

MEMORANDUM OF AGREEMENT
BETWEEN
PENINSULA OPEN SPACE TRUST
AND
JOHN GIUSTI

This Memorandum of Agreement (“Agreement”) is entered into this 3rd day of June, 2011 between the Peninsula Open Space Trust (“Trail Operator”) and John Giusti (“Farm Operator”).

RECITALS

- A. The California State Coastal Conservancy (“the Conservancy”) is an agency of the State of California (the “State”) charged under Division 21 of the California Public Resources Code with completing the California Coastal Trail along the length of the State’s coastline. The Conservancy is also charged with protecting agricultural lands located within the coastal zone and recognizes that these lands contribute substantially to our local, state and national food supply and are a vital part of the our economy.
- B. Peninsula Open Space Trust (“POST”) is a California public benefit nonprofit organization existing under § 501(c)(3) of the United States Internal Revenue Code, and having among its principal purposes the protection of open space for natural resource and wildlife habitat protection, public recreation, and agriculture.
- C. The Giusti Family, LLC, a California limited liability company (the “Giusti Family, LLC”), owns real property commonly known as North Cowell Ranch (“North Cowell Ranch”) located at 2475 South Cabrillo Highway, Half Moon Bay, San Mateo County, California.
- D. Mr. John Giusti and Mrs. Maureen Giusti own real property adjacent to the North Cowell Ranch commonly known as Purisima Farms (“Purisima Farms”), located at 318 Verde Road, Half Moon Bay, San Mateo County, California.
- E. John Giusti operates the farm on North Cowell Ranch and Purisima Farms on behalf of the owners of these properties.
- F. The Conservancy holds an easement over North Cowell Ranch that allows for construction and operation of a public trail on North Cowell Ranch, as evidenced by the October 2, 1989 recordation in the Official Records of San Mateo County Mateo under Instrument Number 89131579.
- G. POST holds an easement over Purisima Farms that allows for construction and operation of a public trail and associated parking area on Purisima Farms, as evidenced by the April 21, 2006 recordations in the Official Records of San Mateo County Mateo under Instrument Numbers 2006-059642 and 2006-059639.

- H. The Conservancy, POST, John Giusti and Maureen Giusti, and The Giusti Family, LLC, entered into an agreement in 2009 concerning their respective rights under the various easements, which agreement was recorded in Official Records of San Mateo County Mateo on March 3, 2009 as Instrument Number 2009-022807 (“Agreement Among Adjoining Landowners”).
- I. POST has constructed a segment of the California Coastal Trail on North Cowell Ranch and Purisima Farms (“Coastal Trail”) and an associated public parking area on Purisima Farms, as depicted on Exhibit A, which is hereby incorporated by reference and attached.
- J. Pursuant to an agreement with the Conservancy, POST has responsibility for and authority to operate and maintain the Coastal Trail for no more than three (3) years following the opening of all or a portion of the trail to the public. During its tenure as Trail Operator, POST intends to contract with Go Native, Inc. for operation and maintenance of the Coastal Trail.
- K. Coastal Development Permit No. PLN2006-00360 (“Permit”) approved by the County of San Mateo on October 10, 2007 for construction of the Coastal Trail requires the operating entity of the trail to enter into an agreement with the farm operator to address closure of the trail and parking area to allow for agricultural chemical applications and other agricultural operations. The Permit provides for the trail to be open 8am until sunset daily, except when closed due to farming operations. The Permit prohibits dogs and horses from accessing the trail.
- L. POST and the Conservancy acknowledge the importance of John Giusti and Maureen Giusti and The Giusti Family, LLC’s farming operations to the maintenance of a productive and scenic agricultural landscape, and commit to work with them to avoid negative impacts of the Coastal Trail on their farming operations.
- M. John Giusti and Maureen Giusti and the Giusti Family, LLC acknowledge the importance of the Coastal Trail as a recreational and scenic benefit to the general public, and commit to work with POST and the Conservancy to avoid negative impacts of their farming operations on the Coastal Trail and to minimize trail closures to the extent possible.

AGREEMENT

Now, therefore, in consideration of the foregoing recitals, the promises and mutual understandings contained in this Agreement, and other good and sufficient consideration, the adequacy of which is hereby acknowledged, Trail Operator and Farm Operator, agree, and promise as follows:

- 1) The Recitals A through K, above, are hereby incorporated in full as the agreement of the parties.
- 2) Summer Closures
 - 2.1. The Farm Operator reserves the right to close the North Cowell portion of the coastal trail on weekdays in the months of June, July, August, and September to protect the public from agricultural chemical applications and other agricultural operations. These closures exclude the holidays of Memorial Day, July 4th and Labor Day. Trail

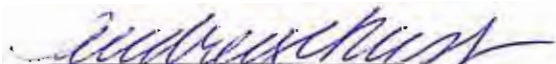
Operator will patrol segments of the Coastal Trail during such closures to ensure the closure is in effect.

2.2 Any weekdays that the Farm Operator chooses to open the trail during the June through September period will be counted as a credit toward closing the trail throughout the rest of the year. The Farm Operator agrees to contact the Trail Operator at least one day prior to opening or closing the trail in order for the Trail Operator to properly manage the trail.

2.3 The Farm Operator, Purisima Ranch tenant and Trail Operator agree that public access to the Purisima Farms trail and the need to temporarily close the trail for cattle and/or equipment crossing is a manageable issue. The tenant agrees to notify the trail operator at least one day in advance when the trail needs to be closed, except in emergency situations. It is further agreed that no trail closures will occur on weekends and holidays except in emergency situations. To keep the lines of communication open, the Farm Operator, Purisima Ranch tenant and trail operator agree to meet every two weeks or as needed to discuss current and future operations.

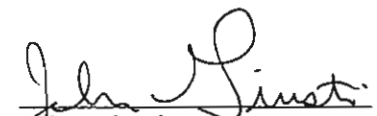
- 3) Trail and Road Access. Trail Operator will access the Coastal Trail for normal daily operation and maintenance purposes through the public parking area on Purisima Farms. Trail Operator will only access the Coastal Trail using the main farm road on North Cowell Ranch when necessary to transport materials and equipment needed for major trail repairs.
- 4) Emergency Access. Emergency Access is defined as access needed by the Trail Operator and/ or public agencies conducting emergency response or life rescue operations, including land or water rescues or to remove from the trail individuals or groups that are trespassing, violating trail use rules, or breaking the law. Farm Operator agrees that all farm roads on North Cowell Ranch and Purisima Farms may be used for emergency access. Trail Operator will coordinate emergency response actions with appropriate public agency personnel.
- 5) The Farm Operator and Trail Operator agree to meet on an annual basis to review the previous year's operations, discuss any outstanding concerns, and consider any mutually agreeable operational adjustments that might be made to address these concerns.
- 6) Farm Operator will designate a 30-foot by 30-foot area of land on the Doherty property (San Mateo County Assessor Parcel No. 066-170-080) on which Trail Operator may store operations and maintenance equipment and supplies.
- 7) Prior to opening the Coastal Trail to public use, Trail Operator will place signs to warn the public that sections of the trail will be closed to protect the public from agricultural operations. Trail Operator will maintain all signs in good condition.
- 8) Trail Operator will discourage public use of trails down the bluffs and on beaches at North Cowell Ranch and Purisima Farms, including the closure of informal beach access trails, posting of "No Beach Access/Stay Back- Hazardous Bluffs" signs, and informing visitors that no beach access is permitted.

- 9) Upon opening the Coastal Trail to public use, Farm Operator will assume responsibility for operation and maintenance of the cattle watering system. Trail Operator will operate and maintain the drip irrigation system that connects to the cattle watering system, including the pump that operates the drip irrigation system.
- 10) The Farm Operator is protected by California Civil Code section 846, which limits liability of landowners to persons injured while using property for recreational purposes. This protection applies to all areas of the Farm Operator's property.
- 11) Trail operator provides liability protection to the Farm Operator pursuant to the existing North Cowell Conservation and Recreation Easement recorded October 2, 1992 and the Purisima Farms Conservation and Recreation easement recorded April 21, 2006, both in San Mateo County. In addition, Trail Operator shall name Farm Operator as an additional insured on its liability insurance coverage policy during its operation of the trail.
- 12) This Agreement may be terminated by either party upon 30 days advance notice in writing. If the Agreement is terminated, the Agreement Among Adjoining Landowners will constitute the agreement in satisfaction of the Permit until a new memorandum of agreement is reached.
- 13) This Agreement may be amended to address future changes to agricultural conditions and other changed circumstances, upon agreement of both parties.
- 14) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed an entire agreement. Each party may submit a signature page to this Agreement, which when attached to original counterparts which have been executed by the other parties, shall constitute a complete and binding agreement of the parties.
- 15) Nothing in this Agreement modifies the terms of the easements identified in this Agreement.



Audrey Rust, President
Peninsula Open Space Trust

Date 06-10-11


John Giusti

Date 6-9-11