

[NEWS](#) [\[ /NEWS \]](#).

# Brown Water And Gas Fumes: Some Of Steve Croman's Tenants Still Living In "A Nightmare"

BY [STEVEN WISHNIA](#) [\[ /STAFF/STEVEN-WISHNIA \]](#)

FEB. 6, 2020 10:26 A.M. • [9 COMMENTS](#)





➡ 159 Stanton Street, a building owned by Steve Croman that was plagued with gas fumes. GOTHAMIST

On January 28th, inspectors for the Department of Buildings entered the basement at 159 Stanton Street in Manhattan and turned off the boiler, some three months after tenants began complaining to management about fumes from the burning oil.

“You could smell it throughout the building,” said a tenant, who like others asked to remain anonymous, for fear of retaliation. The tenant said that the 19-unit building’s property manager, New York City Management, failed to make repairs. The Fire Department had turned the boiler off a week earlier on January 20th, but it was turned back on that night so residents would have heat. The FDNY warned tenants that long-term exposure to the fumes would be dangerous, and some began sleeping with their windows open.

When the DOB inspector came on the 28th, he found that a flue had been disconnected from the boiler, so the fumes were spewing into the building's air instead of going up the chimney. "The inspector had me opening all the doors, because [the fumes were] so strong, he didn't want to breathe it in," the tenant says.

#### ADVERTISEMENT

The inspector issued a violation for the disconnected pipe. The boiler was repaired and turned back on the next day, according to the DOB.

"Living like that has been a nightmare," the tenant told Gothamist. "Having clean air in your building is not asking for much."

The Lower East Side building is one of more than 150 owned by Steven Croman. Croman was perhaps the most notorious of the city landlords who made harassing rent-regulated tenants a business model (<https://www.villagevoice.com/2017/09/18/how-forcing-tenants-to-move-became-a-business-model-for-nyc-landlords/>). Croman and others took advantage of recently-closed loopholes (<https://gothamist.com/news/five-ways-landlords-may-try-to-raise-rents-now-that-deregulation-is-mostly-dead>) in the state's rent-stabilization laws that enabled owners to jack up rents by renovating vacant apartments and deregulating them once the rent got high enough.

Dubbed "construction as harassment

(<https://www.villagevoice.com/2016/12/20/when-it-rains-outside-it-rains-inside-tenants-say-notorious-nyc-landlord-is-practicing-construction-as-harassment/>)," demolition and renovation work was done so sloppily that buildings were filled with dust, residents' ceilings collapsed, and cooking gas got cut off. The sloppy work and the "relocation specialists" who banged on rent-stabilized tenants' doors forced many people from their homes.

In 2017, Croman pleaded guilty to fraud charges

(<https://gothamist.com/news/loathed-landlord-steve-croman-headed-for-jail-after-felony-guilty-plea>) for a scam in which he had inflating the value of buildings he owned when applying for loans, by telling the banks that he'd deregulated more apartments than he actually had, enabling him to project a higher rent roll. Croman was released in June 2018 after serving eight months of a one-year sentence (<https://www.dnainfo.com/new-york/20171003/east-village/steve-croman-sentencing-rikers-island/>).

Tenants in several of Croman's buildings say they are no longer experiencing the same kind of intense harassment they felt before, but they continue to have chronic problems, such as lack of repairs, unsafe construction, eviction lawsuits, and going for more than a year without cooking gas.



➡ Steve Croman ATTORNEY GENERAL'S OFFICE

Technically and legally, Croman is not allowed to manage many of the buildings he still owns. In December 2017, Croman agreed to turn over management of 107 of his buildings to an outside property manager—a

company called New York City Management—for five years in order to settle a lawsuit by the New York State Attorney General that had charged him with wholesale harassment of tenants.

Many tenants question how independent New York City Management is. At least three property managers from Croman's company, 9300 Realty, now work there, in some cases overseeing the same buildings they did during the worst of Croman's harassment. Tenants in at least four buildings say they've seen Croman on the premises.

"It's business as usual. Nothing's changed," says Cynthia Chaffee of 346 East 18th Street, founder of the Stop Croman Coalition. "It's the same goons we had to deal with." The building's current property manager, she adds, "was horrible when she worked for Croman, and she's more horrible now."

These practices, however, are allowed by the 2017 consent decree ([https://ag.ny.gov/sites/default/files/consent\\_decree\\_with\\_croman.pdf](https://ag.ny.gov/sites/default/files/consent_decree_with_croman.pdf)), as long as Croman doesn't have a direct role in personnel decisions and has only "incidental interactions with tenants" in buildings he visits. He got to select the property manager and has the right to ask the Attorney General's office to replace them. He also picked the monitor to oversee the buildings, a former Disney executive and Drug Enforcement Administration agent named Andy Pucher.

"We are diligently implementing our settlement agreement with the state Attorney General in line with our focus on using best practices to provide quality housing for our residents," a spokesperson for Croman's 9300 Realty told Gothamist. According to the spokesperson, the settlement says Croman is not responsible for New York City Management's problems.

A New York City Management employee took a message, but the company did not respond. The Attorney General's press office declined to comment on the record.

At Chaffee's apartment, brown water has been coming out of bathtub faucets for more than a month. "Would you shower in this?" she asked.

Last July, the city Department of Housing Preservation and Development issued two Class B hazardous-condition violations for broken tiles in her bathroom. In December, New York City Management falsely certified that it had made the repairs, according to HPD documents Chaffee provided Gothamist. HPD reissued the violations on January 27th after reinspecting her apartment.

HPD also issued a Class C violation—an emergency hazardous condition that must be corrected within 24 hours—on January 28th because the water coming out of her faucets was too hot, the second one of the month.

"Is it New York City Management or Croman? We don't know," Chaffee said. "But it's still happening."

As a testament to Croman's management strategies, only nine of 159 Stanton's 19 apartments are occupied, and six of the vacant ones are still completely gutted.

In September, tenants said a contractor doing asbestos-abatement work in the gutted apartments on the third floor left a door open.

"Dust was spread throughout the building," said another tenant. "I felt like I was choking." (They too asked to remain anonymous, saying, "I feel like I've been targeted enough.")

Croman's 9300 Realty counters that the tenant liaison representative overseeing the job reported that the area being worked on was encased in plastic and no dust escaped.

The situation in Croman's buildings is "a lot quieter" than it was before he went to jail, said Brandon Kielbasa of the Cooper Square Committee, which organized residents of several Lower East Side and East Village buildings against the harassment. Still, he adds, the Attorney General's office is supposed to protect tenants from dust.

Kielbasa called the construction issues "worrisome," adding, "there shouldn't be a situation at this point. No one from 9300 is supposed to have their hands on construction."

At a January 2019 meeting with residents of 724 Tenth Avenue, tenant Jeffrey Kranzel said that a New York City Management rep told them that the reason repairs were delayed was because "we have to talk to the owner."

Assemblymember Richard Gottfried (D-Manhattan), who had a staffer attend that meeting, wrote in an April 2019 letter to the Attorney General's office that the rep's statement revealed that Croman "is still making financial decisions regarding which repairs are made and how they are made," which would violate the consent decree.

Natalie Naculich, a tenant organizer with Housing Conservation Coordinators in Manhattan's Clinton/Hell's Kitchen neighborhood, where Croman owns about 20 buildings, described New York City Management as "pretty unresponsive to tenant complaints."

"Everybody thought that when the settlement kicked in, with the new management, everything is going to be different," Kranzel said.

Kranzel, who won a ruling last December from the state Division of Housing and Community Renewal that his apartment had been unlawfully deregulated, on the grounds that Croman had submitted insufficient proof of \$65,000 in renovations, sued Croman in January 2019. He charged that the failure to make repairs such as fixing roof leaks that caused his bathroom ceiling to collapse and abating black mold were harassment intended to cause him to move out and drop his overcharge complaint.

New York City Management contested his complaint that black mold was a problem in his apartment. But the landlord agreed to fix the mold in a settlement reached that March. (Croman's office said it believes Kranzel's overcharge complaint was his motivation for the suit.)

In another Croman building at 434 West 52nd Street, the cooking gas was turned off in June 2018. More than a year and a half later, tenant Jee Han still hasn't gotten hers restored. No one from New York City



Management looked at the problem for six months, they said, and repairs didn't start until after tenants demanded them in an HP action in October 2019.

"I think they're worse than 9300 [Realty], which is saying a lot," they told Gothamist.

A Croman representative said the repairs were New York City Management's responsibility, and gas had been turned on in nine of the 14 apartments by the end of November. Four more are awaiting inspection by Con Ed and the Department of Buildings, he added, and the remaining tenant sent an email in which they said they were happy to have an electric stove instead of "zig-zagging" gas pipes in her apartment.

An East Village tenant who also asked for anonymity said that the tenant liaison hired by New York City Management had been helpful while a neighboring apartment was being renovated, getting them a rent abatement and an air filter, and stopping work on weekends. On the other hand, they said they had to deal with "the incredible discomfort of lead-filled dust in my apartment... my skin has broken out like crazy."

"He knows he's being watched," the tenant said of Croman. "Being indicted showed he wasn't untouchable."

Croman's legal problems drastically reduced the number of eviction cases his operation filed against tenants. One exception is Antoinette Pisano, 35, who is trying to stay in her late father's rent-stabilized apartment at 102 East Seventh Street.

"I've lived there my whole life," she said. "I clearly have succession rights." Pisano said she brought paperwork from Social Security, Medicare, and Bellevue Hospital's visiting-nurses service to show that she had been her father's live-in caretaker, but Croman's lawyers demanded a host of other documents, including "a list of where I get my pet food."

She said Croman told her, "You and your family have been taking advantage long enough...You've never lived in that apartment. I have cameras and they watch you."

On January 27th, a judge dismissed Pisano's case in a dispute over whether she had the money to pay \$7,000 in back rent, but stayed her eviction until March 15th. Pisano, who told Gothamist she had obtained a "one-shot deal," a loan the state gives low-income people to save them from being evicted, plans to appeal. (A spokesperson for Croman's company claimed that Pisano doesn't actually live in her apartment.)



➡ The building that houses the White Horse Tavern was purchased by Steve Croman last January. SCOTT LYNCH / GOTHAMIST

Croman retained control over several dozen other properties (<https://www.stopcromancoalition.org/properties.php>) that were not covered by the settlement, and they've experienced similar problems. "There's banging and debris falling at all hours of the day and night," says a tenant at one, 1349 Amsterdam Avenue in Harlem. On December

20th, she said, a neighbor came home from work to find that her bedroom ceiling had collapsed. A bathroom was being built in the apartment directly over her bedroom.

Tenants also have not gotten their renewal leases on time, and some of her neighbors have received letters accusing them of behind on their rent, when they say they weren't.

"We all fear he's doing things through paperwork," she said, adding that her neighbors, who mostly speak more Spanish than English, are afraid to speak out.

Croman's office says the hole in the ceiling was caused by a worker in the upstairs apartment accidentally stepping between floor joists, and that its construction manager told them the residents of the apartment missed an appointment for repairs in late January and chose to fix it themselves.

Croman is also in litigation with two landlords he agreed to buy buildings from in April 2019, claiming they had exposed him to possible damages for illegal rents. He pulled out of both deals just after the state Legislature passed the Housing Stability and Tenant Protection Act of 2019 last June (<https://gothamist.com/news/a-real-sea-change-what-nyc-tenants-need-to-know-about-the-new-rent-reform-deal>), closing most of the loopholes he'd used to jack up rents before he went to jail. In one case, the sellers' lawyer called Croman's suit "a cry to this Court to bail it out after realizing that it had negotiated and signed a contract for a property it no longer wants."

Meanwhile, Croman has been buying up more properties through a new company called Ecalp, formed in January 2018 while he was still incarcerated in the Manhattan Detention Complex jail.

In January 2019, Ecalp bought 340 East 58th Street (<https://rew-online.com/2020/01/convicted-croman-buys-sutton-place-building/>) for \$12.3 million. A few months later, it bought 567 Hudson Street (<https://patch.com/new-york/west-village/slumlord-buys-white-horse-building-loan-bank-he-scammed>), site of the historic White

Horse Tavern, for \$13.7 million—borrowing the money from New York Community Bank, one of the banks Croman was convicted of submitting false mortgage documents to.

[#LANDLORDS \(/TAGS/LANDLORDS.\)](#) [#STEVE CROMAN \(/TAGS/STEVE-CROMAN.\)](#)

**Do you know the scoop?** [Comment](#) below or [Send us a Tip](#)  
(<mailto:tips@gothamist.com>)

## Gothamist Comment Policy

Gothamist welcomes relevant, constructive, and interesting comments. Please be respectful and stay on-topic!



Please read our [Comment Policy](#) before commenting.

9 Comments

Gothamist

 Login ▾

 Recommend 1

 Tweet

 Share

Sort by Oldest ▾



Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS 

Name



**Linda** • 10 hours ago

Wow,m thanks for stAYing on top of the case of Crooked Croman and his cronies.

1 ^ | ▾ • Reply • Share ›



**Mandy Duceater** • 10 hours ago

Funny how these shitty landlords existed even before all the recent changes to tenant / landlord law. The doomsayers insisting the end of broker fees and better protections for rent regulated tenants don't really account for the fact that bad actors already plague the real estate industry.

5 ^ | ▾ • Reply • Share ›



**Jamie McDonald** → Mandy Duceater • 10 hours ago

who ever knew that a group of people who still literally use feudal titles would turn out to be bad!

8 ^ | ▾ • Reply • Share ›



**Rob C** → Mandy Duceater • 9 hours ago

I love the people who like to point fingers like "SEE?!? It wasn't instantly fixed!" as if the point of these regulations was an instant fix and not long-term overall improvement.

^ | ▾ • Reply • Share ›



**NanGoldinShowers** • 9 hours ago

Well, when your landlord is H.P Lovecraft what do you expect?





7 ^ | v • Reply • Share ›



**artisticfame** → NanGoldinShowers • 7 hours ago

I lost my glasses but I think Croman and Lovelace fathered a son also in jail.



^ | v • Reply • Share ›

Comments continue after advertisement



**bkmanposeur** • 6 hours ago

Typical real estate people behavior.

^ | v • Reply • Share ›



**LaSargenta** • 6 hours ago

This guy should not be allowed to manage or own tenanted buildings ever again.

^ | v • Reply • Share ›



**Gothampc** • 2 hours ago

I think the stupid bookkeeper that Croman employed was moved over to NY City Management.

Note to stupid bookkeeper: when a check is sent with a signed lease and handwritten in bold letter on the check is "SECURITY DEPOSIT" you don't apply that to the monthly rent. How many years now have I had to call you and say that the security deposit does not get applied to monthly rent?

^ | v • Reply • Share ›

[Subscribe](#) [Add Disqus to your site](#) [Add Disqus](#) [Add](#)

[Disqus](#) [Privacy](#) [Policy](#) [Privacy](#) [Policy](#) [Privacy](#)



**BACK TO  
TOP**