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## Here's How Tenants Harassed By Steve Croman Can Receive Restitution



Steve Croman after his surrender May 9, 2016.

The state attorney general's office has announced the establishment of an \$8 million restitution fund for current and former tenants of notorious landlord Steve Croman.

Earlier in the summer, Croman was released from jail after serving 8 months for mortgage and tax fraud. In addition to prosecuting him on criminal charges, the AG also sued the real estate mogul in civil court. The restitution fund was part of a settlement agreement reached with Croman last year, following an investigation for harassment and coercion of rent stabilized tenants. Here's more about the fund from a press release put out yesterday by Attorney General Barbara Underwood:

*Tenants are eligible for restitution if they are or were a tenant in a rent-stabilized or rent-controlled apartment owned by Croman between July 1, 2011 and the date of the agreement (December 20, 2017); they received a buyout of less than \$20,000, not including any amount that purported to cover rent or arrears; and no other tenant in their apartment received money from the restitution fund. Several hundred current and former tenants are potentially eligible to apply for these restitution funds. This week, JND Legal Administration, the claims administrator, mailed claim notices and forms to current and former rent-stabilized and rent-controlled tenants in Croman's buildings. Those forms and additional information are also available at [www.cromanrestitutionfund.com](http://www.cromanrestitutionfund.com). The \$8 million will be divided equally among eligible claimants and distributed to tenants in installments over a period of 38 to 42 months, with the first installment coming as soon as the claims administrator processes all of the first-round claim forms.*

Another part of the agreement required Croman to turn over management of his buildings to an independent company for the next five years. More about that from the AG:

*In addition to the \$8 million Tenant Restitution Fund, the settlement also requires over 100 Croman residential properties to be run by a new, independent management company with no ties to Croman, for five years – the longest-ever term for independent management in OAG history. Moreover, the settlement requires seven years of independent monitorship to oversee compliance with the terms of the consent decree and provide regular reporting to the Attorney General – the longest-ever monitorship required in any tenant harassment case. Earlier this year, OAG approved New York City Management as the independent management company; the management company took over operations of the buildings on July 1, 2018. Pursuant to the settlement, New York City Management is instituting new policies at the Croman properties to ensure full compliance with the law and correction of all past violations. It will also post a comprehensive set of Tenants Rights in every building it manages.*

Croman owns buildings across the city, including quite a few on the Lower East Side.

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