City of Aniak

P.O Box 189 Aniak, Alaska 99557 Ph: (907)675-4481 Fax: (907)675-4486 email: <u>aniakcityof@yahoo.com</u>

November 18, 2011

Gene Peltola
President and CEO
Yukon-Kuskokwim Health Corporation
P. O. Box 528
Bethel AK 99559

Dear Mr. Peltola:

This letter is to confirm that the City of Aniak, Alaska and YKHC have a lease agreement for the property upon which the Aniak Sub-Regional Clinic is situated. The City of Aniak is the property owner. We agree and confirm the following:

- 1. We agree to the renovation of this property as part of the Health Resources and Services Administration (HRSA) grant.
- 2. We acknowledge that there will be a Federal interest in the property as a result of the proposed improvements.
- 3. We agree not to sublease, assign, or otherwise transfer the property, or use the property for a non-grant related purposes without the written approval from HRSA at any time during the term of the lease/agreement, whether or not grant support has ended.
- We agree that we will notify HRSA of any default by YKHC under the lease/agreement.
- 5. We agree that HRSA will have 60 days from the date of receipt of notice of YKHC's default in which to attempt to eliminate the default, and we agree to delay exercising remedies until the end of the 60-day period.
- 6. We agree that HRSA may intervene to ensure that the default is eliminated by YKHC or another recipient named by HRSA.
- 7. We agree to accept payment of money or performance of any other obligation by the HRSA's designee, for YKHC, as if such payment of money or performance had been made by YKHC.
- 8. We agree that in the event YKHC defaults, the grant is terminated, or the YKHC vacates the property before the end of the lease/agreement term, HRSA shall have the right to designate a replacement for YKHC for the balance of the lease/agreement term, subject to approval by the City of Aniak, which will not be withheld except for good reason.
- 9. We agree that the lease/agreement and any amendments to it shall be recorded in the land records of the jurisdiction where the property is situated.

Sincerely,

Ron Powell City Manager

City of Aniak P. O. Box 189 Aniak AK 99557

