



**BOARD OF SUPERVISORS AGENDA ITEM REPORT  
CONTRACTS / AWARDS / GRANTS**

Requested Board Meeting Date: December 13, 2016

or Procurement Director Award

**Contractor/Vendor Name (DBA):** Accelerate Diagnostics, Inc.

**Project Title/Description:**

Accelerate Diagnostics, a tenant in the Herbert K. Abrams Public Health building second one year lease extension.

**Purpose:**

This Seventh Amendment will extend the term of the lease for premises located on the entire fourth floor of the Abrams Public Health building for one additional year. The rental rate for 41,722 sq. ft. will remain \$19.80 as stipulated in Section 6a of the lease. Tenant has expanded from 30 employees to 130 employees in the past four years and wants to continue operating their science based bio-tech business at the current location in Tucson for another year.

**Procurement Method:**

Board of Supervisors Contracts Policy D 29.4.

**Program Goals/Predicted Outcomes:**

Accelerate Diagnostics, Inc. will continue to lease premises in Tucson which will provide \$899,489.29 in revenue from rent for the one year extended term. Tenant will also continue to be responsible for the payment of the electricity for Accelerate's equipment in the premises estimated at \$150,874.36.

**Public Benefit:**

The continuing presence of Accelerate Diagnostics employees will positively benefit businesses in Tucson and Pima County through monetary expenditures on housing, grocery stores, restaurants, retail or warehouse stores, entertainment, and special events.

**Metrics Available to Measure Performance:**

This Seventh Amendment to Lease will promote positive economic development in Tucson and Pima County.

**Retroactive:**

Not applicable.

REC'D DEPT OF PUBLIC WORKS  
12/14

To: COB-12-8-16 (1)  
pgs. 2  
Addendum

Procure Dept 12/08/16 PM03:00

**Original Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e.,15-123): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Prior Contract Number (Synergen/CMS): \_\_\_\_\_

Expense Amount: \$ \_\_\_\_\_  Revenue Amount: \$ \_\_\_\_\_

Funding Source(s): \_\_\_\_\_

Cost to Pima County General Fund: \_\_\_\_\_

Contract is fully or partially funded with Federal Funds?  Yes  No  Not Applicable to Grant Awards

Were insurance or indemnity clauses modified?  Yes  No  Not Applicable to Grant Awards

Vendor is using a Social Security Number?  Yes  No  Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

**Amendment Information**

Document Type: CTN Department Code: FM Contract Number (i.e.,15-123): 13\*55

Amendment No.: Seven AMS Version No.: Eight

Effective Date: January 13, 2017 New Termination Date: January 12, 2018

Expense  Revenue  Increase  Decrease Amount This Amendment: \$ 1,050,363.65

Funding Source(s): \_\_\_\_\_

Cost to Pima County General Fund: none

Contact: Melissa Loeschen

Department: Facilities Management Telephone: 724-8230

Department Director Signature/Date: [Signature] 12/8/16

Deputy County Administrator Signature/Date: [Signature] 12-8-16

County Administrator Signature/Date: [Signature] 12/8/16  
*(Required for Board Agenda/Addendum Items)*

<b>PIMA COUNTY FACILITIES MANAGEMENT DEPARTMENT</b> <b>LEASE: 3950 S. COUNTRY CLUB ROAD, ENTIRE 4<sup>th</sup> FLOOR</b> <b>TUCSON, ARIZONA</b> <b>TENANT: ACCELERATE DIAGNOSTICS, INC.</b> <b>LEASE NO.: CTN FM 13*55 - REVENUE</b> <b>LEASE AMENDMENT NO.: SEVEN (7)</b>	<b>CONTRACT</b>	
	NO. <u>CTN-FM-13-055</u>	
	AMENDMENT NO. <u>07</u>	
	This number must appear on all invoices, correspondence and documents pertaining to this contract.	

<b>ORIGINAL LEASE TERM:</b>	<b>01/13/13-01/12/16</b>	<b>ORIG. LEASE AMOUNT:</b>	<b>\$418,914.00</b>
<b>TERMINATION DATE PRIOR AMENDMENT:</b>	<b>01/12/17</b>	<b>PRIOR AMENDMENTS:</b>	<b>\$1,665,247.28</b>
<b>TERMINATION THIS AMENDMENT:</b>	<b>01/12/18</b>	<b>AMOUNT THIS AMEND:</b>	<b>\$1,050,363.65</b>
		<b>REVISED AMOUNT:</b>	<b>\$3,134,524.93</b>

**SEVENTH AMENDMENT TO LEASE**

Pima County ("Landlord") and ACCEL8 TECHNOLOGY CORPORATION, a Colorado corporation ("Tenant"), entered into a lease agreement for premises located at 3550 S. Country Club Road (the "Building") dated August 20, 2012 and amended on October 15, 2013, whereby Tenant's name was changed to ACCELERATE DIAGNOSTICS, INC. and subsequently amended on April 15, 2014, June 1, 2014, December 16, 2014, January 13, 2015 and February 16, 2016 (the "Lease").

1. The First Amendment to Lease dated October 15, 2013, Second Amendment to Lease dated April 16, 2014 and the Fourth Amendment to Lease dated December 16, 2014 expanded Tenant's premises to include the entire fourth floor of the Herbert K. Abrams Public Health Building which contains 45,885 useable square feet.
2. Landlord has received Tenant's written notice to exercise the second option to extend the term "Extension Term" as allowed in Section 3b of the Lease. One option to extend the term for one additional year remains.
3. **MODIFICATION OF LEASE.** Landlord and Tenant hereby agree to modify the terms of the Lease as set forth in this Seventh Amendment to Lease. Capitalized terms not otherwise defined in this Seventh Amendment to Lease have the meanings set forth in the original Lease unless otherwise revised by prior amendments. This Seventh Amendment to Lease will be effective when approved and executed by both parties.
4. **TERM.** The expiration date of the Lease is extended to January 12, 2018.

**REMAINING LEASE TERMS UNCHANGED.** Except as modified as provided in this Seventh Amendment, all of the terms and conditions of the Lease will remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Seventh Amendment to Lease as of the day, month and year written below.

**LANDLORD:**

PIMA COUNTY, a political subdivision of the State of Arizona

**TENANT:**

ACCELERATE DIAGNOSTICS, INC.  
a foreign corporation

\_\_\_\_\_  
Sharon Bronson, Chair, Board of Supervisors

\_\_\_\_\_  
Steve Reichling, Chief Financial Officer

Date \_\_\_\_\_

Date 12/7/2016

**ATTEST:**

\_\_\_\_\_  
Robin Brigode, Clerk of the Board

**APPROVED AS TO CONTENT:**

By: \_\_\_\_\_  
Lisa Josker, Director, Facilities Management Department

**APPROVED AS TO FORM:**

By: \_\_\_\_\_ 12/8/16  
Tobin Rosen, Deputy County Attorney