




air pollution control district
SANTA BARBARA COUNTY

Agenda Item: E-2
Agenda Date: May 21, 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 April 30, 2026;
2. An update on the Old Car Buy Back Program for vehicles retired during the period of March 1, 2026, through April 30, 2026;
3. Status report for the 2021-2025 Clean Air Grant Programs; fund allocations and expenditures; and
4. Summary of the 2025 Clean Air Grants Program emission-reduction grant agreements approved by the Air Pollution Control Officer for the period of March 1, 2026, through April 30, 2026; 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, emails 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

Aeron Arlin Genet, Air Pollution Control Officer

(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 on a first-come, first-served basis 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) eligible installers for heat pumps and three (3) installers for electric fireplace inserts.

As of April 30, 2026, 76 voucher project applications have been received, which includes 35 enhanced fireplace inserts, 15 enhanced heat pumps, 21 standard fireplace inserts, and five (5) standard heat pumps. Including returned funds due to withdrawn or expired vouchers a total of over \$382,000 in voucher funds has been issued. As of April 30, 2026, over \$288,000 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 March 01, 2026, through April 30, 2026, 71 vehicles have been purchased and retired.

Clean Air Grants Program:

For the 2025 Clean Air Grants program, the District is currently in the process to execute grant agreements for 29 projects throughout Santa Barbara County with approximately \$3 million in CARB grant funds and DMV surcharge revenue. Of these 29 projects, there are 18 off-road equipment replacements, 8 alternative fuel vehicle infrastructure purchases and installations, two (2) electric school bus fleet expansions, and one (1) marine diesel engine repower project. Currently, 28 of the 29 projects (97%) have executed grant agreements and have begun the implementation process.

For the 2024 Clean Air Grants program, the District executed grant agreements for 38 projects throughout Santa Barbara County with approximately \$2.9 million in CARB grant funds and DMV surcharge revenue. Of these 38 projects, there are 27 off-road equipment replacements, 10 alternative fuel vehicle infrastructure purchases and installations, and one (1) agricultural water pump. Currently, 27 of the 38 projects (71%) have been completed, with the remainder in the implementation process.

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 fuel vehicle infrastructure purchases and installations, and three (3) marine engine repowers. Currently, 36 of the 40 projects (90%) have been completed, with the remainder in the implementation process.

For the 2022 Clean Air Grants program, the District is currently implementing 54 projects throughout Santa Barbara County with approximately \$3.6 million in CARB grants funds and DMV surcharge revenue. Of these 54 projects, there are 37 off-road equipment replacements, nine alternative fuel vehicle 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 54 projects (96%) have been completed with the remaining two (2) in the implementation process and one project was recently terminated:

- AP222302: Patterson Place Apartments requested termination of their \$20,400 grant agreement due to lack of progress and coordination with Southern California Edison.

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 fuel vehicle infrastructure purchases and installations, two (2) electric school bus fleet expansions, and one (1) marine engine repower. Currently, 29 of the 31 projects (94%) have been completed with the remaining two (2) in the implementation process.

ATTACHMENTS:

- A. Heat Clean Program Update.
- B. Old Car Buy Back Program Update.
- C. Grant Agreement Approval Form.
- D. Grant Agreement Termination: AP222302 – Patterson Place Apartments.

ATTACHMENT A

Heat Clean Program Update

May 21, 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

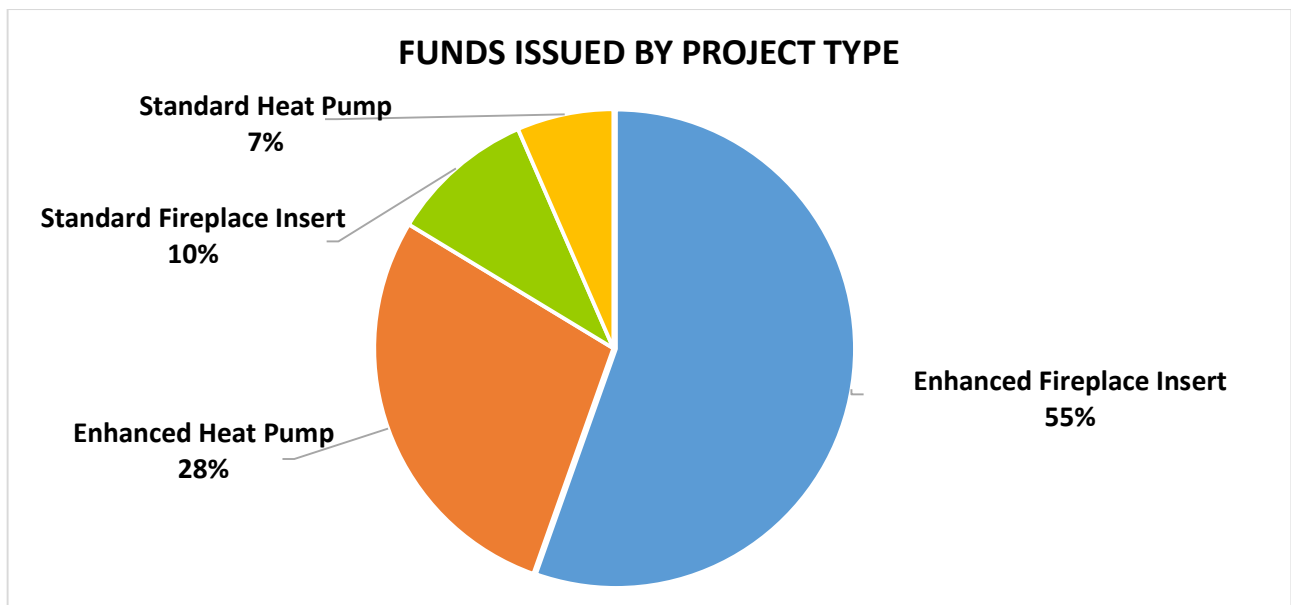


Heat Clean Program Update

The Heat Clean Program provides incentive funds for Santa Barbara County 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 8, 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 – April 30, 2026)				
Voucher Type	Project Type	Applications Received		Funds Expended
		Number	Funds Issued	
Enhanced	Fireplace Insert	35	\$212,031	\$149,031
	Heat Pump	15	\$108,000	\$84,000
Standard	Fireplace Insert	21	\$37,500	\$30,000
	Heat Pump	5	\$25,000	\$25,000
Total		76	\$382,531	\$288,031



ATTACHMENT B

Old Car Buy Back Program Update

May 21, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
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Santa Maria, California 93455



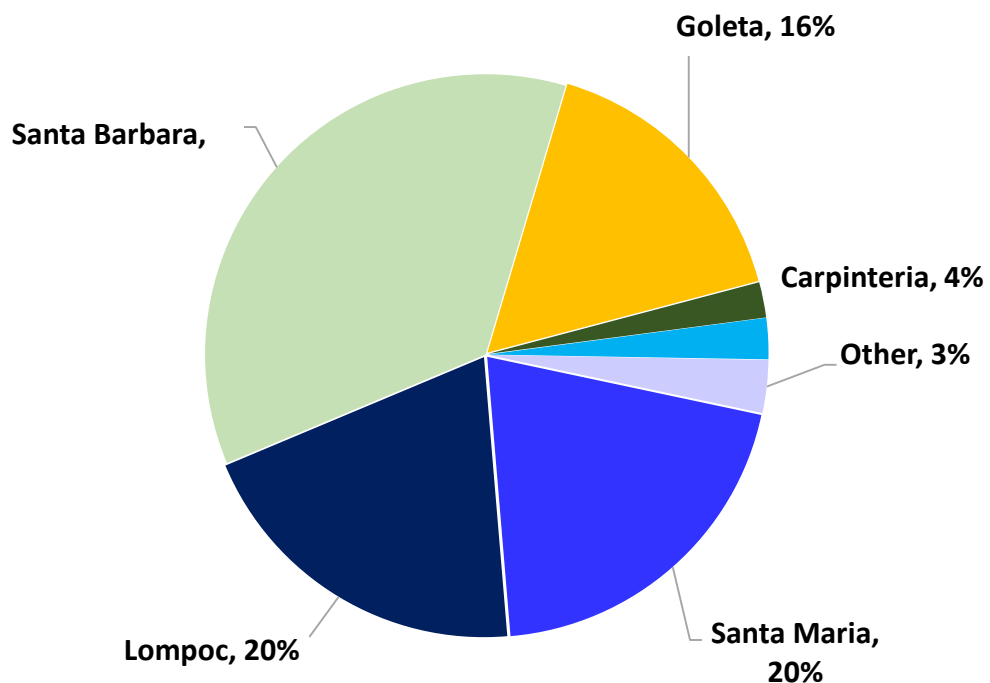
Old Car Buy Back Program Update

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 through normal attrition. Funding for the program comes 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		
	3/1/2026 - 4/30/2026	FY 2025 - 2026
Vehicles retired	71	328
Funds committed @ \$2,500/vehicle	\$177,500	\$820,000
Total tons reduced [NOx+ ROC + PM]	3.69	18.03
Average project cost-effectiveness	\$49,257/ton	\$48,574/ton

Vehicle Owner Location (FY 2025 - 2026)



ATTACHMENT C

Grant Agreement Approval Form

May 21, 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: Mike McKay
Date: 03/11/2026
Grant Program: Carl Moyer
Grant Program Funds: \$1,168,473
Category: Off-Road

PROJECT INFORMATION

Grantee: Coastal Growers Supply (AP252629)
Project Location: Santa Maria Valley
Grant Agreement Amount: \$61,000
Old Equipment: 2005 Kubota agricultural tractor 92hp (Tier 2)
New Equipment: New John Deere agricultural tractor 105hp (Tier 4F)
Grant Cost-Effectiveness (\$/T): \$20,794
Cost-Effectiveness Limit (\$/T): \$60,000
Project Life: 3 Years
Project Emission Reductions: 1.082 tons (0.361 tons/yr)

Approved: 
Air Pollution Control Officer

Date: 25 March 2026

Please contact the Board Clerk to review this grant agreement

ATTACHMENT D

Grant Agreement Termination:
AP222302 – Patterson Place Apartments

May 21, 2026

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
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Santa Maria, California 93455



air pollution control district
SANTA BARBARA COUNTY

March 11, 2026

Patterson Place, L.P.
Attn: Robert L. Skinner, Chief Executive Officer
6950 Hollister Ave. #200
Goleta, CA 93117

RE: Termination of Grant Agreement AP222302

Dear Robert L. Skinner:

The Santa Barbara County Air Pollution Control District (District) received your March 3, 2026 letter requesting termination of Grant Agreement AP222302, as executed on July 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 Patterson Place, L.P. in relation to the grant agreement, there is no obligation for Patterson Place, L.P. to return any money to the District pursuant to Section 15.b (Termination). No further action is required on your part.

The District encourages The Towbes Group 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 Mike McKay of my staff at mckaym@sbcapcd.org or (805) 441-1375, if you would like to discuss this issue further. Thank you.

Sincerely,

Aeron Arlin Genet,
Air Pollution Control Officer