

Appendix B

Template Credit User Agreement

**CREDIT PURCHASE AGREEMENT FROM THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
VOLUNTARY VMT EXCHANGE PROGRAM**

This Credit Purchase Agreement (“Agreement”) is entered into this _____ day of _____, 2025 (“Effective Date”) by and between the Western Riverside Council of Governments, a California public agency (“WRCOG” or the “Program Administrator”) and [***INSERT NAME***], [***INSERT TYPE OF ENTITY***] (“Credit User”). WRCOG and Credit User are sometimes individually referred to as “Party” and collectively as “Parties”.

RECITALS

A. WRCOG established a Voluntary VMT Exchange Program (the “Program”) that allows Credit Users to agree to fund, implement, or acquire a predetermined VMT reducing projects submitted by a Credit Generator (“Credits”).

B. Credit User is a land development/transportation project administrator that is currently overseeing a project in need of mitigation measures under the California Environmental Quality Act (“CEQA”).

C. Credit User is seeking to purchase Credits from the Program for CEQA mitigation purposes.

D. The purpose of this Agreement is to outline the terms and conditions of Credit User’s purchase of Credits from the Program.

AGREEMENT

1. Incorporation of Recitals. The recitals above are true and correct and are hereby incorporated herein by this reference.

2. Definitions.

(a) “Credit” shall mean a VMT reduction credit.

(b) “Credit Generator” shall mean an entity that implements some action which produces a Credit.

(c) “Credit Generating Item” shall mean a specific project or action which has produced or may produce a Credit.

(d) “Credit User” shall mean a land development or transportation project administrator that needs a Credit for the purpose of CEQA mitigation.

(e) “Program Manual” shall mean the Western Riverside Council of Governments Voluntary VMT Exchange Program Implementation Manual as may be amended from time to time.

3. Term. This Agreement shall commence on the Effective Date and continue until all obligations have been fulfilled, unless terminated earlier as provided herein.

(a) Termination for Breach. Either Party may terminate this Agreement in the event of the other Party's violation of this Agreement. Upon receipt of written notice regarding the violation, the non-breaching Party shall have thirty (30) days to correct the violation. Failure to cure the violation within the thirty (30) day period shall result in the termination of this Agreement. Upon termination, all remaining obligations of the Parties under this Agreement will cease, except that any outstanding payment obligations by Credit User will remain in effect.

4. Purchase and Sale of Credits.

(a) Purchase Amount. Credit User agrees to purchase [***INSERT NUMBER OF CREDITS***] Credits from the Program at a rate of [***INSERT PRICE***] per Credit, totaling [***INSERT OVERALL AMOUNT***].

(b) Payment Terms. Credit User shall remit the full payment amount as outlined in Section 4(a) to WRCOG within [***INSERT NUMBER***] of days following the execution of this Agreement. Credit User understands and agrees that the full payment amount is nonrefundable upon WRCOG's receipt of the full payment amount.

(c) Transfer of Credits. Upon receipt of full payment from Credit User, WRCOG shall allocate the payment to the Credit Generator responsible for the Credit-Generating Item. In addition, WRCOG shall allocate and record the Credits in the Credit User's account in the Program. Credit User shall receive a certificate of credit allocation or other verification acceptable under the Program Manual.

5. Use of Credits.

(a) Compliance Purpose. Credit User agrees that the purchased Credits will be used solely for the purpose of satisfying the VMT impact mitigation requirements associated with Credit User's project.

(b) Non-Transferability. The purchased Credits are non-transferable to any other project or party without the prior written approval of WRCOG, unless such transferability is explicitly allowed under the Program Manual.

6. Indemnification and Warranties.

(a) Indemnification. To the fullest extent permitted by law, Credit User shall defend, at Credit User's sole cost and expense, indemnify, protect, and hold harmless WRCOG, its officers, directors, employees, and agents (collectively the "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to or death of persons (Credit User's employees included), for damage to property, including property owned by WRCOG, or from any violation of any federal, state, or local law or ordinance, alleged to be caused by the acts, omissions or willful misconduct of Credit User, its

officers, directors, employees or agents in connection with or arising out of the use of Credits by Credit User as well as performance of Credit User's obligations under this Agreement. Such indemnity shall include any actions brought under the California Environmental Quality Act, the National Environmental Policy Act or other related action related to a Credit-Generating Item.

(b) WRCOG Warranties. WRCOG represents and warrants the following: (1) WRCOG has full legal authority, power, and right to establish, manage, and operate the Program, including the issuance, allocation, and sale of Credits, in accordance with applicable laws, regulations, and guidelines; (2) WRCOG has complied, and will continue to comply, with all applicable laws, regulations, and standards in administering the Program and issuing Credits; (3) WRCOG has provided and will provide accurate, complete, and current information regarding the Credits, including their calculation and availability; (4) WRCOG will cooperate with the Credit User in providing documentation, certifications, or other records necessary to demonstrate compliance with applicable laws concerning VMT mitigation; and (5) the Credits issued to the Credit User will be free of any liens, encumbrances, or claims by third parties and will not be subject to any prior or conflicting allocation or sale. Except as expressly stated herein, WRCOG makes no other warranties, express or implied, including any implied warranties of merchantability or fitness for a particular purpose, except as required by law.

7. Miscellaneous Terms.

(a) Entire Agreement. This Agreement represents the entire understanding of WRCOG and Credit User as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each Party acknowledges that no representations, inducements, promises, or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This is an integrated Agreement.

(b) Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the following addresses and shall be effective upon receipt thereof:

WRCOG:

Western Riverside Council of Governments
3390 University Avenue, Suite #200
Riverside, CA 92501
Attn: Executive Director

CREDIT USER:

*****INSERT NAME, ADDRESS &
CONTACT PERSON***]**

(c) Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason, such determination shall not affect the validity or enforceability of the remaining terms and provisions

hereof or of the offending provision in any other circumstance, and the remaining provisions of this Agreement shall remain in full force and effect.

(d) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party to this Agreement. However, Credit User shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of WRCOG. Any attempted assignment without such consent shall be invalid and void.

(e) Non-Waiver. The delay or failure of either Party at any time to require performance or compliance by the other Party of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. The waiver of any right or remedy with respect to any occurrence or event shall not be deemed a waiver of any right or remedy with respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

(f) Time of Essence. Time is of the essence for each and every provision of this Agreement.

(g) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue shall be in the County of Riverside.

(h) Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain, or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

(i) Amendments. Only a writing executed by all of the Parties hereto or their respective successors and assigns may amend this Agreement.

(j) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one single Agreement.

(k) Authority. The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said Parties and that by doing so, the Parties hereto are formally bound to the provisions of this Agreement.

(l) Electronic Signature. Each Party acknowledges and agrees that this Agreement may be executed by electronic or digital signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
CREDIT PURCHASE AGREEMENT FROM THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
VOLUNTARY VMT EXCHANGE PROGRAM**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WRCOG

CREDIT USER

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

*****INSERT NAME*****

APPROVED BY:

APPROVED BY:

*****INSERT POSITION*****

APPROVED AS TO FORM:

Best Best & Krieger LLP
General Counsel