Robinson+Cole's Construction Group is pleased to bring you a recap of our Construction Law Zone blog. As we continue to follow developments and trends in all areas of construction law and share our insights on issues important to the industry, including Coronavirus, we encourage you to check out the blog and subscribe to receive e-mails when new content is posted. We welcome your feedback and input on topics you’d like us to cover.

NEW YORK REAL ESTATE DEVELOPMENT

Government Approval: When It’s Not a Sure Bet


Last month’s court decision ordering the removal of potentially as many as 20 floors of a high-rise building (The Committee For Environmentally Sound Development v. Amsterdam Avenue Redevelopment Associates, Sup. Ct., N.Y. Co., Index No. 157273/2019) shook the local development community. How can the issuance of a construction permit by one branch of government be invalidated because of community opposition? And when can a developer rely upon final determinations of the Board of Standards and Appeals (BSA)? Read more

NEW YORK CONSTRUCTION INDUSTRY

New York Clarifies “Emergency” and “Essential” Construction

Following Governor Cuomo’s order and the Empire State Development (ESD) guidance on March 27, 2020, which provided that all “non-essential construction” except “emergency construction” must shut down, this week the Commissioner of the New York City Department of Buildings issued clarification about the terms “emergency” and “essential” construction (the Bulletin). Read more

New York Construction Building Owners Assume New Roles and Responsibilities in Wake of Construction Shutdowns

With many New York City construction projects deemed non-essential, owners find themselves with partially completed work coupled with
legal obligations to maintain the safety of the property. The temporary shutdown shifts responsibilities (and liability) for maintaining the safety of the property and the public to the owner. From maintaining permits to weekly inspections and weather protection, owners are now tasked with numerous roles and responsibilities more typical of those of a general contractor. Failure to understand and address these requirements places the owner at risk of noncompliance and potential delays when work is ready to resume if, for example, permits have lapsed or areas of the site are no longer code compliant. The full New York City Building Department bulletin (the Bulletin) issued last week provides guidance to owners and contractors regarding the minimum requirements for maintaining construction and demolition sites when operations are suspended.  

**Much of New York Construction is Now Also “on PAUSE”**

Although Governor Cuomo put “New York State on PAUSE” weeks ago, at that time, “construction” was not specifically exempted from his Executive Order and the Empire State Development’s (ESD) guidance on what businesses were subject to the 100 percent workforce reduction. Yet, pursuant to a further directive from the Governor, on March 27, 2020, the ESD updated its guidance to explicitly state that “[a]ll non-essential construction must shut down except emergency construction, (e.g. a project necessary to protect health and safety of the occupants, or to continue a project if it would be unsafe to allow to remain undone until it is safe to shut the site).” (Emphasis added.) See: https://esd.ny.gov/guidance-executive-order-2026. 

**REAL ESTATE DEVELOPMENT**

**The Federal Reserve’s Powers to Pave the Way for Continued Development and Construction Through COVID-19**

As the Coronavirus has encapsulated the world, government go-aheads to construction firms are welcome relief to the industry. Lenders’ collective reaction to the current economic concerns is another matter. Future financing is always imperative to ensure ongoing construction as well as new projects. 

**CONSTRUCTION CONTRACTS + CLAIMS**

**Potential Impacts of the Coronavirus Pandemic on Construction Projects**

As the coronavirus/COVID-19 pandemic continues to spread, and the governmental and private sectors formulate their responses, it has become apparent that the associated economic impacts will be significant and affect all sectors of the economy, including construction. Robinson+Cole’s Construction Group has been monitoring these developments and is already seeing preliminary notices being sent out by contractors and owners warning of potential work stoppages, schedule impacts, and cost increases resulting from the crisis.
If you have any questions, please contact a member of Robinson+Cole’s Construction Law Group:

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For more updates on news, developments and trends in all areas of construction law, we invite you to subscribe to Robinson+Cole’s Construction Law Zone blog.