

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT MEETING
SPECIAL MEETING
TUESDAY, JUNE 1, 2010 (finalized 6.11.10)

MEMBERS PRESENT: Frederick C. Braun, Chairman
Ronald J. LaVita
John Rose
Gasper C. Celauro (Newly Appointed)
Peter G. Moloney
Joseph R. Kessel
Ann-Marie Scheidt

ALSO PRESENT: Mark Lesko, Town Supervisor
Lisa M. Giannusa, IDA CEO
James Ryan, IDA CFO
Howard Gross, Esq., IDA Bond & Transaction Counsel
Annette Eaderesto, IDA General Counsel
Stacey Epifane, Supervisor's Deputy Chief of Staff
Paul Pontieri, Economic Development
Jocelyn Brinka, IDA Assistant
Kathleen M. Estabrook, Administrative Assistant

CONFERENCE PHONE: William Weir, Esq., IDA Bond & Transaction Counsel
Doug Henton (Chairman/CEO), Collaborative Economics (CEI)
John Melville (President), Collaborative Economics
Tracey Grose, V.P. Research and Strategic Development

Chairman Braun opened this special meeting at 4:05 P.M. on Tuesday, June 1, 2010, in the Economic Development Conference Room on the Second Floor at Brookhaven Town Hall, One Independence Hill, Farmingville, NY.

The Board went into Executive Session almost immediately for reasons of pending litigation. NO action was taken while in Executive Session.

At 4:15 P.M. all attendees were invited into the Conference Room.

Mr. Braun informed all that the State's Tax Assessment Fee (\$195,396.00) being imposed on the Town of Brookhaven Industrial Development Agency, has been dropped. He added that those Agencies who did pay will have their money refunded.

Hiring of Consultant to Assist in the Design and Launch of Long Island Connect

At the NYS Economic Development Council Convention he recently attended with Ms. Giannusa, Mr. Braun said he heard a lot of positive things going on around the State about blighted properties, technology transfer, SUNY'S Master Plan, etc. He said it seems all are headed in the same direction, but he does not see anybody putting the whole thing together. "Hiring a consultant to prepare a Master Plan for us, could do that." He believes that by hiring a consultant off Long Island, especially this consultant (Doug Henton) and the success his firm has had, will provide us with what we need to get this project off the ground.

At this time, Mr. Braun invited the members to speak to Mr. Henton (the consultant from Collaborative Economics Inc. (CEI) and pose any questions they might have. However, Mr. Lesko first expressed his appreciation to the IDA and said he understood any hesitancy with moving forward so quickly and wanting to explore this new venture thoroughly. However, he believes it is possible with Mr. Henton's help to achieve our ultimate goal of more technology, jobs and a vibrant new economy. He would like to move quickly and take advantage of this opportunity. He did mention the dozens of studies done in the past that were not moved on and sitting on bookshelves. No one wants a repeat of that. He cited the massive study done on the Carmen's River project and no one, until recently, knew that this report was done. Mr. Lesko then spoke about the additional staffing that was discussed at the May IDA meeting, and said he would like the additional staffing to coincide with the development of the Long Island Connect plan.

Mr. Lesko said that Mr. Henton has been extremely successful in the past in developing technology clusters and he is confident that CEI will be able to provide a regional approach to creating a technology-based economy. In answer to Mr. Moloney's question on whether he has contacted other IDAs, he answered by saying both Nassau and Suffolk Counties are very interested in being supportive. He would also want all eight Industrial Development Agencies on board and to band together. He will be reaching out to other agencies and institutions. He added that he will be targeting private areas, not political. Huntington Town, even though

they do not have an IDA, is very interested, and Mr. Lesko thinks Islip will cooperate. However, he made it clear that he wants Brookhaven to lead the way.

Ms. Scheidt cited the many programs that Stony Brook has worked on and said that these diverse programs have created and saved 17,000 jobs. She added that even though it was done piecemeal, Stony Brook would like to coordinate all of these efforts. “How many more jobs would have been created if these programs could be welded into a single, unified effort?” Stony Brook has worked with many organizations, “but what is needed is a program that says we on Long Island are going to focus on job creation and job retention” in high-tech and bio-tech fields. She believes the time has come and it “is long overdue”. Mr. Lesko spoke about a pharmaceutical company who is planning to leave Long Island and they will be met by the Town to see if they will re-consider their plans and stay on Long Island. Ms. Scheidt said it so happens that a bio-medical building is available at Stony Brook. Mr. Lesko made it clear that this “is a long shot”, but it’s worth looking into.

At 4:30 P.M., contact was made with Mr. Weir and Mr. Henton (thanks to the efforts of Ms. Brinka). Mr. Henton was joined by his colleagues Mr. Melville and Ms. Grose. The Board members, and others present, introduced themselves to the phone conferees. Then Mr. Henton spoke of his credentials and his plans for the proposal requested by Mr. Lesko.

Mr. Braun asked about a design team and how they will be assembled and who gets to pick those folks. Mr. Henton said that CEI is working on this right now and they are looking at the key institutions and labs with technology capabilities. He also said he will be meeting with people who will be important to financing this endeavor. The first phase is getting the key people who will help to put this whole piece together. Mr. Moloney asked how they would reduce fragmentation and what is a regional stewardship? Mr. Henton responded by saying that CEI has written books on this. Fragmentation can be averted by regional stewardships which are made up of people taking responsibility for the results. Civic entrepreneurs, in answer to Ms. Scheidt’s question, are very important as they are results oriented and willing to take chances for change. They also have a passion for results. Mr. Lesko said that Long Island and the Town of Brookhaven have produced fairly expensive studies, but there was no

follow-up. Mr. Henton said that an entity of effort is needed to spearhead a movement. The people they work with implement their own studies and reports. In November they will have a design on how to finance an entity and what the roles are for different players.

Mr. Rose asked about how to recognize the clusters of opportunity. Mr. Henton said CEI is familiar with the clusters on Long Island by looking at data and updating their work. Mr. Rose then asked about action teams and how many there are. Mr. Henton said the two major ones are in Health and Energy. Mr. Rose asked how long it took to see results with his last project (San Diego). Mr. Henton said that within 6 months they had launched some very active and interesting results. He added that it is extremely necessary to merge business with high technology.

Supervisor Lesko excused himself from the meeting at 4:50 P.M.

Mr. Braun asked what kind of progress reports will take place within the six months, to which Mr. Henton said “after each task”. He will be here in July to do interviews and to make a presentation around the quantitative analyses.

Mr. LaVita asked if Phase 1 could be called the Blueprint. Mr. Henton agreed and said that Phase 2 would be full funding - the goal being to figure out how to get the appropriate financing. Mr. Henton said there are Federal possibilities and some State opportunities. He understands the budget deficit right now with the economy, said there are still some very successful people in the private sector who are willing to make investments. It will be very important to mobilize private funding to help move this endeavor forward.

At 4:55 P.M. the phone conference ends.

Ms. Eaderesto will draw up a contract for the \$60,000. Mr. Braun said we do not know where it is going to go from here. Ms. Scheidt then mentioned the DARE competition last week and explained how they get their funding. She added that the Economic Development Administration has been untapped and may be a resource for us.

Ms. Eaderesto received a contract from CEI and has revised it as it calls for attachment and a payment schedule. She added that the boiler-plate is done. Mr. Braun stated that basically this initiative is all on the Town of Brookhaven.

The resolution to move forward was made by Ms. Scheidt, seconded by Mr. Moloney, and all were in agreement.

Ms. Giannusa reminded the Board of the July 19, 2010 LIBDC annual dinner meeting sponsored by the Brookhaven IDA. It will be held at Lombardi's on the Bay, beginning at 5:30 P.M. Mr. Pontieri will make the Opening Remarks and Supervisor Lesko will be the Featured Speaker.

Mr. Braun made the motion to approve the \$2,000 sponsorship of the dinner, seconded by Mr. LaVita, and unanimously approved.

At 5:05 P.M., Mr. Kessel made the motion to adjourn the meeting, seconded by Mr. LaVita, and unanimously approved.

The next regular IDA meeting is scheduled for June 14, 2010 in the Work Session Room.

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