

Conducting Business in the Wake of Hurricane Ida

09.07.2021

Hurricane Ida has come and gone and many of us are in recovery mode – literally picking up the pieces and yearning for our normal routines. Our thoughts are with our communities, clients, and friends during this rebuilding phase that is all too familiar to those of us who lived through hurricanes, including Hurricane Katrina 16 years ago.

Lessons learned from these experiences have helped us better prepare and put measures in place to remain operational and offer continuous service to our clients in the days following natural disasters.

Currently, businesses and property owners in some of the hardest hit areas are assessing the damage and determining next steps in order to resume operations. Stone Pigman would like to provide helpful information and resources for those focused on recovery efforts:

Insurance Policies. Businesses and property owners should closely review their insurance policies for property damage and business interruption coverage. You should also inventory and photograph the damage and contact your insurance agency immediately to start the claims process.

Contractual Obligations. Businesses should consider whether pending business or real estate transactions or existing contracts are subject to termination due to the storm. Depending on the language of the contract and the impact of the storm on the particular business, a business potentially could argue that the hurricane constitutes a "material adverse change," justifying a refusal to close a transaction, or trigger a force majeure clause, excuse performance of part or all of a commercial contract or entitle a business to terminate the contract. If a business anticipates economic hardship resulting from the storm, it should evaluate these and other provisions of its contracts, to better understand its legal rights and obligations.

Contracts for Remediation and Repairs. Be careful in contracting with contractors for repairs or remediation. After a major storm like Hurricane Ida, the "storm chaser" contractors inevitably descend on the impacted areas. While these firms often provide a very valuable service, you should make sure they have all necessary licenses, valid and sufficient insurance, and good references. You also will want to be sure you understand the contractual terms of any agreement and to even check with your insurer before signing a contract. After Hurricane Katrina, we were involved in several disputes between property owners and contractors, some of which might have been avoided with research into the contractor's background.

Federal Disaster Assistance:

ATTORNEYS

Paul J. Masinter

David C. Rieveschl

RESOURCES

FEMA Aid. Apply for assistance by registering with FEMA online or by calling 1-800-621-FEMA (3362).

SBA Disaster Loan Assistance. SBA is a source for low-interest, long-term loans for businesses, private nonprofits, homeowners, and renters with losses not covered by insurance. For more information or to apply for assistance, visit [here](#).

Visit the GNO, Inc. Storm Resources Page for storm updates and resources.

The weeks and months following Hurricane Katrina in 2005 proved that we are a resilient community and remain committed to rebuilding and reopening. Hurricane Ida will be no different. Stay safe as the recovery continues and please contact us should any legal needs arise.

David Rieveschl

Head of Business Section

Paul Masinter

Head of Litigation Section