



Griffiss Local Development Corporation
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Authorities Budget Office

September 1, 2023

OCT 18 2023

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New York State Comptroller Office
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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
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. Jeffery H. Pearlman
Director
State of New York
Authorities Budget Office
P.O. Box 2076
Albany, New York 12220-0076

RECEIVED

Re: Statement Pursuant to Public Authorities Law §2897(6)(d)
Griffiss Local Development Corporation to Arcfield Acquisition Corp.
Sublease of Office Space in Building 776
474 Phoenix Drive, Griffiss Business Park, Rome, N.Y.

Dear Sir/Madam:

Griffiss Local Development Corporation ("GLDC") is a New York not-for-profit local development corporation. 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 August 21, 2001, and recorded in the Oneida County Clerk's Office on January 7, 2002, 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 portion of the former Griffiss Air Force Base commonly known as "Parcel F4B". OCIDA, in turn, leased Parcel F4B to GLDC pursuant to a lease agreement (the "Lease Agreement") whereby GLDC has the right to acquire, for nominal consideration, the fee title to any portion of Parcel F4B not previously conveyed to a third party. By virtue of the aforesaid provision as well as other provisions of the Lease Agreement, GLDC is deemed to be the beneficial owner of the premises described therein. Parcel F4B includes that certain office building known as Building 776 located

at 474 Phoenix Drive, Griffiss Business Park, Rome, New York.

GLDC hereby submits this explanatory statement pursuant to Section 2897(6)(d) of the Public Authorities Law.

According to a Market Rent Comparability Study prepared for GLDC by Stropp Appraisal dated January 4, 2021 for office space located within the City of Rome's commercial rental market, fair market rent for office space within Building 776 falls in the \$16.00 to \$23.00/sq. ft. range plus electricity (the "Applicable Market Rate Range").

GLDC proposes to sublease to Arcfield Acquisition Corp., a Delaware business corporation which is engaged in the business of systems engineering and integration in the area of cybersecurity and otherwise ("Arcfield"), office space located in Building 776 (the "Building 776 Space") at an annual base rent of \$18.75/sq. ft., plus electricity (based on a gross leasable area of 12,435 sq. ft.) for an initial term of five (5) years beginning on January 1, 2024, with options to renew for two (2) successive terms of three (3) years each.

Based on the above-referenced Market Rent Comparability study, and GLDC's own experience in and knowledge of the Rome, New York commercial rental market, GLDC is of the opinion that the annual base rent of \$18.75/sq. ft., plus electricity, to be paid by Arcfield for the Building 776 Space falls within the Applicable Market Rate Range rate for comparable office space in Rome, New York commercial rental market.

This is a proposed disposition by negotiation. The proposed lease with Arcfield is in keeping with GLDC's mission of attracting and retaining employment in the research and technology industries to support Rome Laboratory.

This Project is in keeping with a key development objective for Griffiss Business Park, which is to strengthen the presence of the Air Force's Rome Laboratory and attract like private sector technology and knowledge-based jobs to the Mohawk Valley region.

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

Sincerely,

GRIFFISS LOCAL DEVELOPMENT
CORPORATION

By: 

Its Authorized Representative