

## **Port of Seattle & The Northwest Seaport Alliance License for Management of Property**

The parties to this license ("License") are the Port of Seattle, a Washington public port district ("Homeport") and The Northwest Seaport Alliance, a Washington port development authority ("Alliance"), collectively ("Parties").

The Homeport is the owner of certain properties and improvements identified on **Exhibit 1** ("Licensed Properties"). The Alliance was created by the Homeport and the Port of Tacoma, on August 4, 2015. The Homeport and the Port of Seattle are the managing members of the Alliance ("Managing Members"). The Parties intend for the Alliance to manage the Licensed Properties on behalf of the Homeport in the manner described below.

- 1. Alliance as Agent.** The Parties agree that the Alliance is designated as the manager and agent for the Homeport and will carry out all the duties and obligations in connection with the use management and operation of the Licensed Properties (to the extent legally permitted) that would be carried out by the Homeport in the absence of this License.
- 2. Alliance Bound to Charter Terms.** The Alliance will comply with the terms of the Alliance Charter executed by the Managing Members, dated August 4, 2015 ("Alliance Charter").
- 3. Term & Amendment.** The term of this License is co-terminus with the Alliance Charter. The Managing Members may amend **Exhibit 1** Licensed Properties at any time to add or delete properties. Such amendment will be effective on the date and in the manner designated by the Managing Members following approval of the amendment pursuant to the Alliance Charter.
- 4. Homeport Assistance.** The Homeport will provide any assistance requested by the Alliance in managing the Licensed Properties, subject to the provisions of and limitations in the Alliance Charter.
- 5. Licensed Activities.** The Homeport agrees to license to the Alliance the authority to carry out the following activities for the Licensed Properties:
  - a. **Leasing and Other Agreements.** The Alliance will negotiate all leases and other use agreements ("Other Agreements"), including easements, use licenses, covenants, and

such permits as may be required. Final execution of leases and Other Agreements will be carried out in the manner prescribed by the Managing Members.

- b. Lease and Other Agreement Management. For leases existing as of the Alliance commencement date of August 4, 2015 and for future leases and other use agreements (collectively, "Use Agreements") connected to the Licensed Properties, the Alliance will carry out all of the Homeport's duties as landlord and owner and fulfill all of the Homeport's landlord and owner obligations as required under the Use Agreements. The Alliance's duties and obligations will include, but not be limited to:
    - i. Manage all utility services;
    - ii. Design and execute marketing strategies to build business volumes;
    - iii. Enforce all Use Agreement terms imposed upon the tenants or users, including those relating to indemnity, environmental, and insurance obligations;
    - iv. Support the Homeport in defending against any claims made and actions related to terms imposed upon the Homeport brought by the tenants or users, including those relating to Homeport indemnity, environmental, and insurance obligations;
    - v. Comply with all requirements of the Alliance Charter and any other directions from the Alliance ;
    - vi. Communicate with the Use Agreement parties and transmit copies of all communications between those parties and the Alliance to the Homeport; and
    - vii. Submit timely bills and notices to the Use Agreement parties.
  - c. Comply with the terms of the Homeport's Port Management Agreement with the Washington State Department of Natural Resources, to the extent applicable; and
  - d. Comply with all state and federal tax obligations.
6. **Other Agreements.** For all other agreements connected to the management of the Licensed Properties, the Alliance will be responsible for complying with all conditions and requirements that would otherwise be the responsibility of the Homeport. The Homeport agrees to provide the necessary access (including software licensing) to any proprietary software licensed to the Homeport that the Alliance will need to manage the

Licensed Properties. The Homeport will provide access to the Alliance to all records associated with the Licensed Properties in its control. In the event other actions, information, or assurances are needed or appropriate to carry out the License provisions, the Alliance and the Homeport will each:

- a. provide such further information, approvals, or assurances;
- b. execute and deliver such additional documents, instruments and conveyances; and
- c. take any other actions that may be necessary or appropriate.

**7. Insurance and Indemnification.**

- a. The Alliance will provide property insurance for the Licensed Properties it deems appropriate and in accordance with the Alliance PDA Charter, or the Homeports shall name the Alliance as a Loss Payee as its interests may appear for property insurance purchased by the Homeports for properties licensed to the Alliance, and in that case, the Alliance will reimburse the Homeport for its purchase of such property insurance.
- b. The Homeport shall indemnify, defend, and hold harmless the Alliance, its officials, officers, agents, and employees from any and all claims, damages, lawsuits, liabilities, losses, liens, expenses and costs arising from its actions on behalf of the Homeport as provided in this Agreement.
- c. For all Homeport liability insurance policies, the Homeport shall instruct its respective insurance companies to name The Northwest Seaport Alliance as ADDITIONAL INSURED and provide a Waiver of Subrogation to extent allowed under applicable policy terms.
- d. It is further specifically and expressly understood that in providing this indemnification, the Homeport does not waive immunity under Industrial Insurance, Title 51 RCW, EXCEPT, solely for the purposes of this indemnification, the Homeport shall waive such immunity to the extent, and only to the extent, that the Homeport is afforded insurance coverage under an applicable policy for defense and indemnity for such claims by the Northwest

Seaport Alliance originating from injuries sustained to employees of the Homeport. THE HOMEPORT RECOGNIZES THAT THIS WAIVER WAS THE SUBJECT OF MUTUAL NEGOTIATION.

- e. The indemnification shall extend to and include attorney's fees and the cost of establishing the right of indemnification hereunder in favor of the Alliance. This indemnification shall survive the termination of this Agreement.
- f. Without affecting any other rights or remedies, Homeport (for itself and on behalf of anyone claiming through or under it by way of subrogation or otherwise) hereby waives any rights it may have against the Alliance, its officers, agents and employees (whether in license or in tort) on account of any loss or damage occasioned to Homeport arising out of or incident to the perils required to be insured against within the License. Accordingly, Homeport shall cause each insurance policy required by the Alliance to further contain a waiver of subrogation clause. The effect of such release and waiver of the right to recover damages shall not be limited by the amount of insurance carried or required or by any deductibles applicable thereto.
- g. The Alliance will purchase general liability and other casualty and professional liability insurance which will be primary to those policies purchased by the Homeport and others under which the Alliance is named Additional Insured.

#### **8. Financial Matters.**

- a. From August 4, 2015 through December 31, 2015 ("Initial Period"), the Homeport will be responsible for expenses related to the Alliance's management of the Licensed Properties. Beginning January 1, 2016, the Alliance will be responsible for expenses for the Licensed Properties in accordance with the Alliance Charter.
- b. During the Initial Period, all revenues from the Licensed Properties will be paid to the Homeport. Beginning January 1, 2016, the Alliance will retain all Licensed

Property revenues and remit funds to the Homeport in accordance with the Alliance Charter.

**9. General Provisions.**

- a. **Dispute Resolution.** Any disputes arising under this License will be handled in accordance with the terms of the Alliance Charter or in the manner agreed upon by the Managing Members.
- b. **Non-Assignability.** This License is not assignable by either party unless agreed upon by the Alliance and each of the Managing Members.
- c. **Notices.** Notices will be in writing and sent by personal delivery, mail, or email to the following addresses:

Port of Seattle:

Jeff Hollingsworth  
Senior Manager, Risk Management  
Port of Seattle  
P.O. Box 1209, Seattle, WA 98111

Alliance:

Kurt Beckett  
Chief Operations Officer  
The Northwest Seaport Alliance  
PO Box 2985, Tacoma, WA 98401-2985


- d. **Conflict between documents.** If any conflict arises between the provisions of this License and the Alliance Charter, the Alliance Charter provisions prevail.
- e. **Property Ownership.** No ownership of property will transfer as a result of this Agreement.
- f. **Integration and Amendment.** This Agreement constitutes the complete and final agreement of the Parties, replaces and supersedes all oral and/or written proposals and agreements heretofore made by the Parties on the subject matter, and may be modified only by a writing signed by the Parties hereto.
- g. **Copies Posted On Parties' Web Site.** Copies of this Agreement shall be posted on each Party's website listed by subject or other electronically retrievable public source.


Authorized for signature by the Alliance and Port of Seattle CEO by public vote of the Alliance Managing Members and the Port of Seattle Commission on August 4, 2015.

Dated this 4th day of August, 2015.

PORT OF SEATTLE

THE NORTHWEST SEAPORT ALLIANCE

By:   
Ted Fick  
Its: CEO

By:   
John Wolfe  
Its: CEO

### Exhibit 1 - Licensed Port of Seattle Properties & MAP

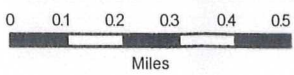
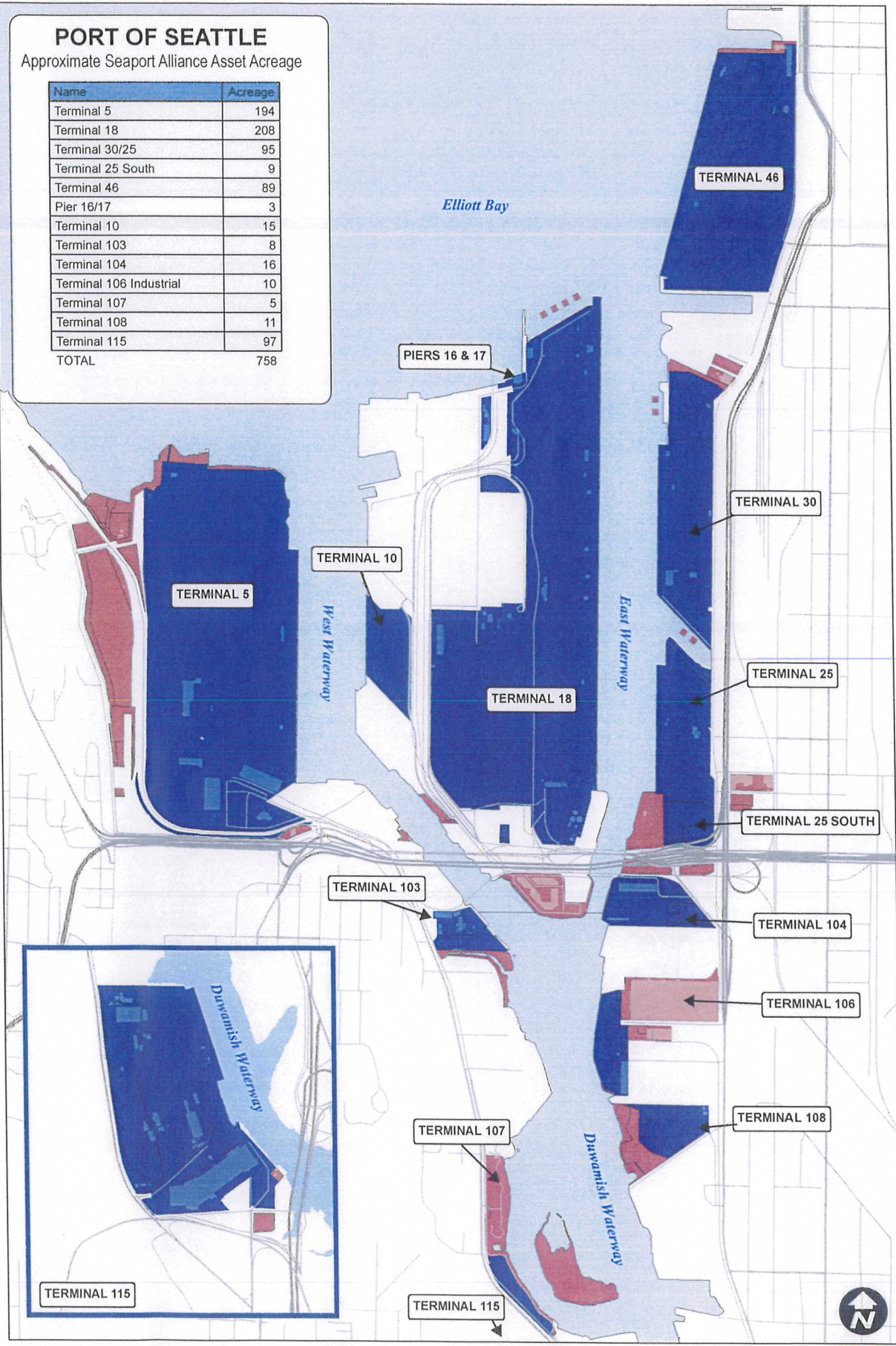
	<b>Port of Seattle Description of Licensed Property</b>	<b>Acreage</b>	<b>Owner</b>
1.	Terminal 5	194	Port of Seattle
2.	Terminal 18	208	Port of Seattle
3.	Terminal 30/25	95	Port of Seattle
4.	Terminal 25 South	9	Port of Seattle
5.	Terminal 46	89	Port of Seattle
6.	Pier 16/17	3	Port of Seattle
7.	Terminal 10	15	Port of Seattle
8.	Terminal 103	8	Port of Seattle
9.	Terminal 104	16	Port of Seattle
10.	Terminal 106 Industrial	10	Port of Seattle
11.	Terminal 107	5	Port of Seattle
12.	Terminal 108	11	Port of Seattle
13.	Terminal 115	97	Port of Seattle
	Total Acres	760	

See MAP attached.

# PORT OF SEATTLE

Approximate Seaport Alliance Asset Acreage

Name	Acreage
Terminal 5	194
Terminal 18	208
Terminal 30/25	95
Terminal 25 South	9
Terminal 46	89
Pier 16/17	3
Terminal 10	15
Terminal 103	8
Terminal 104	16
Terminal 106 Industrial	10
Terminal 107	5
Terminal 108	11
Terminal 115	97
<b>TOTAL</b>	<b>758</b>



- Seaport Alliance Properties
- Non-Alliance Port Properties
- Water
- Intermodal Rail Yards



DISCLAIMER: The information included on this map has been compiled by Port of Seattle staff from a variety of sources and is subject to change without notice. These data are intended for informational purposes and should not be considered authoritative for engineering, navigational, legal and other site-specific uses. The Port of Seattle makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information.

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