

CONSTRUCTION LAW NEWSLETTER

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TRENDS IN CONSTRUCTION LAW

The Syracuse Common Council recently approved a deal between the City of Syracuse and the developer of the Symphony Tower building, which is across the street from the new Hotel Syracuse Marriott.

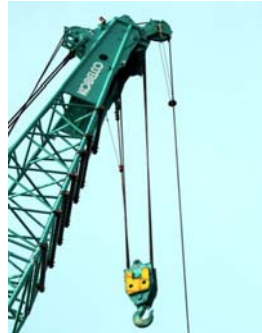
The property had accumulated \$1.6 million in back taxes and fees while a years long litigation battle wound it's way through the courts. Under the deal, the developer will pay a portion of the back taxes and fees over

time and the City will forgive a portion.

A community benefit agreement is also contemplated whereby 20% of workers on the project will be city residents, 20% of subcontractors will be minority and women owned businesses and 20% of workers will be women and minorities.

Redevelopment of the Symphony Tower into a 120 room long term stay hotel is good news for the local construction industry.

However, contractors



undertaking work on the project should keep in mind the implications of the community benefit agreement between the City and developer.

It could affect contractual obligations, lien and bond rights, notice requirements, and so on.

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CASE LAW UPDATE

On November 23, 2016, the Third Department Appellate Division decided the case of *CGM Constr., Inc. v. Sydor*.

The case centered on renovations of the front porch of a historical building in Saratoga County. The contractor agreed to perform the work on a time and material basis based on plans and specifications provided by the owner. During the course of con-

struction the owner stopped paying the contractor's invoices and the contractor in turn ceased work.

Litigation ensued with the contractor suing for the balance owed for the construction work and the owner counter-suing for defective workmanship.

The Appellate Division ruled in favor of the contractor, holding that the ap-

plicable agreement was a "design specification contract" in which a contractor follows architectural plans and specifications provided by the owner and the contractor is not responsible for consequences of defects in such plans and specifications or precluded from recovering contractually agreed upon payments for work completed in compliance with them.

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