



NEWS

# Nonprofit Aims to Transform Notorious Landlord's Hell's Kitchen Tenements into Housing for Homeless Families



by **Catie Savage**  
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Services for the UnderServed, a nonprofit social services provider, is in negotiations to purchase a block of Hell's Kitchen tenements from notorious landlord Steve Croman and Centennial Properties NY.



The four tenement buildings at 351-357 W45th Street are currently owned by Centennial Properties, run by notorious landlord Steve Croman. Photo: Phil O'Brien

The four pre-war tenements at 351-357 W45th Street between 8th and 9th Avenues have **caused concerns in the neighborhood over frequent drug activity** and poor building conditions, brought to light by the HK45/46 Block Association in Fall 2023.

Described as the “Bernie Madoff of Landlords”, Croman has been slowly making improvements on the notorious set of properties in Hell’s Kitchen. However, **in January of this year**, local politicians, activists and residents were not convinced by his actions, with one saying: “Croman must be removed from the building’s ownership immediately.”



Landlord Steve Croman at the properties on W45th Street earlier this year. Photo: Phil O'Brien

At the April 4 meeting of Manhattan Community Board 4 (MCB4)'s Housing, Health and Human Services Committee, representatives for Services for the UnderServed (S:US) presented their plans for the buildings, should their deal with the City's Human Resources Administration (HRA) be approved.

The properties are currently listed for sale by Cushman & Wakefield for over \$29 million and contain a total of 80 residential units. S:US said that the 11 rent-stabilized tenants will be allowed to stay and the remaining units will be for homeless families who possess housing vouchers for rental assistance subsidies through the CityFHEPS program.

A \$27 million subsidized construction loan from the Department of Housing Preservation and Development (HPD) will be used to acquire and renovate the property, with some funds earmarked for converting the heat and hot water from gas to electric. Another \$18 million private loan will round out the total funding for the project. GF55 Architects, Ettinger and JM Zoning are set to be contracted for all design portions of the project, with Highpoint Property Group managing the construction and building maintenance aspects.



Council Member Erik Bottcher on the roof of the Croman properties with the multi-agency task force in January 2024. Photo: Max Guiliani/Office of CM Bottcher

Though modest improvements to the property have been made thanks to local advocacy efforts, S:US stated at the committee meeting that from what they've been told, "the buildings are not in good shape." S:US also stressed that these are not supportive housing units, but rather for housing-ready families. "Light touch" services will be provided on site, such as budgeting assistance and job training resources. The cellar space will be renovated to accommodate offices for S:US and other tenant amenities.

Senior Vice President of Real Estate and Property Development at S:US, Arlo Chase, told W42ST that while the sale of the properties has not been completed, they feel hopeful it will proceed so they can get started on renovations.

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Founded in 1978, S:US operates supportive housing properties, homeless shelters and medical clinics serving individuals with a wide range of needs including intellectual and developmental disabilities, veterans and domestic violence survivors. They have more than 1,800 permanent staff members with an annual operating budget of \$270 million. While they have not worked in the Hell's Kitchen area previously, they currently operate a small supportive housing building on W17th Street in Chelsea.



**Marisa**

April 15, 2024 at 9:30 am

It burns me that he's going to make millions off his demonic treatment of tenants

\$29 million is a tiny amount for that many buildings which goes to show the deplorable state of the units.

Btw, Phil it was block association president David Stuart who organized the “multi agency” look see.

He’s the one doing all the work (non salaried but high morals)

Bottcher shows up for the cameras.

Hoping to run for Borough President?

Laughable



**Ryan McAuliffe**

April 15, 2024 at 2:37 pm

Part of a plan to address housing scarcity and help homeless families is to kick current tenants out of their apartments? There’s something a touch perverse about that.



**Lisa**

April 16, 2024 at 8:04 am

So for years, nothing was done to help the tenants in these buildings.

Now the buildings will be renovated for homeless people and the current building residents/rent-stabilized tenants will be “allowed” to stay?

And the building residents will be living there during construction?

Wow.

Hope W42ST can do a followup and ask about situation for tenants

On a related topic....in DC due to loopholes in funding laws, developers are purchasing buildings and forcing out moderate-middle income tenants (many long-time and/or elderly) so that the buildings can be transformed into “low-income” and thereby making massive amounts of money for the developers.



**Laura**

April 16, 2024 at 7:17 pm

Something doesn’t sound right here. What about all the tenants that I’ve lived there in deplorable conditions to now claim they’re going to put homeless people in there?

29 million for all those buildings, that’s really cheap, but the developers will make a lot more as the city pays to house the homeless.

Low income housing, famous last words.