

ADDENDUM TO LICENSE AGREEMENT FOR USE OF REAL PROPERTY

This Addendum to License Agreement for Use of Real Property (“Addendum”) is made and entered into by and between Laguna de Santa Rosa Foundation (“Foundation”) and the Palm Drive Health Care District (“District”), effective July __, 2018, with reference to the following:

Recitals

A. Foundation and District entered into a License Agreement for Use of Real Property on July 24, 2008 (“License Agreement”). A copy of the License Agreement is attached hereto as **Exhibit A**, and incorporated herein. In Section 5 of the License Agreement, the parties established that the term of the Agreement would continue for as long as the District operated a hospital adjacent to the licensed property, and that after ten (10) years, the parties would meet and confer to discuss and resolve any outstanding issues in an addendum to the License Agreement.

B. By this Addendum, the Foundation and the District wish to confirm the continued effectiveness of the License Agreement, account for completion of modifications to the licensed property and make other changes.

NOW, THEREFORE, for consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Agreement

1. Except as modified by this Addendum, all of the terms and conditions of the License Agreement shall remain in full force and effect.
2. The parties acknowledge that the construction work identified and described in the License Agreement has been completed satisfactorily and that no further construction is anticipated during the remainder of the term of the License Agreement.
3. Paragraph 22 of the License Agreement is amended in its entirety to read as follows:

Each party (“Indemnitor”) agrees to defend, indemnify and hold harmless the other party and its agents, employees, officers, board members and any other of its representatives (“Indemnitee”) against any and all claims for damages or injuries of any type by any person or entity relating to or arising out of, or resulting from the design, construction, maintenance of the License Area, or use of the Property by the Indemnitor. This includes any and all claims brought by any party regardless of the incompatibility or legal inconsistency of the uses described in this Agreement and the conservation easement, which dictates allowed and prohibited uses of the Property. The only claims excepted from this indemnity obligation are claims arising from the gross negligence,

sole negligence or the willful misconduct of the Indemnitee. The indemnity, defense and hold harmless obligations on the part of the Indemnitor are intended to be as extensive as allowed by law and apply to all claims of any type.

Laguna de Santa Rosa Foundation

Dated: _____

Kevin Munroe, Executive Director

Palm Drive Health Care District

Dated: _____

Alanna Brogan, Executive Director

**LICENCE AGREEMENT FOR USE OF REAL PROPERTY
(JUNE 25, 2008 DRAFT)**

SECTION 1. PARTIES TO THIS AGREEMENT:

The parties to this agreement are Palm Drive Hospital District, hereafter referred to as "the Hospital" or "Hospital" and Laguna de Santa Rosa Foundation, hereafter referred to as "the Foundation", both of which are referred to herein individually as "party" or collectively as "the parties."

SECTION 2. REAL PROPERTY SUBJECT TO THIS AGREEMENT

The real property subject to this license agreement is owned by the Foundation and is located at 6700 Palm Drive and 6767 Walker Avenue in Sebastopol, CA, and includes Sonoma County Assessor's Parcel Numbers [004-550-00; 004-550-008; 060-120-011; and 060-120-014]; It is hereafter referred to as "the property". The portion of the property which is the subject of this agreement is described as follows: a portion of the Foundation property east of the Hospital driveway to be used for the Hospital's construction of a helipad and walkway approach, more specifically depicted on the site plan attached hereto as Exhibit A. The items to be constructed by the Hospital include a helipad landing area, a walkway approach, lighting systems, a small amphitheater-style seating area, stone benches surrounding the circular landing area, interpretive signage, pathways leading up to the area from the lower portion(s) of the property, and additional components to be constructed by the Hospital pursuant to this agreement, along with the necessary areas for maintenance of same, all of which is cumulatively referred to herein as "the license area".

SECTION 3. BACKGROUND FACTS FOR THIS AGREEMENT

The property is located adjacent to land owned by the Hospital. The Foundation is in the process of constructing improvements to the property to include structures and other space for educational purposes, a portion of which is suitable for use as a helicopter landing pad in the case of medical emergencies. The hospital seeks permission to construct certain additional improvements in the design of the license area as necessary for access to and from the Hospital in case of emergency helicopter landings. The Foundation will also use the helipad as part of its educational facilities, and the Foundation wished to accommodate the Hospital's emergency needs while at the same time allowing maximum use of its newly constructed facilities on the property.

SECTION 4. OBLIGATIONS OF THE PARTIES

For good and valuable consideration, the parties agree as follows:

1. The Foundation agrees to allow construction on its property of improvements for the license area according to the site plan attached as Exhibit A, at the complete expense and risk of the Hospital. The Hospital agrees that any changes to such plans during or before construction must be approved by the Foundation before being implemented. Any materials used, or modifications made without such prior approval must be removed at the Hospital's expense upon the written request of the Foundation. The license area shall be installed, operated and maintained in accordance with the highest standards now or hereafter generally employed for similar facilities in the same geographic region.

2. The Hospital agrees that it is doing its own investigation of the suitability of the property for construction and maintenance of the license area, and that it will comply with all legal, environmental and archaeological requirements and protocols which may be necessary to complete that work, including but not necessarily limited to the terms of the conservation easement governing the property, a copy of which is attached as Exhibit B. The Hospital agrees to obtain and pay for all necessary permits, entitlements, Environmental Impact Reports, plan checks, inspections, and regulatory costs as required. By beginning construction, the Hospital accepts the Foundation property "as is" for purposes of the obligations contemplated by this agreement, and the Foundation makes no representations or warranties as to the conditions of the property or its suitability for the work included in this agreement.
3. The landing pad area construction has been completed and the entire construction, including required mitigations and additional plantings, shall be completed on or before July 1, 2008. All construction, modifications, repairs, maintenance or improvements to or associated with the license area required by this agreement shall be performed only by reputable contractors duly licensed in the State of California.
4. The Hospital agrees it will obtain no ownership interest in the property or the license area and agrees to keep the property free of all liens, encumbrances, and other security interests arising from the construction and maintenance of the license area contemplated by this agreement. The Foundation shall have the right, but not the obligation, to enforce any provision of any provision and all contracts entered into by Hospital with respect to the planning, design, construction, installation and maintenance of the license area (collectively the "Construction Agreements"), in any manner provided therein or at law or equity, as Foundation deems necessary in its sole discretion to ensure the performance of any obligation contained in said agreements and/or to protect the value or operation of its property or to protect the health, safety and/or welfare of the public or of the Foundation's employees agents, directors, volunteers, etc. It is expressly intended that the Foundation be a third-party beneficiary of the Construction Agreements, including the right to receive the benefit of all guarantees, warranties, representations, and covenants made therein. The Hospital agrees to amend any and all of its Construction Agreements to include the Foundation's status and rights as defined in this paragraph, and to cooperate in all respects should Foundation elect to enforce any contract pursuant to the terms of this paragraph.
5. This agreement is intended to survive any transfer of the property from the Foundation to another party. In the event that the Foundation ceases to exist or transfers its interest in the property, Foundation will use its best efforts to cause this agreement to be transferred to the subsequent owners. This agreement is not intended to survive any transfer of the Hospital to another party. In the event of a transfer of the Hospital to another party, this agreement will be renegotiated with that new party.
6. Beginning with the date of completion of the landing pad portion of the construction of the license area, the Hospital shall have the right to use the license area (see Exhibit A), and portions of the property adjacent thereto as necessary for patient transfer and license area site maintenance (as more particularly described in this agreement in Section 4, Paragraph 13), subject to the following:

- a) The use of the helipad shall be restricted to medical emergencies and/or medical necessities. Such emergency determination shall be made by health care professionals administering to the patient.
 - b) The use of the license area to land medical helicopters for such emergencies shall not exceed 24 such landings in a calendar year. The Hospital shall use its best efforts to prevent non-emergency uses.
 - c) A single emergency producing mass casualties requiring multiple helicopter transports to or from the hospital shall count as a single landing.
 - d) In addition, the helipad shall be available for use in disaster preparedness exercises and trainings for emergency flight personnel. The use of the helipad for these exercises and trainings shall not exceed 5 occurrences in a calendar year.
 - e) The Hospital agrees to report on the frequency of Its uses of the license area to the Foundation on a quarterly basis.
 - f) Excess flights above the use restriction shall be treated as follows:
 - i) Landings which exceed the annual limitation, but which are nonetheless for medical emergencies, may, at the discretion of the Foundation, and after consultation with the Hospital, result in the Hospital paying, as mitigation, to the Foundation a sum not to exceed \$500 for each landing in excess of the annual limitation...
 - ii) If the Hospital exceeds the annual limitations for two consecutive years, then, at the discretion of the Foundation and after consultation with the Hospital, this easement agreement may be terminated.
 - iii) After June 30, 2010 and prior to October 1, 2010 either party can request reassessment of this license agreement for the purpose of determining whether (a) a change should be made in the number of permitted annual flights, or (b) the penalty for excessive flights should be changed. The parties agree to work with their attorneys to come to consensus on these issues, if any arise. If, after a good-faith effort by both parties, no agreement is reached then this license may be terminated by written notice from the Foundation to the District. To the extent that the foregoing may be characterized as an "agreement to agree" the parties intend that the process of reassessment set forth here shall not invalidate this license and, unless written notice of termination is given as provided here, that instead this license shall continue in full force and effect.
7. The Hospital has represented to Foundation and hereby warrants that the Hospital has complied with all laws applicable to the acceptance and use of the license herein granted. The Hospital shall observe and comply at all times with all applicable federal, state and county statutes and ordinances, rules, regulations, directives, and orders of governmental agencies now in force or which may hereinafter be in force relating to or affecting the use of the license herein granted.
8. The Hospital agrees to replace any and all trees or plants that are damaged or destroyed in the construction of the license area at the rate of two plantings for every one damaged or destroyed, or any other greater ratio if required by governmental ordinance, to be planted at the Hospital's expense elsewhere on site according to the Foundation's specifications. These plants must be of the same species and, if possible, the same genetic stock as the plants being

replaced. If any such replacement plantings fail within five years, they will be replaced again at the Hospital's expense.

9. The Hospital agrees to re-seed the helipad area after construction with grass seed according to the Foundation's specifications.
10. The Hospital agrees to relocate and/or replace the existing bench, memorial plaque and rock, interpretive sign posts, and paths, according to the Foundation's specifications, to reconcile and integrate their placement and use with new uses on the improved site. These replacements shall occur no later than September 30, 2008.
11. The Hospital agrees to clean up and restore the construction site and surrounding area to as near as identical condition as prior to the construction as possible. This includes but is not limited to removal of construction debris, institution of appropriate erosion control measures, replanting of adjacent impacted areas with seed according to the Foundation specifications, etc.
12. The Hospital agrees to install a barrier at the end of the informal driveway off Palm Drive to deter unauthorized use by vehicles or other trespass on to the site. This barrier will be installed according to the Foundation's specifications no later the September 30, 2008.
13. The Hospital agrees to maintain the license area during the life of this agreement so as to keep it in good repair and in a safe condition for the uses contemplated herein, and for use by the public in general, such maintenance to include but not necessarily be limited to the following:
 - a) regularly mow the paths and the circular helipad as needed, but not less than four times per year,
 - b) control exotic pest plant species in the license area at the earliest sign of their presence;
 - c) keep all the lighting in working order;
 - d) maintain and repair the walkways and the benches and the amphitheater seating as needed;
 - e) conduct regular trash pick-up and trash-can emptying services as needed, but not less than once per Week;
 - f) provide water for and establish and maintain an irrigation system for the grass seed on the helipad and all other landscape plants, including all replacement plants, until such time as the plants are established and no longer require regular summer irrigation, as determined and authorized by the Foundation; and
 - g) conduct any other maintenance or repairs to facilities and landscaping as requested by the Foundation and as agreed by the parties as the need arises.
14. The Hospital agrees not to undertake any planting, seeding, pruning or trimming activity anywhere on the site without the pre-authorization of the Foundation. The application of herbicides anywhere on the site is expressly forbidden by this agreement without the prior authorization of the Foundation.
15. The Hospital agrees to include in its construction of the walkway various interpretive signs and kiosks according to the approved site plan and according to the Foundation's specifications with regard to size, content, materials, mounting, location, etc., not to exceed \$3,000. The Hospital

shall bear the full cost of these signs and all other improvements on the site related to the helipad and to fulfilling the terms of the agreement. These signs shall be installed no later than September 30, 2008.

16. The Hospital agrees to provide access to the lighting controls for the site to the Foundation for use at Foundation events, programs, etc. as requested by the Foundation.
17. The hospital agrees that members of the public visiting the property and attendees at Foundation events on the property may use the Hospital's nearby parking lots when visiting the property or attending such events.
18. The Foundation agrees to allow for the future trimming and/or removal of trees as they grow into the flight path of the helicopters using the helipad, if and only when the emergency medical helicopter transport company using the site requests such trimming or removal. This flight path, referencing FAA and Caltrans aeronautical guidelines, is laterally defined as a 50-degree space either side of a line parallel to the entrance section of the gurney ramp, running through and starting at the helipad center stone. Within these lateral confines, an 8:1 slope from the center stone defines the vertical flight path clear area. Such trimming or removal will require the specific pre-authorization of the Foundation before it can commence. Any trees that are removed or damaged according to this provision shall be replaced at the rate of two plantings for every one damaged or destroyed, or any other greater ratio if required by governmental ordinance, to be planted at the Hospital's expense elsewhere on site according to the Foundation's specifications.
19. The parties to this agreement acknowledge that the license area will become part of Foundation property open to the public, will be owned by the Foundation, and that the Foundation and members of the public will be able to use these areas, at times without advance notice to the Hospital or to the Foundation. The parties acknowledge that it is possible that there will be members of the public occupying the license area at times when an emergency landing will be necessary. The Hospital agrees to provide to anyone occupying the license area sufficient verbal, in-person, and/or other alarm-system notice of any imminent aircraft landing so as to warn those who may be present of the need to vacate the premises to allow for a safe landing of the aircraft. Any notice short of in-person contact must be sufficient to alert visually and hearing-impaired persons of the need to beware of an approaching aircraft. Any permanent alarm system must be approved by the Foundation prior to installation.
20. The hospital agrees to submit to the Foundation for its approval the design and placement of any windsock apparatus that is proposed for the site prior to its installation.
21. The Hospital agrees that with respect to the use of any lighting on the site, such use will be kept to an absolute minimum and limited to correspond with the Hospital's use of the facility as described in Section 4, Paragraph 6 (above). Any lighting on the site must be approved by the Foundation prior to its installation.
22. The Hospital agrees to defend, indemnify and hold harmless the Foundation and its agents, employees, officers, Board members, and any other of its representatives, against any and all claims for damages or injuries of any type by any person or entity relating to, arising out of, or resulting from the design, construction, maintenance of the license area, or use of the property for hospital related purposes, regardless of who is using the license area for hospital related

purposes at the time the claim arises, or claims arising from the use by the Hospital of the license area. This includes any and all claims brought by any party regarding the incompatibility or legal inconsistency of the uses described in this agreement and the conservation easement which dictates allowed and prohibited uses of the property. The only claims excepted from this indemnity obligation are any claims arising from the gross negligence, sole negligence, or the willful misconduct of the Foundation, its agents, employees, officers, Board members, or representatives. The indemnity, defense, and hold harmless obligation on the part of the Hospital herein is intended to be as extensive as allowed by law, and applies to all claims of any type, whether by direct action against the Foundation, or whether by an indemnity action by anyone initially sued by the Hospital or some other person or entity, and includes but is not necessarily limited to those claims arising:

- a) from or during the construction of the license area;
- b) from or during any and all uses of the license area by any person using the helipad for hospital-related purposes at any time;
- c) from or resulting from the Hospital's failure to provide the notice required to occupants of the license area described in Section 4, paragraph 19; and
- d) from or resulting from the Hospital's failure to maintain the site as specified in this agreement (Section 4, Paragraph 13).

The Hospital agrees to obtain and maintain during the life of this agreement a Commercial General Liability policy, or other liability insurance policy as required to meet the obligations contained herein, with an insurance company admitted to sell insurance in the State of California, such policy to be primary coverage for the Foundation regardless of the existence of any other Insurance available to the Foundation, and to carry liability Insurance policy limits of at least \$ 1,000,000.00 per person, \$2,000,000.00 per occurrence. All liability policies will include coverage for the above-described claims, and the Hospital further agrees to name the Foundation as an additional Insured on its liability policy or policies. The Hospital agrees further to provide a certificate of Insurance showing the existence of the liability policy required by this paragraph, and proof of such Additional Insured status in the Foundation's favor, before this Agreement will take effect.

23. In any dispute between the parties to enforce the terms of this agreement, or which in any way arises from or relates to the terms of this agreement, the parties agree to submit the matter to non-binding mediation, to a mediator of their choice, before resorting to the Court system. If the parties cannot choose a mediator between them, they agree to allow the current presiding judge of the Sonoma County Courts to choose one for them. Should mediation fail, and should any dispute be brought in the court system related to the terms of this agreement, the prevailing party is entitled to recover its attorneys' fees and all experts' costs, unless that party had failed or refused to participate in a mediation, in which case that party can recover no costs or fees, and must pay the other party's costs and attorneys' fees as determined by the Court, regardless of that party's status as a prevailing party.

SECTION 5. DESCRIPTION AND DURATION OF THIS AGREEMENT:

This agreement is a license for the use of real property for the specific purposes enumerated herein. This agreement commences upon being signed by authorized representatives of both parties and will be in force for as long as the Palm Drive Hospital District continues to operate a community hospital on its

present site. After a period of ten (10) years, the parties agree to meet and confer to discuss any issues that surface during the operation of the helipad and to resolve them by way of an addendum to this agreement. If no mutual agreement can be reached for changes to this agreement, the agreement will remain in effect in its current form, until it expires or is otherwise revoked or changed according to its terms. The Foundation continues to maintain and control all rights relating to the license area including, without limitation, leasing, sub-leasing and granting of additional licenses.

SECTION 6. REVOCABILITY OF THIS AGREEMENT

This license is revocable upon 90 days' written notice from the Foundation under the following circumstances:

1. The Hospital substantially fails to perform any of its agreements contained herein and does not correct such failure, if it is correctable, within 6 months written notice from the Foundation;
2. The Hospital no longer operates an Emergency Room and the Hospital determines that there is no longer a need to transport patients via helicopter,
3. If the Hospital exceeds the annual flight limitations for two consecutive years, and after consultation with the Hospital;
4. The Hospital no longer operates its hospital facility in its current location near the property;
5. Aircraft flights and landings are no longer permitted on the property by the governing agency or agencies charged with such regulation; and
6. Physical, geological, or hydrostatic conditions, or new archaeological information on the property change so as to make the Hospital's use of the license area environmentally unsafe or damaging, as determined by scientists or other professionals independent of either the Hospital or the Foundation.

Failure by the Foundation to revoke this agreement in the face of any of the above circumstances shall not remove or alter its right to do so in the future.

SECTION 7. ADDITIONAL PROVISIONS

1. This is the final agreement between the parties, and no other written or verbal agreements relating to the license granted herein are valid or enforceable unless reduced to writing and signed by the person to be charged with any further obligation. The waiver by the Foundation of any breach of any of the provisions of this Agreement shall not constitute a continuing waiver of any subsequent breach of the same, or of any other provision of this Agreement. The parties agree that in the event any provision in this Agreement is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision in this Agreement.
2. Each party to this agreement acknowledges that it has had the benefit of legal counsel in entering into this agreement. This agreement is the product of negotiation and is not to be

considered to have been drafted by any one party for purposes of interpretation, if necessary, at a later date. This agreement is to be governed by California law, and any litigation arising from or related to this agreement is to be conducted in Sonoma County.

- 3. This agreement may be signed in counterparts such that the original signatures may be contained on separate pages. The agreement is considered enforceable as of the most recent date of the signature of the last person to sign this agreement

Kevin Munroe, Executive Director
Laguna de Santa Rosa Foundation

Date

Alanna Brogan, Executive Director
Palm Drive Health Care District

Date