MEMORANDUM OF UNDERSTANDING
FOR PROVISION OF OWNED SPACE
TO STATE AGENCIES

THIS MEMORANDUM OF UNDERSTANDING, hereinafter referred to as "Agreement," made this____ day of_____, 20__ by and between The Maryland Department of _____, hereinafter referred to as "Using Agency," and the Maryland Department of General Services, hereinafter referred to as "DGS."

WHEREAS, DGS is charged with guardianship and management of certain properties and facilities owned and operated by the State of Maryland; and

WHEREAS, the Using Agency requires space in the aforesaid facilities and property to house business operations consistent with the Using Agency's mission; and

WHEREAS, DGS can make available space to the Using Agency in the aforesaid facilities and property to house business operations consistent with the Using Agency's mission.

WHEREFORE: DGS and the Using Agency, in consideration of their respective obligations hereinafter set forth enter into the following Agreement:

1) DESCRIPTION OF FACILITIES. DGS will provide facilities, ALLOCATED IN A MANNER CONSISTENT WITH PREVAILING SPACE STANDARDS, in "as is" condition located at the _____. with a floor area of _____ net useable square footage (nusf) plus or minus, hereinafter referred to as "the Space," together with power, light, heating, cooling, routine janitorial, and limited physical security, hereinafter collectively referred to as "support services," required for normal business use of the facility.

2) PHYSICAL IMPROVEMENTS. Any and all Improvements, as hereinafter defined, caused to be made within the Space by the Using Agency are subject to DGS written preapproval, any clause in this Agreement or elsewhere to the contrary notwithstanding, and shall be at the sole expense of the Using Agency. Any and all modifications or alterations made to the Space from its "as is" condition in preparation of the Using Agency's occupancy of the Space or at any time during the Using Agency's occupancy shall constitute "Improvements" under this Agreement, and shall include, but not be limited to, all fit-up items, changes, redesign, upgrades, renovations, partitioning, carpet cleaning or replacement, painting, cost of and installation of electrical lines, outlets, computer lines, and phone lines. DGS, upon written request, will provide Improvements to the Space only if there is a written certification of funds by the Using Agency's Fiscal Authority in an amount sufficient to cover the cost of said Improvements.

3) ADDITIONAL SUPPORT SERVICES. DGS, upon written request, shall provide additional support services to the Space only if there is a written certification of funds by the Using Agency's Fiscal Authority in an amount sufficient to cover the cost of said services.

4) REIMBURSEMENTS AND REMUNERATION. The Using Agency agrees to reimburse DGS for use of the Space and support services. Said reimbursement shall be based on the amount of nusf occupied by the Using Agency multiplied by the square foot rate, as

determined by DGS, and the percentage of non-general funding appropriated to the Using Agency. The square foot rate shall be determined and adjusted on a yearly basis according to (a) the cost of operating, maintaining, servicing, and depreciation of the facility in which the Space is a part and (b) adjustments for any prior year over/under billing. IN THE EVENT THAT NON-GENERAL FUNDING IS INCREASED, REDUCED OR TERMINATED, THE USING AGENCY'S FISCAL AUTHORITY MUST NOTIFY DGS'S PORTFOLIO MANAGEMENT UNIT, IN WRITING, WITHIN ONE CALENDAR WEEK OF THE DATE THE USING AGENCY LEARNS OF SUCH INCREASE, REDUCTION OR TERMINATION.

5) TERM AND RENEWAL. This Agreement shall be in effect for the remainder of the current fiscal year as of the date of execution and for the immediately succeeding fiscal year, and shall renew automatically in succeeding fiscal years unless the Using Agency advises DGS of its intent to vacate the space pursuant to conditions specified in Paragraph 7 of this Agreement.

6) INTERRUPTION OR FAILURE OF UTILITY SERVICES. DGS shall not be responsible or liable for any interruptions or failures of utility services to the Space or the building of which the space is a part.

7) TERMINATION. This Agreement may be terminated in accordance with the following:

a) The Using Agency shall provide written notice to DGS no later than twelve (12) months prior to the beginning of the fiscal year in which the Using Agency intends to vacate the Space.

b) DGS shall have the right to terminate this Agreement with 90 calendar day's written notice to the Using Agency upon the occurrence of one or more of the following events:

i) default by the Using Agency in any of the terms and conditions of this agreement;

ii) loss of funding for the reimbursement and remuneration to DGS as provided for in Paragraph 4 of this Agreement; or

iii) any emergency need by the State for the State's use of the Space.

c) DGS shall have the right to terminate this Agreement without prior written notice in the event of damage or destruction to the Space which renders the Space unfit for habitation.

d) Upon any termination, the Using Agency shall promptly provide payment for outstanding accounts for rents and/or improvements or other sums owed DGS under the terms of this Agreement arising through the date established by written notice from the Using Agency to DGS or the actual date of vacating the Space by the Using Agency, whichever is the later to occur;

e) Upon and after termination, all terms and conditions of this Agreement, including but not limited to those relating to reimbursement and remuneration, shall remain in full force and effect as to the period the Using Agency occupied the Space;

f) In the event the Using Agency vacates the Space without providing the required notice, its obligations and responsibilities for reimbursement and remuneration to DGS shall continue, nevertheless, until such time as the space is reoccupied.

8) VACATING OF SPACE.

a) The Using Agency agrees to vacate the Space no later than the date established pursuant to Paragraph 7. In the event the Using Agency fails to vacate by such date, this Agreement shall remain in full force and effect so long as the Using Agency remains in occupancy, and the Using Agency agrees further, to pay any and all costs incurred and income lost by DGS as a consequence of this event in addition to the reimbursement that DGS is entitled to pursuant to Paragraph 4.

b) At the time the Using Agency vacates the Space it shall:

i) cause any damage or deterioration to the Space to be restored, other than for conditions considered normal wear and tear, and be made ready and useable, in the absolute discretion of the DGS Superintendent or his/her agent, for the next Using Agency. In the event the Using Agency fails to restore the Space in a condition suitable for the next occupant, DGS shall have the right to restore the Space and the Using Agency shall reimburse DGS all costs and expenses related to said restoration.

ii) cause the Space to be cleaned, as determined necessary by the Superintendent or his/her agent (e.g. including, but not limited to, floors swept and mopped, carpets vacuumed and spot-cleaned, walls spot-cleaned), so that the Space shall be ready and useable for the next Using Agency. In the event the Using Agency fails to leave the Space in a condition suitable for the next occupant, DGS shall have the right to clean the Space and the Using Agency shall reimburse DGS all costs and expenses related to said cleaning.

iii) return to the Superintendent's office keys to all doors and restrooms no later than the termination date of the Agreement. The Using Agency agrees to provide reimbursement of $5.00 for each key not returned.

iv) return all parking permits to the Superintendent's office no later than the termination date of the Agreement. The Using Agency agrees to provide reimbursement of $15.00 for each permit not returned.

c) All fixtures located on and improvements made or caused to be made (including, but not limited to, carpeting) to the Space by the Using Agency shall become the exclusive property of DGS upon the expiration of this Agreement. In the event DGS does not choose to retain the fixtures as its property, the Using Agency shall remove the same upon written notice from DGS and shall repair and restore any damage resulting from the removal of the fixtures. Should the Using Agency fail to remove any fixtures which DGS has notified the Using Agency to remove DGS shall have the right to remove the same and the Using Agency shall reimburse DGS for any and all costs related to said removal, including the costs of any repairs or restoration necessitated as a result of the removal of the fixtures.

d) The Using Agency shall be responsible for moving all furniture, supplies, and equipment at its sole cost and expense, and shall submit a schedule to the appropriate Superintendent or his/her designated agent. In the event the Using Agency fails to remove and store all of its furniture, supplies and/or equipment DGS shall have the right to remove the same and the Using Agency shall reimburse DGS for any and all costs related to said removal.

9) RESPONSIBILITY OF USING AGENCY.

a) The Using Agency shall only use the Space in a manner reasonably related to the Using Agency business operation. The Using Agency and its employees shall comply with the rules and regulations established by DGS for the facility in which the Space is located, and shall not permit the Space to be used in any unlawful manner.

b) The Using Agency shall reimburse DGS for the costs of any repairs or maintenance to the Space, the building, or property in which the Space is located due to the negligence of the Using Agency or its personnel, agents, or invitees.

c) The Using Agency shall be responsible for (i) any and all liability or claim of liability arising out of it's use, occupancy, conduct, or operation of the Space, (ii) any negligent, intentionally tortious or other act or omission of the Using Agency or any of its personnel, agents, or invitees occurring during the Using Agency's occupancy of the Space, and (iii) any injury to or death of any person or damage to any property occurring during the Using Agency occupancy of the Space.

d) If any damage or casualty is caused solely by an act or omission by the Using Agency's Personnel in the Space or on DGS's property, then the Using Agency shall be solely responsible for any payments for such damage or casualty required in connection with the State Insurance Program as set forth in the State Finance and Procurement Article. If any

damage or casualty is caused solely by an act or omission by DGS's Personnel in the Space, then DGS shall be solely responsible for any payments for such damage or casualty required in connection with the State Insurance Program as set forth in the State Finance and Procurement Article.

i) The term "Using Agency's Personnel" as used herein shall include the volunteers, staff, employees, agents, contractors and any other individuals that the Using Agency may authorize to enter onto the Space or other parts of the DGS building.

ii) The term "DGS's Personnel" as used herein shall include the volunteers, staff, employees, agents, contractors and any other individuals that DGS may authorize to enter onto the Space or other parts of the DGS building.

10) ASSIGNMENT AND/OR SUBLETTING: The Space shall be used exclusively by the Using Agency. The Using Agency may not sublet, assign, or permit the use of any portion of the Space to any other party.

11) ENTIRE AGREEMENT: This Agreement contains the entire understanding between the parties and shall be legally binding on the Using Agency's and DGS's successors and assignees.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year first above written.

ATTEST

_____

MARYLAND DEPARTMENT OF

BY: _____

DEPARTMENT OF GENERAL SERVICES

_____

BY: _____