

ADDENDUM NO. 1 TO
REAL PROPERTY IMPROVEMENT AND CONVEYANCE AGREEMENT

This Addendum No. 1 to the Real Property Improvement and Conveyance Agreement ("this Addendum") is made by and between the Petersburg Borough, PO Box 329, Petersburg, Alaska 99833 (the "Borough") and Tlingit-Haida Regional Housing Authority, 5446 Jenkins Drive, Juneau, Alaska 99801 ("THRHA"), collectively referenced herein as "the Parties". This Addendum shall be effective upon the date of the last signature below ("the Effective Date").

On January 7, 2025, the Parties entered into a Real Property Improvement and Conveyance Agreement ("the Agreement"), a copy of which is attached hereto, under which THRHA agreed to construct and install certain improvements, including roads and utilities, to eleven (11) parcels owned by the Borough and located within the Airport Addition Subdivision, Plat No. 77-2, recorded on March 1, 1977 in the Petersburg Recording District, First Judicial District, State of Alaska, in return for receiving ownership of seven (7) of those lots.

Since that date, THRHA has now received additional funding and would like to amend the Agreement to extend those planned improvements to an additional eleven (11) lots within the Subdivision, in return for receiving ownership of six (6) of those additional lots, bringing the total lots covered by the Agreement to twenty-two (22). Said extension and amendment is agreeable to the Borough.

Accordingly, the Parties agree to amend the Agreement as follows:

I. Paragraph A is deleted in its entirety and replaced with the following:

A. The Borough, as successor-in-interest to the City of Petersburg, is the owner of the following described twenty-two (22) parcels (collectively, "the Lots"), located within the Airport Addition Subdivision, according to Plat 77-2, recorded on March 1, 1977 in the Petersburg Recording District, First Judicial District, State of Alaska (the "Subdivision"):

Lots 25 and 26, Block 302

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10, Block 304; and

Lots 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20, Block 305

II. Paragraph D is deleted in its entirety and replaced with the following:

D. The improvements would consist of road construction of 14th Street, from the corner of 14th Street and Goja Street north to Fram Street, and then construction of Fram Street to the west, through and including Lot 1, Block 304 to the south and Lot 20, Block 305 to the north, and installation of electric, water, sewer and storm drainage utilities along the same route, as

more specifically described in paragraph 2 below (cumulatively, "the Improvements" or "the Lot Improvements").

III. Paragraph F is deleted in its entirety and replaced with the following:

F. The cost of design, engineering, construction and installation of the Improvements to the Lots (including all required inspections) is estimated to be Two Million Seven Hundred Thousand Dollars (\$2,700,000), or approximately One Hundred Twenty Two Thousand, Seven Hundred and Twenty Seven Dollars (\$122,727) per Lot, and THRHA would bear One Hundred Percent (100%) of that cost, including the cost of any necessary permitting or regulatory approval.

IV. Paragraph G is deleted in its entirety and replaced with the following:

G. The design and engineering of the Improvements is anticipated to commence immediately upon the Effective Date, and construction and installation is estimated to be completed on or before December 31, 2026.

V. Paragraph H is deleted in its entirety and replaced with the following:

H. In return for constructing and installing the Improvements, and bearing the entirety of the cost of that construction and installation of the Improvements, and only upon completion of the Improvements, THRHA would receive title to the following thirteen (13) lots:

Lots 25 and 26, Block 302

Lots 4, 5, 6, 7, 8 and 9, Block 304; and

Lots 11, 15, 18, 19 and 20, Block 305 ("the THRHA Lots").

The Assembly has determined that none of the THRHA Lots are required for municipal purposes.

VI. Paragraph I is deleted in its entirety and replaced with the following:

I. The remaining nine (9) lots (Lots 1, 2, 3, and 10, Block 304; and Lots 12, 13, 14, 16, and 17, Block 305) will be retained by the Borough ("the Borough Lots").

VII. Paragraph J is deleted in its entirety and replaced with the following:

J. The 2024 assessed value of each of the THRHA Lots is Twenty Eight Thousand Dollars (\$28,000), for a total assessed value of the THRHA Lots of Three Hundred Sixty Four Thousand Dollars (\$364,000).

VIII. Paragraph K is deleted in its entirety and replaced with the following:

K. The construction and installation of Improvements to the Lots would be of substantial benefit to the community of Petersburg, which is currently experiencing a severe shortage of available housing, including available parcels of land with established available access to borough utilities. The cost of the road and utility installation to the Borough Lots, being paid in full by THRHA, would equal One Million, One Hundred Four Thousand Five Hundred Forty Three Dollars (\$1,104,543) (\$122,727 x 9))

IX. Paragraph 2(h) is deleted in its entirety and replaced with the following:

h. The Lot Improvements shall be completed by THRHA, and accepted by the Borough, by no later than December 31, 2026. The parties may mutually agree, in writing, to extend this deadline.

X. The persons executing this Addendum represent and warrant that each is authorized to execute and enter into this Addendum on behalf of the party for whom s/he has signed and that this Addendum is binding on such party without further action or approval.

XI. This Addendum may be executed by and exchanged between the Parties hereto by email/facsimile and in counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

XII. All other terms and provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF the parties have hereunto executed this Addendum.

Petersburg Borough:

Tlingit-Haida Regional Housing Authority:

By: Stephen Giesbrecht
Its: Borough Manager
Dated: April _____, 2025

By: Jacqueline Pata
Its: President & CEO
Dated: April _____, 2025