

SECOND AMENDMENT TO THE SUBLEASE AND OPERATING AGREEMENT FOR SOUTH PENINSULA HOSPITAL

This agreement is by and between South Peninsula Hospital, Inc. (hereinafter referred to as "SPH, Inc."), an Alaska nonprofit corporation, of 4300 Bartlett Street, Homer, Alaska, and the Kenai Peninsula Borough (hereinafter referred to as "KPB"), an Alaska municipal corporation of 144 N. Binkley, Soldotna, Alaska 99669, collectively referred to as the parties.

WHEREAS, effective March 3, 2008, the parties entered into a sublease and operating agreement for South Peninsula Hospital; and

WHEREAS, the lease and operating agreement in Section 2 lists the subleased facilities; and

WHEREAS, in Resolution 2012-____ the Kenai Peninsula Borough assembly authorized the lease of certain real property for hospital uses; and

WHEREAS, it would be appropriate to list the acquired property in the sublease and operating agreement to clarify that it is also subleased to and will be operated by SPH, Inc.; and

WHEREAS, in Resolution 2012-____ the KPB assembly authorized the mayor to amend the sublease and operating agreement to include this additional property;

NOW THEREFORE, in consideration of the mutual covenants contained herein the parties agree as follows:

1. That Section 2 of the Sublease and Operating Agreement is hereby amended to read as follows:
2. DESCRIPTION OF LEASED FACILITIES. Lessor leases the following described property to the Lessee/Operator (the Medical Facilities) for the term of this agreement and any extension thereof:
 - a. The South Peninsula Hospital and its grounds, located at 4300 Bartlett Street, Homer, Alaska, owned by the City of Homer, more particularly described as:

Tract A-1, South Peninsula Hospital Subdivision 2005 Addition, filed under Plat No. 2006-38 Homer Recording District, Third Judicial District, State of Alaska.
 - b. The following property and buildings owned by the Borough, more particularly described as:

Lots 3, 4, 5 and 6, Block 7; Lot 4, Block 8, Lot 6, Block 9, Fairview Subdivision Plat No. HM 56-2936 Volume 8, Page 196, Homer Recording District, Third Judicial District, State of Alaska.

- c. The following leased property located at 4251 Bartlett Street, Homer, Alaska, owned by Mark Halpin and B. Isabel Halpin subject to the terms and conditions of the lease, more particularly described as:

L2-A Block 8 Fairview Subdivision Halpin Addition, according to Plat No. 2009-43, Homer Recording District, Third Judicial District, State of Alaska

- d. 4,904 sq. ft. of office space located at 4136 Bartlett Street, Homer, Alaska 99603 subject to the terms and conditions of the lease, more particularly described as:

Lot 2-A, Block 5, Fairview Subdivision No. 11, as shown on Plat No. 85-28, Homer Recording District, Third Judicial District, State of Alaska.

- e. approximately 1,500 square feet of the office space located at 4117 Bartlett Street, Homer, Alaska 99603 subject to the terms and conditions of the lease, more particularly described as:

Lot 4, Block 10, Fairview Subdivision, as shown on Plat No. 56-2936, Homer Recording District, Third Judicial District, State of Alaska.

- f. office space located at 309 W. Fairview, Homer, Alaska 99603 subject to the terms and conditions of the lease, more particularly described as:

Lot 14 Block 4, Fairview Subdivision, as shown on Plat No. 56-2936, Homer Recording District, Third Judicial District, State of Alaska.

- g. Such other Borough-owned or leased facilities, if any, as are authorized by the Borough pursuant to this Agreement for SPHI to lease and operate pursuant to this Agreement.

The Medical Facilities include all fixtures and appurtenances thereto as of the effective date of this Agreement or which may be added pursuant to this Agreement. The Parties acknowledge that the sublease of the portion of property owned by the City of Homer, described in subparagraph (a) above, to SPHI is subject to consent by the City of Homer, which consent may not be unreasonably withheld. The parties agree to cooperate in seeking such consent upon execution of this Agreement.

2. All remaining terms and conditions of the Sublease and Operating Agreement shall remain in full force and effect.

KENAI PENINSULA BOROUGH

SOUTH PENINSULA HOSPITAL, INC.

Mike Navarre
Borough Mayor

Julie Woodworth
President, SPH, Inc. Board of Directors

Dated: _____

Dated: _____

ATTEST:

ATTEST:

Johni Blankenship
Borough Clerk

Bernadette Wilson
SPH, Inc., Board Secretary

ACKNOWLEDGMENTS

STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 2012
by Mike Navarre, Mayor of Kenai Peninsula Borough, an Alaska municipal corporation, on behalf of the
corporation.

Notary Public in and for Alaska
My Commission Expires: _____

STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 2012
by Julie Woodworth, President, South Peninsula Hospital, Inc., an Alaska nonprofit corporation, on
behalf of the corporation.

Notary Public in and for Alaska
My Commission Expires: _____