

Authorities Budget Office



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Griffiss Local Development Corporation

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October 3, 2025

Hon. Thomas P. DiNapoli
New York State Comptroller
Office of the State Comptroller
110 State Street
Albany, New York 12236

Hon. Andrea Stewart-Cousins
President Pro Tempore
New York State Senate
Legislative Office Building, Room 808
Albany, New York 12247

Hon. Jeanette M. Moy
Commissioner of General Services
Office of General Services, Corning Tower
Empire State Plaza
Albany, New York 12242

Hon. Carl E. Heastie
Speaker
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Hon. Blake G. Washington
Budget Director
New York State Division of Budget
State Capitol
Albany, New York 12224

Hon. Joshua Norkin
Director
State of New York
Authorities Budget Office
P.O. Box 2076
Albany, New York 12220-0076

Re: Explanatory Statement Pursuant to Public Authorities Law §2897(6)(d)
Griffiss Local Development Corporation to Bonacio Construction, Inc. (or its assignee)
Premises: 4.72+/- Acre Parcel situate at the Southeast Corner of NYS Route 825/Hanger Road
Intersection, Griffiss Business Park, Rome, New York

Dear Sir/Madam:

Griffiss Local Development Corporation ("GLDC") is a New York not-for-profit local development corporation formed pursuant to Section 1411 of the Not-for-Profit Corporation Law ("NPCL"). Pursuant to its Certificate of Incorporation, GLDC operates for the corporate purposes, among others, "of participating in the development and implementation of a comprehensive strategy to maintain, strengthen and expand the uses and viability of the former Griffiss Air Force Base in the City of Rome and Oneida County including, without limitation, the [Air Force's] Rome Laboratory" by "promoting and providing for additional employment". In furtherance of its corporate purposes, GLDC has been developing a 1,600+/- acre portion of the former Griffiss Air Force Base as a business and technology park (the "Griffiss Business Park").

By Quitclaim Deed dated January 8, 2004 and recorded in the Oneida County Clerk's Office on May 3, 2004 as Instrument No. 2004-009737 the United States of America, acting by and through the Secretary of the Air Force, conveyed to the Oneida County Industrial Development Agency ("OCIDA") a 87.896+/- acre portion of the former Griffiss Air Force Base commonly known as "Parcel F3A". OCIDA, in turn, leased all of those portions of Parcel F3A not previously conveyed to third parties (together with other premises) to GLDC pursuant to a lease agreement (the "Lease Agreement") whereby GLDC (a) has the right at any time during the lease term to acquire, for nominal consideration, the fee title to all or any portion of Parcel F3A not previously conveyed to third parties (collectively, the "Remaining Leased Premises"), (b) has the obligation to acquire such fee title at the end of the lease term, and (c) bears all of

the financial and other responsibilities relating to the Remaining Leased Premises that typically borne by the fee owners of real property. By virtue of the aforesaid provisions of the Lease Agreement, GLDC is deemed to be the beneficial owner of the Remaining Leased Premises, including the Subject Property (as hereinafter defined).

In addition to its powers under NPCL § 202, pursuant to NPCL § 1411(c) and its Certificate of Incorporation, GLDC is empowered "to sell, lease, mortgage or otherwise dispose of or encumber... any of its real or personal property or any interest therein upon such terms as it may determine". Thus, in view of the foregoing, GLDC is permitted to dispose of the Subject Property by means of a negotiated transaction under Section 2897(c)(vi) of the Public Authorities Law because "such action is otherwise authorized by law".

GLDC, by means of a negotiated transaction, intends to grant to Bonacio Construction, Inc. (or its assignee) an option to purchase a 4.72± acre parcel of land situate on the southeast corner of the NYS Route 825/Hangar Road intersection in the Griffiss Business Park (the "Subject Property") for a purchase price of \$80,000.00/acre (with the exact acreage to be determined by a survey). Under the terms of the real estate purchase and sale agreement which is to accompany the option agreement (the "PSA"), if Bonacio were to exercise its option and close upon the purchase of the Subject Property, it would be obligated to undertake and complete the construction of a 50,000± sq. ft., multi-story office building on the Subject Property within two (2) years after the closing. The transaction in the Option and the PSA would be in furtherance of GLDC's corporate purpose and mission.

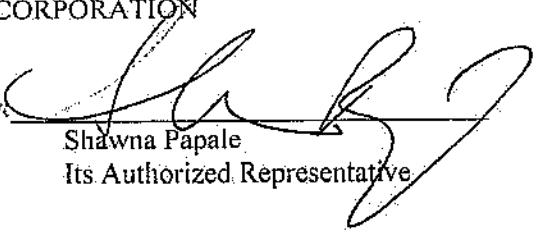
Based on an appraisal of those lands in the Griffiss Business Park which include the Subject Property, prepared for GLDC by Erik Stropp of Stropp Appraisal and last updated on May 2, 2025, the estimated fair market value (FMV) of the of the land comprising the Subject Property is \$72,000/acre. Assuming that the Subject Property is finally determined to be 4.72± acres in size, the FMV thereof based on the aforesaid appraisal would be \$339,840 ($\$72,000/\text{acre} \times 4.72\pm \text{ acres} = \$339,840$). As noted above, the total purchase price to be set forth in the proposed Option Agreement (and accompanying PSA), based on 4.72± acres, will be \$377,600 ($\$80,000/\text{acre} \times 4.72\pm \text{ acres} = \$377,600$). Since the negotiated option price of \$377,600 exceeds the Subject Property's appraised FMV of \$339,840, this would be an above fair market value transaction.

The Option Agreement will not become effective until a date which is ninety-one (91) days from the date of this Explanatory Statement.

Please feel free to contact the undersigned if you have any questions regarding this transaction.

Sincerely,

GRIFFISS LOCAL DEVELOPMENT
CORPORATION

By: 

Shawna Papale
Its Authorized Representative