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## WHITE PAPER

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# *Long Island's Future: Innovation and Infrastructure*

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THE REAL ESTATE INSTITUTE AT STONY BROOK UNIVERSITY  
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The April 2015 Symposium sponsored by the Real Estate Institute at Stony Brook University addressed issues of paramount importance to the future of the Long Island community. This White Paper focuses on those issues by presenting the opinions, observations and suggested solutions of the Symposium's esteemed speakers who are contributing their considerable professional skills, seemingly boundless energies and enthusiasm to ensuring that life on Long Island will continue to be as attractive and rewarding as it has been in the past.

With both Manuel London, Dean of the Stony Brook University College of Business, and Dr. Richard Vogel, Dean of the School of Business at the Farmingdale College, participating together with Stony Brook students being part of the audience, Vincent E. Giovinco, Chairperson of the Real Estate Institute, set forth in his opening remarks that the Symposium's program consists of two sessions, each with its own distinguished panel. The first session focused on innovating the economy; the second session described the needed infrastructure to improve the quality of life on Long Island.

John Kominicki, President of Innovate Long Island, served as the first session's moderator for panel members Andrew Hazen, Co-founder and CEO of LaunchPad, Peter Goldsmith, President of LISTnet, Teri Willey, Vice President of Cold Spring Harbor Laboratory, Business Development & Technology Transfer, Mark Lesko, Executive Director of Accelerate Long Island and David Hamilton, Director of Business Development for the Clean Energy Business Incubator Program.

John introduced the concept of an innovative economy with its historical antecedents being labeled Hi-Technology and Hi-Fidelity. Mark then explained that the foundation and pillars of an innovative economy for Long Island are its research institutions (e.g., Stony Brook University, Brookhaven National Laboratory, Cold Spring Harbor Laboratory, Hofstra University, Farmingdale State College, Adelphi University, Dowling College and Molloy College to name a few). With the intellectual density of such institutions, much research is being achieved resulting in enterprising commercial applications. Mark recited a number of well financed entrepreneurial start-up companies on Long Island formed in the last several years that have benefited from these institutions' research-derived initiatives and inventions.

Peter expanded on Mark's thoughts by identifying and explaining the workings of Long Island's "five legs" of support of New York City's "Silicon Alley". That is: 1. LISTnet; 2. LaunchPad; 3. Long Island Angel Network; 4. Accelerate Long Island and 5. Comets Connections. Peter explained that Andrew Hazen and he have created a tech task team with the domain name of *TechnologyIsland.net*, Andrew then discussed LaunchPad's coordination and collaboration with local government, commercial property owners and start-up entrepreneurs (e.g., E-Gifters, Charity Wait and Slip Finders).

With at least a hundred million dollars of annual research being invested at Cold Spring Harbor Laboratory combined with the Laboratory hosting annual seminars with some 30,000 attending from around the world, Teri Willey noted that such has resulted in a number of “spin out” companies emerging with specific product developments being employed by pharmaceutical companies on an international level. Teri also commented on the workings of the Broad Hollow Bio Science Park and how it, too, is benefiting a number of start-up bio tech companies.

David then explained the methodology of his clean energy incubator program targeting clean energy start-up companies and assisting them in sourcing the substantial capital required for this burgeoning industry which has a relatively long lead time for successful commercialization. By way of example, David spoke about the Therma Lift company and its natural gas heat pump technology which utilizes natural gas to replace expensive electrical operating heating and air-conditioning systems thereby saving homeowners significant monies. With residential energy costs being relatively much higher than elsewhere in many parts of the country, Long Island will substantially benefit from integrating alternative energy technology such as the innovation Therma Lift is presently developing.

David, Andrew and Peter all spoke about their various initiatives and strategy to effectively address and overcome the bureaucratic “silos” of resistance to innovation and the need to be both persistent and patient in not accepting no for an answer to well thought-out innovative ideas.

Given questions from the audience, the panel discussed means of encouraging start-up companies to remain on Long Island ranging from improving the work/housing/social density areas to “call back” provisions in agreements for fundings advanced to the start-up companies which, for example, Accelerate Long Island requires in their agreements. Panel discussions then ensued about the residual benefits of healthy company exits in terms of talent and resources left behind and how to best nurture them. Both the panel members and participating members of the audience agreed that, in addition to a good business plan and access to funding, successful start-up innovative companies require good business management because investors invest in the “team”, more than simply in the technology.

In convening the second panel discussion on infra-structuring for the future, moderator Michael Stoler, President of New York Real Estate TV and Managing Director of Madison Realty Capital, asked panelist Donald Monti, President and CEO of Renaissance Downtowns, to discuss the importance of downtown infrastructure vis-a-vis overcoming community resistance to change by encouraging local residents to become involved in what Don referred to as crowd source placement.

As the CEO of the Long Island Builders Institute and a commissioner on the MTA Board, Mitchell Palley focused his remarks on governmental agencies becoming more responsible in providing infrastructure money ranging from additional sanitary sewage disposal systems needed in unsewered or insufficiently sewerred areas to transit-oriented developments that will include particular items such as enhancing Long Island Railroad station parking. David Calone, Chairman of the Suffolk County Planning Commission, supported this interesting and timely discussion on soft transportation assets.

Kevin Law, President and CEO of the Long Island Association, also outlined the multi-pronged challenges and some solutions for needed improvements in the infrastructure reflective of current and anticipated demographics and our future work force vis-a-vis the combined brain drain and birth dearth. Attracting and retaining the 19 to 34 year olds from the New York City labor pool by improving transit to and from NYC will prove to be very helpful.

In response to the expressed need to coordinate the proximity of the work and housing environment, David spoke about projects such as the New Village in Patchogue, the Ronkonkoma Hub and the Huntington Station AvalonBay Development. The other panel members joined in on the discussion of the opportunities of infra-structuring housing in the downtown areas with their mass transit assets and with corresponding economic housing rental rates which will be attractive to our young work force. Both David and Kevin discussed the potential benefits of municipal organizations (i.e., Nassau and Suffolk counties) which provide the exact same services merging into a singular “Long Island County”. That said, they acknowledged that such an idealistic merger was not presently politically feasible but the discussion underscored the benefits of a closer coordination between the two counties in terms of regional infrastructure development.

Kevin continued to emphasize the need to grow and to invest in more mixed-use, multi-family housing in the downtown areas with a key component in doing so being the provision of increased sewage capacity, especially in Suffolk County. Kevin also spoke about various ways to strengthen our heritage industries (e.g., fishing and agriculture) especially nursery products and our tourism-benefitting vineyards.

Mitchell and Michael exchanged their views on affordable housing and the need for responding to a variety of income levels for multi-family housing as a complement to Long Island’s single family housing with an emphasis on mixed-use retail and housing development.

A final question from the Institute’s Vice Chairperson, Richard DiGeronimo, spurred further conversation regarding the need for public/private partnerships to assist in funding various infrastructure projects with an example of such being the Albanese organization’s Wyandanch project.

The conclusions expressed by both panel groups were that to continue to prosper, Long Island must focus on developing new, and improving its current, infrastructure which will require the coordinated assistance and collaboration of both the private and public sectors. That the time has come for leaders on Long Island to embrace and accept this sea change and to do so with urgency.