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Croman 'pattern of harassment' must end, pols say

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Attorney General Eric Schneiderman.

BY ZACH WILLIAMS | Local politicians joined the fray last week with a joint statement praising recent action by state Attorney General Eric Schneiderman's Office against the practices of landlord Steven Croman, who has been the subject of numerous tenant complaints over the years.

A representative of 9300 Realty — which oversees Croman properties in the East Village and Lower East Side — denied wrongdoing, saying that the company has actively tried to resolve disputes to no avail, and with no response from local housing advocacy group Good Old Lower East Side, or GOLES.

In a statement, the company said, "9300 Realty takes its obligations as a landlord very seriously. Our track record of providing safe and reliable housing for both market-rate and rent-stabilized tenants speaks for itself and should not be marred by a small but vocal group of individuals. We have reached out to GOLES on multiple occasions to address any concerns they may have about the building or its management. Despite

this good-faith effort, GOLES has so far been unresponsive to our requests to engage in a constructive dialogue on this issue. As a landlord, we take pride in having positive relationships with our tenants and we invite them to keep us informed of any issues in need of attention."

"The building" in question is 346 E. 18th St., where — as profiled in an article in last week's issue of The Villager — tenants charge they have faced harassment, as well as struggled to have outstanding building violations addressed, among other issues.

Wasim Lone, director of housing services at GOLES, confirmed that the organization chose not to respond to Croman representatives. He said that he, along with members of the Stop Croman Coalition, instead decided that providing their side of the story to the Attorney General's Office would be more "productive."

"Given the severity of the harassment taking place in multiple buildings, the coalition made the decision that we would not sit and negotiate with him," he said.

Saying they have fielded a litany of complaints against Croman from their constituents, a group of local politicians — Assemblymember Brian Kavanagh, state senators Daniel Squadron and Brad Hoylman, Borough President Gale Brewer and Councilmembers Rosie Mendez and Margaret Chin — issued their joint statement on July 31.

"Steven Croman's pattern of tenant harassment must come to an end," they said. "Tenants from his buildings have contacted us with accounts of chronic harassment and intimidation — including disruptive building maintenance, frivolous lawsuits and, most egregiously, the dispatching of a 'private investigator' to apartments to intimidate tenants."

Schneiderman's office declined to comment for this article on whether Croman's company is actually currently subject of an investigation.

According to a source, however, at least one local politician and one local housing advocacy agency have supplied information to the A.G.'s office.

In addition, the Daily News, in a July 26 article, reported that, according to a source, Croman is now being probed for using illegal tactics to force out rent-regulated tenants.

For the article about Croman in last week’s issue, the A.G.’s office did issue a statement, which was first published in The Villager.

“We are prepared to take action against landlords who use illegal tactics to force rent-regulated tenants out of their homes to raise rents,” the statement read.

Longtime tenants allege that Anthony Falconite, a former New York Police Department officer, would enter their homes under false pretenses, then badger them in hopes of proving that they were not living full-time in apartments. Falconite would also pressure tenants to accept buyouts to vacate their apartments, tenants say.

Two weeks ago, Schneiderman issued a “cease and desist” order against Falconite, barring him from further alleged harassment.

Falconite has not responded to requests for comment from this paper.

Additional tenant allegations against Croman specify that requested repairs have not been made, unsafe construction has been performed and frivolous lawsuits launched against longtime tenants who refuse to move out.

“We went to court on July 30 and the Legal Aid lawyers tried to get the case dismissed, but Croman’s lawyers refused to drop it, and instead are trying to evict us,” said Cynthia Chaffee, a 37-year resident of E. 18th St., in an e-mail. “We have another court case scheduled for Sept. 4, so that we must now subpoena [representatives of] Section 8 to appear on our behalf.”

She has battled Croman for years to accept the Section 8 federal rent subsidy, as well as on other issues since 1999, she said.

“When we were first accepted to the Section 8 program in 2007, Croman refused to accept our Section 8 voucher,” she said. “Croman did not sign it until 2008, when we were finally able to begin Section 8 on Nov. 1, 2008. We wouldn’t have it without [then-] state Senator Tom Duane having his staff personally go to Croman’s office and wait there until they signed the papers, and then personally hand-deliver it to the Section 8 office in the Bronx,” she added.

In contrast to other notable local developers, such as Ben “Sledgehammer” Shaoul and Jared Kushner, Croman tends to hold onto properties for the long term rather than flipping new acquisitions for a quick profit. The sheer size of the Croman real estate portfolio (about 150 buildings in Manhattan) also distinguishes him from other landlords in the East Village and L.E.S., where longtime residents continue to try to resist the pressures of gentrification.

“He has a really wide reach,” said Yonatan Tadele, an organizer with the Cooper Square Committee. “When you couple how many units he has with his behaviors, you have a really dangerous influence in our area.”

Investigations by the state attorney general into city landlords are “not uncommon,” according to Lucas Ferrara, an adjunct professor of real estate at N.Y.U. and an adjunct law professor at New York School of Law. He said that landlord-tenant issues in the city have always been “contentious” and “adversarial.” The nature of the city’s housing system leads to inevitable clashes, especially considering the money at stake, he added.

“When you have a statutory structure — like rent control and rent stabilization — that maintains rents at artificially low, below-market thresholds, that will often serve to fuel conflicts,” he said. “You’ve got some tenants gaming the system — hoarding regulated units, even though they really live elsewhere. As long as there’s an upside to having a below-market tenant legally and lawfully evicted, so that rents can be raised, why wouldn’t an owner want to exercise that right?”

However, an investigation of Croman by Schneiderman seems like it would be more than a typical one, from the sound of it. And the fact that the A.G. has already ordered Falconite to cease and desist from alleged harassment of tenants isn’t exactly common, either.

Finally, the sheer volume of tenant complaints lodged against Croman, over so many years, in so many buildings, and in multiple neighborhoods — and the fact that a half dozen local politicians are now declaring that this “pattern of harassment” must end — doesn’t seem so common, either.

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