



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

October 15, 2013

Dear Fleet Sales Manager:

Incentive Funding Program to Promote Natural Gas-Powered Taxicabs

This letter is to inform you of an opportunity to participate in a financial incentive program that can benefit your organization and your customers. To help accomplish our goal of improving local air quality, the South Coast Air Quality Management District (SCAQMD) and the Mobile Source Air Pollution Reduction Review Committee (MSRC) approved a program that provides a \$3,000 incentive payment for each new dedicated natural gas-powered taxicab sold to an individual or fleet. A total of \$750,000 has been allocated for this program, and funding will be distributed on a first-come, first-served basis. Natural gas-powered taxicabs must be operated for at least three years in the SCAQMD's jurisdictional area, which consists of all of Orange County, and the non-desert portions of Los Angeles, Riverside, and San Bernardino Counties. A complete listing of cities in SCAQMD's jurisdictional area can be accessed at www.aqmd.gov/aqmd/cities.html. In addition, any automobile dealership located in the SCAQMD's jurisdictional area is eligible to participate. Please note that a minimum of \$93,000 will be distributed in each of the four counties within the SCAQMD.

In order to participate in this program, an eligible automobile dealership should review and sign the attached Dealership Participation Agreement. The Dealership Participation Agreement includes certain terms and conditions that the automobile dealership must follow in order to participate in this program. Completed agreements should be mailed to:

David Coel
Program Supervisor, Mobile Source Division
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Payment of the \$3,000 incentive per vehicle to the automobile dealership is a simple process, and is on a reimbursement basis. Once an approved automobile dealership has sold a qualifying natural gas-powered taxicab, the dealership must submit (1) a completed MSRC

Incentive Funding Application Form (attached), (2) a copy of the fully executed sales contract, and (3) verification that vehicle is permitted to operate and is currently operating as a taxicab within the SCAQMD. This verification would consist of a copy of the DMV registration and a written document from the permitting agency that identifies the vehicle by

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VIN or license plate number and indicates that the vehicle is authorized/permitted to operate as a taxicab in a city or county within the SCAQMD. It is mandatory that the sales contract clearly identify the natural gas vehicle model sold as well as indicate that the vehicle sales price has been reduced by an amount of \$3,000, clearly identified as "MSRC Incentive."

We expect that dealerships will be reimbursed within a 30-day time period subsequent to receipt of completed application form. Approval of incentive payment reimbursement is subject to verification of documentation submitted and verification that natural gas vehicle sold is being used as a taxicab in SCAQMD's jurisdictional area. Note, one application form may be used for multiple vehicles purchased by the same individual or fleet – see Section II of the application form. Incentive funding from the program will be available starting November 1, 2013. It is recommended that interested dealerships submit Dealership Participation Agreement early so that it can be approved by November 1, 2013. Dealership will be notified via email or telephone when Dealership Participation Agreement is received and approved.

We look forward to your participation in this program. If you have any questions regarding this program, please contact Mr. David Coel, Program Supervisor, at (909) 396-3143.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean Saito", written in a cursive style.

Dean Saito,
Manager, On-Road Section,
Mobile Source Division
Science and Technology Advancement

DKS:DC

Enclosure

MSRC INCENTIVE FUNDING FOR NATURAL GAS TAXICABS
Dealership Participation Agreement

_____ (*Name of taxicab vehicle dealership*), in cooperation with the South Coast Air Quality Management District (SCAQMD) on behalf of the Mobile Source Air Pollution Reduction Review Committee (MSRC), will participate in an incentive program for natural gas-fueled taxicabs. Dealership acknowledges that the \$3,000 per taxicab incentive is provided at the discretion of SCAQMD and MSRC. Dealership acknowledges that natural gas-powered taxicabs must be operated for at least three years in the SCAQMD's jurisdictional area, which consists of all of Orange County, and the non-desert portions of Los Angeles, Riverside, and San Bernardino Counties . A complete listing of cities in SCAQMD's jurisdictional area can be accessed at www.aqmd.gov/aqmd/cities.html.

As a participating natural gas taxicab dealership, I hereby agree to:

1. Inform the taxicab purchaser about the program requirements and provisions per Section I of MSRC Incentive Funding Application for Natural Gas Taxicab, prior to executing a sales agreement.
2. Negotiate the price of the taxicab using best fair-trade practices (reference DMV Guide for Licensed Vehicle Dealers and Lessor-Retailers, Section X, "Consumer Protection"). The sales price shall not be inflated by any amount, including, but not limited to, any and all of the amount of any incentives.
3. Confirm the availability of incentive funding with SCAQMD by calling (909) 396-3143 Tuesday through Friday 8:00 am to 5:00 pm prior to completion of the taxicab purchase. Payment will be on a reimbursement basis, and is first-come, first-served until funds run out.
4. Apply the \$3,000 incentive only towards the purchase of a new (not previously DMV registered) natural gas vehicle, as a reduction in the vehicle sales price, clearly identified as "MSRC Incentive" in the fully executed sales contract.
5. Submit to SCAQMD: a) completed and legible funding application form, b) a copy of fully executed sales agreement between automobile dealership and purchaser; and c) copy of DMV vehicle registration and written verification from the taxicab permitting agency that identifies the vehicle by VIN or license plate number and indicates that the vehicle is authorized/permitted to operate as a taxicab in a city or county within the SCAQMD. Dealership is responsible for obtaining this documentation from purchaser, and SCAQMD will not reimburse dealership unless and until all required documents are submitted. Documentation must be submitted to SCAQMD within 60 days of fully executed sales agreement.
6. Hold harmless, defend and indemnify SCAQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, costs, lawsuits, claims, demands, causes of action, judgments, attorney's fees, or any other expenses arising from or related to any third party claim against SCAQMD, its officers, employees, agents, representatives, or successors-in-interest that arise or result in whole or in part, from any actual or alleged act or omission of Dealership, its employees, subcontractors, agents or representatives in the performance of this Agreement.
7. The signator hereto represents and warrants that he or she is authorized and empowered and has the legal capacity to legally bind Dealership both in an operational and financial capacity and that the requirements and obligations under this Agreement are legally enforceable and binding on Dealership.

Print Name

Title

Signature

Date

Email Address

Telephone#