

## **FIRST 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 2010-\_\_\_\_\_ the Kenai Peninsula Borough assembly authorized the lease of real property from Mark Halpin and B. Isabel Halpin which includes a 960 sq. ft. medical office building for medical office space, hospital operations and other 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 2010-\_\_\_\_\_ 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. 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.

\_\_\_\_\_  
David R. Carey  
Borough Mayor

\_\_\_\_\_  
President  
SPH, Inc. Board of Directors

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

ATTEST:

ATTEST:

\_\_\_\_\_  
Borough Clerk

\_\_\_\_\_  
SPH, Inc., Board Secretary

ACKNOWLEDGMENTS

STATE OF ALASKA            )  
  )       ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010  
by David R. Carey, 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            )  
  )       ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010  
by \_\_\_\_\_, President, South Peninsula Hospital, Inc., an Alaska nonprofit  
corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires:\_\_\_\_\_