

Commercial Electric Lawn and Garden Equipment Exchange Program (eL&G Program)

PROGRAM REQUIREMENTS, GUIDELINES, AND TERMS AND CONDITIONS

PROGRAM OVERVIEW

Small off-road engines with power ratings of 19 kilowatts or less are commonly used in lawn and garden equipment, as well as other types of outdoor power tools. These gasoline- and diesel-powered engines emit high levels of air pollutants and are a significant contributor to smog-forming emissions.

To address this issue, the Air District has developed the Commercial Electric Lawn and Garden Equipment Exchange Program (eL&G Program). This program aims to reduce air pollution in the Bay Area by providing grant funding to replace older combustion-powered lawn and garden equipment with zero-emission electric alternatives. Through the program, eligible commercial landscapers can receive point-of-sale Vouchers to discount the cost of new electric lawn and garden equipment.

Voucher amounts range from \$700 to \$15,000 per piece of equipment, depending on the equipment type. Eligible equipment includes chainsaws, trimmers, edgers, brush cutters, leaf blowers, vacuums, walk behind mowers, and ride on or stand/sit mowers.

Applicants must apply for Vouchers through authorized retail vendors (Vendors). Program Participants are required to turn in their old gasoline- or diesel-powered equipment to the Vendor to be destroyed at the time of purchasing the new electric equipment.

Applicants must receive a **Notice to Proceed** from the Air District before making any financial commitments such as placing deposits, signing a purchase order, or purchasing equipment. Equipment purchased prior to receiving final approval and a Voucher is **not eligible** for funding.

To receive funding, Program Participants must comply with all **Program Requirements, Guidelines, and Terms and Conditions** outlined in this document and its attachments.

PROGRAM ELIGIBILITY AND REQUIREMENTS

Eligible Applicants:

- Commercial operators of lawn and garden equipment, including but not limited to:
 - ✓ Governmental agencies
 - ✓ Public schools
 - ✓ Private businesses that provide commercial landscaping and gardening services*

Key Program Participant Requirements:

 Must have their primary administrative office or headquarters ("principal place of business") located within the eligible geographic area zip codes listed in Table 1. Program Participants must provide two consecutive years of business or C-27 contractors licenses valid from the date of application submittal through final approval.

^{*} Private schools and religious institutions may apply but may not be eligible for funding due to restrictions in the California Constitution. Applications from these organizations will require additional review and specific approval by the California Air Resources Board and application review will take additional time.

Table 1: Eligible Geographic Program Areas

County	Community	Eligible Zip Codes
San Francisco	Bayview Hunters Point	94107, 94110, 94124, 94134
Alameda	East Oakland	94601, 94603, 94605, 94621
Alameda	West Oakland	94607, 94608, 94609, 94612
Contra Costa	Richmond and San Pablo	94801, 94803, 94804, 94805, 94806, 94850

- Must have owned and operated their existing equipment in the <u>Air District's jurisdiction</u> for at least two years prior to applying.
- Must agree to own and operate the new electric equipment within the Air District's jurisdiction and at least one of the
 areas in Table 1 for at least 36 months after the date of purchase.
- Must not seek or receive any other grant funding (co-funding) towards the purchase of the new equipment, beyond
 manufacturer and vendor discounts, and must not rely upon the equipment or the related emission reductions as credits or
 offsets under any state or federal emissions averaging, banking, or trading program.
- Must submit a complete application through an authorized Vendor and provide any requested and required backup documentation through a secure Air District provided DocuSign link.
- Must turn in the existing equipment to the Vendor to be destroyed and scrapped at the time of Voucher redemption.
- Must agree to allow the Air District, CARB, or their representatives to inspect any equipment participating in the eL&G
 Program, if requested, for compliance with Program requirements for up to 36 months after the date of purchase.
- Program Participants must be in and remain in compliance with all applicable State, Federal, and local rules and regulations.

Must agree to comply with all eL&G Program Terms and Conditions. **Attachment A provides the complete list of Program Terms and Conditions.**

ELIGIBLE PROJECTS, EQUIPMENT, AND FUNDING

Existing Equipment Requirements and Eligibility

- Must be commercial-grade combustion-powered equipment, either spark-ignition (gasoline) or diesel-powered, and fall within one of the eligible equipment categories listed in Table 2 below.
- Must be surrendered to the Vendor at the time the new equipment is purchased and received, so it can be permanently
 destroyed—rendering the equipment and engine inoperable and beyond repair—and properly disposed of at a licensed
 dismantler or recycling facility.
- Must be functioning, able to start, operate, move, and have all operational parts intact at the time it is turned into the Vendor.

New Equipment Requirements and Eligibility

- Must be new, cordless, and electric.
- Must serve the same function and perform the same work as the existing equipment or fall within the same equipment category as shown in Table 2.
- Must be from a list of Air District pre-approved equipment available at accepted Vendor locations.
- Must be a one-for-one replacement within the same equipment category in Table 2. For example, one chainsaw must be replaced by one chainsaw, trimmer, edger, or brush cutter.
- Voucher award amounts can include **portable** charging equipment (e.g., chargers, charging cables, adaptors) and batteries that directly support lawn and garden equipment purchased through the eL&G Program.

Eligible Projects, Costs, and Voucher Amounts

Maximum Voucher funding amounts for each equipment category are listed in Table 2 below.

Bay Area Air District Page 2 of 6

Table 2: Elia	zible Eaui	ipment and	Maximum	Voucher Amounts

Commercial Grade Equipment	Max Voucher Amount	
Chainsaws/Trimmers/Edgers/Brush Cutters	\$700	
Leaf blowers/Vacuums	\$1,400	
Walk Behind Lawn Mowers	\$1,500	
Ride-on or Stand/Sit Mowers	\$15,000	

- Program Participants must pay at least 15% of the eligible equipment costs after all applicable discounts have been applied.
- Program Participants may receive a maximum combined Voucher award of up to \$100,000.
- Program Participants will not receive additional Voucher funds for charging equipment; instead, the cost of charging equipment must be covered within the maximum Voucher amounts listed in Table 2 or paid for by the Participant. Charging equipment that requires facility upgrades or permanent installation (e.g., hardwired Level 1, Level 2, or DC fast chargers) is NOT eligible for funding.
- Each application and Voucher are unique to a specific Vendor and cannot be transferred. If an Applicant chooses to purchase equipment from a different authorized Vendor, a new application must be submitted.

Attachment B includes examples of eligible projects, costs, and potential Voucher funding amounts.

PROGRAM PROCESS AND TIMELINES

APPLICATION PROCESS

Applications are submitted through a District-approved authorized Vendor. A list of authorized Vendors is available at the Air District's eL&G website.

How to Appy for Funding

- 1. **Review the Program Requirements, Guidelines, and Terms and Conditions** to see if you meet the eligibility requirements and are willing to comply with the Program Terms and Conditions.
- 2. **Select an Authorized Vendor:** Choose an authorized Vendor. A list of authorized Vendors is available online at: https://www.baaqmd.gov/en/funding-and-incentives/public-agencies/lawn-and-garden.
- 3. Complete and Submit the Application:
 - ✓ **Complete and sign a hard copy application**. A copy of the application can be downloaded from https://www.baaqmd.gov/en/funding-and-incentives/public-agencies/lawn-and-garden or requested on-site at the authorized Vendor retail location.
 - ✓ Submit the completed/signed application to the authorized Vendor.
 - ✓ Within 5 days of receiving an application, the Vendor will do one of the following:
 - 1. Electronically submit the complete application that meets eL&G Program eligibility requirements to the Air District through the secure Vendor electronic submittal process.
 - 2. Inform the Program Participant if their application is not complete or does not meet eligibility requirements and work with them to complete the application as necessary.
 - 3. Allow the Program Participant to withdraw their application if they no longer want to be considered.

After the digital and hard copy application has been submitted to the Air District by the Vendor, the Air District will notify the Program Participant **within 25 days** whether the application is conditionally approved, rejected, or needs additional information.

- 4. **Conditional Approval**: Once an application is submitted and the Air District verifies that it meets the minimum requirements, the Program Participant will receive a Notice of Conditional Approval email followed by an email from DocuSign with a secure link to upload the following additional supporting documents to complete the application:
 - ✓ A valid **California-issued photo driver's license** or **identification card** of the owner or responsible party who is applying for funding.
 - ✓ A copy of a valid **business licenses** OR a **C-27 contractor's license** issued in California for at least two consecutive years prior to the application date, which shows an address located within the eligible geographic area zip codes listed in Table 1.
 - ✓ A completed IRS W-9 form.

Bay Area Air District Page 3 of 6

If the Program Participant does not provide the requested documents within 10 calendar days, or if the information in all the submitted documents does not match the application (e.g. organization name and address), the application may be rejected.

Note: The Notice of Conditional Approval is not an authorization to proceed with the new equipment purchase and Program Participants must wait for final approval before proceeding with a purchase or other financial commitment.

5. **Final Approval**: The Air District will email the Program Participant and Vendor a Notice to Proceed with the approved Voucher within 30 days of the complete application <u>and</u> all required backup documentation being submitted and approved.

Only complete applications will be fully reviewed. Funding is awarded on a first-come, first-served basis to Program Participants that meet all eL&G Program requirements and eligibility criteria.

The Air District reserves the right to request additional information and verifications. *Once submitted, the entire application review and approval process may take up to 60 days, provided complete and accurate information is submitted.*

Visit the Air District's eL&G Program website to view flowcharts showing all eL&G Program steps and timelines.

REEDEMING VOUCHERS, EQUIPMENT PURCHASE, AND TURNING IN OLD EQUIPMENT

Program Participants who have received a Notice to Proceed and Voucher from the Air District may redeem the Voucher for the purchase of new equipment, at the location listed on the Voucher, within **60 days from the date of receiving the notice**. If the transaction is not completed within this time frame, the Voucher will expire.

In order to redeem a Voucher for the purchase of new equipment, Program Participants must surrender their existing old equipment to the Vendor for destruction. The Vendor will verify that Program Participant's old equipment is fully operational prior to destruction.

All new electric equipment in an approved Voucher must be purchased in a single transaction. No partial sales are allowed; however, a Program Participant may purchase fewer units than were originally approved.

BREATHE EASY!

The Air District thanks you for your interest in helping to create a healthy breathing environment, while protecting and improving public health, air quality, and the global climate.

CONTACT INFO AND RESOURCES

Have questions? Staff are here to help. Please reach out to us at lawnandgarden@baaqmd.gov or (415) 749-4994 for assistance.

Additional information, including informational webinars and other resources, is available online at: https://www.baagmd.gov/en/funding-and-incentives/public-agencies/lawn-and-garden.

Please also see the "Resources" section of our <u>Lawn and Garden website</u> for more information and supporting documents such as:

- Program Fact Sheet
- Application pdf
- Frequently Asked Questions (FAQs)
- Application User Guide
- Approved Vendor List
- IRS W-9 Form
- Program Processes Chart
- CARB SORE Regulation Information
- CARB Carl Moyer Program Guidelines

ATTACHMENT A: TERMS AND CONDITIONS

Program Eligibility

To be considered eligible, Program Participants must:

Bay Area Air District Page 4 of 6

- Be commercial operators of lawn and garden equipment.
- Have their primary administrative office or headquarters in the Air District's jurisdiction and at least one of the required geographic program area zip codes.
- Have owned and operated existing "baseline" equipment with the <u>Air District's jurisdiction</u> for at least the last two years from the date of application.
- Agree to own and operate the new equipment for at least 36 months within one of the areas in Table 1 once it's received.
- Must not seek or receive any other grant funding (co-funding) towards purchase of new equipment, beyond manufacturer and
 vendor discounts, and must not rely upon the equipment or the related emission reductions as credits or offsets under any state
 or federal emissions averaging, banking, or trading program.

Application and Voucher Process

- Complete an application, agree to all of the application attestations, and comply with the Program Requirements, Guidelines Terms and Conditions.
- Submit an application through an authorized Vendor.
- Provide the required backup documentation as part of the application process.
- Turn in the fully operational baseline equipment for destruction and scrapping to the Vendor at the time of Voucher redemption.
- Agree to allow the Air District, CARB, or their representatives to inspect any equipment participating in the eL&G Program, if
 requested, for compliance with Program requirements for up to 36 months after the date of purchase.

Notice to Proceed: Submittal of an application does not guarantee a Voucher. Program Participants must receive final approval and a Voucher from the Air District (email titled "Notice to Proceed") before making any financial commitments, such as placing a deposit for equipment, or purchasing or ordering equipment.

Voucher Reduction: The Air District may reduce approved Voucher amounts during the eL&G Program review and implementation process. This may occur in situations including, but not limited to:

- Inability to verify the information provided
- If the original Voucher award exceeds the actual eligible project costs
- Failure to meet the minimum 15% cost-share requirement by the Program Participant.

Destruction and Scrapping: Program Participants turn in their operational baseline equipment to the Vendor at the time of new equipment sale and the Vendor is responsible for the destruction of the baseline equipment at a licensed dismantler, recycling, and/or scrappard.

Eligible Costs

Eligible program costs for the purchase of replacement lawn and garden equipment include:

- Equipment costs for equipment listed in Table 1
- Eligible batteries, chargers, charging cables, adapters, and other charging equipment

Voucher Redemption Process: Program Participants receive a Voucher that serves as a point-of-sale discount for eligible replacement projects. Program Participants are eligible for a maximum Voucher of up to \$100,000.

Returns and Exchanges: Program Participants may exchange equipment if it is for a like-for-like replacement (i.e., within the same equipment category row as listed in Table 2). If the total eligible cost of the new equipment is less than the originally purchased equipment, the difference in the original Voucher award must be repaid to the Air District. This will be done through the Vendor.

District Logo: The Program Participant must attach an Air District logo sticker on their replacement equipment. The logo will be installed by the Vendor at the time of sale or provided by the Air District via mail.

IRS and Tax Compliance: Program Participants must provide a completed IRS W-9 Form as part of the application approval process. The Air District will report the grant amount to the Franchise Tax Board as taxable income for the Program Participant for the calendar year during which the replacement equipment was purchased.

Compliance with State, Federal, Local, and Air District Rules and Regulations and Surplus Requirement: Program Participants must be in and remain in compliance with all applicable State, Federal, and local rules and regulations. In addition, eL&G Program funding may not be used to purchase equipment for the purpose of complying with any Federal, State, or local regulation; judicial order; agreement; memorandum of understanding; contract; mitigation requirement; or other binding obligation already in place.

Bay Area Air District Page 5 of 6

Inspection: Participants must agree to allow the Air District, CARB, or their representative to inspect any equipment participating in the eL&G Program, if requested, for compliance with program requirements and publicity regarding program benefits. Inspections may be onsite or virtual, at the Air District's and CARB's discretion and may occur up 36 months from the date of the new equipment purchase.

Indemnification and Assumption of Risk: Program Participants agree to indemnify and defend the Air District, CARB and their directors, employees, and agents against any and all claims, loss, damage, or liability that arises out of, or is in any way connected with, this program. In addition, Participants agree to assume all risk of damage to property or injury to persons that may occur from equipment purchased or the operation of the equipment.

Public Records Requests: Program Participants understand and accept that the Air District is a government agency and any information provided to the Air District may be subject to public disclosure through a Public Records request.

Application Documentation and Verification Process: The Program Participant agrees to provide complete and accurate information and documentation necessary for the Air District to complete its review of the application and Voucher request.

Air District Does Not Warrant or Endorse Equipment: Vendors and Program Participants acknowledge that the Air District does not warrant or endorse the Vendors or new equipment for any purpose, including materials, workmanship, merchantability, or fitness for use.

Notice of Personal Identifying Information Collection: The Program Participant acknowledges this notice of the potential collection of Personal Identifying Information ("PII") through the eL&G Program. The Air District is collecting this information for participation in the eL&G Program. This information will also be disclosed to CARB for program reporting. The Air District will obtain and manage any collected PII in accordance with the Information Practices Act. The Strategic Incentives Division of the Air District is collecting this information under Cal. Health & Safety Code § 40004 and Civil Code § 1798.14. The submission of this information is required to verify and confirm eL&G Program eligibility and participation in the eL&G Program is voluntary. If the requested information is not provided that will prevent participation in the eL&G Program. Additionally, an applicant who applies under the eL&G Program and does not receive funding can request to have their PII deleted. The agency official responsible for this information is John Chiladakis, Chief Technology Officer (415-749-4750) and members of the public may request access to their individual data by contacting the responsible official.

Failure to provide true information or to adhere to any of the Program Requirements, Guidelines, and Terms and Conditions will result in forfeiture of the award and/or require repayment if a Voucher has already been redeemed.

The eL&G Program has limited funding available, and the Air District makes no guarantee that funding will be available.

The Air District may modify the terms of this Program at its discretion, and on a case-by-case basis may approve a project that varies from the requirements outlined herein only if such approval will not adversely affect achievement of surplus, quantifiable, enforceable and permanent emission reductions, and only if such project is not in violation of any law or regulation.

The Air District reserves the right to request additional information and documentation, and to deny funding at its discretion.

Employees of the Air District are not eligible for this program.

ATTACHMENT B: EXAMPLE COSTS AND VOUCHER AMOUNTS

Examples of eligible costs and Voucher amounts:

- A Program Participant buys one leaf blower, two batteries, and one charging cable and the total cost of all four combined is \$1,700. In this example the Voucher will be capped at \$1,400 based on the max voucher amount for leaf blowers, and the Program Participant will pay the remaining balance out of pocket.
- A Program Participant buys one leaf blower, two batteries, and one charging cable and the total cost of all four combined is \$1,000. In this example the Voucher will be capped at \$850 to account for the 15% cost-share requirement.
- A Program Participant buys one leaf blower, two batteries, and one charging cable, and the total cost of all four combined is \$1,200 but there is a manufacturer discount of \$200 which causes the discounted price to be \$1,000. In this example, the Voucher will be capped at \$850 to account for the 15% cost-share requirement since the Voucher is applied after any applicable discounts.
- A Program Participant buys two chainsaws and three batteries totaling \$1,200 and buys one leaf blower and one battery for \$2,000 for a total combined project cost of \$3,200. In this example, the Voucher will be capped at \$1,200 for the chainsaws and \$1,400 for the leaf blower totaling \$2,600 in Voucher funds and the Program Participant will pay the remaining costs out of pocket.

Bay Area Air District Page 6 of 6