



BOARD OF SUPERVISORS AGENDA ITEM REPORT
AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 9/5/2023

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

American Battery Factory, Inc.

***Project Title/Description:**

Lease Purchase Agreement

***Purpose:**

Amendment of the Lease-Purchase Agreement ("Agreement") dated December 6, 2022 for the construction of a battery manufacturing facility at the Aerospace Research Campus. Section 1.3 of the Agreement currently states a required construction commencement date that is the date 270 days after the Effective Date. This Amendment will modify the Construction Commencement Date from 270 days from the Effective Date to 332 days from the Effective Date. The Amendment is needed as a result of delays related to completion of site surveys needed for construction and it will have the secondary effect of aligning the contractual terms of the Security Deposit in relation to the revised Construction Commencement Date.

***Procurement Method:**

Exempt pursuant to Pima County Code 11.04.020

***Program Goals/Predicted Outcomes:**

Pima County is currently leasing land to ABF for Phase 1 development. By revising the Construction Commencement Date ABF will be able to meet Phase 1 benchmarks and then proceed with Phase 2 and Phase 3 development.

***Public Benefit:**

The public benefits include the employment of an estimated 1,000 Pima County residents at an average salary threshold of \$65,000 USD/year in a newly developed manufacturing facility, the sale of Economic Development-designated land that will provide funds to the general fund account and the future collection of real property taxes for the completed manufacturing facility.

***Metrics Available to Measure Performance:**

If ABF exercises their option to acquire the 267.18 acres at the end of the first 24 month lease period the sale of the Land will be at 90% of the appraised value equal to \$20,925,000, or \$78,318.00/acre, as authorized and permitted by Arizona Revised Statute 11-251 (9).

***Retroactive:**

No.

TO: COB 8-22-23⁽¹⁾
Vers: 2
pgs: 2

AUG21'23AM0952 PD

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount \$ _____ ☐ Revenue Amount: \$ _____

***Funding Source(s) required:** _____

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____
Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No
If Yes, is the Contract to a vendor or subrecipient? _____
Were insurance or indemnity clauses modified? ☐ Yes ☐ No
If Yes, attach Risk's approval.
Vendor is using a Social Security Number? ☐ Yes ☐ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: CTN Department Code: RPS Contract Number (i.e., 15-123): 23*081
Amendment No.: 1 AMS Version No.: 2
Commencement Date: 9/05/2023 New Termination Date: 12/05/2027
Prior Contract No. (Synergen/CMS): _____
☐ Expense ☒ Revenue ☐ Increase ☐ Decrease
Amount This Amendment: \$ 0.00

Is there revenue included? ☐ Yes ☒ No If Yes \$ _____

***Funding Source(s) required: N/A**

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards)

☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:** _____

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Jeff Teplitsky

Department: Real Property Services

Telephone: 520-724-6306

Department Director Signature: _____

Date: 8/18/2023

Deputy County Administrator Signature: _____

Date: 8/18/2023

County Administrator Signature: _____

Date: 8/18/2023

Pima County Department of Real Property

Project: Lease Purchase Agreement

Contractor: American Battery Factory, Inc.

Contract No.: CTN-RPS-23*081

Contract Amendment No.: 01

| | | |
|---|--------------------------|------------------|
| Orig. Contract Term: 12/06/2022-12/05/2027 | Orig. Amount: | \$ 23,316,690.00 |
| Termination Date Prior Amendment: N/A | Prior Amendments Amount: | \$ 0.00 |
| Termination Date This Amendment: 12/05/2027 | This Amendment Amount: | \$ 0.00 |
| | Revised Total Amount: | \$ 23,316,690.00 |

CONTRACT AMENDMENT

The parties agree to amend the above-referenced contract as follows:

1. **Background and Purpose.**

1.1. Background. On 12/06/2022, County and Contractor entered into the above referenced Ground Lease Agreement.

1.2. Purpose. Contractor requires additional time to commence construction.

2. **REPLACE Section 1.3 in its entirety:**

From: *"Construction Commencement Date: the date that is 270 days after the effective date."*

To: *"Construction Commencement Date: the date that is 332 days after the effective date."*

3. **Section 5.** Is unaltered by this Amendment and will apply to the Construction Commencement Date as set forth herein.

All other provisions of the Contract not specifically changed by this Amendment remain in effect and are binding upon the parties.

PIMA COUNTY

Chair, Board of Supervisors

Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM

Deputy County Attorney

Kyle Johnson

Print DCA Name

08/17/2023

Date

CONTRACTOR

Authorized Officer Signature

Tyler Horton President

Printed Name and Title

8/17/2023

Date

APPROVED AS TO CONTENT

Department Head

8-17-2023

Date