

**FACILITIES USE AND REIMBURSEMENT AGREEMENT  
BETWEEN  
THE UNIVERSITY OF WASHINGTON  
AND  
HARBORVIEW MEDICAL CENTER BOARD OF TRUSTEES**

THIS AGREEMENT is by and between the **BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON**, an agency of the State of Washington ("University") and the **BOARD OF TRUSTEES OF HARBORVIEW MEDICAL CENTER**, ("Board"), and is dated \_\_\_\_\_, 2003.

**RECITALS**

A. Pursuant to an agreement entitled Management and Operations Contract between the Board and the University, dated December 19, 1995 ("Management and Operations Contract"), the University operates and manages Harborview Medical Center ("HMC"). A true and correct copy of the Management and Operations Contract is attached hereto as Exhibit A

B. Pursuant to Section K.2 of the Management and Operations Contract, the parties are authorized to execute an agreement under which the University will provide reasonable reimbursement to the Board for the provision of facilities at HMC. The Parties wish to implement that section by entering into this Agreement

Now, therefore, in consideration of the mutual promises herein contained, it is mutually agreed as follows:

**AGREEMENT**

A.1. **PREMISES.** The University agrees to occupy from the Board approximately 57,000 net rentable square feet ("Premises") located on the HMC campus

A.2. **PURPOSE.** The University agrees to use the Premises for office, lab, research or clinic space, or such other uses as may be determined by the University to be appropriate for the Premises and consistent with the Management and Operations Contract and applicable laws, rules and regulations. The University further agrees that it shall be responsible for ensuring occupancy of the Premises and agrees to occupy the Premises with University uses or subtenants throughout the term of this Agreement.

A.3. **TERM.** The term of this Agreement shall begin on September 1, 2003 (the "Commencement Date") and end at midnight on June 30, 2015 and may be extended upon mutual consent of the parties. At the expiration or termination of this Agreement the University agrees to deliver possession of the Premises in as good condition as when received from the Board excepting (i) ordinary wear and tear, and (ii) damage caused by fire, act of war, terrorism or other casualty.

A.4. REIMBURSEMENT. The Reimbursement Commencement Date of this Agreement is September 1, 2003. The University shall pay the Board as reimbursement the sum of \$2,300,000 per year beginning on the Reimbursement Commencement Date and continuing each year thereafter until this Agreement expires. Additional space and reimbursement may be negotiated in the future as demand and supply increase.

A.5. PARKING. Parking is managed by HMC Commuter Services. All requests for individual parking must be processed through that office pursuant to the priorities outlined in the parking policy.

A.6. FURNITURE AND EQUIPMENT. The University will supply all nonattached or movable furniture and equipment for its use during the Term.

A.7. ADDRESSES FOR NOTICES AND PAYMENT OF REIMBURSEMENT.

UNIVERSITY:

University of Washington  
Real Estate Office  
400 Skinner Building  
1326 - Fifth Avenue  
Seattle, Washington 98101-2604

Phone: (206) 616-3400 FAX: (206) 685-1547

BOARD:

Harborview Board of Trustees

Phone: ( ) FAX: ( )

**B. ADDITIONAL PROVISIONS**

B.1. MISCELLANEOUS OBLIGATIONS. The parties' rights and obligations with respect to the availability, provision or performance of common areas, quiet enjoyment, building services, utilities, maintenance, alterations, improvements, indemnification and insurance shall be allocated and fulfilled in accordance with the terms of the Management and Operations Contract.

B.2. DEFAULT. Neither party shall be in default in the performance of any of its obligations contained in this Agreement unless and until that party shall have failed to perform or to commence performance of such obligation within ten (10) days, provided that if the default is of the type that cannot be cured within ten (10) days, then the party shall not be in default if it commences the cure within such ten (10) day period and diligently pursues such cure to completion.

B.3. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the legal representatives, successors, heirs and assigns of the parties. However, no party may assign this Agreement without the written consent of the other, such consent not to be unreasonably withheld.

B.4. HOLD OVER. If the University continues to occupy the Premises after expiration of the Term, such shall be treated similarly to all other facilities covered by the Management and Operations Contract.

B.5. NON-WAIVER. The failure of either Board or the University to insist upon strict performance of any of the covenants and agreements of this Agreement shall not be construed as a waiver thereof. Waiver of a particular breach or default shall not be deemed to be a waiver of any subsequent breach or default.

B.6. TERMINATION. This Agreement may be terminated on the same bases stated in Section N of the Management and Operations Contract. However, notwithstanding anything to the contrary in the Management and Operations Agreement, and in addition to any remedies that may be available at law or equity, if the University terminates this agreement or abandons the Premises before the expiration of the Term, the Board shall be entitled to recover the reimbursement that would be due for the remainder of the Term less the amount actually received from subsequent users during that time, so long as the Board makes an honest and reasonable attempt to utilize the property.

B.7. LEGISLATIVE APPROPRIATION. The University's obligation hereunder to make rental payments is payable solely from the revenues of the University. The facilities use and the reimbursement obligations hereunder shall not constitute an obligation of the State, moral or otherwise, for which the State is obligated to levy or pledge any form of taxation. Neither the lease nor the reimbursement obligations hereunder constitute a pledge of the full faith and credit of the State of Washington within the meaning of the Constitution of the State of Washington or within the meaning of any statutory debt limitation or restriction.

B.9. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Washington.

B.10. ATTORNEYS' FEES. In the event any action, suit or proceeding is commenced under or in connection with this Agreement, the losing party shall pay to the prevailing party all of its reasonable attorneys' fees and costs incurred in connection therewith.

B.11. FORCE MAJEURE. In the event either party is delayed or prevented from performing any of its respective obligations under this Agreement by reason of acts of God, governmental requirement, fire, floods, strikes or due to any other cause beyond the reasonable control of such party, then the time period for performance such obligations shall be extended for the period of such delay.

B.12. ENTIRE AGREEMENT. The provisions of this Agreement constitute the entire agreement of the parties regarding the Premises. The Parties acknowledge and agree that it expressly replaces any and all previous memoranda between the Parties regarding the University's use of space at HMC. Any amendment or modification of this Agreement must be in writing and signed by both parties.

B.13. AUTHORITY TO EXECUTE. By execution of this Agreement, the University and Board each represent that it has the authority to enter into this Agreement.

B.14. COUNTERPARTS. This Agreement may be executed in counterparts and each counterpart constitutes an original document.

The Board of Regents of the University of Washington,  
an agency of the State of Washington

Approved as to Form:

By: \_\_\_\_\_  
Jeanette L. Henderson  
Director of Real Estate

By: \_\_\_\_\_  
Assistant Attorney General  
State of Washington

Board of Trustees of Harborview Medical Center

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
Senior Deputy Prosecuting Attorney

ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this \_\_\_\_ day of \_\_\_\_\_, 200\_, before me personally appeared Jeanette L. Henderson, to me known as the Director of Real Estate of the University of Washington, who on oath stated that she was authorized to execute this instrument and acknowledged it to be the free and voluntary act and deed of said University of Washington as approved by the **BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON** for the uses and purposes mentioned in the instrument.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Notary Public in and for the State of Washington

Residing at: \_\_\_\_\_

My Commission expires on: \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act and deed of said party for the uses and purposes mentioned in the instrument.

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

Signature: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC in and for the  
State of Washington, residing  
at \_\_\_\_\_;  
My commission expires: \_\_\_\_\_

**EXHIBIT A**

**Management and Operations Contract**