

**SUBMITTAL TO THE FLOOD CONTROL AND
WATER CONSERVATION DISTRICT
BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 11.7
(ID # 21395)

MEETING DATE:
Tuesday, March 28, 2023

FROM : FLOOD CONTROL DISTRICT:

SUBJECT: FLOOD CONTROL DISTRICT: Approval of Three Agreements for the Purchase of Credits for Compensatory Mitigation Efforts for the Wildomar Master Drainage Plan, Lateral C, Stage 3 Revision Project, Project No. 7-0-00075, Nothing Further is Required Under CEQA, District 1. [\$706,800 Total Cost – District Funds 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that nothing further is required under the California Environmental Quality Act (CEQA) for approval of the three Agreements for the Sale of Credits ("Agreement") because all potentially significant environmental effects have been adequately analyzed in the Initial Study and Mitigated Negative Declaration (SCH No. 2021030570), adopted by the Lead Agency (Riverside County Flood Control and Water Conservation District) on July 27, 2021;

Continued on Page 2

ACTION:Policy

Jason Uhley, GENERAL MGR-CHF FLD CNTRL ENG 3/14/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: March 28, 2023
xc: Flood

Kimberly A. Rector
Clerk of the Board

By:
Deputy

**SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD
OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

2. Approve the Agreement between the Riverside County Flood Control and Water Conservation District ("District") and EIP III Credit Co., LLC, a Delaware limited liability company;
3. Approve the Agreement between the District and Wildlands SLR Holdings I, LLC, a Delaware limited liability company;
4. Approve the Agreement between the District and RBV Mitigation Credits, LLC, a California limited liability company;
5. Authorize the Chair of the District's Board of Supervisors to execute the Agreement documents on behalf of the District; and
6. Direct the Clerk of the Board to return two copies of each of the executed Agreements to the District.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$706,800	\$0	\$706,800	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% District Funds 523220-25170-947520 License and Permits			Budget Adjustment: No	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The District's Wildomar Master Drainage Plan, Lateral C, Stage 3 Project ("Project") will result in impacts to state and federal jurisdictional waters and the Multiple Species Habitat Conservation Plan (MSHCP) Riparian/Riverine Resources. Prior to such impacts, the District is required to purchase a total of 1.60 acres of compensatory mitigation credits as stipulated by permits/agreements that were issued for the Project from the California Department of Fish and Wildlife (Section 1600 Lake or Streambed Alteration Agreement EPIMS-RIV027249-R6), the San Diego Regional Water Quality Control Board (Section 401 Water Quality Certification Order No. R9-2022-0109), and the United States Army Corps of Engineers (Section 404 Permit File No. SPL-220-00340). Upon approval, these Agreements would allow the purchase of the required mitigation credits from the following entities:

- EIP III Credit Co., LLC, Bank Sponsor for the Riverpark Mitigation Bank, at a cost of \$432,000;
- Wildlands SLR Holdings I, LLC, Bank Sponsor for the San Luis Rey Mitigation Bank, at a cost of \$258,300; and

**SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD
OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

- RBV Mitigation Credits, LLC, Bank Sponsor for the Barry Jones Wetland Mitigation Bank, at a cost of \$16,500.

County Counsel has approved the Agreements as to legal form.

CEQA Compliance

The District's Board previously adopted an Initial Study and Mitigated Negative Declaration for the Project on July 27, 2021 (Agenda Item 11-3) and determined that the impacts would be less than significant with mitigation. The District's Board also adopted a Mitigation Monitoring and Reporting Program. No further CEQA action is required.

Prev. Agn. Ref.: 11.3 of 07/27/21 CEQA Wildomar Master Drainage Project Lateral C, Stage 3 Revision Project

Impact on Residents and Businesses

None.

ATTACHMENTS:

- Riverpark Mitigation Bank - Agreement for Sale of Credits
- San Luis Rey Mitigation Bank - Agreement for Sale of Mitigation Credits
- Barry Jones Wetland Mitigation Bank - Mitigation Credit Purchase Agreement and Acknowledgment

P8/249875

JA:rlp



Jason Farin, Principal Management Analyst 3/20/2023



Aaron Gettis, Deputy County Counsel 3/15/2023



AGREEMENT FOR SALE OF CREDITS

March 3, 2023 | 10:25:29 PST

This Agreement is entered into this 28 day of March, 2023, by and between EIP III CREDIT CO., LLC, a Delaware limited liability company (Bank Sponsor) and RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (Project Proponent), jointly referred to as the "Parties," as follows:

RECITALS

A. The Bank Sponsor has developed the Riverpark Mitigation Bank (Bank) located in Riverside County, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument (BEI) entered into by and between Bank Sponsor, the Los Angeles District of the U.S. Army Corps of Engineers (USACE) (File No. SPL-2015-00318), United States Fish and Wildlife Service (USFWS), the California Regional Water Quality Control Board, Region 8 (Regional Water Boards), and the California Department of Fish and Wildlife (CDFW) (Tracking No. 1798-2015-01-R6), on December 17, 2019, and

C. Project Proponent is seeking to implement the project described on Exhibit "A" attached hereto (Project), which would unavoidably and adversely impact Riverine Wetland, and seeks to compensate for the loss of Riverine Wetland by purchasing Credits from Bank Sponsor; and

D. Project Proponent has been authorized by CDFW: EPIMS-RIV-27249-R6 and RWQCB: Project Order No. R9-2022-0109 to purchase from the Bank 0.54 re-establishment CDFW mitigation Credit, and 0.54 rehabilitation CDFW mitigation Credit; and USACE: SPL- 2020-00340 to purchase from the Bank 0.54 re-establishment USACE mitigation Credit and 0.54 rehabilitation USACE mitigation Credit (which is a subset of the 0.54 re-establishment CDFW mitigation Credit and 0.54 rehabilitation CDFW mitigation Credit and not in addition to the 0.54 re-establishment CDFW mitigation Credit and 0.54 rehabilitation CDFW mitigation Credit), upon confirmation by the Bank Sponsor of Credit availability/adequate balance of Credits remaining for Transfer; and

E. Project Proponent desires to purchase from Bank Sponsor and Bank Sponsor desires to sell to Project Proponent 0.54 re-establishment CDFW mitigation Credit and 0.54 rehabilitation CDFW mitigation Credit;

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NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby sells to Project Proponent and Project Proponent hereby purchases from Bank Sponsor 0.54 re-establishment CDFW mitigation Credit and 0.54 rehabilitation CDFW mitigation Credit. The Bank Sponsor will upon receipt of the Purchase Price deliver to Project Proponent an executed Bill of Sale in the manner and form as attached hereto and marked Exhibit "B". The Purchase Price for said Credits shall be paid by ACH payment or wire transfer of funds according to written instructions provided by Bank Sponsor to Project Proponent.

2. The sale and transfer herein are not intended as a sale or transfer to Project Proponent of a security, license, lease, easement, or possessory or non-possessory interest in real property, nor the granting of any interest of the foregoing.

3. Project Proponent shall have no obligation whatsoever by reason of the purchase of the Credits, to support, pay for, monitor, report on, sustain, continue in perpetuity, or otherwise be obligated or liable for the success or continued expense or maintenance in perpetuity of the Credits sold, or the Bank. Pursuant to the BEI and any amendments thereto, Bank Sponsor shall monitor and make reports to the appropriate agency or agencies on the status of any Credits sold to Project Proponent. Bank Sponsor shall be fully and completely responsible for satisfying any and all conditions placed on the Bank or the Credits by all state or federal jurisdictional agencies.

4. The Credits sold and transferred to Project Proponent shall be non-refundable, non-transferable and non-assignable to any project other than the one listed herein and shall not be used as compensatory mitigation for any other project or purpose, except as set forth herein.

5. Project Proponent must exercise his/her/its right to purchase the Credits within 14 days of the date this Agreement is provided to the Project Proponent. Without Bank Sponsor approval, after the 14-day period this Agreement will be considered null and void.

6. Upon purchase of the Credits specified in Recital D above, the Bank Sponsor shall submit to the parties listed in the Notices section of the BEI, copies of the: a) Agreement for Sale of Credits; b) Bill of Sale; c) Payment Receipt; and d) an updated ledger. The updated ledger must detail: i) Project Proponent; ii) Project Name; iii) Status (sale complete/sale not complete); iv) Credit Sale Date; v) Permitting Agency File/Tracking Number; vi); vii) Total Number of Credits Authorized to Sell; viii) Total Number of Credits Sold to Date (inclusive); and ix) Balance of all Credits Available. The ledger should include all sales data from bank establishment to the present.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

BANK SPONSOR

EIP III CREDIT CO., LLC, a Delaware limited liability company

DocuSigned by:
Joseph Williams
By: _____
Name: Joseph Williams
Its: Assistant Director of Markets

PROJECT PROPONENT

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on

3/28/23
(to be filled in by Clerk of the Board)

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By *Karen S. Spiegel*
KAREN SPIEGEL, Chair
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN
County Counsel

KIMBERLY RECTOR
Clerk of the Board

By Samuel H. Moore
for Aaron C. Gettis
Supervising Deputy County Counsel

By Brana Smith
Deputy

(SEAL)

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Exhibit "A"
DESCRIPTION OF PROJECT TO BE MITIGATED

Name of Project:

Wildomar Master Drainage Plan Lateral C, Stage 3 Revision Project

Project Location:

The Wildomar Master Drainage Plan Lateral C, Stage 3 Revision Project is located east of Interstate 15 on the southeast corner of Bundy Canyon Road and Monte Vista Drive, in the City of Wildomar, Riverside County, California; Latitude 33.624434, Longitude - 117.265513; Assessor's Parcel Number 367-110-007, 367-110-008, 367-433-015, 367-472-001, 367-472-002, and 367-472-020.

Permitting Agencies File/Tracking Number:

CDFW: EPIMS-RIV-27249-R6

RWQCB: Project Order No. R9-2022-0109

USACE: SPL-2020-00340

Project Description:

The District, in partnership with the City of Wildomar, is proposing to revise the Wildomar MDP Lateral C, Stage 3 facility from what was originally proposed for the Wildomar MDP when it was adopted in 1980. Stage 1, from Wildomar Channel to Palomar Street, was constructed in 1987, and Stage 2, from Palomar Street to Pasadena Street, was constructed in 1992. Stage 3, as originally proposed has not been constructed due to environmental and regulatory constraints associated with the design. Stage 3 was originally proposed to be aligned within Bundy Canyon Wash, however, due to current and future projected growth in the city, the current design for Stage 3 is no longer sufficient to address the drainage needs of the surrounding community. As such, the District is proposing to revise the facility to be less environmentally damaging and more adequate to address current and projected drainage needs. The District intends to construct and maintain Phase 1 of the Project at this time. Phase 1 includes the development of two components, Bundy Canyon Basin and the extension of Lateral A (Main Inlet Channel) east of Interstate 15 (I-15).

Bundy Canyon Basin:

The proposed basin has a right of way footprint of approximately 16.6 acres and a storage volume of 143 acre-ft.

Bundy Canyon Channel Lateral A Extension (Main Inlet Channel):

The existing concrete lined trapezoidal channel adjacent to Tract 23281 would be extended to meet the proposed basin bottom. This will be accomplished by constructing

a Transition Structure, USBR Type III Stilling Basin, and a 14-ft. wide by 10-ft. high double reinforced concrete box (RCB).

Species/Habitat Affected:

The Project is required to compensate for permanent impacts to 0.58 acre of stream bed, bank, and channel, through the acquisition of no less than 0.54 acre of streambed or riparian habitat re-establishment, 0.54 acre of re-habilitation, and 0.08 acre of preservation credits through a CDFW-approved mitigation bank within Western Riverside County.

**Wildomar Master Drainage Plan Lateral C, Stage 3
Stream Habitat Type Project Impacts (acres), and Mitigation (acres)**

Stream Habitat Type	Permanent Stream Impact (Acres)	Re- establishment (Riverpark Mitigation Bank)	Rehabilitation (Riverpark Mitigation Bank)	Preservation (Skunk Hollow Mitigation Bank)
Earthen Bottom and Un-grouted Riprap of Lateral A Extension (concrete lined feature)	0.04			0.08
Ephemeral Stream / Mulefat Thickets	0.41	0.41	0.41	
Ephemeral Stream / Riversidean Alluvial Fan Sage Scrub	0.13	0.13	0.13	
Total Impacts	0.58			
Total Mitigation	1.16	0.54	0.54	0.08

Credits to be Purchased:

0.54 re-establishment

0.54 rehabilitation

Method of payment:

Wire Transmittal: X ACH Payment: _ _

“Exhibit B”
BILL OF SALE
Riverpark Mitigation Bank

Contract # 23__-RP

Permitting Agency File/Tracking No(s). CDFW: EPIMS-RIV-27249-R6, RWQCB: Project Order No. R9-2022-0109, and USACE: SPL-2020-00340.

In consideration of \$432,000.00, receipt of which is hereby acknowledged, EIP III Credit Co., LLC (Bank Sponsor), does hereby bargain, sell and transfer to RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (Project Proponent), for the Wildomar Master Drainage Plan Lateral C, Stage 3 Revision project, 0.54 re-establishment CDFW mitigation Credit, and 0.54 rehabilitation CDFW mitigation Credit; and to purchase from the Bank 0.54 re-establishment USACE mitigation Credit and 0.54 rehabilitation USACE mitigation Credit (which is a subset of the 0.54 re-establishment CDFW mitigation Credit, and 0.54 rehabilitation CDFW mitigation Credit and not in addition to the 0.54 re-establishment CDFW mitigation Credit, and 0.54 rehabilitation CDFW mitigation Credit), in the Riverpark Mitigation Bank in Riverside County, California, developed, and approved under the authority of the Los Angeles District of the U.S. Army Corps of Engineers (USACE), United States Fish and Wildlife Service (USFWS), the California Regional Water Quality Control Board, Region 8 (Regional Water Boards), and the California Department of Fish and Wildlife (CDFW), as mitigation for the Project described in Attachment 1.

Bank Sponsor represents and warrants that it has good title to the Credits, has good right to sell the same, and that they are free and clear of all claims, liens, or encumbrances.

Bank Sponsor covenants and agrees with the Project Proponent to warrant and defend the sale of the Credits hereinbefore described against all and every person and persons whomsoever lawfully claiming or to claim the same.

DATED: _____

EIP III CREDIT CO., LLC, a Delaware limited liability company

By: _____
Name: Joseph Williams
Its: Assistant Director of Markets

SAMPLE

Attachment 1
Riverpark Mitigation Bank
WETLAND CREDITS: PAYMENT RECEIPT

PROJECT PROPONENT INFORMATION

Name:

Riverside County Flood Control and Water Conservation District

Address:

1995 Market Steet
Riverside, CA 92501
Telephone (951) 955-1200

Contact:

Kevin Cunningham
Environmental Project Manager
Email: kcunning@rivco.org
Phone: (951) 955-1526

cc:

Joan Valle
Chief of Regulatory
Email: jvalle@rivco.org
Phone: (951) 955-8856

PROJECT INFORMATION

Project Description:

The District, in partnership with the City of Wildomar, is proposing to revise the Wildomar MDP Lateral C, Stage 3 facility from what was originally proposed for the Wildomar MDP when it was adopted in 1980. Stage 1, from Wildomar Channel to Palomar Street, was constructed in 1987, and Stage 2, from Palomar Street to Pasadena Street, was constructed in 1992. Stage 3, as originally proposed has not been constructed due to environmental and regulatory constraints associated with the design. Stage 3 was originally proposed to be aligned within Bundy Canyon Wash, however, due to current and future projected growth in the city, the current design for Stage 3 is no longer sufficient to address the drainage needs of the surrounding community. As such, the District is proposing to revise the facility to be less environmentally damaging and more adequate to address current and projected drainage needs. The District intends to construct and maintain Phase

1 of the Project at this time. Phase 1 includes the development of two components, Bundy Canyon Basin and the extension of Lateral A (Main Inlet Channel) east of Interstate 15 (I-15).

Bundy Canyon Basin:

The proposed basin has a right of way footprint of approximately 16.6 acres and a storage volume of 143 acre-ft.

Bundy Canyon Channel Lateral A Extension (Main Inlet Channel):

The existing concrete lined trapezoidal channel adjacent to Tract 23281 would be extended to meet the proposed basin bottom. This will be accomplished by constructing a Transition Structure, USBR Type III Stilling Basin, and a 14-ft. wide by 10-ft. high double reinforced concrete box (RCB).

Project Location:

The Wildomar Master Drainage Plan Lateral C, Stage 3 Revision Project is located east of Interstate 15 on the southeast corner of Bundy Canyon Road and Monte Vista Drive, in the City of Wildomar, Riverside County, California; Latitude 33.624434, Longitude -117.265513; Assessor's Parcel Number 367-110-007, 367-110-008, 367-433-015, 367-472-001, 367-472-002, and 367-472-020.

Agency File/Tracking Numbers:

CDFW: EPIMS-RIV-27249-R6
 RWQCB: Project Order No. R9-2022-0109
 USACE: SPL-2020-00340

Species/Habitat Affected:

The Project is required to compensate for permanent impacts to 0.58 acre of stream bed, bank, and channel, through the acquisition of no less than 0.54 acre of streambed or riparian habitat re-establishment, 0.54 acre of re-habilitation, and 0.08 acre of preservation credits through a CDFW-approved mitigation bank within Western Riverside County.

**Wildomar Master Drainage Plan Lateral C, Stage 3
 Stream Habitat Type Project Impacts (acres), and Mitigation (acres)**

Stream Habitat Type	Permanent Stream Impact (Acres)	Re-establishment (Riverpark Mitigation Bank)	Rehabilitation (Riverpark Mitigation Bank)	Preservation (Skunk Hollow Mitigation Bank)

Earthen Bottom and Un-grouted Riprap of Lateral A Extension (concrete lined feature)	0.04			0.08
Ephemeral Stream / Mulefat Thickets	0.41	0.41	0.41	
Ephemeral Stream / Riversidean Alluvial Fan Sage Scrub	0.13	0.13	0.13	
Total Impacts	0.58			
Total Mitigation	1.16	0.54	0.54	0.08

Credits to be Purchased:

0.54 re-establishment

0.54 rehabilitation

Exhibit "A"

**DESCRIPTION OF PROJECT
TO BE
MITIGATED**

Project Proponent, in partnership with the City of Wildomar, is proposing to revise the Wildomar MDP Lateral C, Stage 3 facility from what was originally proposed for the Wildomar MDP when it was adopted in 1980. Stage 1, from Wildomar Channel to Palomar Street, was constructed in 1987, and Stage 2, from Palomar Street to Pasadena Street, was constructed in 1992. Stage 3, as originally proposed has not been constructed due to environmental and regulatory constraints associated with the design. Stage 3 was originally proposed to be aligned within Bundy Canyon Wash, however, due to current and future projected growth in the city, the current design for Stage 3 is no longer sufficient to address the drainage needs of the surrounding community. As such, Project Proponent is proposing to revise the facility to be less environmentally damaging and more adequate to address current and projected drainage needs. Project Proponent intends to construct and maintain Phase 1 of the Project at this time. Phase 1 includes the development of two components, Bundy Canyon Basin and the extension of Lateral A (Main Inlet Channel) east of Interstate 15 (I-15).

Bundy Canyon Basin:

The proposed basin has a right of way footprint of approximately 16.6 acres and a storage volume of 143 acre-ft.

Bundy Canyon Channel Lateral A Extension (Main Inlet Channel):

The existing concrete lined trapezoidal channel adjacent to Tract 23281 would be extended to meet the proposed basin bottom. This will be accomplished by constructing a Transition Structure, USBR Type III Stilling Basin, and a 14-ft. wide by 10-ft. high double reinforced concrete box (RCB).

The Wildomar Master Drainage Plan (MDP) Lateral C, Stage 3 Revision Project is located east of I-15 on the southeast corner of Bundy Canyon Road and Monte Vista Drive, in the City of Wildomar, Riverside County, CA; Latitude 33.624434, Longitude -117.265513; Assessor's Parcel Number 367-110-007, 367-110-008, 367-433-015, 367-472-001, 367-472-002, and 367-472-020.

Exhibit "B"

BILL OF SALE

Contract # SLRMB-23-___

USACE File No. SPL- 2020-00340

RWQCB File No. R9-2022-0109

In consideration of \$258,300.00, receipt of which is hereby acknowledged, WILDLANDS SLR HOLDINGS I, LLC, a Delaware limited liability company ("Bank Sponsor") does hereby bargain, sell and transfer to RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body politic ("Project Proponent") 0.42 acre of Re-established River: Wetland Waters of the U.S./State credits for the Wildomar Master Drainage Plan (MDP) Lateral C, Stage 3 Revision Project, in the San Luis Rey Mitigation Bank in San Diego County, California, developed and approved under the authority of the United States Army Corps of Engineers and California Department of Fish and Wildlife.

Bank Sponsor represents and warrants that it has good title to the Credits, has good right to sell the same, and that they are free and clear of all claims, liens, or encumbrances.

DATED: _____

WILDLANDS SLR HOLDINGS I, LLC, a Delaware limited liability company

By: _____

Name:

Its:

Barry Jones Wetland
Mitigation Bank



**MITIGATION CREDIT
PURCHASE AGREEMENT AND ACKNOWLEDGMENT**

March 9, 2023 | 1:12 PM CST

THIS MITIGATION CREDIT PURCHASE AGREEMENT AND ACKNOWLEDGMENT ("Agreement") is entered into this 28 day of March, 2023 by and between RBV MITIGATION CREDITS, LLC, a California limited liability company ("Seller") and RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ("Buyer").

RECITALS

A. Pursuant to that certain Memorandum of Agreement Regarding the Establishment, Operation and Use of the **Barry Jones Wetland Mitigation Bank** dated December 1997 (the "MOA"), by and among Pacific Bay Homes (Seller's predecessor in interest); the California Department of Fish and Wildlife ("CDFW"); the United States Fish and Wildlife Service ("USFWS"); and the U.S. Army Corps of Engineers ("USACOE") (CDFW, USFWS and USACOE are referred to collectively hereinafter as the "Agencies"). The Agencies have acknowledged the creation of the Barry Jones Wetland Mitigation Bank (the "Mitigation Bank") and the right of Seller to sell "Mitigation Credits" as provided therein. Each Mitigation Credit is equivalent to 1 acre of mitigation.

B. Buyer desires to mitigate the loss of certain wetland habitat values on real property located in Riverside County California commonly known as **Wildomar Master Drainage Plan Lateral C, Stage 3 Revision Project** (the "Buyer's Property").

C. Buyer has agreed to purchase from Seller, and Seller has agreed to sell to Buyer 0.1 Mitigation Credit (the "Conveyed Credits") from the Mitigation Bank on the terms and conditions set forth herein. The 0.1 credit represents 0.1 acre of valid U.S. Army Corps of Engineers and California Department of Fish and Wildlife mitigation for wetland resources, all credits being fully consistent with the BEI.

NOW, THEREFORE, in consideration of the agreements and acknowledgments set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer hereby agree and acknowledge as follows:

1. **Purchase Price.** The purchase price for the **0.1** Mitigation Credits shall be Sixteen Thousand Five Hundred dollars (**\$16,500.00**). The Purchase Price shall be paid in good funds on the Closing Date, as hereinafter defined in Paragraph 3 below.
2. **Acknowledgment of Sale.** On the Closing Date, Seller shall deliver a fully executed original of the Acknowledgment of Sale of Mitigation Credits ("Acknowledgment"), a form of which is attached hereto as Exhibit A and such other documents and instruments as may be required by any of the Agencies to evidence and recognize the transfer of the Conveyed Credits to Buyer. Moreover, Seller agrees that to the extent such have not been provided to Buyer at the closing, then if requested by Buyer subsequent to the closing, Seller will provide such documents and instruments as may be required by any of the Agencies to evidence and recognize the transfer of the Conveyed Credits within ten (10) days following Buyer's request. The provisions of this Paragraph 2 shall survive the closing and termination of this Agreement.
3. **Closing.** The closing will occur on or before **April 7, 2023**, or such other date to which the Buyer and Seller may mutually agree in writing (the "Closing Date"). The closing shall mean the date that the Purchase Price is delivered to Seller and the fully executed Acknowledgment of Sale of Mitigation Credits is delivered to Buyer. Notwithstanding the foregoing, Buyer may accelerate the Closing Date.
4. **AS-IS Sale.** Buyer acknowledges and agrees that: (a) it is the Buyer's sole responsibility to obtain a determination from each federal, state, or local governmental agency with jurisdiction over the Buyer's Property, including, without limitation, the Agencies and the Regional Water Quality Control Board that the Conveyed Credits are acceptable to each such governmental agency and/or suitable for Buyer's purposes, including, without limitation, mitigation for impacts to wetland/riparian values; (b) the purchase and sale of the Conveyed Credits shall be made on an "AS IS, WHERE IS, WITH ALL FAULTS" basis as provided for in the BEI; and (c) any completed sale of any Conveyed Credits shall be final. Buyer further acknowledges and agrees that except as otherwise expressly set forth in this Agreement, neither Seller nor any of its officers, affiliates, representatives, consultants, or agents have made any representations or warranties, or have assumed any responsibility, with respect to (i) the mitigation value or mitigation requirements of the Buyer's Property; (ii) the mitigation value of the property conveyed to the Agencies in establishing the Mitigation Bank; (iii) the acceptability of the Conveyed Credits to any federal, state, or local governmental agency with jurisdiction over the Buyer's Property; (iv) the suitability or adequacy of the Conveyed Credits for Buyer's purposes in purchasing such Credits; or (v) any other fact or circumstances which might affect the Mitigation Bank, the Buyer's Property, the Conveyed Credits, or Buyer's purposes in purchasing such Credits. The Seller further specifically advises Buyer to consult with the Regional Water Quality Control Board as to the acceptability of the Conveyed Credits. The

Regional Water Quality Control Board is not a signatory to the BEI.

5. Termination. Time is of the essence in this Agreement. In the event the closing does not occur by the Closing Date, Seller, at its election, and in its sole and absolute discretion, by written notice to Buyer, may terminate this Agreement and neither party shall have any further obligations hereunder to each other or otherwise except as provided in Paragraph 6 below.

6. Brokers. Seller shall pay a commission to McCollum Associates pursuant to the terms of a separate written agreement if and only if the sale closes. Seller and Buyer each represent to the other that it has not had any other contract, agreement or dealings regarding the Conveyed Credits with, nor any communication in connection with the subject matter of this transaction through, any consultant, broker, agent, finder or other person who can claim a right to a consultant fee, commission or finder's fee in connection with the sale contemplated herein. In the event that other consultant, broker or finder makes a claim for a consultant fee or commission or finder's fee based upon any such contract, agreement, dealings or communication, the party through whom such claim is made shall be solely responsible for and shall indemnify, defend, and hold harmless the other party from and against said commission or fee and all costs and expenses (including without limitation reasonable attorneys' fees) incurred by the other party in defending against such claim. The provisions of this Paragraph 6 shall survive the termination of this Agreement.

7. Integration. Buyer and Seller agree that all negotiations, discussions, understandings and agreements heretofore made between them or their respective agents or representatives are merged in this Agreement and the Exhibits attached hereto, and this written Agreement alone fully and completely expresses their agreement with respect to the subject matter hereof and supersedes all prior agreements and understandings between the parties relating to the subject matter of this Agreement. Buyer and Seller further agree that Buyer has no responsibilities or obligations whatsoever regarding the Conveyed Credits or the MOA except as are expressly stated in this Agreement.

8. Notices. All deposits and any notice required or permitted to be made or given under this Agreement shall be made and delivered to the parties at the addresses set forth below each party's respective signature. All notices shall be in writing and shall be deemed to have been given when delivered by courier, when transmitted by facsimile (upon confirmation of successfully completed transmission), or upon the expiration of two (2) business days after the date of deposit of such notice in the United States mail, registered or certified mail, postage prepaid.

9. Attorneys' Fees. This Agreement shall be governed and construed in accordance with the laws of the State of California and interpreted as if prepared by both parties hereto. In the

event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, or in the event of any litigation arising out of or related to this Agreement, the party not prevailing in such dispute or litigation shall pay any and all costs and expenses incurred by the other party in establishing or defending its rights hereunder, including, without limitation, court costs, expert witness fees, and reasonable attorneys' fees.

10. Limited Representations and Warranties. Seller is a limited liability company duly formed, presently existing and in good standing under the laws of the State of California, is qualified to transact business in the State of California, and has the power and authority to own, and does own, the Mitigation Credits, and the power and authority to consummate the sale of Conveyed Credits as contemplated by this Agreement, and the person executing this Agreement has the full authority to bind Seller. This Agreement and all instruments, including assignment and/or conveyance documents to be executed by Seller in connection herewith are or when delivered to Buyer will be duly authorized, executed and delivered by Seller and will be valid, binding and enforceable obligations of Seller. Neither this Agreement nor any instrument, including assignment and/or conveyance documents to be executed by Seller in connection herewith does now or will hereafter constitute a breach or default or invalidate, make inoperative or interfere with any contract, agreement, right or interest affecting or relating in any manner to the Conveyed Credits. The Conveyed Credits shall be assigned/conveyed to Buyer at the closing free and clear of all liens or other encumbrances of any type, monetary or non-monetary.

11. Counterparts. This Agreement may be executed and delivered in any number of identical counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

WHEREUPON, this Agreement has been executed as of the date first-above written.

SELLER:

RBV MITIGATION CREDITS, LLC, a California limited liability company

DocuSigned by:
By: Karin T. Krogius
Name: Karin T. Krogius
Its: Member

178 Shorecliff Road
Corona Del Mar, CA 92625
Attention: Karin Krogius
Telephone: (949) 300-4864
Fax: (949) 644-7410
Email: kkrogius@pboaks.com

BUYER:

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on

3/28/23
(to be filled in by Clerk of the Board)

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By Karen S. Spiegel
KAREN SPIEGEL, Chair
Riverside County Flood Control and Water Conservation District Board
of Supervisors


MAR 28 2023 11.7

APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN
County Counsel

KIMBERLY RECTOR
Clerk of the Board

By 
Aaron C. Gettis
Supervising Deputy County Counsel

By 
Deputy

(SEAL)

USACE: SPL- 2020-00340
RWQCB: Project Order No. R9-2022-0109
CDFW: EPIMS-RIV-27249-R6

MAR 28 2023 11.7

**AGREEMENT FOR SALE OF MITIGATION CREDITS
SAN LUIS REY MITIGATION BANK**

**USACE File No. SPL- 2020-00340
RWQCB File No. R9-2022-0109**

This Agreement is made and entered into this 28 day of March, 2023 by and between WILDLANDS SLR HOLDINGS I, LLC, a Delaware limited liability company (“Bank Sponsor”) and RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body politic (“Project Proponent”) as follows:

RECITALS

A. Bank Sponsor has developed the San Luis Rey Mitigation Bank (“Bank”) located in San Diego County, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument entered into by and between Bank Sponsor, United States Army Corps of Engineers (“USACE”), and California Department of Fish and Wildlife (“CDFW”); and

C. Bank Sponsor has received the approval of the USACE and CDFW to operate the Bank as a mitigation bank with wetland waters of the United States/State credits, waters of the United States/State credits and buffer credits for sale as compensation for the loss of waters of the United States, waters of the State and/or State jurisdictional habitats; and

D. Project Proponent is seeking to implement the project described on Exhibit “A” attached hereto (“Project”), which would unavoidably and adversely impact waters of the United States and/or waters of the State thereon, and seeks to compensate for such impacts by purchasing compensatory credits from Bank Sponsor; and

E. Project Proponent has been authorized by USACE under File No. SPL- 2020-00340 and by Regional Water Quality Control Board (“RWQCB”) under Section 401 Water Quality Certification No. R9-2022-0109 to purchase 0.42 acre of Re-established River: Wetland Waters of the U.S./State credits from the Bank; and

F. Project Proponent desires to purchase from Bank Sponsor and Bank Sponsor desires to sell to Project Proponent 0.42 acre of Re-established River: Wetland Waters of the U.S./State credits from the Bank.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby agrees to sell to Project Proponent and Project Proponent hereby agrees to purchase from Bank Sponsor 0.42 acre of Re-established River: Wetland Waters of the U.S./State credits (the “Credits”) for the purchase price of \$258,300.00 (“Purchase Price”). The Purchase Price for said Credits shall be paid by wire transfer of funds according to written instructions by Bank Sponsor to Project Proponent, or by check payable to “**Wildlands**

SLR Holdings I, LLC.” Upon receipt of the Purchase Price, Bank Sponsor will deliver to Project Proponent an executed Bill of Sale in the form attached hereto as Exhibit “B.”

2. The sale and transfer herein is not intended as a sale or transfer to Project Proponent of a security, license, lease, easement, or possessory or non-possessory interest in real property, nor the granting of any interest of the foregoing.

3. Project Proponent shall have no obligation whatsoever by reason of the purchase of the Credits, to support, pay for, monitor, report on, sustain, continue in perpetuity, or otherwise be obligated or liable for the success or continued expense or maintenance in perpetuity of the Credits sold, or the Bank. As required by law, Bank Sponsor shall monitor and make reports to the appropriate agency or agencies on the status of any Credits sold to Project Proponent. Bank Sponsor shall be fully and completely responsible for satisfying any and all conditions placed on the Bank or the Credits, by all state or federal jurisdictional agencies.

4. The Credits sold and transferred to Project Proponent shall be nontransferable and non-assignable, and shall not be used as compensatory mitigation for any other Project or purpose, except as set forth herein.

5. Project Proponent must deliver the Purchase Price to Bank Sponsor within 30 days of the date of this Agreement. After the 30-day period this Agreement will be considered null and void and Bank Sponsor shall have no further obligations hereunder.

[Remainder of Page Intentionally Left Blank – Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on


3/28/23
(to be filled in by Clerk of the Board)

BANK SPONSOR:

PROJECT PROPONENT:

WILDLANDS SLR HOLDINGS I, LLC,
a Delaware limited liability company

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By 
Mark Heintz
Manager


By Karen S. Spiegel
KAREN SPIEGEL, Chair
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN
County Counsel

KIMBERLY RECTOR
Clerk of the Board

By 
Aaron C. Gettis
Supervising Deputy County Counsel

By 
Deputy

(SEAL)