



From the Editor's Desk

Hanley's Highlights

by Jeff Hanley

Associate Director, Building and Realty Institute (BRI), *Impact* Editor

Decisions on Examining a Variety of Industry Issues

ARMONK

So, where does one start? Readers of *IMPACT* will probably ask themselves that question after a glimpse at the variety of reports in this issue. A series of updates on key issues affecting members of the BRI and the building, realty and construction industry are featured. They include:

- ◆ A comprehensive look at the 2017 Legislative Session in Albany. The Page One report was authored by The Riddell Group (TRG), lobbying consultants to the BRI. The article details how TRG and the BRI recently followed - and opposed - 36 Assembly and 20 Senate bills, with more than 95 percent of those proposals having a negative impact on the building, realty and construction industry;
- ◆ An analysis on Page One detailing how the activation of more restrictive local Building Standards was recently stayed (pending a final approval). The report highlights how the building, realty and construction industry "caught a break toward the waning hours of the legislative session" with the passage of a bill through both the Assembly and Senate that "levels the playing field a bit" for builders of new residential, commercial and industrial projects;
- ◆ A Page One study detailing how Rockland County Executive Ed Day (R) recently issued an Executive Order that forbids county departments from issuing necessary permits for developments that have not complied with the County Planning Department's vision for development;
- ◆ A report on Page One on the recent actions of The Westchester County Rent Guidelines Board - a 1 percent increase for a One-Year Lease Renewal and a 1.5 percent increase for a Two-Year Lease Renewal - and the effects of those disappointing decisions upon members of the Apartment Owners Advisory Council (AOAC) of the BRI, as well as the overall building and realty industry;
- ◆ A Page One article on the recent dividend announcements of New York State Workers Compensation Groups 458 and 530;
- ◆ A report on Page One on the second Vendor Showcase of the BRI. The showcase is scheduled for Oct. 5, from 4:30 p.m. to 8:30 p.m., at The Crowne Plaza Hotel in White Plains;
- ◆ A thorough Photo Montage in the center of this edition on the 28 major membership meetings and seminars of the BRI in the first-half of this year. Those meetings and seminars dealt with serious issues affecting the building, realty and construction industry throughout the Westchester and Mid-Hudson Region and New York State. The report also reviews how the staff of the BRI participated

in a series of events as part of the association's continuing Membership Outreach/Recruitment Programs;

- ◆ An article on the BRI's new radio show on WVOX 1460 AM. The show, entitled "Building Knowledge with the BRI," is on the air every Friday from 11:30 a.m. to noon. The program has been well-received by members of our association;
- ◆ A study from The National Association of Home Builders (NAHB) showing that builder confidence in the market for newly-built single-family homes weakened slightly in June, but still remains at a strong level;
- ◆ An analysis in Insurance Insights examining key exclusions on General Liability Policies. The report was written by Ken Furst and Jason Schiciano, presidents of Levitt-Furst Associates, Ltd. Levitt-Furst is the Insurance Manager for the BRI and its affiliate organizations;
- ◆ A study in Counsels' Corner on legal support processes for an "Emotional Support Animal Request." The article, which should be read by Owner/Manager members of the BRI, was written by Finger and Finger, A Professional Corporation. The firm is Chief Counsel to the BRI and its component associations;
- ◆ A critique in Co-op and Condo Corner on how plans are fully underway for future Membership Meetings of The Cooperative and Condominium Advisory Council (CCAC) of the BRI. The article was written by Diana Virrill, chair of the CCAC;
- ◆ A special report on the Public Policy Implications for cities that never sleep, also known as "24/7 cities." The interesting and thorough study was written by Andrea Olstein;
- ◆ An article from Maggie Collins, director of membership for the BRI, on how the staff of our association remains very busy - and always available to our members and our industry - during the summer months;
- ◆ A study in Tech Talk examining the trends in Web Design. The report was authored by Andrea Wagner of Wagner Web Designs.

Once our readers make their respective decisions on where to start reading the many important reports in this issue, our staff is sure that those readers will find this edition to be informative.

Here's hoping everyone enjoys the remainder of the summer. As my Grandmother Ethel Hanley always said, enjoy the season - because, as you grow older, summers become nothing more than long weekends!

Co-op and Condo Corner



By Diana Virrill, Chair,
The Cooperative and Condominium
Advisory Council (CCAC)

Plans Are 'In the Works' for Future Membership Meetings of The Cooperative and Condominium Advisory Council (CCAC)

WHITE PLAINS

As members of Boards of Directors of Co-ops and Condos know, there is really no end to the many operating issues that face those buildings and complexes.

Members of those boards can be assured that the Board of Directors of The Cooperative and Condominium Advisory Council (CCAC) always keeps that fact in mind. Our board is always examining what topics on the key processes involving Co-ops and Condos should be examined at our Membership Meetings and Seminars. Accordingly, we met on Jun. 21 to plan our association's upcoming meetings for the fall - and beyond!

CCAC Board Members Clementine Carbo, Peg Conover, Jane Curtis (vice chair of the CCAC), Dori Engley, Pat Kinsey, Michele Lavarde and myself were at the Jun. 21 Planning Session. We were joined by Albert Annunziata, executive director of the CCAC and our affiliate organization, The Building and Realty Institute (BRI), and Jeff Hanley, associate executive director of the CCAC/BRI. Also participating were Dan Finger, Esq., of Finger and Finger, A Professional Corporation, chief counsel to the CCAC/BRI, and Pat Clair of Levitt-Furst Associates. Levitt-Furst Associates is the Insurance Manager of the CCAC/BRI.

A lengthy discussion was held at the meeting on the topics that the CCAC has examined at its Membership Meetings from 1995 to this year. The discussion also focused on what topics needed to be re-examined at our programs in the months ahead. After more than 2.5 hours of discussions, we decided upon the following topics for our next Membership Meetings:

* For the early fall, a panel discussion on interviewing prospective purchasers. The panel will feature legal experts, as well as representatives from the Realtor and Insurance Sectors. It was decided that, in addition to the Co-op Perspective, scenarios involving Condo Purchases would also be reviewed at the meeting;

* For early November, a presentation reviewing Budget Preparation Processes for boards of Co-ops and Condos.

The dates of each meeting will be finalized in the weeks ahead. As always, members of the CCAC and the BRI will be promptly notified of all details on each event.

And there is more! Our board also agreed on topics for future Membership Meetings of the CCAC:

- * Insurance: Building Replacement Cost Limits and Ordinance/Law Limits.
- * Co-op/Condo Insurance 101 - The Basics for Board Members.
- * How to Deal with Noisy Neighbors.
- * How Boards Can Deal with Late Maintenance and Common Charge Payments.
- * How Boards Can Deal with Smoking Issues.
- * Increasing the Reserve Funds of Co-ops and Condos.

So there it is - our schedule for the remainder of 2017, as well as for most of 2018. As with our next two Membership Meetings, the dates and details on the previously-mentioned meetings will be sent to all CCAC/BRI members as they are scheduled and finalized.

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Insurance Insights

by Ken Furst and Jason Schiciano
Levitt-Furst Associates



Key Exclusions on Your General Liability Policy Part One of a Two-Part Series on Insurance Policy Exclusions

TARRYTOWN

All businesses (including construction contractors/builders, condos, co-ops, apartment buildings, and property managers) typically maintain Commercial General Liability (CGL) Insurance.

Most carriers providing CGL Insurance utilize boilerplate policy language (published by Insurance Services Office, Inc. ["ISO"]), which contains standard coverage and exclusion language, regardless of the type of business being insured.

For instance, the ISO "CG 00 01 04 13" policy form could be used for both a general contractor and a landlord. The "standard" CGL policy language is often supplemented by various endorsement and/or exclusion forms, which can broaden and/or restrict coverage beyond the standard CGL provisions.

In very general terms, the most important CGL policy coverages for Builders Institute (BI)/Building and Realty Institute (BRI) members involve protection against damages (e.g. judgements/settlements), and related legal fees, for claims involving "bodily injury" to a person or "property damage" to a person's or company's property. The CGL policy also provides coverage for "products/completed operations," "personal/advertising injury," and "medical payments."

Important Points

While it is important to know what a CGL policy covers, it is equally, if not more important, to know what the policy does NOT cover (i.e. the policy's "exclusions").

There are many exclusions common to all CGL policies, but among the most relevant for BI-BRI members are:

Contractual Liability - Liability you or your company assume, as a result of entering into a written contract (this exclusion can be offset by way of an "Additional Insured" endorsement, which obligates your insurer to provide coverage, under certain conditions, for an entity and/or person you properly identify as an additional insured party).

Pollution - Virtually all types of claims involving pollutants are excluded. Claims involving bodily injury from pollutants are

excluded, such as sickness from inhaling mold, lead paint poisoning, or asbestos exposure. Claims involving property damage from pollutants are excluded, such as damage to a building's interior due to mold, or ground contamination from a chemical or oil spill. These types of claims can be covered via a separate Environmental Pollution Liability Policy.

Damage to Your Work - If you are a contractor building a home or office building, and the brick wall you construct falls on someone causing injury, or falls on a car causing damage, then the liability associated with these claims is covered by the CGL policy. However, the cost to rebuild the wall that collapsed is not covered. Similarly, even in the absence of an injury or property damage, if your work is defective, the CGL policy will not cover the replacement of your defective work.

Electronic Data - Claims for liability caused by issues with electronic systems (such as computers or networks) or data (such as files on an external drive, or laptop) are not covered by the CGL policy. "Cyber Liability/Data Breach" Policies - if they include coverage for liability to others - can address this CGL exclusion.

Employment Practices - Liability relating to employment issues is not covered by the CGL policy (though this exclusion is not built-in to the ISO CGL policy, a separate exclusion is almost always added to bar employment-related claims). Employment-related liability issues include claims concerning: refusal to employ a person, wrongful termination, discrimination, harassment/abuse/molestation, etc. These types of claims can be covered via a separate Employment Practices Liability Policy.

Professional Services - Liability relating to errors/omissions in performing "professional services" is not covered by the CGL policy (though this exclusion is not built-into the ISO CGL policy, a separate exclusion is almost always added to bar claims relating to professional services). Excluded "professional services" claims related to BI/BRI members include claims arising out of: condo/co-op board-of-director decisions; property management services;

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Welcomes The Builders Institute (BI)/
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its Newest Members

- Above 80, Inc.
- Academy Marble & Granite
- All Seasons Sheet Metal Corporation
- Antonio Maiuolo Architect PLLC
- Casa Blanca Tile & Stone, Inc.
- Cornerstone Contracting Corporation
- Deangelo Drilling Inc.
- East Coast Energy Group
- Everday Mechanical Corporation
- Flovas Realty Corporation
- GC and Design LLC
- Global Coverage Inc.
- JMW 75 LLC
- JNC Wood Working LLC
- Jomavi Contracting Corporation
- Legal Shield / ID Shield
- Majestic Associates LLC
- Porto Industries Corporation
- Prudential, Shelton CT
- Realty Information Systems
- Rubicon Operatives Corporation
- Silver Lining Solar LLC
- T Square Properties
- The Woods III in Westchester Condominium II
- WMBE Construction Inc.

**Key Exclusions on Your General Liability Policy,
Continued from p. 2**

and architectural/engineering services (often associated with "design/build" or "value-engineering" projects). Coverage for these types of claims can be provided through a separate Directors and Officers Liability Policy, or a Professional Errors and Omissions Liability Policy.

"Scaffold Law" - Many construction contractor policies and real estate policies have added exclusions or limitations related to New York's Labor Laws (Labor Law Sect. 240[1] and 241). These laws, which are unique to New York State, place harsh liability penalties on real estate owners and general contractors for injuries arising from construction activities. CGL policies for construction contractors may include exclusions for the type of work performed (e.g. no coverage for work over three stories, or building exterior work), or exclusions for failure to meet certain requirements (e.g. no coverage for injury caused by a subcontractor, if the subcontractor does not have adequate insurance). A property owner (e.g. condo/co-op/apartment owner) CGL policy may also have an exclusion added for certain types of construction (e.g. structural/load-bearing work, roofing work, or work done by inadequately insured contractors).

Like so many other things, with the Commercial General Liability Policy protecting your business, the "devil is in the details." Know what your policy does not cover, and decide if you should purchase a separate policy or endorsement (if available) to provide coverage for claims, which would otherwise be excluded. Your insurance broker can assist with identifying and explaining exclusions in your CGL policy, as well as options available to address them.

For more information on personal and business insurance, contact your broker, or Levitt-Fuirst Associates, at (914) 457-4200.

Editor's Note: Levitt-Fuirst Associates is the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. The firm is based in Tarrytown.

Summers at the Building and Realty Institute (BRI) - Our Staff Is Always Available, and Never on Hiatus!

By Maggie Collins, Director of Membership
Builders Institute (BI)/Building and Realty Institute (BRI)



ARMONK

Probably, the 4th of July is actually behind us. As so many of you have said to me: "Wasn't it just January?"

Yes, it does seem so - 2017 is flying by at warp speed, and our July calendars are filling up. Vacations will occur, but the BRI's office staff is never, ever, really on hiatus!

It's worth gaining some insight through the prism of summer. It feels quieter, as I recall, from last year, and yes, momentum slows slightly, but the phone inquiries are still coming. And so are questions through e-mails, and even texts!

Planning for the many events of the BRI - our Summer Networking Reception on Jul. 17 at the Ocean Grille at Rye Beach; our Sep. 12 Golf Outing at Glen Arbor Golf Club in Bedford Hills; our Annual Baseball Outing, this year at the Aug. 14 Subway Series Game between the New York Mets and the New York Yankees at Yankee Stadium in the Bronx; and our Second Vendor Showcase on Oct. 5 at The Crowne Plaza Hotel in White Plains - was an ongoing process! So, as you can see, the planning of many of our future events does take place during the summer months.

And there is more. Much more! Many, many strategic efforts on advocacy fronts are discussed and planned for. Those efforts are definitely some of the BRI's most fundamental mandates.

Phone inquiries are another common occurrence. Each and every day calls come in with any number of "need to know" answers. The calls often deal with:

Questions from Owner/Manager Members of our Apartment Owners Advisory Council (AOAC)

The calls are related to properties that are affected by The Emergency Tenant Protection Act (ETPA) and its complex procedures. Questions regarding ETPA and its relevance to the Buildings and Complexes of our AOAC members are many - and frequent! They include calls related to Vacancy Leases, Lease Renewal Processes, applications to the New York Homes and Community Renewal Agency (HCR) regarding Major Capital Improvements (MCI's) and routines related to Non-Paying Tenants. Those are just a few of the calls we receive from that sector of our membership!

Inquiries from members of our Cooperative and Condominium Advisory Council (CCAC)

Board members of Co-ops and Condos often call the CCAC/BRI offices and ask the staff of the BRI for referrals regarding experts that they can consult with on many of the issues associated with the daily operations of their respective facilities. The calls include requests for Accountants, Tax Specialists, Attorneys, Landscapers, and Property Managers, to name just a few. Questions to our staff regarding Contractors and Sub-Contractors are also received on a routine basis.

Questions from members of The Collective Bargaining Group (CBG) of the BRI related to labor issues

The BRI has a Labor Contract with Local 32-BJ Service Employees International Union (SEIU) that governs the responsibilities of Supers, Porters and Handymen in Co-ops, Condos and Rental Apartment Buildings and Complexes. More than 450 buildings and complexes are part of the CBG. Complex questions related to lengthy scenarios are received by our staff on a regular basis. They often focus on the Labor Contract and its governance of our member CCAC/AOAC/CBG buildings.

Queries from members of the general public

The calls ask for referrals from our association on matters related to just about every sector of the local building, realty and construction industry. Callers ask for referrals on Builders, Remodelers, and Contractors, as well as from many of the sectors of our Suppliers/Professional Services membership bases.

Inquiries to Albert Annunziata (our Executive Director) and Jeff Hanley (our Associate Executive Director) from members of the media on a range of issues affecting our area's building, realty and construction industry

Questions related to submitting articles and ads for this newspaper

And, questions related to the many informative and convenient features of our web site, buildingandrealtyinstitute.org

Many, many strategic efforts on advocacy fronts are discussed and planned for. Those efforts are definitely some of the BRI's most fundamental mandates.

We hope to see you at the Aug. 14 Baseball Outing at Yankee Stadium. Check our website to see if tickets are still available!

And please keep in mind that the planning processes are in full swing for our Sep. 12 Golf Outing at Glen Arbor in Bedford Hills, as well as for our Oct. 5 Vendor Showcase at the Crowne Plaza Hotel in White Plains.

When, you ask, is the next General Membership Meeting of the BRI? Our regular schedule of Membership Meetings resumes in September. So, our next General Membership Meeting is set for Thursday, Sep. 14, 6 p.m., at The Crowne Plaza Hotel in White Plains. A full article on that event - written by Jeff Hanley, our Editor - is in this issue. The planning processes for that meeting are now underway.

No hiatus, indeed!

The Winner

The winner of our Monthly Membership Drawing at the Jun. 8 General Membership Meeting of the BRI was Michele Lavarde. Ms. Lavarde is a member of the Board of Directors of the CCAC. Amazingly, Ms. Lavarde was sitting at the very table where we picked out her name tag. Surprise, indeed!

MARK YOUR CALENDAR!
The Next General Membership Meeting is Thursday, Sept. 14, 6:00 pm

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