



From the Editor's Desk

Hanley's Highlights

by Jeff Hanley

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

Reviewing a Diverse and Challenging Series of Issues

ARMONK

Building and Realty Institute (BRI) members know all about the diversity of our organization. For example, BRI members - by taking quick looks at the Calendar of Events and News Links on our web site (buildingandrealtyinstitute.org) - can obtain a definite sense of the unique mixture of our association. A review of our many membership meetings and seminars, as well as the news highlights on our site, offers a glimpse of the issues that the BRI consistently addresses for our members.

The BRI has more than 1,800 members in 14 counties of New York State, a membership base that is involved in virtually every sector of the building, realty and construction industry. The result produces a series of issues and initiatives that our association, our staff and its Boards of Directors face every month. Accordingly, a look at this issue of *IMPACT* offers additional proof of that variety:

- ◆ A Page One report on how the BRI's consistent lobbying efforts reflect benefits from forging productive relationships. Albert Annunziata, executive director of the BRI and the publisher of *IMPACT*, wrote the important review;
- ◆ Another Page One story reviewing how the state's infrastructure needs far outstrip funding, with the "hole getting deeper." The excellent analysis, based on New York State Comptroller Thomas DiNapoli's latest status report on the condition of the state's infrastructure, was produced by the staff of *IMPACT*;
- ◆ A summary on Page One reviewing Toll Brothers Apartment Living joining with officials from the Town of Harrison and Westchester County on Aug. 15 to break ground on Carraway, a 421-unit luxury rental community. The community will be on the site of two former corporate office buildings. The complex at 103-105 Corporate Park Drive will be a new five-story luxury rental. It will feature a mix of 22 studios, 217 one-bedroom and 182 two-bedroom residences. The initiative is the latest in a series of housing trends of its type for the building and realty industry;
- ◆ A review on Page One of the success of "Building Knowledge with the BRI," our organization's new radio show on WVOX 1460 AM. The show, hosted by yours truly, airs every Friday from 11:30 a.m. to noon. The program addresses issues affecting the building, realty and construction industry;
- ◆ Part Two of a special series on the legal issues regarding an emotional support animal request. The series is authored by officials

of Finger and Finger, A Professional Corporation, chief counsel to the BRI;

- ◆ An article summarizing the latest breakfast seminar of the BRI, an event termed by association officials as a total success. "How to Prepare for an Occupational Safety and Health Administration (OSHA) Inspection" was the topic of the Oct. 18 program;
 - ◆ Reports on the successful Vendor Showcase of the BRI (Oct. 5) and the latest series of meetings and seminars of our association;
 - ◆ A summary in Co-op and Condo Corner on the upcoming Nov. 14 Membership Meeting of the Cooperative and Condominium Advisory Council (CCAC) of the BRI, written by CCAC Chair Diana Virrill. The seminar will review budget preparation processes for Boards of Directors of co-ops and condos;
 - ◆ An analysis in Insurance Insights on the lessons from the recent devastating weather events and the need for full examinations of insurance coverages. The review was written by Ken Furst and Jason Schiciano, co-presidents of Levitt Furst Associates, Ltd. Levitt-Furst Associates is the Insurance Manager of the BRI;
 - ◆ Three reports based on studies from The National Association of Home Builders (NAHB). The articles review the confidence levels of builders, the continued positive trends in the residential remodeling industry and the overall housing sector continuing to gain momentum;
 - ◆ A report on the Sep. 14 groundbreaking ceremony to mark the start of the construction of Gateway Townhomes in Peekskill. The project is termed by event officials as a commitment to the revitalization of Peekskill. Ginsburg Development Companies (GDC) Principal Martin Ginsburg (whose company is the developer of the project) joined with Peekskill Mayor Frank Catalina and other city officials and dignitaries at the groundbreaking;
 - ◆ An article previewing the BRI's General Membership Meeting of Nov. 16. "Skilled Labor Shortages in Construction and The Immigration Factor!" is the topic of the conference. The program is scheduled to begin at 6 p.m. It will be at The Crowne Plaza Hotel in White Plains;
- And, there are additional reports that illustrate the range of issues that the BRI addresses. We feel you will enjoy this issue and its, again, diverse content.
- Enjoy the remainder of fall and the upcoming Holiday Season!

Co-op and Condo Corner



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

Do Not Miss the CCAC's Membership Meeting of Nov. 14!

WHITE PLAINS

One of the functions of The Cooperative and Condominium Advisory Council (CCAC) of The Building and Realty Institute (BRI) is to alert our members about important topics, developments and meetings.

With that being said, here is a message to the membership of the CCAC - do not miss our Nov. 14 Membership Meeting!

The topic is definitely one of interest to our membership - "Reviewing Budget Preparation Processes for Boards of Co-ops and Condos."

The program, scheduled for a 6 p.m. start, will be at The Crowne Plaza Hotel in White Plains. All CCAC members, as well as those of the BRI, are welcome to attend the conference.

I am happy to report that our association and its staff has arranged what we feel is a top-flight panel of speakers:

Mindy Eisenberg Stark, certified public accountant (CPA) and certified fraud examiner (CFE). Eisenberg Stark, the principal of MES CPA/CFE of Scarsdale, is regarded as an expert in co-op and condo issues. Her company's clients include co-ops, condos, estates and trusts, not-for-profit organizations, individuals and mid-sized businesses. Eisenberg Stark has been a frequent lecturer at many conferences and seminars in the New York metropolitan area, including those of the CCAC. She has served as a consultant to the Westchester County District Attorney for economic crimes and has more than 30 years of experience in personal and business tax issues. We are thrilled to have her address our membership!

Brian Scally, board member, Advisory Council of Managing Agents (ACMA) of the BRI and vice president, director of management, Garthchester Realty;

Joe Rodriguez, an ACMA member and the assistant controller for Ferrara Management Group (FMG).

The panel will cover the complex and important processes that boards should take when preparing the annual budgets of their respective co-op or condo buildings/complexes. There is no need to stress how difficult the budget preparation process can be for boards. It can be a tough and time-consuming process filled with difficult decisions. Accordingly, we urge our CCAC members to attend our Nov. 14 Membership Meeting on these important processes. Again, it is "a must-attend meeting."

Other Points

As 2017 continues its rapid pace of speeding by, I would like to take this opportunity to remind CCAC members of the following:

- ◆ Do you have a topic that you like to see addressed at a future CCAC Membership Meeting? The Board of Directors of our association would love to hear from you. Please send your suggestions to jeff@buildersinstitute.org. Or, you can call Jeff Hanley, associate executive director of the BRI/CCAC, at (914) 273-0730 with your comments.

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Insurance Insights

by Ken Furst and Jason Schiciano
Levitt-Furst Associates



Lessons from Harvey, Irma and Maria - Three More Reminders to Fully Check Your Insurance Coverage

By Ken Furst and Jason Schiciano,
Levitt Furst Associates Ltd.

TARRYTOWN

This month's *IMPACT* article was supposed to be Part 2 of 2 on "Key Exclusions In Your Insurance Policies."

But, like the millions of people whose lives were altered by these devastating storms (Harvey, Irma and Maria) have learned, sometimes you have to adapt. Since the last *Impact* issue, our country (including the U.S. Territory of Puerto Rico) has been blasted by three major hurricanes, so Part 2 on insurance policy exclusions will have to wait. Let's talk about "insurance and hurricanes."

Look at the pictures that accompany this article - ominous images of rain, wind, and flooding. But, these images were not taken in the wake of Harvey, Irma, or Maria. These pictures are of Westchester and Rockland County during/after past storms Irene and Sandy. They are reminders that we got lucky this year, and that it's only a matter of time until the next big storm or hurricane affects us locally.

According to Geo Risk Research, nine of the 10 costliest Atlantic hurricanes have occurred since 2000, not including



Assessing damage from Hurricane Sandy in White Plains. Thousands of homes and businesses were without power for a week or more. Photo: NY Patch

Harvey, Irma, or Maria, which will each earn a spot near the top of the Top 10 list!

Harvey and Irma devastated Texas and Louisiana with an estimated \$150+ billion in damages, and Maria ravaged Puerto Rico with up to \$95 billion in losses (Moody's).

The truly shocking and sad news is that less than half of these financial losses, especially those caused by flooding, are likely to be covered by insurance! Why?

Because most people and businesses simply don't have the

right insurance to fully cover the effects for rain, wind, and flooding. And, they don't discover the gaps until after the storm, when it's too late. Here's what you need to know:

Wind

- ◆ Wind Claims are usually covered by your commercial property and homeowners policies, but...
- ◆ If your home or business is in Westchester, Greenwich (Conn.), or Long Island, especially near coastal areas, your wind coverage may be subject to a "Wind Deductible" equal

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News for the
Building and Realty
Industries

Impact

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DESIGN AND PRODUCTION: Roher/Sprague Partners
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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.



Hurricane Irene's rains caused massive flooding on most of Westchester's roadways, including the Hutchinson River Parkway, above. Photo: NY Daily News

to 1-5 percent of the Dwelling/Building Limit (so for a home/building with a \$1,000,000 Insurance Replacement Cost and a 2 percent Wind Deductible, the owner would pay out-of-pocket for the first \$20,000 of wind-related damage).

Rain

- ❖ Claims for damage due to rain water are usually covered by your commercial property and homeowners policies, but...
- ❖ Wind-Driven Rain Water Damage may be excluded if wind didn't cause the opening for water to enter (e.g. if the building had required roof repairs or brick pointing before a storm).

"When the next storm blows through, you don't want to be saying to yourself - 'If only I had bought that insurance.' Instead, buy the insurance, and hope you never have to use it."

- ❖ Policies often exclude or only have minimal coverage for Sewer/Drain/Sump Back-up or Overflow and/or Underground Water (but endorsements may be available for coverage or higher coverage limits).
- ❖ Keep in mind, commercial property policies

may have higher deductibles for Water-Related Coverages.

Flooding

- ❖ Flooding can occur almost anywhere, not just in "High Risk" flood zones (we learned this here locally with Irene and Sandy, and witnessed it again with Harvey [especially], Irma, and Maria.)



Downtown Port Chester under water during Hurricane Sandy. Photo: Toni Gugliotta

- ❖ Homeowner policies exclude Flood Coverage, but some high-end carriers may offer coverage by endorsement.
- ❖ A Flood Policy is usually required to address storm water in a basement.
- ❖ Commercial Property Policies usually exclude Flood, but coverage may be available by endorsement, often subject to a high deductible.
- ❖ The National Flood Insurance Program offers limited Flood Coverages to all homeowners and businesses.

Other Key Storm-Related Coverages

- ❖ Homeowner Loss of Use Coverage pays for your temporary living expenses, if you are forced out of your home, because of a covered loss (e.g. roof blown off by hurricane winds).
- ❖ Business Income Coverage pays for lost income, if your business is shut-down, due to a covered storm loss.
- ❖ Commercial Insurance Policy Extra Expense Coverage could pay for a temporary office, and related expenses, while storm damage is being repaired.

- ❖ Off-Premises Utility Services Coverage pays for losses from storm-related utility interruption.
- ❖ Builders and Developers should be mindful of wind and flood coverages on the Builders Risk Policy.

As another hurricane season blows away, Building and Realty Institute (BRI) members are left thinking that "we got lucky this year!" But, use the (temporary) reprieve as a wake-up call. Review your insurance policies with your broker and ask - "For what storm-related claims am I

"The truly shocking and sad news is that less than half of these financial losses, especially those caused by flooding, are likely to be covered by insurance! Why? Because most people and businesses simply don't have the right insurance to fully cover the effects for rain, wind, and flooding. And, they don't discover the gaps until after the storm, when it's too late."

not covered?" And, "what other storm-related coverage options are available?"

When the next storm blows through, you don't want to be saying to yourself: "If only I had bought that insurance." Instead, buy the insurance, and hope you never have to use it.

Editor's Note: Levitt-Fuirst Associates is the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. The firm is based in Tarrytown. For more information on hurricane-related insurance coverages, contact your insurance broker, or Levitt-Fuirst, at (914)457-4200.

A Profile of BRI Member Firm Power Performance Industries (PPI), Continued from p. 11

Q: Impressive examples. What does your staff look like to handle all this as well as the sales effort?

A: First, there is Lou Baldassare, our founder and president. He has tremendous knowledge in the industry and is very technical. Our sales team is headed by Sal Indiviglia. There are two engineers on staff, one being an electrical engineer. Dan Horan is our Service Manager with two people in charge of scheduling and repair quotes. He also has eight technicians who perform start up, service and maintenance. We have a very high customer retention rate which tells us we are doing much more than just getting the job done.

Q: Which brings up the question of what is your retention rate? And what would you say PPI brings to the table to achieve it?

A: We have a 95 percent customer retention rate. We are more customer centric and provide 24/7 service. The value we bring is very real customer satisfaction. An annual satisfaction survey we conduct, which typically goes out mid-year, really helps us to measure, monitor and manage. It's a crucial step to have in place and a vital tool to understanding and knowing. Measuring informs managing, so when you measure you can manage effectively. If you don't, you can't know where you've been, what has changed, or where you need to go.

Q: It certainly sounds like it's working for PPI. Given the epic storm sequence and unprecedented challenges to local, state and federal governments as well as homeowners over the last few months, how is it affecting PPI?

A: Yes, it's been an unbelievable hurricane season. The actual lead generation for us has more than tripled so we are extremely busy following these. To be clear, these are leads and not orders but check back with us on that point.

The effects go back to Hurricane Sandy in 2012, which put emergency power generators on the map. Building code changes were put in place

such as NY City's requirements for emergency power in any building over seven stories for life safety purposes. As a result of the flooding that occurred downtown and at New York Hospital generators can no longer be in basements. As a result, you see enormous cranes in the NYC skyline lifting generators onto rooves of high-rise buildings.

When you think about country clubs or restaurants, for instance, who had weddings booked and were without power for any amount of time, it all becomes a mammoth rolling disaster. These aren't the things you think about first when looking at the suffering in Texas, Florida or Puerto Rico, but they are all terribly real facets of unpredictable weather and fierce storms. A generator in a home or business simply provides at the very least, some peace of mind for safety and health.

Q: And last, but not least, John. How did you become part of PPI?

A: Before joining PPI, I was CEO for Argo International Corporation, a global distributor of electrical, automation, motion control, power distribution, fluid handling, and pumping equipment, components, new units, and renewal spare parts for the worldwide industrial, commercial and process industries. I travelled all over the world expanding business in China, India, Morocco, the Philippines and Canada resulting in revenues of approximately \$100 million. And then one day my wife passed away suddenly and unexpectedly. Our son was only ten years old at that time and travelling at the rate I did became untenable. Certainly, in my son's interest, I had to make changes, which I did, and was fortunate to find the opportunity at Power Performance Industries. PPI is thriving, and so is my son.

Q: A very hard road to travel, indeed. I'd like to thank you for talking to IMPACT and also say that Power Performance Industries is a valued member of the BRI. You were a guest on the BRI's radio show, "Building Knowledge" on WVOX 1460 AM on Sep. 8th, so I invite people to listen to the interview at: buildersinstitute.org/bris-radio-show

The Fordham Real Estate Institute (REI) Announces New Masters' Degree Program in Real Estate, Continued from p. 16

- ❖ Real Estate Development;
- ❖ Construction Project Management;
- ❖ Commercial Property Management;
- ❖ Residential Property Management.

Officials added that the MSRE curriculum presents the essential elements of real estate finance, investment, development and management. Both programs are developed and taught by leading industry practitioners and are centered on imparting real-world professional skill sets, officials added.

Further information can be obtained by visiting www.fordham.edu/realestate.

Tech Talk

How Costly Is That Free E-Mail Service That You Are Using?

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

DANBURY, CT

Examples of free email services are Yahoo!, Gmail, Hotmail, sbcglobal.net, etc. In the event of a problem with your account, there is no support or customer service for free accounts (the last line of the troubleshooting guide states "If these steps have not resolved the issue, feel free to set up a new email account."). Lost data is lost permanently, and there is no one to turn to for help.

Have you ever wondered how these companies are able to offer you a free email account? Once you sign up and begin sending and receiving email messages, you have become a target in the company's sales and marketing sights, sharing your interests, your connections, your customers' information, and even what your personal finances look like.

Computer programs search and catalog every message you send, and every message you receive (no matter where the incoming messages originate), picking out words and phrases which are then used in targeted ad campaigns. You can see the result in the ads which appear on the side of the email screen, and are sometimes embedded within your email messages themselves.

The Image of Your Company

Using a free email service in place of your company domain name can raise a red flag to consumers, resulting in them deleting your email messages without reading them, or even reporting them as spam. This can stall the growth of your small business and hurt your reputation.

Another Domain Name Scam

Many of my customers have been sending me this notice they receive via email:

"Dear Domain Owner,
Don't miss out on this offer which includes search engine submissions for yourdomain.com..." It appears to be an invoice for renewing their domain name. But keep reading! "There is no obligation to pay for this order unless you complete your payment by xx/xx/xx. Our services provide submission and search engine ranking for domain owners. Failure to complete your search engine registration may result in the cancellation of this order (making it difficult for your customers to locate you using search engines on the web). You are under no obligation to pay the amount stated above unless you accept this offer."

This is an advertisement made to look like an invoice. Many customers pay it out of fear of losing their domain. Just ignore it!

And, finally, if you receive an invoice that you don't expect from someone you don't know, delete it!

Editor's Note: Andrea Wagner, a member of The Building and Realty Institute of Westchester and The Mid-Hudson Region (BRI), is President of Wagner Web Designs, Inc. The company specializes in optimized small business websites. Questions to Wagner can be directed to (914) 245-2626.

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