



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

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September 2, 2022

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. John J. Flanagan
Office of Temporary President
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. Jeanette M. Moy
Commissioner
Office of General Services
Corning Tower
Empire State Plaza
Albany, New York 12242

Hon. Jeffery 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 Kelberman Center, Inc.
Sublease of Office Space on the Second Floor of Building 796
725 Daedalion 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 796 located at 725 Daedalian Drive, Griffiss Business Park, Rome, New York.

GLDC hereby submits this explanatory statement pursuant to Section 2897(6)(d) of the Public Authorities Law. This explanatory statement amends and restates, in its entirety, GLDC's August 23, 2022 explanatory statement regarding the above-referenced transaction.

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 796 falls in the \$16.00 to \$23.00/sq. ft. range plus electricity (the "Applicable Market Rate Range").

GLDC proposes to sublease to Kelberman Center, Inc., a New York not-for-profit corporation which provides autism services for children, adults and families in the Mohawk Valley and Central New York regions ("Kelberman"), office space located on the second floor of Building 796 (the "Building 796 Space") at an annual base rent of \$18.00/sq. ft., plus electricity (based on a gross leasable area of 4,499 sq. ft.) for an initial term of thirty three (33) months beginning on December 1, 2022, with options to renew for two (2) successive terms of twelve (12) months 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 \$18.00/sq. ft., plus electricity, to be paid by Kelberman for the Building 796 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 Kelberman is in keeping with GLDC's mission of promoting and providing for additional employment in the Griffiss Business Park.

GLDC expects that the above-referenced lease will occur on December 1, 2022.

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