



# ALERT

## HURRICANE SANDY — FOX ROTHSCHILD DISASTER RECOVERY CONSULTATION SERVICES

By Thomas Daniel McCloskey

The disaster of Hurricane Sandy has wreaked havoc on individuals and businesses throughout the East Coast, and particularly affected regions in New Jersey and New York. With offices throughout the tri-state area, Fox Rothschild's lawyers and staff, personally and professionally, have felt the effects of this disaster. Our thoughts and prayers go out to all who continue to suffer without power, food, shelter, gasoline and other of life's essentials, and especially to those who have lost their homes, businesses and loved ones.

On October 30, 2012, the U.S. Department of Homeland Security's "Federal Emergency Management Agency (FEMA) issued "Major Disaster Declaration: DR-4086" declaring the State of New Jersey a national disaster area — triggering coordinated direct financial and other service-related federal assistance to the state, county and local governments as well as to affected individuals. Click [here](#) for details on the implications of the President's action. [Note that since the issuance of DR-4086, all New Jersey counties have been included within the declaration for assistance].

We are now a mere two weeks post-Sandy. As disaster rescue and recovery efforts have unfolded, and assessments have been made from ground level, it has become painfully apparent that the scope and magnitude of the damage sustained by our State and the NJ/NY region is massive and without precedent. The landscapes of New Jersey and New York — particularly their coastlines, flood zone areas, numerous inland regions, together with significant portions of the Jersey Shore from Cape May north to Sandy Hook, Staten Island, Long Island and lower Manhattan — have been substantially altered and may never be the same. There

has been major damage to what was already aging infrastructure, bridges, roads, mass transit, ports and navigable waterways, electrical power, water, wastewater collection, treatment and transport systems and facilities, to augment concerns over substantially pared back contours of the coastline and beachfront areas. What had been rising upgrade costs for essential infrastructure could now reach extraordinary heights since considerations of wholesale re-design and replacement will be imperative and, most likely, required.

In response to the disaster, Fox Rothschild LLP mobilized a **Disaster Recovery Consultation Unit** within the firm to provide rapid response servicing to our clients. The firm offers disaster recovery consultation services with application to the specific emergency circumstance(s) of our clients, and with a view toward providing rapid response to needs and inquiries as they arise through a coordinated, inter-disciplinary team consisting of legal, construction, insurance, real estate, tax, employment and other professionals that has been assembled. Our unit is immediately available to provide assistance to our clients in navigating the labyrinth of available resources for financial and other recovery assistance, and in making informed judgments in response to the unfortunate circumstances caused by this extraordinarily tragic event.

We have established a [web page on our firm website](#) dedicated to this effort. This resources guide will serve as a central repository of information for both our own staff affected by the hurricane as well as for clients who may be in need of recovery assistance.

At the right-hand side of the web page, we will be

publishing a series of Alerts that are designed to address specific topics of interest. At present, we have published four pieces that specifically address insurance best practices, employment considerations, tax implications and landlord/tenant matters. We will be supplementing the aforesaid publications by regularly posting up Alerts in the coming days and weeks that will address, among other things, construction-related issues (including permitting, approvals and related issues, together with some guidance on dealing with builders and contractors); land use and zoning implications; environmental issues (compliance requirements and related needs); property issues, including tax assessments and related valuation issues; utility and infrastructure re-design, upgrading and construction; and legislative initiatives in the offing at both the State and Federal levels. Our Disaster Recovery Consultation Unit is on the case and ready to assist you in any and all ways that we can.

Please contact Tom McCloskey at 609.896.4578, [tmccloskey@foxrothschild.com](mailto:tmccloskey@foxrothschild.com), Carl Maio at 215.918.3616 [camaio@foxrothschild.com](mailto:camaio@foxrothschild.com) or any of our other attorneys with whom you have a relationship here at the firm for an initial “triage” of your issue inquiry, and for referral to the pertinent member of our Disaster Recovery Consultation Unit concerning matters of a particularized specialty or discipline.

Below we offer some general initial guidance on topics of immediate relevance.

**Insurance:**

[Precautionary Insurance Best Practices for Those Impacted by Hurricane Sandy](#)

**Employment Considerations:**

[Hurricane Sandy: Employment Issues for New York and New Jersey Employers](#)

**Tax Implications:**

[Tax Considerations in the Wake of Hurricane Sandy](#)

**Construction — Home Improvement**

**Considerations:**

[This piece provides important tips to protect home and property.](#)

**Environmental — Reconstruction of Public Infrastructure — Conditional Permit Waivers:**

Click [here](#) for explanation of Administrative Order (AO) [#2012-13](#) issued on November 3, 2012 by NJDEP Commissioner Bob Martin exempting state, county and municipal agencies from DEP’s formal permit procedures for a specific category of emergency activities relative to public infrastructure. This Administrative Order applies only to damage resulting from Hurricane Sandy:

**Real Estate Property Taxes: Property Damaged By Hurricane Sandy — Tax Implications:**

If you are the owner of property with a building or other structure that suffered significant damage or destruction as a result of Hurricane Sandy, New Jersey tax statute requires the property owner to take action seeking adjustment to the property’s assessed valuation by **January 10, 2013**. See [N.J.S.A. 54:4-35.1](#), which provides as follows:

***54:4-35.1. Material depreciation of structure between October 1, and January 1; determination of value.***

*When any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, either intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty, which depreciation of value occurred after October first in any year and before January first of the following year, the assessor shall, upon notice thereof being given to him by the property owner prior to January tenth of said year, and after examination and inquiry, determine the value of such parcel of real property as of said January first, and assess the same according to such value.*



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