Authorities Budget Office

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July 22, 2026

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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 Stewert – Cousins
Office of Temporary President
New York State Senate
Legislative Office Building, Room 808
Albany, New York 12247

Hon. Blake G. Washington
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. 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 Black River Systems Company, Inc.
Sublease of 9,890± sq. ft. of Office Space in Building 770
428 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 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 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 770 located at 428 Phoenix Drive, Griffiss Business Park, Rome, New York.

According to a Market Rent Comparability Study prepared for GLDC by Stropp Appraisal dated October 28, 2024 for office space located within the City of Rome's commercial rental market, fair market rent for office space in Building 770 falls in the $15.00 to $20.00/sq. ft. range, plus electricity (the "Applicable Market Rate Range").

GLDC proposes, by means of a negotiated transaction, to sublease to Black River Systems Company, Inc. ("BRS") 9,890± sq. ft. of office space located in Building 770 (the "Building 770 Space") at an annual base rent of $19.00/sq. ft., for an initial term of five (5) years, plus electricity (based on a leasable area of 9,890± sq. ft.) with options to renew for a first renewal term of three (3) years (at $19.50/sq. ft.) and a second renewal term of three (3) years (at $19.75/sq. ft.).

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 $19.00/sq. ft. (and increasing thereafter as set forth above), plus electricity, to be paid by BRS for the Building 770 Space falls within the Applicable Market Rate Range rate for comparable office space in Rome, New York commercial rental market.

The proposed lease with BRS is in keeping with GLDC's corporate purposes and mission of promoting and providing for additional employment in the Griffiss Business Park. Besides its powers under NPCL § 202, pursuant to NPCL § 1411(c) and its Certificate of Incorporation, GLDC, acting in furtherance of its corporate purposes, 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 expects that the term of the above-referenced sublease will commence not less than ninety (90) days after 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: _____

Marc Barraco
Authorized Representative