

MEMORANDUM

DATE: March 7, 2023

FROM: Bryant Hammond, City Clerk

SUBJECT: <u>Clean up King Island Native Community Block 70 lots</u>

King Island Native Community (KINC) acquired three lots (1, 2, & 3) in Block 70 in late 2017 (2017-001622-0). The lots stood vacant until Bering Strait Regional Housing Authority pulled a permit to building a single-family home on each of lots 2 (001.111.09) & 3 (001.111.10). The structures were completed at the end of 2020 and picked up by the assessors for the 2021 tax year.

Lots 2 & 3 should have received the completed values. Instead lots 1 & 3 received the values. The properties were not appealed after assessments went out; tax bills were generated and sent.

In September of 2021, I was approached by their attorney with the attached letter. Over the next several months I worked with Ms. Dunn and City of Nome attorney Cacciola to develop and execute a new PILOT agreement (also attached) with the understanding that the taxes that accrued on lots 2 & 3 would be forgiven by the City and BSRHA would add lots 2 & 3 into their PILOT agreement with the City.

The outstanding tax liability is:

Block 70 Lot 3 (001.111.10): \$13,056.24 total taxes, penalties, and interest. Block 70 Lot 2 (001.111.09) \$5,312.15 total taxes, penalties, and interest.

The Clerk's Office is asking for Council waiver of these accumulated taxes, penalties, and interest to abide by the agreement between KINC, BSHRA, and the City of Nome, as well as to clean up the City's Accounts Receivable.





September 22, 2021

Bryant Hammond, City Clerk City of Nome P.O. Box 281 Nome, AK 99762 Via Email only BHammond@nomealaska.org

Re: Tax Lots 001.111.09 and 001.111.10

Dear Mr. Hammond:

We represent the Bering Straits Regional Housing Authority ("BSRHA"), the record owner of the Nome properties described below. I am following up on an email from BSRHA's Finance Director, Rod Hutchings to you sent July 20, 2021 at 3:01 p.m.

The properties in issue are two lots that the City has listed in the ownership of the King Island Native Community ("KINC") (the "Tribe"), with the following descriptions:

Tax Lot#: 001.111.09

Lot 2, Block 70, according to the official April 13, 1905 map of the Townsite of

Nome, Cape Nome Recording District

City's Valuation: \$38,500

2021 Tax Due: \$462

Tax Lot#: 001.111.10

Lot 3, Block 70, according to the official April 13, 1905 map of the Townsite of

Nome, Cape Nome Recording District

City's Valuation: \$457,300 (\$427,400 is the improvement value)

2021 Tax Due: \$5,487.60

The Tribe owns the fee for both lots. However, in January 2020, the Tribe conveyed a 50-year lease of the two lots to BSRHA. The 50-year lease was recorded January 28, 2020. (See enclosed).

BSRHA developed two low-income federally-subsidized homes on the lots in mid-2020, funded by BSRHA's Indian Housing Block Grant ("IHBG"), subject to the Native American Housing Assistance and Self-Determination Act ("NAHASDA"). The families moved into the homes at the end of 2020.





City of Nome September 22, 2021 Page 2

Since May 2020, King Island has had only a residuary interest in the two lots developed by BSRHA, and no ownership of the new homes. The homes are owned by BSRHA. Typically, BSRHA retains ownership of the homes for 20-30 years, depending on whether the original homebuyer receives title, or if successor or subsequent homebuyers occupies the home.

By law, property tax is assessed to the record owner. AS 29.45.160-(b). BSRHA has been the record owner of the two lots since January 2020. In 2020 and 2021, BSRHA did not receive any notice of tax assessment. Recently, the Tribe notified BSRHA that it had received an assessment for the two lots, with one of the lots showing a significant increase in value related to the new BSRHA home. The Tribe provided BSRHA with the assessment notice.

In short, the Tribe cannot be taxed for BSRHA's ownership interest. BSRHA is exempt from property tax under AS 18.55.250. Although BSRHA is tax exempt, federal law requires BSRHA to request a Cooperation Agreement with the local tax authority. To date, BSRHA has not located any documentation showing that it prepared a Cooperation Agreement for the City's consideration. It is possible that because the homes were lease-to-own, rather than rentals, this task was overlooked. All other low-income housing units BSRHA operates in Nome are rentals offered to tenants, not "homebuyer" units.

In response to Mr. Hutchings' query, you noted that the existing City PILOT agreement did not cover the two parcels. BSRHA's goal is to pay PILOT to the City and have a signed Cooperation Agreement in place.

BSRHA has identified an old Cooperation Agreement with the City dated February 23, 1976, covering 20 units of low rent housing, plus certain correspondence from 2001 regarding PILOT payments. Initially BSRHA developed 19 units of rental housing, known as the Senior Building. According to the correspondence, the 1976 Cooperation Agreement was amended in 1995 by Amendment #1, to add the Augdahl (15 units) and Johnson Brothers (12 units) apartments, which were purchased by BSRHA in 1997 and 1998. BSRHA has not located the actual amendments to the Cooperation Agreement in its files, but can confirm that it has been paying an annual PILOT to the City for these units.

In total, BSRHA is paying PILOT on 46 HUD-funded units under the 1976 form of cooperation agreement with the City, as amended by Amendment #1. All of these units were funded by the 1937 US Housing Act, as administered by HUD in Indian areas. (Although NAHASDA replaced the US Housing Act in 1997, we believe the 1937 Act funded projects through 1998). The revised Cooperation Agreement template HUD recommends today cites NAHASDA instead of the US Housing Act, and has made other edits that appear to be minor. Federal law is now clear that lease to own homes, not just regular rental units, are subject to the Cooperation Agreement requirement. However, if the local taxing authority declines to enter





City of Nome September 22, 2021 Page 3

into a Cooperation Agreement, HUD can waive the cooperation agreement requirement. Under that scenario, an Alaska housing authority would have no obligation to pay PILOT.

BSRHA proposes to update the understanding between the City and the Housing Authority to include the two King Island lease-to-own homes, using the updated Cooperation Agreement format. See <u>enclosed draft</u>. To allow for future development, the draft document would cover up to 6 more units located in Nome, for a total of 8 units. The addition of 6 more homes is optional, but if acceptable to the City, would avoid having to revisit the Cooperation Agreement over the next several years.

If the Cooperation Agreement is approved by the City, BSRHA will then pay PILOT retroactively for the two homes from their date of occupancy. Additional homes would generate PILOT once occupied.

Please let us know what is needed to facilitate the necessary documentation to authorize BSRHA's payment of PILOT.

Very truly yours,

LANDYE BENNETT BLUMSTEIN LLP

Kim Dunn

Enclosures: 50-Year Lease

NAHASDA Cooperation Agreement

cc: Heather Payenna, KINC

COOPERATION AGREEMENT

This Agreement is entered into this_	day of	, 20, by and
between BERING STRAITS HOUSING AU	JTHORITY ("Recipier	nt") and the CITY OF
NOME ("Local Governing Body").	_	

In consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

- 1. Whenever used in this agreement:
 - a) The term "project(s)" shall mean any property previously or hereafter developed or acquired by the Recipient with financial assistance of the United States of America, acting by and through the Secretary of the Department of Housing and Urban Development (hereinafter called the "Government"), and under the Native American Housing Assistance and Self Determination Act of 1996 or the United States Housing Act of 1937; and
 - b) The term "shelter rent" shall mean the total of all charges to all tenants of a project(s) for dwelling rents (excluding all other income of such project(s)), less the cost to the Recipient of all dwelling and non-dwelling utilities.
- 2. The Recipient shall endeavor to secure funding from the Government for the cost to develop, acquire and/or administer one or more low-income housing project(s), comprising approximately 8 (eight) units, as rental or lease-purchase homeownership units. The project(s) is/are located within the jurisdictional limits of the Local Governing Body. The obligations of the parties hereto shall apply to each such project and any future project(s), and the units therein, within the jurisdictional limits of the Local Governing Body as those jurisdictional limits are delineated on the date of this agreement and hereafter may be modified. Two units were constructed in 2020, and an additional 6 units may be developed in accordance with this Agreement.
- 3. Pursuant to this agreement, all such project(s) within the jurisdictional limits of the Local Governing Body are exempt from all real and personal property taxes and special assessments levied or imposed by the Local Governing Body. So long as such project(s) is owned by the Recipient and is used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body agrees that it will not levy or impose any real or personal property taxes or special assessments upon such project(s) or upon the Recipient with respect thereto as required by Section 101(d) of the Native American Housing and Self Determination Act of 1996, 25 U.S.C. § 4111(d).
- 4. During such period in which the project(s) is exempt from all real and personal property taxes and special assessments levied or imposed by the Local Governing Body, the Recipient shall make annual payments of either user fees or Payments in Lieu of

Taxes (PILOT) instead of taxes or special assessments in payment for public services and facilities furnished from time to time without other cost or charge to such project(s).

- 5. Each such annual payment of user fees or PILOT shall be made after the end of the fiscal year established for such project and shall be ten percent (10%) of the shelter rent received per dwelling unit by BSRHA. Where BSRHA incurs the cost of utilities for the tenant, the percentage applies after deduction of utilities costs.
- 6. Notwithstanding the Recipient's agreement to pay user fees or a PILOT, the Local Governing Body agrees that no lien against any project(s) or assets of the Recipient shall attach, nor shall any interest or penalties accrue or attach on account thereof, for the failure to make such payments of user fees or PILOT.
- 7. During the period commencing with the date of the acquisition of any part of the site or sites of any project(s) and continuing so long as such project(s) is owned by the Recipient and used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body, without cost or charge to the Recipient or the tenants of such project(s) other than user fees or PILOT described above, shall furnish or cause to be furnished to the Recipient and the tenants of such project(s) any and all public services, facilities and infrastructure of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants within the Local Governing Body's jurisdictional limits.
- 8. With respect to any project(s) the Local Governing Body further agrees it shall:
 - a) Vacate such streets, roads and alleys within the area of such project(s) as may be necessary in the development thereof and convey without charge to the Recipient such interest as the Local Governing Body may have in such vacated areas and, in so far as it is lawfully able to do so without cost or expense to the Recipient or to the Local Governing Body, cause to be removed from such vacated areas all public or private utility lines or equipment;
 - In so far as the Local Governing Body may lawfully do so (i) grant such deviations from the building code of the Local Governing Body as are reasonable and necessary to promote economy and efficiency in the development and administration of such project(s) and at the same time safeguard health and safety and (ii) make such changes in any zoning of the site and surrounding territory of such project(s) as are reasonable and necessary for the development and protection of such project(s);
 - c) Accept grants of easements necessary for the development of such project(s);

- d) Cooperate with the Recipient by such other lawful action or ways as the Local Governing Body and the Recipient may find necessary in conjunction with the development and administration of such project(s);
- 9. With respect to any project(s) the Local Governing Body further agrees that, within a reasonable time after receipt of a written request from the Recipient, it shall:
 - a) Accept the dedication of all interior streets, roads, alleys and adjacent sidewalks within the areas of such project(s), together with all storm and sanitary sewer mains in such dedicated areas after the Recipient, at its own expense, has completed the grading, improvement, paving and installation thereof in accordance with the specifications acceptable to the Local Governing Body;
 - b) Accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such project(s) or necessary to provide adequate access thereto (in consideration whereof the Recipient shall pay to the Local Governing Body such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the Local Governing Body's jurisdictional limits); and
 - Provide or cause to be provided water mains and storm and sanitary sewer mains leading to such project(s) and serving the bounding streets thereof (in consideration whereof the Recipient shall pay to the Local Governing Body such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the Local Governing Body's jurisdictional limits).
- 10. If by reason of the Local Governing Body's failure or refusal to furnish or cause to be furnished any and all public services, facilities and infrastructure which it has agreed hereunder to furnish or to cause to be furnished to the Recipient or to the tenants of any project(s), the Recipient incurs any expense to obtain such services or facilities, then the Recipient may deduct the amount of such expense from any payment of user fees or PILOT due or to become due to the Local Governing Body with respect to any low-income housing project(s) owned by the Recipient.]
- 11. This agreement shall not be abrogated, changed, or modified without the consent of both the Local Governing Body and the Recipient. The privileges and obligations of the Local Governing Body hereunder shall remain in full force and effect with respect to each project(s) so long as the Recipient holds title to such project(s). However, if at any

time the title to, or possession of, any project(s) is held by a public body or governmental agency, including the Government, the provisions hereto shall inure to the benefit of and may be enforced by such public body or governmental agency, including the Government.

IN WITNESS WHEREOF, the Local Governing Body and the Recipient have respectively signed this agreement and caused their seal to be affixed and attested as of the day and year first above written.

(SEAL)	
	CITY OF NOME
	By: Its:
Attest:	
(Title)	
(SEAL)	
	BERING STRAITS REGIONAL HOUSING AUTHORITY
	Jolene Lyon, President/CEO

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Recording District 201 Nome
09/28/2020 01:41 PM Page 1 of 5



After Recording in the Cape Nome Recording District Return to: Jolene Lyon Bering Straits Regional Housing Authority, PO Box 995 Nome, AK 99762

LEASE AGREEMENT

Lease No. 2019-001 THIS LEASE, made and entered into this
Authority, whose mailing address is P.O. Box 995, Nome, Alaska 99762, hereinafter referred to as the Lessee.
WITNESSETH: The parties, for the consideration stated, covenant and agree as follows: 1. PREMISES. The Lessor hereby leases to the Lessee all its present and future interest in the surface estate in the following real property situated within, in Nome, Alaska, More fully described as
follows: Lots 2 (two) and 3 (three), Block 70, according to the official April 13, 1905 map of the Townsite of Nome, Cape Nome Recording District.
Upon completion of construction of the project, Lessee shall relinquish all right, title, and interest it has to any of the lands on which there is no project construction.

- 2. USE OF PREMISES. The premises shall be used for the purpose of operating an Indian Housing Project, and its appurtenances.
- 3. TERM. Lessee shall have and hold the described premises with their appurtenances for a term of 25 years with an automatic renewal of 25 years beginning on the date first above written. Neither party may terminate this lease, without the prior written consent of each other and, when required, the US Department of Housing and Urban Development, Office of Native American Programs, known hereinafter as (ONAP) or until the interest of ONAP in the project has been terminated.
 The Lessor agrees that upon fulfillment of the terms of the Indian Housing Program Lease Purchase Agreement (commonly known as the Mutual Help and Occupancy Agreement (MHOA)) by individual participants or their successors that Lessee may assign all its rights and interests to the individual lots to the occupant participants.
- 4. CONSIDERATION. As part of the consideration of the Lessor entering into the Lease, the Lessee agrees to credit \$1,500.00 as a Mutual Help Contribution to each participant who will occupy the above property as homebuyer under the terms of a Mutual Help and Occupancy Agreement (MHOA) entered into with the Lessee. In addition, the Lessee shall pay the Lessor One Dollar (\$1.00) to be made in advance. It is agreed that there shall be no adjustment of this payment in the event that any part of the leased premises is taken by condemnation for highway or other public purposes. It is further agreed that this Lease or any part thereof including this paragraph shall not be construed to prejudice the rights or impair the prosecution of any claim of the Lessee arising out of such condemnation. Any condemnation award for the improvements shall be the property of Lessee or its assigns.
- 5. ASSIGNMENTS. Except as provided in Article 3, this lease shall not be assigned in whole or in part without the prior written consent of the Lessor and (during the period ONAP has a financial interest

Lease Agreement Project 266 King Island Native Community

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2020 <u>000667 0</u>

in the improvements located on the leased premises) ONAP, provided that the Lessee may assign this lease or deliver possession of the premises to the United States of America in the event of the issuance of Notice of Substantial Default or Substantial Breach of any financial assistance contract between the Lessee and the United States of America.

- 6. SUBLEASES. The Lessee is hereby authorized to make subleases and assignments of its leasehold interests of individual lots to an individual (individuals) who is (are) participant(s) in an MHOA Lease-Purchase agreement, executed in connection with the operation of the Indian Housing Project. During the term of any sublease, should an individual participant acquire any ownership interest(s) to the subject property or any portion thereof, it is hereby agreed that a merger of interests shall not occur.
- 7. IMPROVEMENTS. All improvements shall be and remain the property of the Lessee its successors or assigns until the expiration of the Lease. Upon the expiration of this Lease, the interests, rights or claims of the Lessee to the surface estate shall terminate and the Lessee shall convey its interest to the improvements to the then current Indian Housing Program participant. In the absence of a qualified Indian Housing Program participant the Lessee shall remove the improvements; it has an interest in, within six months. Unless otherwise agreed to by written mutual agreement.
- 8. SHARE OF BENEFIT FROM LEASE. No member of Congress or any delegate thereto or any resident commissioner shall be admitted to any share or part of this lease or to any benefit that may arise therefrom.
- 9. QUIET ENJOYMENT. With the exception of a situation involving condemnation proceedings, Lessor agrees to defend the title of the premises, as stated in Article 1, and also especially agrees that Lessee and its assigns shall peaceably and quietly hold, enjoy, and occupy the leased premises for the duration of the Lease without any hindrance, interruption, ejection or molestation by Lessor. Nothing herein imposes upon Lessor the obligation to establish or maintain access or utilities on the subject property.

Lease Agreement Project 266 King Island Native Community



Page 3 of 5

- 10. SURRENDER OF POSSESSION. If upon expiration or other termination of this lease, further use rights are not granted to the Lessee or its assigns by the Lessor, said Lessee or its assigns shall, upon demand, surrender to the Lessor complete and peaceable possession of its premises.
- 11. UNLAWFUL CONDUCT. The Lessee agrees not to use or cause to be used any part of said premises for any unlawful conduct or purposes.
- 12. ASSENT NOT WAIVER OF FUTURE BREACH OF COVENANT. No assent, express or implied, to any breach of any of the Lessee's covenants, shall be deemed to be a waiver of any succeeding breach of any covenants.
- 13. UPON WHOM BINDING. It is understood and agreed that the covenants and agreements hereinbefore stated shall extend to and be binding upon the heirs, assigns, successors, executors, and administrators of the parties of this lease.
- 14. WASTE. Lessee agrees not to commit waste on the premises. To the extent that waste is committed by the participant in the program, Lessor is obligated to notify lessee and describe the nature of waste and steps Lessor desires Lessee to take.
- 15. PARTICIPANTS. Lessee will select participants in accordance with its HUD-approved admissions and occupancy policy.
- 16. HOLD HARMLESS. The Lessee and its assigns shall hold the Lessor and the United States harmless from any claim of whatsoever nature arising out of construction upon, use or occupancy of the premises by its contractors, materialmen, laborers, participants, homebuyers, and/or other authorized persons or entities. Lessee shall obtain and pay for owners, landlords and tenants public liability insurance, excluding property damage, in amounts acceptable to the Lessor and ONAP.

BY SIGNING THE LEASE, the Lessors and the Lessee, agree to be bound by its provision as set out above.

LESSEE: BERING STRAITS REGIONAL HOUSING AUTHORITY	
BY: Oline Olyno Jolene Lyon, President/CEO	
Jolene Lyon, President/CEO	
LESSOR: King Island Native Community	
BY:Heather Payenna, Chief	
Heather Payenna, Chief	
NOTARY ACKNOWLEDGEMENT STATE OF ALASKA SECOND JUDICIAL DISTRICT	
The foregoing instrument was acknowledged, sworn to and subscribed before me	on this
03 day of <u>Granuary</u> , 2020 by Jolene Lyon who is kr	nown to me to
be the President/CEO of the BERING STRAITS REGIONAL HOUSING AUT	HORITY, on
behalf of that organization.	
Notary Public in and for Alaska My commission expires: Apr 10, 2021 SHIRLEY M. BEL Notary Public State of Alaska My Commission Expires A	pr 10. 2021
NOTARY ACKNOWLEDGEMENT STATE OF ALASKA SECOND JUDICIAL DISTRICT	
The foregoing instrument was acknowledged, sworn to and subscribed before me	on this
2 day of January, 2020, by Heather Payenna	, who is known
to me to be the Chief of the King Island Native Community, on behalf of	
that organization.	
Notary Public in and for Alaska My commission expires: 5 38 39 10 10 10 10 10 10 10 1	
Lease Agreement Project 266 King Island Native Community	Page 5 of 5

COOPERATION AGREEMENT

This Agreement is entered into this day of ______, 2022, by and between BERING STRAITS HOUSING AUTHORITY ("BSRHA") and the CITY OF NOME ("City").

In consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

- 1. Whenever used in this agreement:
 - a) The term "project(s)" shall mean any property previously or hereafter developed or acquired by BSRHA with financial assistance of the United States of America, acting by and through the Secretary of the Department of Housing and Urban Development (hereinafter called the "Government"), and under the Native American Housing Assistance and Self Determination Act of 1996 or the United States Housing Act of 1937; and
 - b) The term "shelter rent" shall mean the total of all charges to all tenants of a project(s) for dwelling rents (excluding all other income of such project(s)), less the cost to BSRHA of all dwelling and non-dwelling utilities.
- 2. BSRHA shall endeavor to secure funding from the Government for the cost to develop, acquire and/or administer one or more low-income housing project(s), comprising iup to **8** (eight) units, as rental or lease-purchase homeownership units. The units will be located within the jurisdictional limits of the City. The obligations of the parties hereto shall apply to the 8 units within the jurisdictional limits of the City as those jurisdictional limits are delineated on the date of this agreement and hereafter may be modified. Two (2) units were constructed in 2020, and an additional 6 units may be developed in accordance with this Agreement.
- 3. Pursuant to this agreement, all such project(s) within the jurisdictional limits of the City are exempt from all real and personal property taxes and special assessments levied or imposed by the City. So long as such project(s) is owned by BSRHA and is used for low-income rental or lease-purchase homeownership purposes, the City agrees that it will not levy or impose any real or personal property taxes or special assessments upon such project(s) or upon BSRHA with respect thereto as required by Section 101(d) of the Native American Housing and Self Determination Act of 1996, 25 U.S.C. § 4111(d).
- 4. During such period in which the project(s) is exempt from all real and personal property taxes and special assessments levied or imposed by the City, BSRHA shall make annual payments of either user fees or Payments in Lieu of Taxes (PILOT) instead of

taxes or special assessments in payment for public services and facilities furnished from time to time without other cost or charge to such project(s).

- 5. Each such annual payment of user fees or PILOT shall be made after the end of the fiscal year established for such project and shall be ten percent (10%) of the shelter rent received per dwelling unit by BSRHA. Where BSRHA incurs the cost of utilities for the tenant, the percentage applies after deduction of utilities costs.
- 6. Notwithstanding BSRHA's agreement to pay user fees or a PILOT, the City agrees that no lien against any project(s) or assets of BSRHA shall attach, nor shall any interest or penalties accrue or attach on account thereof, for the failure to make such payments of user fees or PILOT.
- 7. During the period commencing with the date of the acquisition of any part of the site or sites of any project(s) and continuing so long as such project(s) is owned by BSRHA and used for low-income rental or lease-purchase homeownership purposes, the City, without cost or charge to BSRHA or the tenants of such project(s) other than user fees or PILOT described above, shall furnish or cause to be furnished to BSRHA and the tenants of such project(s) any and all public services, facilities and infrastructure of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants within the City's jurisdictional limits.
- 8. With respect to any project(s), the City may, but is not required to agree to the following provisions, by supplemental mutually signed addendum hereto:
 - a) Vacate such streets, roads and alleys within the area of such project(s) as may be necessary in the development thereof and convey without charge to BSRHA such interest as the City may have in such vacated areas and, in so far as it is lawfully able to do so without cost or expense to BSRHA or to the City, cause to be removed from such vacated areas all public or private utility lines or equipment;
 - b) In so far as the City may lawfully do so (i) grant such deviations from the building code of the City as are reasonable and necessary to promote economy and efficiency in the development and administration of such project(s) and at the same time safeguard health and safety and (ii) make such changes in any zoning of the site and surrounding territory of such project(s) as are reasonable and necessary for the development and protection of such project(s);
 - c) Accept grants of easements necessary for the development of such project(s);

- d) Cooperate with BSRHA by such other lawful action or ways as the City and BSRHA may find necessary in conjunction with the development and administration of such project(s).
- 9. With respect to any project(s), the City may, but is not required to accept the following dedications and/or agree to provide the following services. Should the City agree to such dedication or service, that commitment must be documented in a supplemental, mutually signed addendum hereto. Subject to such addendum, and within a reasonable time after receipt of a written request, the City may:
 - a) Accept the dedication of all interior streets, roads, alleys and adjacent sidewalks within the areas of such project(s), together with all storm and sanitary sewer mains in such dedicated areas after BSRHA, at its own expense, has completed the grading, improvement, paving and installation thereof in accordance with the specifications acceptable to the City;
 - Accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such project(s) or necessary to provide adequate access thereto (in consideration whereof BSRHA shall pay to the City such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the City's jurisdictional limits); and
 - c) Provide or cause to be provided water mains and storm and sanitary sewer mains leading to such project(s) and serving the bounding streets thereof (in consideration whereof BSRHA shall pay to the City such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the City's jurisdictional limits).
- 10. If by reason of the City's failure or refusal to furnish or cause to be furnished any and all public services, facilities and infrastructure which it has agreed hereunder to furnish or to cause to be furnished to BSRHA or to the tenants of any project(s), BSRHA incurs any expense to obtain such services or facilities, then BSRHA may deduct the amount of such expense from any payment of user fees or PILOT due or to become due to the City with respect to any low-income housing project(s) owned by BSRHA.]
- 11. This agreement shall not be abrogated, changed, or modified without the consent of both the City and BSRHA. The privileges and obligations of the City hereunder shall remain in full force and effect with respect to each project(s) so long as BSRHA holds title to such project(s). However, if at any time the title to, or possession of, any project(s) is held by a public body or governmental agency, including the Government,

EXHIBIT A

Street/Project Name	Date Built	Block	Lot	Plat	City's Parcel Number
415 E.3 rd Ave Apt.	22 units (3 of which	32	10B	78-01	001.141.01-03
101-201	were added in 2021)		& 11,		
Senior Building	Completed 1978		12		
201 E. 4 th Ave	4 units	66	6A	86-04	001.161.07
Apts 101-201	(1984)				
Johnson Brothers					
West					
203 E 4 th Ave	4 units	66	7A	86-04	001.161.07A
Apts 101-201	(1984)				
Johnson Brothers					
East					
218 E. King Pl.	4 units	66	22A	86-04	001.161.23
Apts A-E	(1986)				
Johnson Brothers					
301 E. 6 th Ave	8 units (1984)	88	1B	85-01	001.181.07
Apts 101-203					
Augdahl North					
302 E. Nugget	8 units (1985)	88	2B	85-01	001.181.08
Alley Apts 101-					
203					
Augdahl South					
603 East 5 th	1/28/20 ground lease	70	2	NT	001.111.09
KINC lease to	from KINC				
own project	-Completed 2021				
605 East 5th	1/28/20 ground lease	70	3	NT	001.111.10
KINC lease to	from KINC				
own project	-Completed 2021				

the provisions hereto shall inure to the benefit of and may be enforced by such public body or governmental agency, including the Government.

12. For the convenience and reference of the parties, BSRHA's current and previous projects that are subject to PILOT payment are listed on *Exhibit A* hereto. BSRHA will pay PILOT for all of its projects at the same time and using the same form of documentation.

IN WITNESS WHEREOF, the City and the Recipient have respectively signed this agreement and caused their seal to be affixed and attested as of the day and year first above written.

(SEAL)	CITY OF NOME
	By:
Attest: Amonda Novjakuk amende hogakuk Executive Assistant (Title)	
(SEAL)	
	BERING STRAITS REGIONAL HOUSING AUTHORITY Jolene Lyon, President CEO