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CERTIFICATE OF NEED PROGRAM  
DEPARTMENT OF HEALTH



February 13, 2014

Ms. Janis Sigman, Manager  
Department of Health  
Certificate of Need Program  
P.O. Box 47852  
Olympia, WA 47852

Re: **Seattle University's Request to Reopen  
Thirty-six (36) Nursing Home Banked beds**

Dear Ms. Sigman:

Pursuant to WAC 246-310-080, Seattle University, beneficial owner of the Bed Rights from Bessie Burton Sullivan Skilled Nursing Residence, located at 1020 East Jefferson Street, Seattle, Washington ("beds" or "bed rights"), submits this letter of intent proposing to reopen 36 nursing home beds banked under the provision of RCW 70.38.115(13) in march of 2007.

1. A Description of the Services Proposed:

Seattle University proposes to reopen 36 nursing home beds that were banked in March of 2007. Once all necessary approvals are received, the bed rights will be relocated and placed into operation at Wesley Homes Lea Hill, a Washington nonprofit corporation, which is a continuing care retirement community located at 32049 109<sup>th</sup> Place S.E., Auburn, WA 98092 (the Facility"). Seattle University will be the licensee and the beds will be operated under a Management Services and Lease agreement with Wesley Homes. Seattle University and Wesley Homes also have entered into a Purchase and Sale Agreement whereby ownership of the beds would be transferred to Wesley Homes following the relocation and operation of the beds under Seattle University's license.

2. Estimated Cost of the Proposed Project:

The 36 beds will be relocated to a facility to be constructed by Wesley Homes that, when completed will accommodate 36 beds. The estimated cost of construction is \$10 million.

The purchase price to be paid by Wesley Homes is the amount of \$10,000 per bed or \$360,000. Costs of obtaining certificate of need approval and any other required approvals from state and local governmental authorities would be paid by the parties pursuant to the Purchase and Sale Agreement between Seattle University and Wesley Homes.

3. Identification of Service Area:

The service area for both the Bessie Burton Skilled Nursing Residence and for Wesley Homes Lea Hill is King County.

Please do not hesitate to contact me should you have any questions or require any additional information.

Very truly yours,



Constance R. Kanter  
CFO/Vice President for  
Finance and Business Affairs

cc: Ellen R.M. Boyer, Wesley Homes COO/CFO