

Real Estate Group Of The Year: Kasowitz

By Emma Whitford

Law360 (January 24, 2022, 2:03 PM EST) -- Kasowitz Benson Torres LLP helped lift a stop-work order on the iconic Chelsea Hotel and convinced a New York judge to restart land use review on two contested Brooklyn apartment towers, earning a spot among Law360's 2021 Real Estate Practice Groups of the Year.

The firm's real estate department is composed of more than 30 attorneys concentrated in New York City — with additional presence in Miami, Los Angeles, Houston and Colorado — and is co-chaired by litigation experts Paul "Tad" O'Connor III and Jennifer S. Recine.

Although the department also handles real estate transactions, Kasowitz is "at bottom a litigation and disputes-centered firm," O'Connor said.

Unlike firms with large M&A departments, Kasowitz can take on a wide range of real estate litigation without conflict of interest concerns, said Recine, a 2021 Law360 Real Estate MVP.

"That's why we exist," she said. "We're much more nimble than those big firms."

Among Kasowitz's biggest achievements of 2021 was a breakthrough in state court litigation on behalf of the owners of the 19th-century Chelsea Hotel, a unique mixed hotel and residential property that has been home to the likes of Bob Dylan and Jimi Hendrix.

A 2018 stop-work order issued by New York City's Department of Buildings had for years stymied Kasowitz's hotelier clients — Richard Born, Ira Drukier and Sean MacPherson — from completing their planned redevelopment.

But the firm dug through the DOB's basement records in late 2020 and uncovered evidence that the hotel had secured a special exemption in the 1990s that should allow construction to proceed. The court heard the new evidence early last year.

"We went through 100 years of microfilm," Recine said, adding that presenting the so-called single-room occupancy multiple dwelling exemption they had uncovered "effectively compelled DOB to instantly reinstate building permits."



Also in 2021, Kasowitz twice helped lift a temporary restraining order blocking developer Bruce Eichner from proceeding with his rezoning application for two 39-story apartment towers in Brooklyn's Crown Heights neighborhood.

New York Supreme Court Justice Katherine A. Levine had initially imposed the order in March, halting the project's Uniform Land Use Review Procedure, or ULURP. But Kasowitz was ultimately successful in arguing that a virtual format — required as a coronavirus safety measure — would not undermine the process.

"It came down to whether the pro se litigants could establish that they were actually harmed by the virtual format," Recine said. "And one of the ironies of the situation was that these same litigants had to get on the virtual court appearances to make the argument that they couldn't utilize a virtual ULURP process."

Looking to the future, Recine said the Kasowitz is interested in expanding in Miami, and South Florida more broadly. "We're looking south in terms of helping our clients in New York City as they grow their businesses and footprint down there," she said.

O'Connor added that he anticipates a busy year ahead for the firm, as clients get back to litigation and arbitration that may have been delayed by the pandemic.

"There was a sense that people were looking for some kind of certainty, and I think what we've all come to realize is we're not going to get certainty," he said. "You're just going to have to go about your business in an uncertain world."

--Editing by Gemma Horowitz.