

SOUTH COAST AQMD

ADDENDUM

CARL MOYER PROGRAM POLICY AND PROCEDURES MANUAL

AB 617 COMMUNITY AIR PROTECTION PROGRAM (CAPP) INCENTIVES

Background

In 2017, the California Legislature (Legislature) passed Assembly Bill (AB) 617, which directed the state Air Resources Board, in conjunction with local air districts, to establish the Community Air Protection Program (CAPP) to address air pollution impacts in environmental justice communities. To support this effort, the Legislature appropriated incentive funding to support actions to address air pollution in these communities.

The first year of CAPP incentives (Year 1 CAPP) was authorized by the Budget Act of 2017 (AB 134). This bill provided \$250 million statewide to support early actions to benefit disadvantaged and low-income communities. The second year of CAPP incentives (Year 2 CAPP) was authorized by the Budget Act of 2018 (SB 856) and provided \$245 million statewide to fund incentive projects that support the goals of AB 617. The third year of CAPP incentives (Year 3 CAPP) was authorized by the Budget Act of 2019 (AB 74) and provided a total \$245 million in statewide funding for incentive projects to further support the objectives of AB 617.

CAPP incentive funds will be directed to projects that will reduce emissions in disadvantaged and low-income communities, with priority to projects that are operated in AB 617 designated communities. The funds are expected to meet or exceed the statewide targets for benefits to priority communities including no less than 70% of the funds for projects in SB 535 communities and 80% of funds for projects in AB 1550 communities.

The Community Air Protection Incentives 2019 Guidelines allow air districts to structure their CAPP Incentives Policies and Procedures Manual as an addendum to their existing Carl Moyer Program Policies and Procedures Manual. This addendum is intended to specify the policies and procedures used by the South Coast Air Quality Management District (South Coast AQMD) for the administration and implementation of the AB 617 Community Air Protection Program (CAPP) Incentives for mobile source projects.

Policies and Procedures

To meet the Policies and Procedure requirements of the 2019 CAPP Incentives Guidelines (revised October 14, 2020), Chapter 3, section (B)(5), South Coast AQMD opted to structure its CAPP Policies and Procedures as an addendum to its existing Carl Moyer Program Policies & Procedures. Table 1 below references the existing policies and procedures of the Carl Moyer Program:

Table 1 – References to Existing South Coast AQMD Carl Moyer Policies & Procedures

CAPP Policies and Procedures Elements Required per Chapter 3, Section (B)(5):	South Coast AQMD – 2020 Carl Moyer Policies and Procedures:	Notes
(A) Roles and Responsibilities	Section 3	
(B) Identification of Project Source Categories	--	See Table 1 below For other project types, including Stationary and Community-Identified Projects and available opportunities are posted at www.aqmd.gov/cappincentives
(C) Project Selection Procedures – Criteria and Cost-Effectiveness	Section 7 (C)	Also see Table 1 below
(D) Notification of Applicants	Section 7 (B) and 10 (A)	
(E) Project Selection Procedures – Priority for DACs	Section 7 (C)	Also see Table 1 below
(F) Methods for Calculating Interest Earned	Section 12 (B)	
(G) Procedures for Grantees to Submit Invoices and Receive Payment	Section 14	
(H) Method to Verify Engine/Equipment Destruction	Section 13 (E) & (F)	
(I) Method to Store Digital Photos of Inspections	Section 16 (A)	
(J) Procedures for Grantee Reports	Section 16 (A)	
(K) Acceptable Documentation for Annual Usage and Waiver	Section 16 (C)	
(L) Procedures for Non-Performing Grantees	Section 16 (B)	
(M) Any South Coast AQMD Requirements More Stringent	--	See Program Advisories below
(N) Any CARB Approvals that Vary from those Required by State Guidelines	Section 18 (A)	
(O) Procedures to Support California Climate Investments Section IV	--	See California Climate Investments and Table 3 below

For mobile source projects funded by CAPP, the South Coast AQMD uses its existing policies and procedures for the Carl Moyer Program, except for some priorities which are unique to the CAPP, as identified in Table 2 below.

Project Selection

Table 2 below summarizes the project priorities by South Coast AQMD, consistent with Year 1, Year 2 and Year 3 CAPP incentives grant requirements:

Table 2 - CAPP Project Priorities

CAPP Year	Project Priorities			
	All zero emission projects whenever feasible, including charging/fueling infrastructure (e.g., EVSE) for medium and heavy-duty vehicles	Projects that will achieve emissions reductions in communities most impacted by cumulative pollution burden, with a focus on vehicles, equipment and infrastructure operated in any AB 617 community that has been designated by CARB (or under consideration for future selection)	Meet or strive to exceed the statewide targets for benefits to priority communities, including no less than 70% of the funds for projects located in SB 535 disadvantaged communities, and no less than 80% of the funds for projects in AB 1550 communities.	Projects that are consistent with the priorities identified by affected communities through a transparent, meaningful public process.
1	X	X	X	X
2	X	X	X	X
3	--	X	X	X

California Climate Investments

In its implementation of CAPP incentive projects, staff from the South Coast AQMD divisions of Planning, Rule Development and Implementation and the Legislative & Public Affairs/Media, will coordinate outreach efforts with CSC members and AB 617 community stakeholders on a routine basis. Additional coordination with other divisions at South Coast AQMD, including but not limited to, Compliance & Enforcement, Engineering and Permitting, and Science & Technology Advancement will be made as needed in AB 617 community meetings. The South Coast AQMD also seeks input from the community members on project ideas, outreach efforts, and specific priorities for the funding and works closely with CARB on program implementation and guideline development to address community concerns and input.

South Coast AQMD is committed in its support towards the California Climate Investments (CCI) Funding Guidelines, Section IV, as it relates to community access, outreach and transparency in CAPP implementation:

Table 3 – CCI Program Administration (Section IV)

Actions Required	South Coast AQMD Division		
	Planning, Rule Development & Implementation	Legislative & Public Affairs/Media	Science & Technology Advancement
Identify Statutory Requirements	X		
Ensure Coordinated Communication (i.e., social media, websites, events)	X	X	X
Conduct Public Outreach and Community Engagement	X	X	
Support Transparency and Public Access	X	X	X

The South Coast AQMD will assure public access to program information, including but not limited to project selection criteria, proposals received, and a summary of final selected projects. The South Coast AQMD has developed and maintains a dedicated website for the CAPP Incentives (www.aqmd.gov/cappincentives). This website includes background information about the CAPP Incentives and a listing of applications received and the final awarded projects as well as other available incentive funding opportunities. The list of final awarded projects includes the funding category, applicant name, city, zip code, number of units, a brief description of the project/technology type, award amount, and status with respect to the criteria for a disadvantaged and/or low-income community. The projects are also listed by each AB 617 designated community. The South Coast AQMD AB 617 CAPP Incentives website is also linked with the main AB 617 Community Air Protection Program website at www.aqmd.gov/ab617 which is updated by staff from the divisions of Planning, Rule Development and Implementation and the Legislative & Public Affairs/Media.

Program Advisories

As the AB 617 program develops, the South Coast AQMD works closely with CARB and the communities to clarify or change program elements (such as guideline requirements) that may be necessary to achieve surplus emission reductions, or reduce exposure to harmful emissions, in the designated communities. The South Coast AQMD will make every effort to assist AB 617 communities in preparing plans or protocols that may be required to fund specific community-identified projects.