



## An “Imploding” Star Program

Beset by what is termed as “chronic mismanagement and delays” on the state level, the Department of Taxation and Finance of N.Y. State has been the focus of scathing criticism from the State Legislature on, in what state Senators David Carlucci (D-38 SD) and George Latimer (D-37 SD) call “outrageous and inexcusable delays” in getting STAR Property Tax Rebate Checks out accurately and promptly to Westchester County residents. Senior

Citizen cooperative shareholders have proven to be particularly victimized, officials have said. Pictured, from left to right, at a recent news conference in Ossining on the ongoing STAR fiasco are Sen. Carlucci; Albert A. Annunziata, executive director of The Cooperative and Condominium Advisory Council of Westchester and the Mid-Hudson Region (CCAC); and Sen. Latimer.

See pages 6-7 for  
**BI-BRI  
Incentives  
Programs!**

# Impact

JANUARY/FEBRUARY 2017 VOL. 16 NO. 2

Serving Westchester and the Mid-Hudson Region

News for the  
Building and Realty  
Industry

71 Years of  
Providing Knowledge  
to the Building Community



### FEATURES

2 From The Editor's Desk:



#### Hanley's Highlights

Another Busy Stretch  
Ahead for the  
Industry as Spring Gets Closer

By Jeff Hanley, *Impact* Editor

2 Insurance Insights

Why Insurance Companies  
Usually Settle Liability Claims

By Ken Fuirst and Jason Schiciano,



Levitt-Fuirst Associates, Insurance  
Managers for The Builders Institute (BI)/  
Building and Realty Institute (BRI)

3 Presidential  
Perspectives



#### Pride of Membership at the BRI!

By Carmelo Milio, President,  
Building and Realty  
Institute (BRI)

3 Counsels' Corner

So, You Want to be a  
Board Member?



By Kenneth J. Finger, Carl L. Finger,  
& Daniel S. Finger, Finger & Finger,  
Chief Counsel to The Builders Institute  
(BI)/ Building and Realty Institute (BRI)

6 Membership

The Benefits of Membership in  
the BI-BRI: Part IV – A Look at  
Our Incentive Programs



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

## The CCAC Joins The New York Metropolitan Coalition for Cooperatives in Opposing “Co-op Home Ownership Act”

By Jeff Hanley, *IMPACT* Editor

NEW YORK

**T**he Cooperative and Condominium Advisory Council of Westchester and The Mid-Hudson Region (CCAC) has joined a metropolitan area coalition to oppose proposed legislation calling for co-op boards to issue their respective decisions on accepting proposed shareholders within a 45-day time frame.

CCAC officials recently said that the association has joined The New York Metropolitan Coalition for Cooperatives in opposing S.2540, a proposal that was recently introduced by State Sen. Kemp Hannon (R-6th LD).

The proposal, known as “The Fairness in Cooperative Home Ownership Act,” calls for every co-op board in the state to acknowledge the receipt of a purchase application within 10 days and, accordingly, cite areas where the application is incomplete. Boards would then have 45 days to accept, or reject, the completed application and notify the applicant of its decision in writing. Failure to follow those guidelines would result in the automatic approval of the sale.

The coalition - composed of The Association of Riverdale Cooperatives, The Coordinating Council of Cooperatives, The Council of New York Cooperatives and Condominiums, The Federation of New York Housing Cooperatives and Condominiums, and The Urban Homesteading Assistance Board - strongly opposes the proposal, spokesmen said.

### Key Points

In a recent Memorandum in Opposition, the coalition thoroughly explains its opposition to the proposed legislation. Key highlights of the coalition’s memo include statements citing:

- ◆ Without sufficient explanation or justification, the legislation singles out cooperative housing and imposes unnecessary burdens on the transfer of ownership. Specifically, the legislation imposes unique notification requirements, restricts decisions on applications to a limited time period, and requires the cooperative board to “deem” applications approved if the cooperative board does not act within the stated time period. Those requirements exist for no other form of

*Continued on p. 5*

## Meeting 21st Century Needs: Smart Policies Lead Development in Grand Central Terminal-Midtown NYC Area

**Publisher's Note:** I recently had the pleasure of hearing Councilman Garodnick give the below speech/commentary before the Master Painting Industry Association's Annual Meeting in New York City. Garodnick set forth a vision of his district (which includes the Midtown East/Grand Central Terminal area) that holds the promise of keeping the very core of Manhattan lively and strong. It may also serve as an example of how rezoning and other progressive Land Use Practices can benefit Westchester County's communities, as well. - Albert Annunziata, *IMPACT* Publisher

By Daniel R. Garodnick, City Councilman, NY

NEW YORK

**A**s Chair of the New York City Council's Economic Development Committee, I have found that many key issues that we face in New York today have to do with promoting business, growing and diversifying our local economy, and ensuring that our rules and regulations do not inhibit progress.

And we have an opportunity to do all those things in the heart of my district - midtown Manhattan - where the biggest thing coming

down the pike is the rezoning of East Midtown.

It's a change that will affect how much new development happens, and ultimately, will create jobs and enhance the economic health of the city.

### Where Things Stand

Some quick history on this subject: In its prime, East Midtown was renowned as a premier office district, home to many of the world's top commercial, creative and other enterprises - with Grand Central, one of the nation's most important transit hubs at its core.

Over the years, though, it has lost its luster. The area has been stuck and getting less competitive. Top companies are pulling up stakes and heading downtown to flashier new business districts, like the Flatiron District, or over to Hudson Yards on the West Side.

Unfortunately, the available office inventory that we have today in East Midtown too often

*Continued on p. 8*

### An Impact Staff Report

## A Regional, Coordinated Effort: Builders Institute Plans Vigorous Response to DEC's Proposed Changes to SEQRA Regs

ALBANY

**N**ew York State's Department of Environmental Conservation's (DEC's) recent announcement of its first proposed changes in a generation to SEQRA has been initially met by building industry advocates with a mixture of hope and skepticism.

Nevertheless, The Builders Institute of Westchester (BI) plans a thorough review and critique of the changes proffered by DEC and also intends to coordinate the comments with other critical stakeholder groups in Westchester County, association officials said.

“At first pass, the changes seem to clearly support some of the state’s pet projects and programs having to do with sustainable development, solar power, brownfields and other very narrow applications,” said Albert Annunziata, executive director of the BI, a broad-based building and realty industry association comprised of more than 1,800 members in the Westchester/Lower Hudson Valley Region.

Construction, building and realty industry spokespersons across the board confirm that the changes do not go far enough in addressing the critical need to clearly delineate time-frames for the various stages of the environmental review process. Industry officials said there is also no definitional clarification as to what some critical terms mean, leading to inevitable vagueness and inconsistencies of interpretation.

The BI is reaching out to other state, regional and local construction, business and related groups for their input and participation in this review process, association officials said.

“Our members are also involved in some of the most prominent professional, technical and business organizations in Westchester and beyond,” Annunziata said. “As such, we have the ability to call upon our colleagues active in The Westchester Business Alliance, who can provide additional expertise and weight to our review efforts.”

The alliance is composed of the BI, The Construction Industry Council (CIC) of Westchester and The Hudson Valley, The Business Council of Westchester (BCW), The Hudson Gateway Association of Realtors (HGAR) and The Westchester/Hudson Valley Chapter of The American Institute of Architects (AIA).

In addition to the major members of the alliance, Annunziata said that the BI is also reaching out to The Westchester County Association, The Westchester Professional Engineers Society, The Builders Association of the Hudson Valley (BAHV) and The New York State Builders Association (NYSBA).

“This is our chance to weigh-in on what’s right and what’s still wrong with the SEQRA review process,” said Gus Boniello, a past president of the BI and a prominent builder-developer in Northern Westchester. “It is an opportunity to make our voices heard, loud and clear, with both the DEC, the Governor and our state representatives.”

Boniello added: “This state lags far behind others because of the serious flaws in SEQRA that stifle eco-

*Continued on p. 6*



# Why Insurance Companies Usually Settle Liability Claims

TARRYTOWN

**“I can’t believe my insurance company settled that \*\*\*\* claim!!!”**

If I had a dollar for every time I’ve heard a client make that word-for-word exclamation, I would have been able to retire comfortably long before I got grey hair.

In general, liability insurance protects the insured from the financial burden of a lawsuit, by paying for attorneys’ legal expenses (attorneys in New York routinely bill \$500 or more per hour), and legal judgements/settlements.

Claims covered by liability policies usually result in out-of-court settlements, wherein the insurance company pays an agreed-upon sum to the plaintiff to make the claim “go away,” rather than defending the claim through a full trial by judge or jury with hope that that adjudicated result will be favorable to the defendant. In fact, more than 90 percent of insurance liability cases are settled, either before trial, or before a final judgement.

Settlements have long been a practice for resolving liability claims, and most people - especially business people - understand the logic: it’s better to resolve a claim for a known dollar amount that the defendant’s insurance company finds reasonable (and which is agreeable to the plaintiff), rather than spending money on a legal defense where the outcome is uncertain, and could result in costs far in excess of the settlement amount.

## A Review

Let’s look at some claim scenarios which an insurance company might settle, even though their insured is mostly, or not at all, at-fault:

- A tenant in your apartment building slips while exiting the shower. As she falls, she grabs the sink, which pulls away from the wall and falls on top of her, causing severe injuries. She files a lawsuit, claiming the sink was not properly maintained, which led to its dislodging, and her injuries.
- You have a rear-end collision with a car in front of you that stops short in traffic. The driver of the car you hit was sending a text message at the time he stopped short. He claims severe back/neck injuries as a result of the accident (though he has a history of medically treated back problems). He sues, claiming the accident was the cause of new, more severe back/neck pain, loss of work, and depression.

■ A poor-performing employee (who is well-liked by her co-workers) is verbally warned several times before she is fired. She files a wrongful termination lawsuit, claiming she was not properly trained, was verbally abused, and humiliated in front of fellow employees, before being terminated. She further claims that her status as a minority was as a factor in her termination. The employer/defendant is concerned that many co-workers of the well-liked former employee will back-up the allegations (despite the fact that they are untrue).

In all of the above cases, the defendant (landlord of a unit with an adequately maintained sink; driver of a following vehicle who hit a texting driver; employer who fired a poor-performing employee), might win in court (i.e. be found “Not Guilty”), or be judged to be largely not responsible for the plaintiffs’ claims.

The key word is “might.” The element of doubt is usually not worth the risk to an insurance carrier. The risk of absorbing the costs for a carefully-prepared legal defense, and well-executed trial presentation, only to suffer a total loss, due to a sympathetic judge or jury, is a risk insurance carriers are usually unwilling to take.

## An Unnecessary Action

Importantly, it’s a risk insurance companies don’t have to take! Insureds who are defendants in a liability lawsuit are often surprised to learn that most liability insurance policies do not require that the insurance company obtain the insured’s consent, before settling.

In exchange for a premium paid by the insured, the insurance contract (policy) requires that the insurance company resolve lawsuits for covered claims against the insured. The insured benefits from a “fixed” cost (i.e. the cost of the premium) to resolve potential liability lawsuits. Once the premium is paid, all of the risk shifts to the insurance company.

A financially successful insurance company finds a way to pay-out less to resolve lawsuits against its insureds - whether by settling claims or going to trial - than it collects in premiums. You pay a certain premium to transfer to the insurance company an unknown amount of financial risk associated with liability claims.

Since the insurance company is putting-up its money (not yours) to resolve claims, you do not get to choose how your claim is resolved - even if you are certain you are innocent, not at-fault,

*Continued on p. 3*



From the Editor’s Desk

# Hanley’s Highlights

by Jeff Hanley

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

# Another Busy Stretch Ahead for the Industry as Spring Gets Closer

ARMONK

**The approach of spring usually produces a busy agenda for members of the local building, realty and construction industry.**

A glance at this issue of *IMPACT* illustrates that the trend can most definitely be applied to the advent of this spring. Our latest edition offers a series of reports on key topics affecting our industry - from the building, remodeling and construction sectors, to the realty and services arenas. And, those articles all cite “busy trends.”

The reports include:

- ❖ A Page One Summary on the plans of the BRI to offer “a thorough review and critique” of the first proposed changes in a generation to the State Environmental Quality Review Act (SEQRA) recently announced by The New York State Department of Environmental Conservation (DEC). The report also summarizes how the BRI intends to coordinate its analysis efforts with other affected groups in the Westchester and Mid-Hudson Region. A related commentary on the issue by Denise J. D’Ambrosio, Esq., the principal of The Law Office of Denise J. D’Ambrosio, is also in this edition.
- ❖ A Page One Report on The Cooperative and Condominium Advisory Council (CCAC) of the BRI joining a metropolitan area coalition to oppose proposed legislation calling for co-op boards to issue their respective decisions on accepting proposed shareholders within a 45-day time frame. The article highlights the efforts of the alliance - known as The New York Metropolitan Coalition for Cooperatives - in opposing S.2540, a proposal that was recently introduced by State Sen. Kemp Hannon (R-6th LD).
- ❖ A report in Presidential Perspectives on how the incentives, services and events offered by the BRI are continuing to be well-received. The study, written by Carmelo Milio, BRI president, adds that, accordingly, membership in the organization and attendance at its meetings is continuing to increase, as is the satisfaction and pride of BRI members.

❖ A analysis of a recent report from The National Association of Home Builders (NAHB) citing that, although employment and home-price levels have returned to, or exceeded, normal levels of activity, new-home construction during the fourth quarter of 2016 remained tepid in many markets due to regulatory and supply-side constraints. The study highlights that the building and realty industry is continuing the hectic and time-consuming routines of dealing with regulatory hurdles, as well as the consistent shortages of lots.

❖ A summary of a report from NAHB showing that optimism in the remodeling market is remaining positive. Accordingly, the study added, that sector of the building and realty industry has a busy and bright outlook in the months ahead.

❖ An article on the preparations of The Apartment Owners Advisory Council (AOAC) of the BRI for the upcoming “Guidelines Season” involving the AOAC and The Westchester County Rent Guidelines Board. The report summarizes the importance of the preparations - and “Guidelines Season” - to Owner/Manager members of the AOAC and the local building and realty industry.

❖ A report on the Benefits of Membership in the BRI from Maggie Collins, director of membership for our association. The story summarizes how the BRI is consistently enhancing its Membership Benefits and Membership Programs through its many initiatives, including the organization’s new Incentives Program.

Also featured in this edition are:

- ❖ A summary in Insurance Insights covering why insurance companies usually settle liability claims. The report was written by Ken Furst and Jason Schiciano of Levitt-Furst Associates. Levitt-Furst Associates is the insurance manager for the BRI and all of its affiliate organizations.
- ❖ A commentary on the appearance of Steven Cucchiari, chief executive officer (CEO) of 3Edge Asset Management, at the Jan. 12

*Continued on p. 3*

# Co-op and Condo Corner



By Diana Virrill, Chair

The Cooperative and Condominium Advisory Council (CCAC)

# A Reminder – BRI Members Are Welcome to Attend the Valuable Membership Meetings of the CCAC!

WHITE PLAINS

Members of The Cooperative and Condominium Advisory Council (CCAC) regularly receive notices from our staff regarding our Membership Meetings.

The notices are composed by the staff of the CCAC and The Building and Realty Institute (BRI), our association’s affiliate organization. The flyers always issue an important message – “All BRI Members are Welcome to Attend This Program.”

Why is this message important? The reason is one of need. The member buildings and complexes of the CCAC need the expertise and advice of the Supplier and Professional Services Members of the BRI.

Accordingly, the attendance of those BRI Supplier and Professional Services Members at our CCAC Membership Meetings produces many opportunities for valuable interaction between representatives of co-ops and condos and the companies that service and advise those complexes.

The staff of the CCAC/BRI often tells the Board of Directors of the CCAC of the many requests it receives from the Supplier and Professional Services Members of the BRI regarding ways to best reach the representatives of the CCAC’s co-op and condo members.

So, in turn, on behalf of our Board of Directors and our staff, I will issue the following advice to the Supplier and Professional Services Members of the BRI – attend as many Membership Meetings of the CCAC as you possibly can!

It is, without doubt, the best possible way to reach the representatives of our member co-op and condo buildings and complexes. I cannot emphasize the large amounts of positive feedback the CCAC/BRI staff receives from the BRI Supplier and Professional Services Members who attend the CCAC Membership Meetings.

Those members often rave about the opportunities they have to network with CCAC members. They are thrilled over the many ways they can deliver messages on how their respective services and materials can help the co-op and condo buildings and complexes that compose the membership of the CCAC.

Simply put, it is “a win-for-win” for all involved parties! So, in turn, please, please remember that, as a BRI Supplier and Professional Services Member, you are most definitely welcome to attend our CCAC Membership Meetings!

## Additional Thoughts

Just a few more thoughts:

- ◆ Please notify the CCAC/BRI staff of any changes in your contact information. Those notifications will help CCAC members receive the many valuable notices, bulletins and materials that our staff sends to our membership on a regular basis.
- ◆ Any ideas on topics for Membership Meetings of the CCAC are most definitely welcome. Please send your thoughts to Jeff Hanley, associate executive director of the CCAC/BRI, at [jeff@buildersinstitute.org](mailto:jeff@buildersinstitute.org).

News for the Building and Realty Industries

# Impact

PUBLISHER: Albert A. Annunziata  
EXECUTIVE EDITOR: Jeffrey R. Hanley  
DIRECTOR OF ADVERTISING AND COMMUNICATIONS: Margaret A. Collins  
EDITORIAL ASSISTANTS: Margie Telesco, Jane Gill  
DESIGN AND PRODUCTION: Roher/Sprague Partners  
PHOTOGRAPHIC CONSULTANT: Barbara Hansen  
CONTRIBUTORS: Carl Finger, Dan Finger, Ken Finger, Ken Furst, Carmelo Milio, Alex Roberts, Jason Schiciano, Diana Virrill, Andrea Wagner



The Builders Institute/Building and Realty Institute  
80 Business Park Drive, Suite 309  
Armonk, NY 10504

914.273.0730 [www.BuildersInstitute.org](http://www.BuildersInstitute.org)

©2017, by The Builders Institute/Building and Realty Institute. All Rights Reserved. No part of this publication may be reproduced in any form or by any means without the written permission from the publisher. Entered as periodical matter at Post Office, White Plains, NY 10610 USPS 259-900

SUBSCRIPTION is \$20 per year, included in membership dues.

IMPACT (USPS 259-900) is published bi-monthly by The Builders Institute/Building and Realty Institute. Periodicals Postage Pending at Armonk, NY.

POSTMASTER: Send address changes to IMPACT, 80 Business Park Drive, Suite 309, Armonk, NY 10504.

# Presidential Perspectives: Pride of Membership at the BRI!

By Carmelo Milio, President, Builders Institute (BI)/Building and Realty Institute (BRI)

ARMONK

Pride of Membership. From its establishment over seven decades ago, The Building and Realty Institute (BRI) has come a long way.

I would just like to mention how honored I feel to be one in a long line of presidents in the history of the association. The year of 2016 was a great year for the BRI, as well as for me, personally. I’m thrilled to have been involved with a variety of ventures so far. And, above all, I’m ecstatic that I’ve been given one more opportunity to lead the association for 2017.

With that being said, I’d like to point out that there is a reason why our association keeps growing better and stronger. When I first joined the BRI, I was unsure of the potential value that it would have on my career and networking efforts.

I then attended several Membership Meetings and quickly understood that the value was not only in the organization’s staff and lobbying efforts, but also the value was in the actual members that collectively have made the BRI what it is today - and has for over 70 years.

I met some members that were new, and many that have been around for more than 50 years. The group is solid, the members are professional and it afforded me a network of real players in the industry that I am able to use as a reference for tradesmen, professional services and advice.



Carmelo Milio

There is an increasing number of people who join us, align with our goals, and stay with us for the long haul.

It is important to remember that all members are able to profit - as I have - from the wealth of knowledge and experience that the BRI, its membership and its staff and consultants - have to offer.

Time and again, the BRI’s main motivation has been to support the members of our industry through Advocacy, Education, and Networking Opportunities. Our members not only benefit from one another, but they now have the opportunity to tap into our Incentive Program offered by BRI members, for BRI members, and our Health Insurance Program. That program can help members - and their businesses - save on the ever-increasing Health Care Costs.

It gives me great pleasure that our incentives and events are being well-received, as I can see that membership is increasing and the Pride of Membership at the BRI is at an all-time high!

**Editor’s Note: Carmelo Milio is in his second term as President of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. He is also President and Director of Trion Real Estate Management.**

## Why Insurance Companies Usually Settle Liability Claims, Continued from p. 2

etc. (note: certain types of policies may allow you to veto the insurance company’s settlement deal, but if the final adjudication ends-up costing the insurance company more than the settlement option you vetoed, then you will have to share in a portion of the additional cost, which will make you think twice, before calling the settlement deal “crazy”).

Our clients are regularly shocked and appalled at the settlements their insurance carriers make. Their reaction goes something like this: “They gave that guy \$100,000?!?!? He shouldn’t have gotten a dime!!!! Well, maybe \$5,000 or \$10,000, but certainly not \$100,000. Are they crazy?!?!? That’s ridiculous! What are they, stupid? Find me an insurance company that’s willing to fight, especially when I did nothing wrong. This is a totally bogus, fraudulent claim! No wonder insurance premiums are so high!”

## The Response

Our response includes the following points:

- Insurance companies are not spending your money to settle claims; it’s their money, so if they didn’t feel it was in their best interest to settle a claim at a certain amount, they would not do so.
- If insurance companies were so foolish and ignorant in settling claims, they would not have survived for decades, or (in some cases) more than a century, employing hundreds or thousands, and generating profits.
- If you were faced with the prospect of settling for \$100,000 of your money, in order to avoid potentially paying \$500,000 of your money, you’d settle.

## Another Busy Stretch Ahead for the Industry as Spring Gets Closer, Continued from p. 2

- General Membership Meeting of the BRI. The story summarizes the economic outlook that Cucchiaro issued at the meeting.
- ❖ A reminder in Co-op and Condo Corner from Diana Virrill, chair of the CCAC. Virrill delivers a message that all BRI members are welcome to attend the Membership Meetings of the CCAC and utilize the many networking opportunities of those events.
  - ❖ An analysis in Counsels’ Corner on the important duties of board members of co-ops and condos. The piece was written by Finger and Finger, A Professional Corporation, chief counsel to the BRI and all of its affiliate associations.
  - ❖ A review of how smart policies are leading

- important development efforts in the Grand Central Terminal-Midtown New York City area. Daniel R. Garodnick, a New York City councilman, wrote the summary. Annunziata, in a Publisher’s Note accompanying the story, cites that the strategies of the development efforts may also serve as an example of how rezoning and other progressive Land Use Practices can benefit Westchester County’s communities.
- ❖ An analysis in Tech Talk of the Technology Trends affecting the business sector in 2017. Andrea Wagner, president of Wagner Web Designs, authored the report.

**A happy (and busy) spring to all. Enjoy the issue.**

# Counsels’ Corner So, You Want to be a Board Member?

By Kenneth J. Finger, Esq., Carl L. Finger, Esq. and Daniel S. Finger, Esq., Finger and Finger, A Professional Corporation, Chief Counsel, Builders Institute (BI)/Building and Realty Institute (BRI)

WHITE PLAINS

Every year, when I attend an Annual Meeting, I watch with awe as shareholders, or unit owners, vie to be elected to the Board, whether it be to the Board of Directors (in a cooperative) or the Board of Managers (in a condominium). I wonder whether they recognize the awesome responsibility that they are undertaking as a Board member and, when elected, I congratulate them as “gluttons for punishment.”

Shortly thereafter, at the first Board meeting, I give my usual speech which sets forth their duties and responsibilities as a Board member, including, among other things, that they each have to set aside their own personal proclivities, desires, agendas, etc. and act in a fiduciary capacity for the benefit of the entity as a whole.

The example I usually give is a building that has terraces that are in need of repair and yet the particular Board member is in a unit without a terrace and will have to share in the funding of repairs and remediation, so as to keep the building in “tip-top” shape.

While there are always the exceptions to the rule, and some people run for the Board to advance their own person agendas, such as fostering a change in a house rule and regulation, for example, to have dogs, or allow more subleasing, that is generally the exception rather than the rule.

Cooperative and condominium housing was developed and organized to provide community-based housing predicated on the principle that moderate-priced housing with an ownership interest can better be obtained in such a fashion than the purchase of a single-family home - difficult at best in an urban or even suburban area.

## A Responsibility

It is the responsibility of the Board to assure that the basic purposes of the housing entity, as reflected in its Offering Plan or organization documents, are carried out faithfully and in a fiduciary or trust capacity. The Board will generally act to assure that the housing provided is accomplished at the lowest and most efficient cost. In a cooperative, there is the additional advantage (or to some disadvantage) of having every new shareholder subject to the approval of the Board of Directors. While this may or may not be an advantage, it gives the cooperative the advantage of analyzing finances to assure that the prospective resident can afford the unit, and also, without any discriminatory intent or action, assuring that the prospective resident understands the benefits (and obligations) of community living. The Board is charged with the responsibility of carrying out this vital function in an objective, non-discriminatory, consistent manner. Contrariwise, in a condominium, the Board does not usually have the ability to “select” incoming unit owners, although in most condominium situations the Board can, if the By-Laws and/or Declaration so provide, purchase the unit pursuant to a right of first refusal. While this ability exists, most condominiums will not exercise it because of the cost, unless the price of the unit is so below the norm that the Board believes, in its “business judgment,” that the purchase makes economic sense.

The Board acts within its “business judgment” a standard that gives a great deal of discretion to the Board and its actions. Whether those actions are to invest in a new roof, or do an elevator repair rather than replacing the cab and operating mechanism, or install or remove a swimming pool, or convert from oil to gas (which may be a necessity these days in view of the fact that Numbers Four and Six Oil will shortly be illegal), or allowing the use of a recreation room for yoga, canasta or a meeting, the decision is made by the Board in its “business judgment.”

## A Key Case

A challenge to its decisions will be hard to prove as the business judgment rule was derived from a case in the New York State Court of Appeals, as follows: The Court of Appeals in Matter of Levandusky v. One Fifth Ave. Apt. Corp., 75 N.Y.2d 530, 544 N.Y.S. 2d 807 held that the business judgment rule was the proper standard of judicial review when evaluating decisions made by residential cooperative corporations. In short, the Court of Appeals held that “Levandusky established a standard of review analogous to the corporate business judgment rule for a shareholder tenant challenge to a decision of a residential cooperative corporation.”

The Court went on to hold that “the business judgment rule is a common law doctrine by which courts exercise restraint and defer to good faith decisions made by Boards of Directors in business settings (citations omitted).”

“Levandusky” involved a situation where a residential cooperative corporation refused to allow one of its shareholders to do an interior renovation. However, the underlying issue was the “legal question of what standard of review should apply when a Board of Directors of a cooperative corporation seeks to enforce a matter of building policy against a tenant-shareholder.”

In its decision, the Court of Appeals stated: “As courts and commentators have noted, the cooperative or condominium association is a quasi-government - a little democratic sub society of necessity (citation omitted). The proprietary lessees or condominium owners consent to be governed, in certain respects, by the decisions of a board. Like a municipal government, such governing boards are responsible for running the day-to-day affairs of the cooperative and to that end, often have broad powers in areas that range from financial decision-making to promulgating regulations regarding pets and parking spaces (see generally, Note, Promulgation and Enforcement of House Rules, 48 St. John’s L. Rev. 1132 (1974).”

“Through the exercise of this authority, to which would-be apartment owners must generally acquiesce, a governing board may significantly restrict the bundle of rights a property owner normally enjoys.” “We conclude that these goals are best served by a standard of review that is analogous to the business judgment rule applied by courts to determine challenges to decisions made by corporate officers (citation omitted).” “Developed in the context of commercial enterprises, the business judgment rule prohibits judicial inquiry into actions of corporate directors taken in good faith and in the exercise of honest judgment in the lawful and legitimate furtherance of corporate purposes. (citation omitted). So long as the corporation’s directors have not breached their fiduciary obligation to the corporation, the exercise of (their powers) for the common and general interests of the corporation may not be questioned, although the results show that what they did was unwise or expedient. (citation omitted).”

## Examples

- In the case Genel v. 320-57 Corporation, the Supreme Court, New York County, held that a challenge to Board action was inappropriate since the decision, in that case to settle litigation, was within the business judgment of the cooperative. Even where a Board took away a previously existing right to park, the Court upheld its right to do so.
- In Gillman v. Pebble Cove Home Owners Association, Inc., (citation omitted), the Appellate Division of the Supreme Court held that the corporate association was entitled to eliminate the unit owner’s right to park on roadways, a right that had existed at the time they purchased their units. Further, the Court upheld the Board’s right to promulgate rules and regulations as to the parking. See also 77 E.12 Owners, Inc. v. Yager, where the Supreme Court upheld the Board of Directors’ right to “adopt rules and make decisions in order to effectuate its proper role.”
- In what is probably the most significant decision of the New York Court of Appeals regarding the power of a Board of Directors of a cooperative since Levandusky, the Court of Appeals in 40 West 67th Street v. Pullman



Ken Finger



Carl Finger



Dan Finger

Continued on p. 8

# Commentary: Where Art & Science Meet: Financial Expert Blends Game-Theory, History and Mathematical Saavy to Better Understand Economy

By Albert Annunziata, IMPACT Publisher

## WHITE PLAINS

I first saw Steven Cucchiaro, chief executive officer (CEO) of 3Edge Asset Management on Consuelo Mack’s financial TV program, “Wealth Track,” last August. I was immediately impressed with his clear, focused and unassuming manner, explaining his unique approach to better understanding the U.S and world economy to manage his investment company’s multi-billion dollar portfolio.

I contacted him soon after, and he was gracious in accepting my invitation to be the guest speaker at the Jan. 12 General Membership Meeting of The Building and Realty Institute (BRI).

He shared with nearly 100 attendees a view of the economic world that reflects the dynamic complexity of economies and the often dizzying number of factors affecting them. Cucchiaro’s knowledge and understanding of history - especially as it pertains to boom and bust cycles world-wide going back to Renaissance times - is formidable and impressive.

Yet, while a knowledge of history is important, Cucchiaro stressed that history can only help explain what’s happening up to the time it’s happening. The future, less so. That’s where the science of mathematics (well, perhaps more of an art than a science) and the finesse of game theory can help move one’s “world-view” forward into the future.

The layman’s take on Game Theory is that one gathers all the factors currently in play on the part of all the stakeholders, on whatever subject one is studying: interest rates, inflation, world trade, tariffs, deficits, stimulus spending, environmental restrictions on industry, etc. Then one makes educated (and calculated) assumptions as to subsequent actions likely expected, going forward, once the benchmark point in time is established.

“An announcement or action by the United States has repercussions all over the world. For example, I will gather my expert financial analysts and economic advisers and role play: I may take the U.K’s likely economic response, another colleague will take the European Union’s likely reaction, another adviser takes on what Japan’s next move might be, and so forth,” Cucchiaro said.

Clearly, Cucchiaro and his colleagues at 3Edge Asset Management are benefitting from this innovative approach, as their Boston-based fund is one of the fastest-growing of its kind in the country.

Given the transition to a new administration in Washington, D.C., he did suggest an overall economic picture of hope and caution. There had already been a fairly sustained rise in business optimism and the stock market post-election. How long that could be maintained was the question.

From an individual investor viewpoint, when asked where he thought the future spots for growth were, Cucchiaro expressed overall optimism about the American economy and added that the Indian sub-continent seemed to be an area offering interesting opportunities for growth in the coming year.



**An Economic Outlook** A total of 96 members of the local building, realty and construction industry attended the Jan 12th General Membership Meeting of The Building and Realty Institute (BRI). The program delivered an economic outlook for 2017. Pictured during the meeting are, from left to right, Monica Chandra, 3EDGE Asset Management Company of Boston; Albert Annunziata, executive director, BRI; Steven Cucchiaro (speaker), founder and president of 3EDGE Asset Management Company of Boston; Jerry Houlihan, vice chair, Apartment Owners Advisory Council (AOAC) of the BRI; and Eric Abraham, chairman, BRI. The program was at The Crowne Plaza Hotel in White Plains. Photo by Barbara Hansen

## The AOAC and the Realty Sector Begin their Preparations for “Rent Guidelines Season”

By Jeff Hanley, IMPACT Editor

## WHITE PLAINS

The Apartment Owners Advisory Council (AOAC) has begun its preparations for the realty industry’s testimony on rent guideline increases for rental apartment buildings affected by The Emergency Tenant Protection Act (ETPA).

AOAC officials recently said that the association has begun its preparations and strategies on the overall guidelines process. The preparations, AOAC officials added, are covering the strategies of the realty industry in preparing for the upcoming Public Hearings and Deliberations of The Westchester County Rent Guidelines Board.

The guidelines board is the entity that annually decides on guidelines for lease renewals affected by the ETPA. Those guidelines are decided upon after the board conducts its Public Hearings and Deliberations. The guidelines board released its tentative schedule of Public Hearings and Deliberations for 2017 at its Jan. 31 meeting at the offices of the New York State Homes and Community Renewal Agency (HCR) in White Plains.

The tentative schedule is as follows, with locations and times, HCR officials said, to be announced:

- June 5** (The Yonkers Public Hearing);
- June 12** (The Mount Vernon Public Hearing);
- June 14** (The White Plains Public Hearing);
- June 20** (The Presentations of Owners and Tenants);
- June 27** (The Deliberation Session).

Continued on p. 11

## Guest Commentary Little Significant Impact: Proposed “Streamlined” SEQRA Regs Offer Marginal Relief

By Denise J. D'Ambrosio, Esq.

## WHITE PLAINS

The New York State Department of Environmental Conservation (DEC) recently released for public comment its first proposed amendments to the State Environmental Quality Review Act (SEQRA) regulations in 20 years - after more than four years of public input and deliberation.

According to the DEC, the goal of the proposed regulations is to “both streamline and preserve the integrity of the SEQRA process.” The goal is laudable and necessary, but do the proposed amendments go far enough to achieve the elimination of the costly delays that beset most projects subject to SEQRA review? This is my take on that question.

## Categories

Whether a project is subject to SEQRA depends on which of three categories it fits into: Type I, Type II, or Unlisted. Type I generally includes large projects or proposals (actions) which are presumed as having significant adverse impacts on the environment. The project sponsor of a Type I action must file a “full” Environmental Assessment Form (EAF). This form is used by the lead agency to determine whether the project or proposal requires an Environmental Impact Statement (EIS).

Type II actions are usually smaller projects which are generally considered exempt from SEQRA. Unlisted Actions consist of everything else. The project sponsor of an Unlisted Action needs to submit a “short” EAF. The proposed amendments modify the thresholds for some Type I actions, and expand the list of Type II actions.

The lower thresholds for triggering Type I actions are generally confined to the number of new residential units being constructed, vehicular parking based on community population, and actions with respect to any historic building, structure, facility site or district that is listed, or eligible, for listing on the National Register of Historic Places which does not exceed, by 25 percent, any of the thresholds set forth for Type I actions.

The expanded Type II actions announced by DEC as part of its new SEQRA regulations are as follows:

- ◆ Green infrastructure upgrades and retrofits;
- ◆ Installation of cellular antennas or repeaters on an existing structure that is not listed on the National or State Registers of Historic Places;
- ◆ Installation of 5 MW or less of solar arrays on landfills, cleaned up brownfield sites, wastewater treatment facilities, sites zoned for industrial use, or solar canopies on residential and commercial parking facilities;
- ◆ Installation of 5 MW or less of solar arrays on an existing structure not listed on the National or Historic Register of Historic Places;
- ◆ Acquisition and dedication of parkland;
- ◆ Land transfers for affordable housing;
- ◆ Construction and operation of anaerobic digesters or composters at public wastewater treatment facilities of municipal solid waste landfills;
- ◆ Installation of fiber-optic or other broadband cable technology within an existing right of way;
- ◆ A subdivision defined as minor by the municipality’s subdivision regulations, or a subdivision of four or fewer lots, whichever is less, that involve 10 acres or less, and provided the subdivision was not part of a larger tract subdivided within the previous five years and is not within or substantially contiguous to a designated critical environmental area; and
- ◆ Sustainable development of “previously disturbed” sites.

These proposed expanded Type II actions are clearly designed to promote the State’s policy agendas for sustainable development, with the overwhelming focus on clean energy, telecommunications, and revitalization of brownfields.

Unfortunately, since the added Type II exemptions with limited exception flow from these particular State policy interests, and not development projects generally, the expansion of Type II actions do little to promote and/or streamline Type I or Unlisted projects.

The proposed Type II amendment of most general applicability is that which provides for development of “previously disturbed” sites. A “previously disturbed” site is defined as a “parcel of land in a municipal center that was occupied by a principal building used for residential or commercial purposes where the building has been abandoned or demolished.” A “municipal center” is defined as an area of concentrated and mixed land use that

serve as central business districts, main streets, and downtown areas.

None of the other terms are defined, leaving a great deal to interpretation as to the length of time a principal building needs to have been abandoned or demolished for the site to qualify (i.e. is immediately prior sufficient); and what exactly the parameters of a “municipal center” will be.

Also, previously disturbed sites must meet other

*“The proposed DEC panacea for the overall streamlining of SEQRA applicability ultimately lies in the proposed amendment that provides for mandatory scoping.... Scoping is currently discretionary and arguably has had no discernable streamlining impact on the process.”*

qualifying criteria, such as use consistent with applicable zoning, population and square footage thresholds, the ability to be connected to existing public water and sewer systems with capacity, and/or within a transit oriented zoning district.

The constrained criteria for previously disturbed sites raise pause for concern as to how many, if any, proposed projects will qualify for this Type II expansion.

## Scoping

The proposed DEC panacea for the overall streamlining of SEQRA applicability ultimately lies in the proposed amendment that provides for mandatory scoping. Scoping is the process by which the lead agency identifies the potentially significant adverse impacts of the project and eliminates from consideration those impacts that are irrelevant or not significant.

The theory and goal is that mandatory scoping will “result in EISs that are focused on relevant, potentially significant, adverse environmental impacts.” Scoping is currently discretionary and arguably has had no discernable streamlining impact on the process.

However, the added proposed regulatory amendments explicitly state that a draft EIS will be deemed adequate as to scope and content for the purpose of public review if it meets the requirements of the final written scope and that information submitted following the completion of the final scope and not included in the draft EIS cannot be the basis for the rejection of a draft EIS as inadequate.

And while a response to the information may be required, or a supplement EIS, the determination of the adequacy of the resubmitted draft EIS must be based solely on the written list of deficiencies provided by the lead agency following the previous review. This identification of the relevant issues early on and the restriction of new issues later on in the process is designed to curtail EIS limbo.

Albeit explicit in principal, the predicate to efficiency and cost savings of the mandatory scoping process is in the adherence to the process by the lead agencies in application without the need of recourse by project sponsors to the courts.

For those proponents of reform seeking the imposition of hard deadlines and incentives to ensure that the process can be completed within a definable time frame, these proposed amendments provide marginal relief. Nor is there any attempt to eliminate or circumscribe the broad-based inclusion of “community and neighborhood character” in the assessment of adverse environmental impacts as it is arguable already a consideration of comprehensive land use planning, zoning and site plan approval.

With respect to those clearly identifiable actions proposed for designation as Type II actions, the SEQRA process will be streamlined; but whether the ultimate goal of a streamlined SEQRA process will be achieved for most other projects is debatable and likely to remain elusive.

**Editor’s Note:** Denise J. D'Ambrosio, Esq., is the Principal of The Law Offices of Denise J. D'Ambrosio. The firm is based in White Plains. D'Ambrosio is a member of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region.

# Regulatory and Supply-Side Challenges Are Inhibiting More Robust Housing Growth, Industry Report Says

By Jeff Hanley, IMPACT Editor

WASHINGTON, D.C.

Although employment and home-price levels have returned to, or exceeded, normal levels of activity, new-home construction during the fourth quarter of 2016 remained tepid in many markets due to regulatory and supply-side constraints, according to a recent building and realty industry report. The findings were from The National Association of Home Builders (NAHB's)/First American Leading Markets Index (LMI). The report was released on Feb. 6. The index's nationwide score inched up to .99, meaning that, based on current permit, price and employment data, the nationwide average is running at 99 percent of normal economic and housing activity, the study said. But, the report added, when breaking down the three major components of the index, single-family permits are running at just 52 percent of normal activity, while employment is at 98 percent and home prices are well above normal at 147 percent. Part of the reason why home prices have jumped in many metro areas is directly related to "the paucity of permits," creating an imbalance between supply and demand, the report said.

"Though rising, single-family permits continue to lag behind the other components of the LMI," said NAHB Chief Economist Robert Dietz. "This is due to a number of factors, including regulatory hurdles and supply-side headwinds, such as persistent shortages of lots and labor in many markets. As we address these challenges, we should see an additional increase in housing production."

"While housing continues to gradually mend, regulatory constraints are preventing builders from meeting demand in many markets," said NAHB Chairman Granger MacDonald, a home builder/developer from Kerrville, Tex. "We expect further improvement in the year ahead as we work with the new Trump administration and Congress to implement regulatory relief that helps small businesses and the housing sector."

## Key Concerns

A recent survey of NAHB members, association spokesmen said, found that the top two concerns of NAHB members for 2017 are the cost and availability of labor and developed lots.

Richard Van Osten, executive vice president of The Builders League of South Jersey, was totally specific in addressing the concerns, association officials added.

"It's been more difficult to find lots to build on," he said. Despite these challenges, the housing market, the report said, continues to make gradual gains. The LMI shows that markets in 174 of the approximately 340 metro areas nationwide returned to, or exceeded, their last normal levels of economic and housing activity in the fourth quarter of 2016.

The trend, the report said, represents a year-over-year net gain of 60 markets. And, 86 percent of markets have shown an improvement year-over-year, the report added.

"More than 250 markets, or 75 percent of all metro areas nationwide, now stand at or above 90 percent on this quarter's Leading Market Index," said Kurt Pfothner, vice chairman of First American Title Insurance Company. "This shows that the overall housing market continues to improve at a moderate pace."

## Key Data

The report said that Baton Rouge, La. continues to top the list of major metros on the LMI, with a score of 1.73 — or 73 percent better than its last normal market level. Other major metros leading the group include Austin, Tex.; Honolulu; Provo, Utah; and San Jose, Calif.

Rounding out the top 10 are Spokane, Wash.; Nashville, Tenn.; Charleston, S.C.; Los Angeles; and Salt Lake City, the study added.

Among the smaller metro areas, the report said, Odessa, Tex. has an LMI score of 2.10, showing that it is now at more than double its market strength prior to the recession. Also at the top of that list are Midland, Tex.; Ithaca, N.Y.; Walla Walla, Wash.; and Florence, Ala.

The LMI examines metro areas to identify those that are now approaching, and exceeding, their previous normal levels of economic and housing activity. Approximately 340 metro areas are scored by taking their average permit, price and employment levels for the past 12 months and dividing each by their annual average over the last period of normal growth, NAHB officials said.

For permits and employment, both the 12-month average and the annual average during the last period of normal growth are also adjusted for the underlying population count. For single-family permits and home prices, 2000-2003 is used as the last normal period. For employment, 2007 is the base comparison. The three components are then averaged to provide an overall score for each market. A national score is calculated based on national measures of the three metrics. An index value above one indicates that a market has advanced beyond its previous normal level of economic activity, NAHB spokesmen said.

NAHB officials added that, in calculating the LMI, the association utilizes employment data from the Bureau of Labor Statistics, house price appreciation data from Freddie Mac and single-family housing permits from the U.S. Census Bureau.

## On Target

Albert Annunziata, executive director of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region, said the findings of the study "are quite accurate."

"The components contained within the report are on target, without question," Annunziata said. "Dealing with regulatory hurdles, as well as the consistent shortages of lots, are among the many negatives that builders and developers in our region face on a regular basis."

***"We expect further improvement in the year ahead as we work with the new Trump administration and Congress to implement regulatory relief that helps small businesses and the housing sector."***  
*Granger MacDonald, chairman, NAHB*

— THE MACKOUL DIFFERENCE —

Not all insurance agencies are the same. Mackoul & Associates, Inc. is recognized as one of the finest personal service, independent insurance agencies in the Tri-State Area. Our goal is to have your insurance information available at your fingertips. Visit our website to learn more about us and to see just a few areas that separate us from our competition.

ONLINE PORTAL



THE MACKOUL APP



CLICKABLE COVERAGE





Use our client portal to view your policies, report a claim, pay a bill or print a Certificate.



Much the same as our online portal, but on the go!



Interactive visual scenes highlighting exposures for co-ops, condos, residents and property managers.

MACKOUL & ASSOCIATES, INC.

www.mackoul.com | 866-MACKOUL | info@mackoul.com

## The CCAC Joins The New York Metropolitan Coalition for Cooperatives in Opposing “Co-op Home Ownership Act,” Continued from p. 1

housing and will unduly harm members of the coalition, co-op unit owners and prospective purchasers;

- ◆ The decision to approve a candidate is an important one and co-op boards exercise their authority over admissions judiciously. Despite allegations to the contrary, rejections (of proposed shareholders) are rare and occur most frequently where the finances of the prospective purchaser do not meet the criteria of the cooperative. Cooperative boards are well aware of the disruption and dismay caused by the rejection of a prospective purchaser. And, a history of rejections will devalue units of the cooperative, as brokers and prospective purchasers avoid cooperatives with a history of rejections;
- ◆ As a general rule, boards move expeditiously through the approval process. However, timing issues can arise at any point, including issues with completeness, the need for additional time to follow-up on problematic, or irregular, financial information and delays caused for various reasons (responses from references, the candidate's travel obligations and the timing of board meetings, etc.). The proposal, the memo added, ignores the possibility that delays can occur for legitimate reasons and seeks to impose “a one-size fits all solution” which is unworkable, as it is unnecessary;
- ◆ Faced with the restrictions imposed by the proposal, boards will find that they are unable to fulfill their fiduciary responsibilities within the allotted time frames, so that they will have no choice but to reject applicants with outstanding issues as the conclusion of the 45-day period approaches, where there is now flexibility to work with such applicants to address outstanding issues;
- ◆ Current law provides significant and sufficient remedies to punish and deter negative activities associated with the application process.

“Our staff and our consultants have joined with the coalition and its officials in monitoring all developments associated with this negative proposal,” said Albert Annunziata, executive director of the CCAC and its affiliate organization, The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).

Annunziata added that members of the CCAC and BRI will be kept fully updated on those efforts.

The CCAC is composed of more than 400 co-ops and condos. Formed in 1979, the association represents the interests of the local co-op and condo sector. It provides meetings, seminars, publications, bulletin services, group insurance and referral services to its members, association officials said.

The BRI is a building, realty and construction industry membership organization. The association has more than 1,800 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industry, association officials added. The CCAC and BRI are based in Armonk.

# The Builders Institute (BI)/ Building and Realty Institute (BRI) Welcomes its Newest Members

Bank United  
Belfor Property Restoration  
Cross County Construction & Mechanicals, Inc.  
Crown Security Services LLC  
Dubyna Oleksander DBA Vors Group LLC  
E. Kobo Inc.  
EDR Construction & Management Inc.  
Flooring & Kitchen Design Center of Elmsford NY  
HR Building Maintenance LLC  
JAG Investment Company  
Paint Track Painting Service  
Pinnacle Building Maintenance Corp.  
Test Pit Corporation  
The Great American Title Agency, Inc.  
Trustco Bank  
USA LED Lighting Solutions  
Wells Fargo Home Mortgage

## A 2016 Membership “Round-Up”

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



## The Benefits of Membership in the BI-BRI: Part IV A Look at Our Incentive Programs

ARMONK

For months, the Builders Institute (BI)/Building and Realty Institute (BRI) has sponsored a Member-to-Member Incentive Program.

These 17 incentives are in, and of themselves, worth the price of Annual Membership. They are targeted, generous and yet one more way to create meaningful and profitable connections. We ask that you please refer to the accompanying announcement on the programs in these pages. And now, the BI-BRI has something new and valuable to offer its members - a broad spectrum of medical, dental, vision and well-ness programs. The plan is offered through our member, Professional Group Marketing, Inc. (PGM).

Our entry to this program came via Carmelo Milio, BI-BRI president, and the president of Trion Real Estate Management. President Milio introduced us to Ryan Pettus, who will administer the program and answer your questions in a detailed manner and with the kind of guidance you would expect. Pettus can be reached by email at [rpettus@pgmgroup.com](mailto:rpettus@pgmgroup.com). Information, again, can be found in the accompanying pages.

Given the present and future unpredictability as to what may - or may not - take place in the American Health Care Sector this year and beyond, we are glad to be able to offer access to a program such as this right now. As always, we are here, at your service, in the offices of the BI-BRI, and we look forward to assisting you in as many ways as way we can.

### The Winners

The Raffle Winner of our Jan. 12 General Membership Meeting is Traci Shemonoski of Lieberts Royal Green Appliance in White Plains. Leiberts is a new member of our association as of last December.

The winner from our Feb. 16 General Membership Meeting is Kathleen Voigt of Wells Fargo of White Plains, also a new member of the BI-BRI, as of January. What a nice welcome for both of them!

### FAQ's

Our staff consistently receives a series of questions from members and non-members of the BRI.

Here are the most frequently-asked questions, with answers:

**Q: Where can I get information on membership in the BRI?**

**A:** Full membership information can always be found at [buildingandrealtyinstitute.org](http://buildingandrealtyinstitute.org). Or, you can always call the BRI offices at (914) 273-0730. We will be happy to mail you a complete Membership Brochure/ Application.

**Q: Can I pay for my membership on-line?**

**A:** Yes! New members - and renewing members - absolutely have that option. Just go to [buildingandrealtyinstitute.org](http://buildingandrealtyinstitute.org). Once you reach our Home Page, hit Member Services. You will then see the "Join Now" and "Renew Your Membership" links. Hit the link that applies to you and you will be on your way!

**Q: Can I contribute an article to IMPACT Newspaper?**

**A:** Yes! Please feel free to contact Jeff Hanley, our executive editor (and associate executive director of the BRI), at (914) 273-0730 with any suggestions that you may have. You may also reach Jeff at [jeff@buildersinstitute.org](mailto:jeff@buildersinstitute.org).

**Q: Who do I contact for advertising in IMPACT?**

**A:** That would be yours truly. You can reach me at the above number, or at [maggie@buildersinstitute.org](mailto:maggie@buildersinstitute.org).

*Please remember - we are here for you!*

## From The Archives



**MEETING THE FUTURE GOVERNOR** - Gambelli's 811 Restaurant in North White Plains was the site of a meeting in 1988 with then homeless housing advocate Andrew Cuomo. The future governor of New York spoke before a Board of Trustees' Meeting of The Builders Institute (BI) about his WestHelp housing project to be sited on Westchester Community College grounds. Pictured, from left to right, are George Frank, executive vice president, BI; Myron Marcus (partially hidden), counsel, BI; Cuomo; and Albert Annunziata, associate director (at the time), BI.

Photo by Lester Millman, Affiliated Photographic Services, Inc.

*Editor's Note: "From The Archives" is a new feature of IMPACT. The report will highlight photos of past meetings and events involving the local building, realty and construction industry that affected the membership of The Builders Institute (BI)/Building and Realty Institute (BRI).*

### Builders Institute Plans Vigorous Response to DEC's Proposed Changes to SEQRA Regs, Continued from p. 1

nomic development, workforce housing, job growth and overall economic vitality. Other states find ways to balance environmental protection with economic growth. Why can't we?"

Comments on the proposed amendments may be submitted to the NYSDEC, Division of Environmental Permits, Attn: James J. Eldred, Environmental Analyst, 625 Broadway, Albany, N.Y. 12233-1750, or by e-mail to: [segra617@dec.ny.gov](mailto:segra617@dec.ny.gov). Comments must be submitted by the close of business on May 19.

A Public Hearing on the amendments will be held on Mar. 31. The hearing will begin at 1 p.m. at 625 Broadway, Albany, Public Assembly Room 129. The proposed amendments to the SEQRA regulations are available on the NYSDEC website: [www.dec.ny.gov](http://www.dec.ny.gov).

### Houlihan-Parnes Reports an Endicott Transaction

ENDICOTT, N.Y.

Ed Graf of Houlihan-Parnes has arranged for the sale of a mixed-use property at 10 Delaware Avenue in Endicott, company officials recently announced.

The property consists of 75 multi-family units, and a 26,406 square foot commercial building. The facility also contains a loft building that can be converted to an additional 10 apartments, officials added.

Houlihan-Parnes Realtors is a multi-faceted real estate investment company headquartered in White Plains. Founded in 1891, it has been continuously family owned and operated since its inception, company spokesmen said. Its companies and affiliates invest and engage in the acquisition and ownership of all types of commercial properties throughout the U.S. Company officials added that the firm specializes in commercial mortgage finance, investment sales, property management, leasing, mortgage servicing and advisory and consulting services.



### Grand Canal: Venice, ITALY or Chicago, USA?

Chicago World's Fair, 1893: Encompassing over 600 acres along the shore of Lake Michigan, the 1893 World's Fair (a.k.a. The World's Columbian Exposition) was an engineering and construction marvel and featured some of the largest buildings in the world. The entire infantry of the U.S. Army at the time could have easily marched lock-step within the mammoth Manufacturers' Building. Other noteworthy features included: the innovative use of canals connecting throughout the Fair, the first application of electric lighting at night (thanks to George Westinghouse), a moving sidewalk (similar to the moving walkways at airports today) and the original Ferris Wheel (thanks to engineer George Washington Gale Ferris), the biggest ever in terms of passenger capacity (40 trolley-sized cars, each carrying 40 people). These were just some of the incredible achievements of this 1893 Exposition.



The Building & Realty Institute

# Member to Member Incentive Program

## Your Member to Member Incentives

**Blair Interiors Group. Ltd.**

Apartment Building Owners & Realty Management: Meet with owner/manager for a complimentary assessment for renovations with a focus on lobbies, halls and corridors, lighting, walls, mailrooms or mail walls, elevators, reception and storage areas.

Residential Homeowners: Meet with homeowner for a complimentary evaluation of interiors for a new kitchen, bath and/or furnishings.

**The Brothers that Just Do Gutters**

Exclusive pricing for fellow Builder Institute members.

**Capital One Bank\***

Vince Mutarelli at Capital One offers a complimentary consultation for full spectrum business financial needs: banking, credit, merchant processing, treasury management for property managers, building owners, condo associations, home owner associations and general business. \$2MM - \$30MM in annual revenue size companies. Credit from \$500K - \$5MM.

*\*certain conditions apply*

**CertaPro Painters**

Karen Haas at CertaPro Painters offers a "Painter for a Day," to BRI members, a \$400 Value. *(Materials not included.)*

**Croton Auto Park Advantage**

Lifetime of free car washes, guaranteed service transportation, priority service appointments, discounts on parts and accessories, complimentary bodyshop estimates, \$50 credit towards your first ding repair, \$200 credit towards your next purchase or lease!

**Elefante and Persanis, LLP**

Offering BRI members up to two (2) phone consultations, to answer a question related to the collective bargaining agreement (if Jeff Hanley is unable to answer the query). Elefante and Persanis, LLP, will offer a discount on their hourly rate if the issue requires time beyond this.

**Finger and Finger  
A Professional Corporation**

One free consultation for Coop and Condo landlord- tenant or commercial disputes or issues. Available for Managing Agents, Property Managers, Landlords and/or Board Members.

The BRI's New Incentive Program is comprised of special discounts and services that seventeen member companies, professional firms and BRI consultants have come forward to offer their fellow members.

To take advantage of these special membership incentives, please email Margaret Collins at [maggie@buildersinstitute.org](mailto:maggie@buildersinstitute.org), or call 914.273.0730.

**Levitt-Fuirst Associates, LTD**

Complimentary, no obligation assessment of your insurance needs, \$50 off membership in the Builders Institute of Westchester, and complimentary gifts just for asking for more information.

**Mackoul**

A complimentary consultation/assessment of existing insurance coverage and/or free educational seminar.

**New Crystal Restoration**

Complimentary consultation and or site assessment of fire/water damage, mold remediation and asbestos abatement services. License- WC, NYC & NYS. Certified NYS/NYC WBE. 24/7 emergency services. Featuring green, non-toxic products.

**NYCtravelBiz**

Exclusive Promos for members, such as upgrades, shore excursion discounts, onboard credits, money-back guarantees, and price-match guarantees.

**Petro Commercial Services**

Custom assessment of fuel and service needs tailored to a customer's individual situation.

**Roher/Sprague Partners  
Communications Design**

Offers BRI members a free consultation on their website, brand identity, advertising, or marketing communications.

**Sir Speedy of Pleasantville**

50% off the initial order of full color business cards on a 500 or 1,000 quantity order.

**Sunrise Building & Remodeling**

Free in-home design consultation and free *detailed* estimate to BRI members.

**Sunrise Solar Solutions**

Free service to BRI members to help property owners and managers understand the true Solar Asset Value of buildings and open land in portfolios, including Portfolio Analysis and Site Ranking. Individual Property Proposals for qualified properties are available to all commercial, religious, not-for-profit, and multi-family properties.

**Trion Real Estate Management**

Free Property Analysis as well as the first month of management free to any member of the BRI seeking property management services.

## and A Broad Spectrum of Medical, Dental, Vision & Wellness Programs

We are now able to offer members new medical, dental, vision and wellness programs through an affiliation with our member, Ryan Pettus, of Professional Group Marketing. To inquire about the plan please contact Ryan Pettus at [rpettus@pgmgroup.com](mailto:rpettus@pgmgroup.com), or you may reach him at 914.801.3501. You will need your BRI account number to enroll which you will find on your most recent dues statement or you may obtain it by calling our offices at 914.273.0730.

**Some plan highlights being offered through the BRI include:**

- National CIGNA network of doctors and hospitals
- No referrals to see a specialist
- PPO plans - In and out of network
- ACA compliant plans
- Paper or Online Enrollment
- Recurring billing is done via Electronic (EFT) Billing.
- Rates discounted 8-10%

Plans and information can be found at: <http://vebaenroll.com/pgmveba>  
Members please use access code: JDNY4071

Members can enroll online, or, to have a licensed representative assist you, or find out more about the products and services available to you, contact:

**Ryan Pettus**  
*Account Executive*



PROFESSIONAL GROUP MARKETING, INC.  
GA SOLUTIONS, LLC

50 Broadway | Hawthorne, NY 10532  
Phone: 914-801-3501 | Fax: 914-741-0857 [rpettus@pgmgroup.com](mailto:rpettus@pgmgroup.com)



Smart Policies Lead Development in Grand Central Terminal-Midtown NYC Area, Continued from p. 1

doesn't match what successful companies want for their offices: high ceilings, big floorplates, lots of light and advanced digital infrastructure.

For some years now, East Midtown has needed a jolt to become a modern office district. To do that, it needs more Class A office space, as well as more public open space - parks and plazas - and improved transit infrastructure all around the area.

That's why I thought then-Mayor Bloomberg was right to raise this issue back in 2012, and I have, since then, worked to get a rezoning plan to a place where it is ready to be passed into law.

**East Midtown Rezoning**

In tackling the rezoning of East Midtown, we took a two-pronged approach. The first phase is already done - namely, the rezoning of Vanderbilt Avenue from 42nd - 47th Streets. That rezoning passed the City Council in 2015. It was a smaller effort, but it set an important precedent: to build bigger, you need to deliver bigger benefits to the public.

Developers on Vanderbilt can now earn additional density by making extraordinary infrastructure improvements. The public gets a great deal.

The first project we approved in this first phase was One Vanderbilt - on the corner of 42nd St. and Vanderbilt Ave., across the street from the west side of Grand Central - and it broke ground in the fall. It will be the second tallest building in New York City, behind One World Trade Center.

**Tangible Public Benefits**

In the approval process, we were able to deliver real and tangible public benefits as part of this development. In exchange for the right to build bigger - up to a 30 FAR building - SL Green, the developer of One Vanderbilt, committed to a menu of projects to improve our transit system. The estimated value of these improvements is \$220 million. They will address subway overcrowding by reconfiguring platforms, adding entrances, connecting with the future East Side Access trains. The platform changes will even allow an additional train to pass through every rush hour on the Lexington line. They will also bring new, valuable public space to Vanderbilt Avenue.

**“Developers can now earn additional density by making extraordinary infrastructure improvements. The public gets a great deal.”**

The building's additional 1.6 million square feet of Class A Office Space itself will bring considerable benefits to the public: 190 permanent union jobs, countless other private sector jobs, and nearly 6 times the tax revenue of the current

building - an estimated \$50 million/year.

I expect we'll see additional projects along Vanderbilt Avenue. Each one will have to go through the public review process, known as ULURP, so the public will have a chance to weigh in on the proposed transportation improvements versus the density and design of the building. This gives the public certainty that the development will be responsible, sustainable, and that we'll see real public benefits.

East Midtown Rezoning - Phase II

Phase II of the East Midtown Rezoning has just entered the public review process. In this effort, we are taking on the entire swath of East Midtown, from 39th to 57th Street, and from Third Avenue almost to Fifth.

Key Elements of Phase II

First, we'll allow bigger development near subway stations all around East Midtown, and allow for density to be earned by doing transit improvements. Fundamentally, what makes East Midtown a vibrant commercial district is its connectivity to mass transit, and that is only going to get better.

Second, we are going to introduce another public and private benefit: we are going to allow landmarks in the area to transfer their air rights more broadly than just right across the street.

What that means for the private sector is that developers can buy air rights to build bigger in a way they couldn't before, and landmarks will have a new market to sell them to - allowing landmarks to raise the money to support their own renovation projects.

The public will benefit from this too, because a percentage of every sale will go to a Public Improvement Fund that will pay for improvements to the public realm. These could include smaller projects like sidewalk widening to make more space for pedestrians, or bigger projects like creating new public plazas.

And, of course, there is also a public interest in the preservation of our valued historic resources.

Third, we are going to deal with the need to renew older, overbuilt buildings - buildings that are built bigger than the zoning laws would even allow today.

Right now, if you have an overbuilt building, you can't tear it down and build a new one of the same size unless you keep 25 percent of the old building. Under the proposed rules, you'll be able to tear down entirely, and build a brand new building up to your current FAR, as long as you pay a fee into that public improvement fund.

In addition, we are pushing the Department of Transportation to find ways to create more open public space in the area.

They're looking at things like potentially closing under-utilized streets to create plazas, or expanding the

Shared Streets initiative that they so successfully piloted in the Financial District this past summer.

Obviously, those proposals will have to be evaluated very carefully. But it is my hope that we are well on our way to revitalizing this area - by unlocking development potential, bringing our transit system in the area into the 21st century, and even creating open space for midtown workers to enjoy a place to sit outside and catch a break at lunchtime.

**“The first project approved in this first phase, One Vanderbilt (42nd St. and Vanderbilt Ave.), broke ground in the fall. It will be the second tallest building in New York City, behind One World Trade Center.”**

This proposal is going to mean a good bit of construction - it's anticipated that, as a result of this rezoning, 16 new office buildings will go up in the area over the next 20 years.

In addition, we will include a process to allow buildings to do enlargements, rather than having to start with a brand new development from the ground up. And as all of this happens, we are going to need to keep an even more careful eye on construction safety.

Intensified Focus on Worker Safety

Construction workers, who put life and limb at risk in building the future of our city, deserve regulations that protect their safety. There have been too many deaths recently on construction sites - 31 workers in the last two years! And, we have to make sure that we get a handle on making sure that we, as a city, do better. I look forward to exploring ways to accomplishing that with my colleagues in the Council.

As a member of the City Council, I see every day the role that government plays in the shape of our environment - both the physical environment and the business environment - and zoning is an important part of it.

We need to set the rules that are fair, respect public needs, and then get out of the way to let the private sector deliver. That's our route to smart growth.

We are on a path to delivering not only Class A Office Space, but a Class A Office District in East Midtown. And that is exactly where we want to be.

**Editor's Note:** Dan Garodnick is the New York City Council Member for the 4th Council District, representing the East Side of Manhattan. Garodnick chairs the Council's Economic Development Committee, and serves on the Land Use, Transportation, Education, Waterfront and Rules Committees.

So, You Want To Be a Board Member?, Continued from p. 3

extended the Levandusky holding to decisions by a cooperative to terminate a proprietary lease and thereafter evict the shareholder.

This has been extended, as was anticipated in Pullman, in London Terrace Towers, Inc. v. Davis, to action by a Board of Directors to terminate a Proprietary Lease. (Your authors were cited in the Davis case for an article that appeared in IMPACT). Thus, a Board of Directors, if acting within its power and at a properly constituted meeting, is in effect insulated from a court, sitting in effect as a "super-board" review of its actions.

It is thus submitted that if there is legal justification for the Board's actions, every inference must be accorded the Board. In another case the Court undertook an extensive review of the business judgment rule and determined in that case (Buckley v. Beacon Hill Estates Cooperative, Inc.), that the cooperative was not required to transfer stock as demanded when the Board had rejected a shareholder.

Specifically, the Court found that: It is well-settled that the business judgment rule is here applicable to the cooperative association and its governing Board of Managers (Matter of Levandusky v. One Fifth Avenue Apartment Corp., (citation omitted) see 40 West 67th Street v. Pullman, (citation omitted). Accordingly, in reviewing the decision of the board, this Court must limit its inquiry to whether the exercise of its authority by the board was authorized and taken in good faith and in furtherance of the legitimate interests of the corporation (citations omitted).

To establish that the Board acted in bad faith, the burden is upon the plaintiffs to prove that the action by the Board had no legitimate relationship to the welfare of the cooperative association, was taken without notice or consideration of the relevant facts, deliberately singled out an individual for harmful treatment or was beyond the scope of the authority of the Board.

An Important Point

Therefore, while a Board has responsibilities as to the promulgating and enforcing buildings' rules and regulations, selection of a managing agent (or self-managing), selection of professionals such as attorneys and accountants, community relations, repairs, maintenance and remediation of common areas, control of apartment renovations, ultimate control of building personnel, financial responsibilities and establishment of common charges, maintenance and assessments, so long as it does so in a fair and impartial manner, in accordance with the corporate documents and the law, one can presume that the court will not sit as a "super-board" to oversee the decision making process of the Board.

These cases have made it easier for a Board member to act in his or her "new" capacity, once elected and serving. Therefore, we encourage all shareholders and unit owners to participate actively in the governance of their home and investment.

**Editor's Note:** The authors are with Finger and Finger, A Professional Corporation. The firm, based in White Plains, is Chief Counsel to The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region.

**“These cases have made it easier for a Board member to act in his or her “new” capacity, once elected and serving. Therefore, we encourage all shareholders and unit owners to participate actively in the governance of their home and investment.”**



AMICUCCI ASSOCIATES P.C.



**RALPH D. AMICUCCI**

Attorney at Law

○ 914-741-5206

C 914-557-8248

F 914-495-3317

ramicucci@aol.com

www.amicuccilaw.com

**PRACTICE DEDICATED TO**

**REAL ESTATE AND BUSINESS LAW**

Lanlord/Tenant • Buy/Sell Transactions

Bank Representation • Commercial Leasing

62 Highview Terrace • Pleasantville, NY 10570

**Join The Builders Institute (BI)/ Building and Realty Institute (BRI)!**

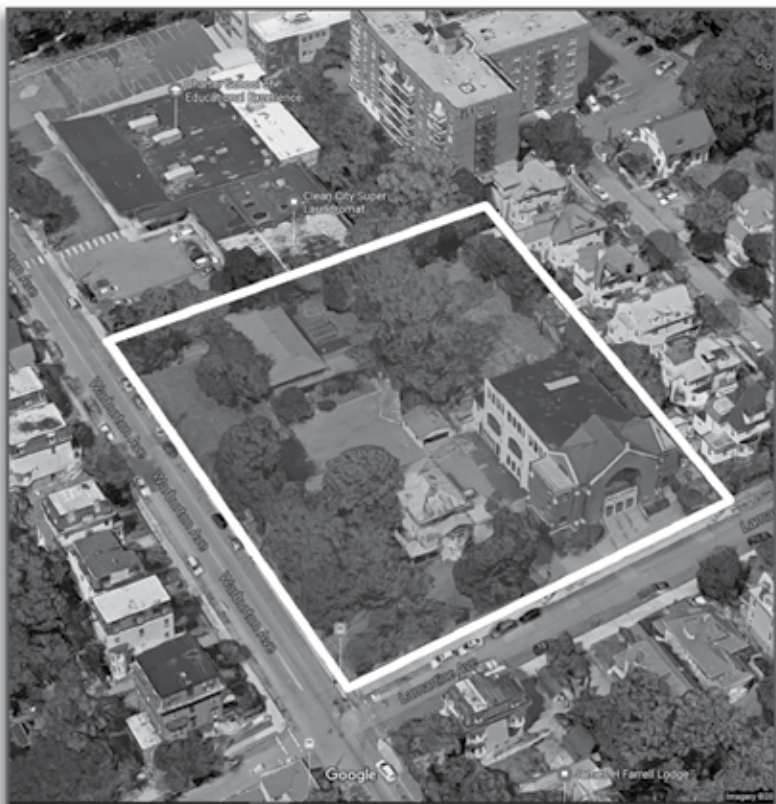
Your building, realty or construction industry business will reap the many benefits of membership in the BI/BRI by joining. For further details and on-line payment options, visit [buildersinstitute.org](http://buildersinstitute.org).

You can also call (914) 273-0730 for information.

*Become a part of one of New York State's largest business organizations.*

**Celebrating our 71st anniversary throughout 2017!**

EXCLUSIVE  
FOR SALE: 140,000 BSF, 700' FRONTAGE  
PACKAGE SALE PREFERRED



220-236 Warburton Avenue, Yonkers, NY 10701  
\$2,450,000 (\$28/BSF) | 88,125 BSF



76 Locust Hill Avenue, Yonkers, NY 10701  
\$1,450,000 (\$28/BSF) | 52,250 BSF



Greg Corbin  
Executive Managing Director  
(646) 424-5077  
gcorbin@besenassociates.com



Fritz Richter  
Associate  
(646) 424-5061  
frichter@besenassociates.com



Peter F. Gaito & Associates



architecture  
engineering  
planning

- Residential**  
Multi-Family Housing  
Affordable Housing  
Supportive Housing  
Workforce Housing  
Senior Housing  
Mixed-Use Residential  
Condominium Associations  
Townhouses  
Parking Structures
- Commercial**  
Automotive / Motorcycle  
Retail  
Corporate / Offices  
Interiors  
Shopping Centers  
Warehouses / Storage  
Restaurants
- Healthcare & Institutional**  
Parks & Recreation  
Historic Restoration  
Master Planning

Contact us today  
White Plains . NYC . NJ . LI  
Main Ph: 914-682-3381  
[www.pfga.net](http://www.pfga.net)

# Members of Trion Real Estate Management Visit a Key N.Y. Facility of Sprague Operating Resources LLC

NEW YORK

Representatives of Trion Real Estate Management recently visited Sprague Operating Resources LLC's facility in the Bronx where shipments of oil are received, analyzed and stored prior to shipping to properties. Officials for Trion Real Estate Management made the recent announcement. Spokesmen for Trion Management said the site visit is part of the company's dedication to stay on top of the latest technology and continued training for its staff. Executives, property managers and many superintendents of the Trion team were present for a full day of tours and training, company officials said. "Over the years we have developed many relationships with local energy vendors and, due to this, Sprague invited us into their facility. We are thankful for the insight and we were very impressed with their professionalism," said Carmelo Milio, president of Trion Real Estate Management and Holdings. Milio, who is president of The Building and Realty Institute of Westchester and The Mid-Hudson Region (BRI), added that his company puts great emphasis on working with professional vendors. He said the visit helped his firm get a better understanding of many of "the behind-the-scenes regulations and protocols that go into producing a gallon of oil at the Sprague state-of-the-art facility." "At Trion, we feel that all our team members should have continued education," Milio said. "A major focus of the visit was not only the understanding

of how the product is handled, but we also received training and tips on how boilers function and how they should be maintained to run our properties efficiently." Jeff Foster, a senior account executive of Sprague - together with his engineers - hosted the Trion team in Sprague's facility and showed company members how the oil is carefully tested after getting it brought in from ships. He also reviewed the many rigorous steps it takes before getting the oil delivered to buildings. Sprague Operating Resources LLC is one of the largest independent suppliers of energy and materials handling services in the Northeast, company officials said. Trion Real Estate Management is a leading full-service property management company with a portfolio that exceeds more than 1,950 co-op, condo and rental units under management throughout New York City and the tri-state area. The company offers a complete range of services, including property management, maintenance and leasing, spokesmen said. Sprague Operating Resources LLC and Trion Real Estate Management are both members of the BRI. The BRI is a building, realty and construction industry membership organization. The association has more than 1,800 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industry, officials said.

## Schell Joins Murphy Brothers Contracting

MAMARONECK

Andee Schell of Greenwich (Conn.) has joined Murphy Brothers Contracting of Mamaroneck as a residential sales consultant, the company recently announced. Chris Murphy and Sean Murphy made the recent announcement. Schell will serve clients throughout southern Fairfield (Conn.) and Westchester counties, company officials said. "Andee's qualifications and experience in the high-end residential market make her an ideal fit for Murphy Brothers residential customers," said Chris Murphy, president of the company. Murphy Brothers Contracting is a member of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region, association officials said.

## Remodeling Optimism Remains Positive

By Jeff Hanley, IMPACT Editor

WASHINGTON, D.C.

The National Association of Home Builders (NAHB's) Remodeling Market Index (RMI) posted a reading of 53 in the fourth quarter of 2016, a decrease of four points from the previous quarter, but on par with the solid levels seen in the first half of 2016, NAHB officials recently announced. Remodeler confidence "has held firm in positive territory" for 15 straight quarters, the report said. The index was released by NAHB on Jan. 19. An RMI above 50 indicates that more remodelers report market activity is higher (compared to the prior quarter) than report it is lower. The overall RMI averages ratings of current remodeling activity with indicators of future remodeling activity, according to the study. "Many remodelers are seeing consumers commit to larger, long-term home improvement projects," said 2017 NAHB Remodelers Chair Dan Bawden. "As Americans are seeing wages and home values rise overall, it gives them greater confidence to go ahead and invest in their homes." Returning to levels seen early last year, the RMI's Current Market Conditions Index dipped to 53, down three points from the previous quarter. Among its components, Major Additions and Alterations waned one point to 53. The Demand for Smaller Remodeling Projects decreased by four points to 52, while the Home Maintenance and Repair Component declined by five points to 54, the report said. The study said that the index measuring Future Market Indicators reached 52, about the same level as early 2016, but noted that it was six points lower than in the third quarter. Among its four components, Calls for Bids and Appointments for Proposals fell to 49 and 54, respectively. The Backlog of Remodeling Jobs dropped

three points to 55, and The Amount of Work Committed declined five points to 50, the report added. "At 53, the Remodeling Market Index is consistent with NAHB's forecast that remodeling market activity will continue to grow over the next two years, but at a more moderate annual rate of one to two percent," said NAHB Chief Economist Robert Dietz. **The Local Look** Joe Pizzimenti, chair of The Remodelers Advisory Council (RAC) of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region, said he agreed with the positive findings of the report. "I am seeing more plans across my desk," said Pizzimenti, the principal of Better Building Concepts of Somers. "I am seeing things still flying around. I am seeing upbeat feelings from consumers." NAHB officials said that the full RMI tables can be found at [www.nahb.org/rmi](http://www.nahb.org/rmi).

## Building, Realty and Construction Industry Seminar of Mar. 22 to Review the Recent Revisions to New York State's Building Codes

By Jeff Hanley, IMPACT Editor

MOUNT KISCO

The Builders Institute (BI)/Building and Realty Institute (BRI) recently announced the scheduling of a seminar as part of what association officials said is a continuing effort to help keep the organization's membership "fully informed" on the 2016 revisions to New York State's Building Codes. The program - entitled "An Update on the Recent Revisions to The State's Building Codes" - is scheduled for Mar. 22, from 8 a.m. to 10 a.m. It will be at The Holiday Inn of Mount Kisco. Erika Krieger, assistant director for code compliance and inspection, Department of State (DOS),

*Continued on p. 11*

## Solar Power, Solar Profits... Innovation, Rewards and Savings Now!

Sunrise Solar Solutions has helped businesses slash power bills for nearly a decade by tapping into clean, renewable solar energy.

### We offer you:

- The highest quality and longest-lasting American-made materials and installations
- Complete financing options
- Local management and operation of your system



A Premier Hudson Valley Solar Installer  
(914)762-7622  
[www.sunrisesolarllc.com](http://www.sunrisesolarllc.com)



## BUILDING MAINTENANCE SUPPLIES

JANITORIAL • LIGHTING • HARDWARE  
APPLIANCES • ELECTRICAL • PLUMBING  
PAINT • GROUND IMPROVEMENT  
TOOLS • SEASONAL PRODUCTS

(914) 923-2500 • [www.tegradirect.com](http://www.tegradirect.com)



# Houlihan- Parnes Realtors Reports a New Jersey Transaction

LAWRENCE, N.J.

Houlihan-Parnes Realtors, LLC recently placed an \$18,000,000 first mortgage and credit facility on the property known as the Lawrence Shopping Center at 2495-2421 Brunswick Pike and Harding Avenue in Lawrence.

Officials for Houlihan-Parnes Realtors made the recent announcement.

Spokesmen for Houlihan-Parnes Realtors said that the property is improved by a 400,000 square foot shopping center. The property has been tied up in litigation. The facility provided a permanent first mortgage to close the acquisition and a line of credit for the re-leasing of vacant space, officials added.

Major tenants at the center include ACME Supermarket, the Burlington Coat Factory and Staples. The property was acquired by a joint venture of JJ Operating Inc. and principals and investors from Houlihan-Parnes Realtors. In 2015, the partners acquired Independence Plaza, a 250,000 square foot shopping center in Hamilton Township, N.J. The Hamilton Township property is nearby and has undergone a multi-million dollar renovation, spokesmen said.

The purchasers were represented by Steve Uffner and Doran Golubtchik of Goldberg, Weprin, Finkel, Goldstein, LLP, officials said.

Houlihan-Parnes Realtors is a multi-faceted real estate investment company headquartered in White Plains. Founded in 1891, the company has been continuously family owned and operated since its inception. Its companies and affiliates invest and engage in the acquisition and ownership of all types of commercial properties throughout the U.S., spokesmen said.

Company officials added that Houlihan-Parnes Realtors specializes in commercial mortgage finance, investment sales, property management, leasing, mortgage servicing and advisory and consulting services.

JJ Operating Inc. is a family owned real estate investment and management company based in New York. The Jemal Family of the firm has been in the real estate business for more than 50 years and is active in the pursuit of real estate assets that present a significant opportunity to add immediate value, officials said.

Spokesmen said that JJ Operating Inc. and its sister corporations have accumulated real estate assets consisting of approximately nine million square feet of space. The assets include shopping centers, office buildings, data centers, strip malls and taxpayers.

## Letters to the Building and Realty Institute (BRI) and Impact Newspaper

To Jeff Hanley, Associate Executive Director, BRI, and Executive Editor, IMPACT:

JANUARY 17, 2017

“I received a lot of connections from attending your January 12th General Membership Meeting. I cannot believe it. I am still talking with them. I am very, very happy with my membership in The Building and Realty Institute (BRI). Thank you! It is wonderful!”

Susan Panny, Realtor, Keller Williams Realty

To Albert Annunziata, Executive Director, BRI and Publisher, IMPACT:

JANUARY 13, 2017

“I want to say thank you to you and your staff for the January 12th General Membership Meeting. That was one of the most informative “State of the Economy” presentations that we have had in recent years. Nice job!”

Jeremiah (Jerry) A. Houlihan, Asset Manager and Associate Broker, Houlihan-Parnes Properties

**Editor’s Note:** All comments, letters and e-mails to The Building and Realty Institute (BRI) and IMPACT Newspaper are welcome. Letters can be mailed, or faxed to us, at BRI, 80 Business Park Drive, Suite 309, Armonk, NY 10504. Fax: (914) 273-7051.

E-mails can be sent to: Jeff Hanley, Associate Executive Director, BRI and Executive Editor, IMPACT, at jeff@buildersinstitute.org; Margaret Collins, Director of Membership, BRI, and IMPACT Advertising Director, maggie@buildersinstitute.org, or Albert Annunziata, Executive Director, BRI, IMPACT Publisher, aaabri@msn.com.

# Astorino Reports IDA Support for Two Rental Projects in Ossining

WHITE PLAINS

Westchester County Executive Rob Astorino announced on Jan. 26 that Westchester’s Industrial Development Agency (IDA) has issued preliminary approved incentives for two rental apartment projects in Ossining, with a total private investment of \$118.25 million.

The developments will create approximately 240 construction jobs, officials added.

“The two projects approved by the IDA will provide nearly 300 units of market rate and senior rental housing and affordable units, and will create hundreds of construction jobs for our economy,” Astorino said. “These developments will further enhance the exciting revitalization under way in the Village of Ossining.”

## Hudson Steppe

Orb Management of New York City is seeking to develop what was once a vacant textile plant on State Street in Ossining into 189 multifamily rental units, officials said.

Called Hudson Steppe, the project will also include 7,500 square feet of office space in the restored historic Smith Robinson house, which is located on the six-acre property. Of the total rental units, 19 will be designated as affordable. The \$80.5 million project also proposes the county’s first fully automated parking garage for 231 parking spaces, which enables 62 percent of the site to be retained as open space, officials added.

Bounded by State and Hunter Streets, Hudson Steppe is in close proximity to the Ossining train station. Hudson Steppe will be built to LEED Gold Standards and will also incorporate solar power. Spokesmen said that approximately 190 construction jobs will be created over a two-year period. The developer has built and is in the process of developing residential, retail, office and hotel projects in New York City, Miami and Las Vegas, spokesmen said.

## Maple House Apartments

Maple House Renewal LLC is seeking to acquire and substantially rehabilitate the Maple House Apartments at 15 Maple Avenue in the Village of Ossining into a 105-unit affordable senior rental apartment complex, officials said.

The building, which consists primarily of one-bedroom units, will include upgrades for current residents to elevators, air handlers, water heaters, kitchen countertops and cabinets, Energy Star Appliances, bathroom fixtures and vanities.

Officials said that the first floor of the building will be reconfigured to include a new management office, business center, fitness center, resident storage area, and library/game room. Maple House Apartments was built in 1982. The total investment to acquire and rehabilitate the 100,000-square-foot building is approximately \$37.75 million. Approximately 50 construction jobs will be created by the project, spokesmen added.

The IDA is a public benefit corporation created in 1976 for promoting and encouraging economic development in the county primarily through assisting in the creation or retention of jobs, officials said.

The IDA is also empowered to issue taxable and tax-exempt bonds for organizations meeting federal and state guidelines. There is no financial risk to the county, or to county taxpayers. The obligation for repaying the debt rests solely with the organizations, according to spokesmen.

Any corporation or small company looking to access the low-cost and tax-exempt project financing made available through the IDA should contact Bill Mooney, director of the Office of Economic Development, at (914) 995-2943, or through email at billmooney@westchestergov.com.

## The AOAC and the Realty Sector Begin their Preparations for “Rent Guidelines Season,” Continued from p. 4

The board’s decision will affect rent adjustments for one or two-year leases which begin between Oct. 1, 2017 and Sep. 30, 2018.

## A Critical Need for Participation

“Every year, we consistently emphasize the fact that it is extremely important that Owners and Managers testify on the continuing increases in costs that the realty sector is facing,” said Alana Ciuffetelli, AOAC chair. “Once again, we are urging our members to attend the Public Hearings and Deliberations and to offer their individual struggles with their day-to-day costs to the guidelines board.”

Ciuffetelli added: “We cannot stress it enough - we need the AOAC membership to help us. In turn, the participation of our members will help us help them. The lack of a good turnout from the membership of the AOAC will, without a doubt, hurt the realty industry in this process.”

Albert Annunziata, executive director of the AOAC, said that a strong level of attendance from the AOAC membership at the Public Hearings and Deliberations is “vitaly important.”

“Without a doubt, a good response and turnout from the AOAC and members of the realty industry makes a good impression to members of the guidelines board,” he said. “It is as simple as this - if we do not receive a good turnout from the AOAC membership and our industry, the results will be highly negative to Owners and Managers, as well as to the realty sector.”

Annunziata said that AOAC members - as well as members of its affiliate organization, The Building and Realty Institute (BRI) - will receive updates on the efforts of the AOAC as it continues to prepare for the Public Hearings and Deliberations.

The AOAC represents more than 300 Owners and Managers of more than 18,000 rental units, association officials said. The BRI has more than 1,800 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industry, association officials said.

## Building, Realty and Construction Industry Seminar of Mar. 22 to Review the Recent Revisions to New York State’s Building Codes, Continued from p. 10

Division of Building Standards and Codes, will be the keynote speaker, event officials said.

Krieger’s presentation will provide an update to the Sep. 15 seminar of the BI-BRI on the topic. More than 45 members of the local building, realty and construction industry attended that program at the Crowne Plaza Hotel in White Plains. John Drobysh, code compliance specialist I of the state’s Division of Building Standards and Codes, issued that presentation.

“Our members were very happy with the Sep. 15 program, and we are confident the same will be true for the Mar. 22 event,” said Albert Annunziata, executive director of the BI-BRI. “We urge members of our industry to attend this seminar. Participation in the meeting will help enable BI-BRI members to be fully aware of the revisions.”

All BI-BRI members are welcome to attend the program. Non-members are also welcome. Further information can be obtained by calling the BI-BRI offices at (914) 273-0730.

## Tech Talk

# A Look at Technology Trends for 2017

By Andrea Wagner, President, Wagner Web Designs, Inc.  
DANBURY, CT



Before I researched the 2017 trends in internet and technology, I thought it would be interesting to see how three predictions held up from early last year.

### Prediction Number 1. Desktop vs Mobile

Yes. It happened. Phones and tablets are now the number one source for connecting to the internet by over 70 percent. This is here to stay. Get your mobile site ready!

### Prediction Number 2. Wearable Devices

The prediction was 100 million units sold by 2015. The numbers were fueled by Fitbit, Apple and Xiaomi (source: www.statistica.com). This included smart watches, glasses, fitness and health trackers. The prediction was pretty accurate and sales of wearables are predicted to reach 172 million in 2018, with revenue at 19 billion (US) dollars.

Based on the growing need for tracking disease and health awareness, the wearable medical devices are on the rise and is predicted to be the next big sales surge in 2017.

### Prediction Number 3. Cloud Computing

Utilizing cloud storage and infrastructures continue to be on the rise, helping companies safeguard their data.

## New Predictions for 2017

**Cyber Attacks** - As more sophisticated software is being used to thwart computer viruses and hack attempts, cybercriminals are switching to deception by utilizing the growth of social media to trick their victims.

These will be done by phishing for bank account passwords and debit cards and targeted attacks on employees and executives. Malicious and risky apps will be disguised as fraudulent apps, where users are lured into installing apps that are not from the company from which they claim to be. There is a growing supply of apps designed to infect mobile devices, or to simply make money by using a legitimate company’s brand to trick users into fraudulent credit card purchases or to click on fraudulent ads (source: www.nzherald.co.nz/technology).

**Pokémon Go and More** - With the incredible success of Pokémon Go, (10 million in sales!) expect to have brands coming out with reality games, ads, and other attempts to capitalize on the two main effects on the online marketing community - 1) It’s shown that users are ready for augmented reality (AR) experiences, and 2) It’s given marketers a taste of the earning potential here.

**Data Visualization Tools** - We need information to tell us who’s buying what, when, why. But even analysts frequently have problems understanding exactly what the data is saying. Our brains weren’t made to process vast amounts of raw numerical data this way. Now, technology is finally catching up. There are data visualization tools on the market already, but, in 2017, every business is going to want to start using them - the ones who don’t will be left at a significant disadvantage.

The technology will be more sophisticated, and data analysis needs will be greater than ever (source: Jayson DeMers, Forbes.com).

I am interested in knowing what technology devices and strategies your business is planning on utilizing for 2017. Email me at andrea@wagnerweb-designs.com.

**Editor’s Note:** Andrea Wagner is president of Wagner Web Designs, Inc., a boutique firm specializing in small business websites. Have a question? Feel free to contact (914) 245-2626. Wagner is a member of The Building and Realty Institute of Westchester and The Mid-Hudson Region (BRI).

