000 in Project funds have been expended.

Old Car Buy Back Program:

The attached 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. On August 21, 2025, the District Board approved modifications to the Old Car Buy Back Program that increased the incentive amount to \$2,200 for vehicle owners and \$300 to dismantlers per vehicle scrapped. In addition, the current vehicle model year accepted by the program was increased from 1997 to 2002 model year or older. From October 1, 2025 to December 31, 2025, 153 vehicles have purchased and retired.

Clean Air Grants Program:

For the 2025 Clean Air Grants program, the District received 52 complete grant applications, which included 39 off-road equipment replacements, ten (10) alternative vehicle fueling infrastructure purchases and installations, two (2) electric school bus fleet expansions, and one (1) marine engine repower. The District has approximately \$3.2 million in CARB grant funds and DMV surcharge revenue available for approximately 30 projects. The District is currently in the process of conducting pre-inspections and providing grant offers to applicants. The District will prioritize zero-emission technology projects, along with projects located within disadvantaged communities, as defined by this map: [SB 535 Disadvantaged Communities](#). Successful projects will be eligible to receive a grant within a range from \$10,000 to \$250,000. Currently, three (10%) of the potential 30 projects have executed grant agreements.

For the 2024 Clean Air Grants program, the District executed grant agreements for 41 projects throughout Santa Barbara County with approximately \$3.1 million in CARB grant funds and DMV surcharge revenue. Of these 41 projects, there are 29 off-road equipment replacements, 10 alternative vehicle fueling infrastructure purchases and installations, one (1) agricultural water pump, and one (1) marine engine repower. Currently, 27 of the 41 projects (66%) have been completed with the remainder in the implementation process and one (1) off-road equipment replacement grant agreement for \$10,000 was recently terminated:

- AP242536: Foothill Farms requested termination of their grant agreement because implementation of this tractor replacement project is not economically viable at this time. The unexpended \$10,000 in grant funds from the Foothill Farm 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 2023 Clean Air Grants program, the District executed grant agreements for 40 projects throughout Santa Barbara County with approximately \$2.7 million in CARB grant funds and DMV surcharge revenue. Of these 40 projects, there are 28 off-road equipment replacements, 9 alternative vehicle fueling infrastructure purchases and installations, and three (3) marine engine repowers. Currently, 34 of the 40 projects (85%) have been completed with the remainder in the implementation process.

For the 2022 Clean Air Grants program, the District is currently implementing 55 projects throughout Santa Barbara County with approximately \$3.7 million in CARB grants funds and DMV surcharge revenue. Of these 55 projects, there are 37 off-road equipment replacements, 10 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, 52 of the 55 projects (95%) have been completed with the remainder in the implementation process and one (1) agricultural water pump engine grant agreement for \$92,500 was recently terminated:

- AP222339: Sutter Home (Trinchero Family Estates) requested termination of their grant agreement because of their desire to delay implementation of an electric powered irrigation system to a later date when the project would be more economically feasible. The unexpended \$92,500 in grant funds from the Sutter Home 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 2021 Clean Air Grants program, the District is currently implementing 31 projects throughout Santa Barbara County with approximately \$2.4 million in CARB grants funds and DMV surcharge revenue. Of these 31 projects, there are 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, 28 of the 31 projects (90%) have been completed with the remainder in the implementation process.

ATTACHMENTS:

- A. Heat Clean Program Update.
- B. Old Car Buy Back Program Update.
- C. Grant Agreement Approval Forms.
- D. Grant Agreement Termination: AP242536 – Foothill Farms.
- E. Grant Agreement Termination: AP222339 – Sutter Home (Trinchero Family Estates).

ATTACHMENT A

Heat Clean Program Update

January 15, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

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

1011 West McCoy Lane
Santa Maria, California 93455



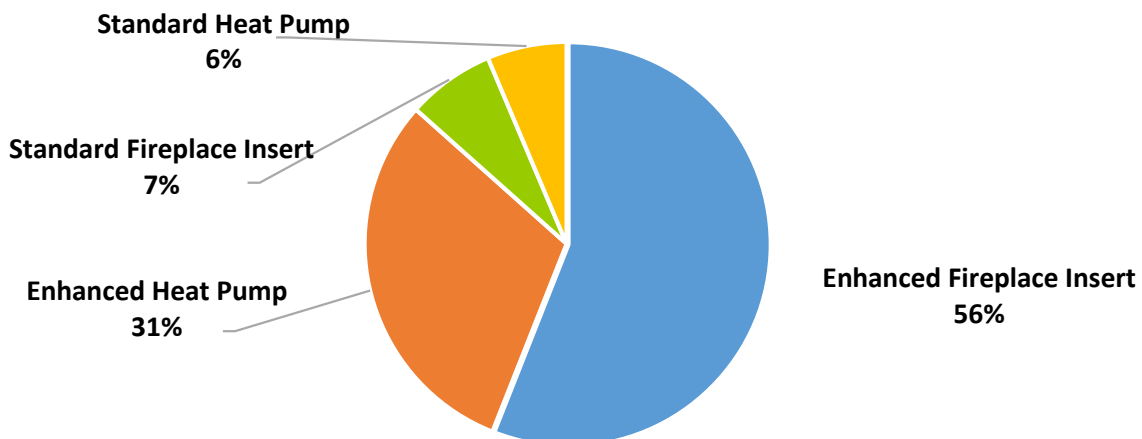
Heat Clean Program Update

The Heat Clean Program provides incentive funds for residents to replace a wood-burning stove or fireplace with a cleaner burning and more efficient electric heater, either a heat pump or electric fireplace insert. Some households may qualify for a higher amount, an Enhanced Voucher, depending on the household's location in a state-designated low-income, disadvantaged, or tribal community, or based on the household's income. Households that do not qualify for the Enhanced Voucher may qualify for the Standard Voucher. The replacement heater must be purchased and installed with a participating installer who has signed an agreement with the District. The program is funded with \$445,004 from the California Air Resources Board with \$412,118 available for project funds and \$42,886 available for administrative funds. Applications were made available starting on May 8th, 2025 and vouchers are issued on a first-come, first-served basis until funds are fully allocated.

The Program mitigates neighborhood impacts and achieves emission reductions in criteria air pollutants, toxic air contaminants, and greenhouse gases by reducing the amount of woodsmoke emitted from fireplaces and wood stoves throughout the County.

Heat Clean Program Voucher Incentives (May 8, 2025 – December 31, 2025)				
Voucher Type	Project Type	Applications Received		Funds Expended
		Number	Funds Issued	
Enhanced	Fireplace Insert	34	\$219,497	\$100,497
	Heat Pump	13	\$120,000	\$72,000
Standard	Fireplace Insert	14	\$27,500	\$22,500
	Heat Pump	5	\$25,000	\$10,000
Total		66	\$391,997	\$204,997

FUNDS ISSUED BY PROJECT TYPE



ATTACHMENT B

Old Car Buy Back Program Update

January 15, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

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

1011 West McCoy Lane
Santa Maria, California 93455



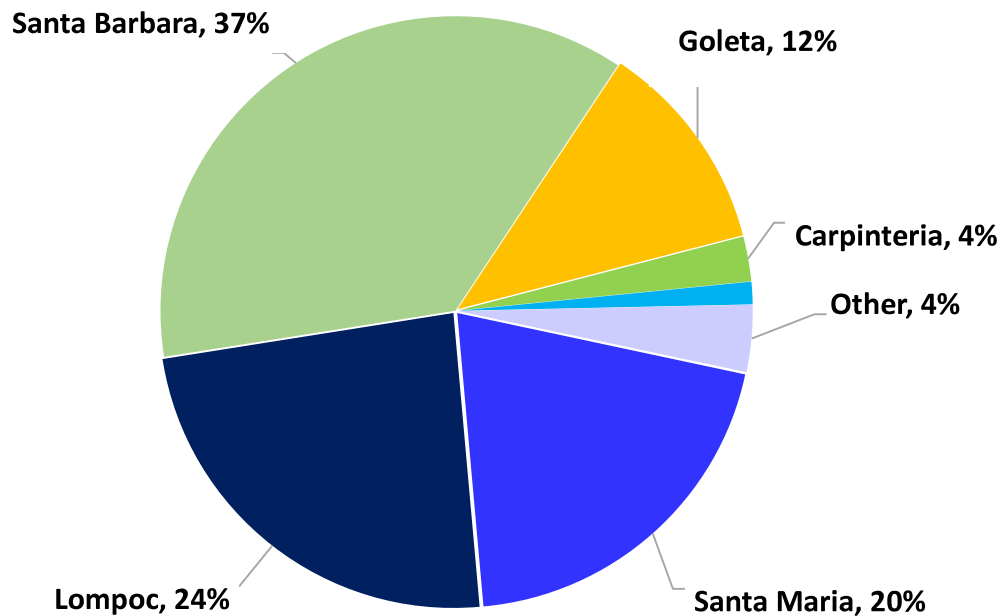
Old Car Buy Back Program Update

The District's Old Car Buy Back Program pays Santa Barbara County vehicle owners \$2,200 to voluntarily retire their fully legal and operational 2002 or older, light or medium duty car, truck, van, or SUV. The regional dismantlers earn \$300 for each vehicle that they help retire. Currently, the total program cost is \$2,500 to retire a vehicle. To increase public participation, the program was modified in August 2025 to raise the vehicle owner payout and expand the vehicle model year eligibility.

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		
	10/1/2025 - 12/31/2025	FY 2025 - 2026
Vehicles retired	153	179
Funds committed @ \$2,500/vehicle	\$382,500	\$447,500
Total tons reduced [NOx+ ROC + PM]	8.16	9.80
Average project cost-effectiveness	\$49,068/ton	\$48,151/ton

Vehicle Owner Location (FY 2025 - 2026)



ATTACHMENT C

Grant Agreement Approval Forms

January 15, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

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

1011 West McCoy Lane
Santa Maria, California 93455

GRANT AGREEMENT APPROVAL FORM

GRANT INFORMATION

To: Air Pollution Control Officer
Staff Contact: Sydney Rouse
Date: 12/10/2025
Grant Program: \$2 DMV
Grant Program Funds: \$1,117,006
Category: Infrastructure

PROJECT INFORMATION

Grantee: Eneridge Inc. (AP252606)
Project Location: Santa Barbara
Grant Agreement Amount: \$200,000
New Equipment: Five (5) Level 3 electric vehicle charging ports
Grant Cost-Effectiveness: Not Applicable for Infrastructure
Cost-Effectiveness Limit: Not Applicable for Infrastructure
Project Life: 3 Years
Project Emission Reductions: Not Applicable for Infrastructure

Approved: _____

Air Pollution Control Officer

Date: 15 December 2025

Please contact the Board Clerk to review this grant agreement

GRANT AGREEMENT APPROVAL FORM

GRANT INFORMATION

To: Air Pollution Control Officer
Staff Contact: Sydney Rouse
Date: 12/23/2025
Grant Program: \$2 DMV
Grant Program Funds: \$1,117,006
Category: Infrastructure

PROJECT INFORMATION

Grantee: Green Water and Power, LLC (AP252608)
Project Location: Santa Ynez
Grant Agreement Amount: \$200,000
New Equipment: Four (4) Level 3 electric vehicle charging ports
Grant Cost-Effectiveness: Not Applicable for Infrastructure
Cost-Effectiveness Limit: Not Applicable for Infrastructure
Project Life: 3 Years
Project Emission Reductions: Not Applicable for Infrastructure

Approved: _____



Air Pollution Control Officer

Date: 23 Dec 2025

Please contact the Board Clerk to review this grant agreement

GRANT AGREEMENT APPROVAL FORM

GRANT INFORMATION

To: Air Pollution Control Officer
Staff Contact: Sydney Rouse
Date: 12/23/2025
Grant Program: \$2 DMV
Grant Program Funds: \$1,117,006
Category: School Bus

PROJECT INFORMATION

Grantee: Lompoc Unified School District (AP252611)
Project Location: Lompoc
Grant Agreement Amount: \$90,000
New Equipment: Model year 2025 or newer zero-emission school bus with a battery-electric powertrain
Grant Cost-Effectiveness: Not Applicable for School Bus Program
Cost-Effectiveness Limit: Not Applicable for School Bus Program
Project Life: 5 Years
Project Emission Reductions: Not Applicable for School Bus Program

Approved: _____



Air Pollution Control Officer

Date: 23 Dec 2025

Please contact the Board Clerk to review this grant agreement

ATTACHMENT D

Grant Agreement Termination: AP242536 – Foothill Farms

January 15, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

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

1011 West McCoy Lane
Santa Maria, California 93455

From: [Steve Zaritsky](#)
To: [Michael J. McKay](#)
Subject: Re: Cancellation of Grant Agreement AP242536
Date: Thursday, December 4, 2025 8:35:20 AM
Attachments: [1.png](#)
[2.png](#)
[3.png](#)
[4.png](#)

Yes I will have to pass on getting this grant due to the cost of the new Tractor of over \$100,000 does not warrant the \$10,000 that I'm getting back from my old Tractor I will be not able to make that payment on that Tractor and there's not enough funds here to do so so I will be passing on this grant of the \$10,000 due to this expense of the new Tractor thank you any questions please give me a call. My name is Steve Zaritsky. I can be reached at 805-451-7011.

Steve Zaritsky
SZ Ranch
Cuyama, Ca. 93254
www.szranch.com
805-451-7011

----- On Wed, 03 Dec 2025 10:43:33 -0800 **Michael J. McKay**
<McKayM@sbcapcd.org> wrote -----

From: Michael J. McKay
Sent: Thursday, November 20, 2025 2:19 PM
To: steve@szranch.com
Subject: Cancellation of Grant Agreement AP242536

Hi Steve,

In follow-up to our recent phone conversation, can you please confirm that, despite the grant offer, purchasing a new piece of equipment at this time would be too cost prohibitive, therefore you would like to terminate the attached Grant Agreement.

You are more than welcome to reapply in future years.

Feel free to give me a call with any questions about future grant opportunities.

Thanks,
Mike McKay



Air Pollution Control District
Santa Barbara County

mjm@sbcapcd.org

805.979.8331 (o)

805.316.5075 (c)

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air pollution control district
SANTA BARBARA COUNTY

January 5, 2026

Steve Zaritsky
Foothill Farms
1961 Foothill Road
Cuyama, CA 93254

RE: Termination of Grant Agreement AP242536

Dear Mr. Zaritsky,

The Santa Barbara County Air Pollution Control District (District) received your email on December 04, 2025, requesting termination of Grant Agreement AP242536 as executed on April 29, 2025. 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 you in relation to the grant agreement, there is no obligation for you to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

The District encourages you to apply to future Clean Air Grant programs to support the transition to cleaner technologies across Santa Barbara County.

Please contact Mike McKay of my staff at mckaym@sbcapcd.org or (805) 979-8331, if you would like to discuss this issue further. Thank you.

Sincerely,

Aeron Arlin Genet,
Air Pollution Control Officer

ATTACHMENT E

Grant Agreement Termination: AP222339 – Sutter Home
(Trinchero Family Estates).

January 15, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

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

1011 West McCoy Lane
Santa Maria, California 93455



07/26/2023

To our respected colleagues, vendors, and associates:

First off, we would like to say thank you for your time and consideration regarding this project. We recognize that planning a project like this takes a lot of effort from many involved parties. Even getting to this point is no small feat.

Unfortunately, Sutter Home (Trinchero Family Estates) is not in a position to pursue this project at this time.

The reason it took so long to reach out on this matter is because we were hopeful that conditions would become more favorable, and that the project could be pursued. We have reached the point where we felt the need to reach out and say the project can't be pursued – for now. We apologize for not reaching out sooner.

It is our hope that our combined efforts are not useless but that the project can be picked up in the future. Considering that the issues with our current irrigation system will not be going away and considering our desire to use an electrically powered system, we see potential for this project to be continued at a later date. The system design and the materials list should not change and in that sense, the work that's been done so far will have not been for nothing.

We will revisit this project as soon as possible and reach out when we are able.

Kind Regards,

Sutter Home Vineyard Team



air pollution control district
SANTA BARBARA COUNTY

October 28, 2025

Robert Torkelson (Sutter Home)
100 Main Street
St Helena, CA 94574

RE: Termination of Grant Agreement AP222329

Dear Robert:

The Santa Barbara County Air Pollution Control District (District) received your July 26, 2023, letter requesting termination of Grant Agreement AP222329 as executed on March 17, 2023. 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 you in relation to the grant agreement, there is no obligation for you to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

The District encourages you to apply to future Clean Air Grant programs to support the transition to cleaner technologies across Santa Barbara County.

Please contact Mike McKay of my staff at mckaym@sbcapcd.org or (805) 979-8331, if you would like to discuss this issue further. Thank you.

Sincerely,

Aeron Arlin Genet,
Air Pollution Control Officer