



**Griffiss Local Development Corporation**

584 Phoenix Drive • Rome, New York 13441

315-338-0393 • 800-765-4990 • Fax 315-338-5694

EMAIL: info@mvedge.org • www.mvedge.org

Authorities Budget Office  
2/3/2021  
Received

February 3, 2021

Via electronic mail (info@abo.ny.gov)

Re: Statement Pursuant to Public Authorities Law §2897(6)(d)  
Griffiss Local Development Corporation to BAE SYSTEMS Information Solutions, Inc. ("BAE Solutions") Sublease Premises: a portion of Sublessor's Building 798 (First Floor) and BAE SYSTEMS Information and Electronic Systems Integration, Inc. ("BAE SYSTEMS") Sublease Premises: a portion of Sublessor's Building 798 (Second Floor) and a portion of Sublessor's Building 774.

All located in the Griffiss Business & Technology Park, Rome, New York.

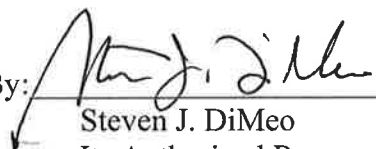
Dear Sir/Madam:

This email is being sent in response to your request of January 29, 2021 in connection with the above explanatory statement. The rental rate charged on the BAE lease renewal for the 798-1 Premises for the renewal term is \$19.95 from November 1, 2020-October 31, 2021, \$20.60 from November 1, 2021-October 31, 2024, and \$21.65 from November 1, 2024-October 31, 2025. The option term rental rates start at \$21.85 and end at \$23.15.

Each of the rental rates identified above is at or above market rates as identified in the Stropp Market Study referenced in the explanatory statement dated January 25, 2021.

Sincerely,

GRIFFISS LOCAL  
DEVELOPMENT CORPORATION

By:   
Steven J. DiMeo  
Its Authorized Representative



Authorities Budget Office

ECONOMIC DEVELOPMENT GROWTH ENTERPRISES CORPORATION  
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JAN 29 2021

January 25, 2021

RECEIVED

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

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

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

Hon. Robert F. Mujica, Jr.  
Budget Director  
New York State Division of Budget  
State Capitol  
Albany, New York 12224

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

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

Re: Statement Pursuant to Public Authorities Law §2897(6)(d)  
Griffiss Local Development Corporation to BAE SYSTEMS Information Solutions, Inc. ("BAE Solutions") Sublease Premises: a portion of Sublessor's Building 798 (First Floor) and BAE SYSTEMS Information and Electronic Systems Integration Inc. ("BAE SYSTEMS") Sublease Premises: a portion of Sublessor's Building 798 (Second Floor) and a portion the Sublessor's Building 774.

All located in the Griffiss Business & Technology Park, Rome, New York

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").

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

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 those certain buildings known as Building 798 and Building 774 (the "Facility").

GLDC currently leases a portion of building 798 (798-1) to BAE Solutions and a portion of building 798 (798-2) and building 774 to BAE SYSTEMS pursuant to certain sublease agreements as follows:

1. Sublease dated June 15, 2010 – (building 798-1 – BAE Solutions)
2. Sublease dated February 11, 2009 – (building 798-2 – BAE SYSTEMS)
3. Sublease extension dated April 1, 2011 – (building 774 – BAE SYSTEMS)
4. Sublease extension dated August 23, 2018 (building 798-1 - BAE Solutions)
5. Sublease extension dated June 20, 2018 (building 798-2 and building 774 - BAE SYSTEMS)

The term of the BAE Solutions (item 4 above) and the BAE SYSTEMS (item 5 above) subleases each expire on October 31, 2021. BAE Solutions had advised GLDC that it immediately needed to construct a secure facility in the 798-1 premises to fulfill its obligations under a government contract and has requested that its sublease be extended and have a renewal date of November 1, 2020 and a five-year term expiring October 31, 2025. Under the terms of the extension, BAE Solutions has three (3) additional three (3)-year options to renew.

BAE SYSTEMS has advised GLDC that it wishes to extend its sublease for a renewal term of five (5) years commencing November 1, 2021 and terminating October 31, 2026. Under the terms of the extension, BAE SYSTEMS has two (2) additional three (3)-year options to renew.

Due to the construction schedule, the renewal of the Sublease for 798-1 has occurred prior to the date of this notice.

Based upon the information available to Landlord, including the appraisal of Stropp Appraisal dated January 4, 2021 which opines that typical market rents in the City of Rome for similar properties range from \$16.00 to \$23.00 per square foot for building 774, and \$18.00 to \$24.00 per square foot for building 778, and Landlords knowledge of the Rome, New York, commercial rental market, GLDC believes that the base rent payable by BAE Solutions and BAE SYSTEMS under the subleases will equal or exceed the commercial market rental rate for comparable space.

This is a disposition by negotiation. The lease extensions have been negotiated with the existing tenants occupying the three (3) facilities in keeping with landlord's mission of attracting and retaining employees in the research and hi-technology area to support Rome Laboratory. BAE SYSTEMS and BAE Solutions employ approximately 99 people in the Griffiss Business Park in

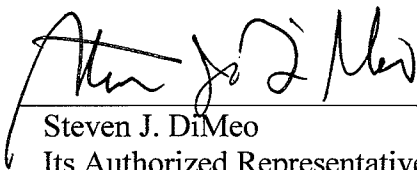
furtherance of that objective. Furthermore, since the leased facilities have been adapted for use by the tenants, the lease extensions will avoid any additional renovation expenditures by Landlord.

The 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:   
\_\_\_\_\_  
Steven J. DiMeo  
Its Authorized Representative