

METRO

'Bernie Madoff of Landlords' refuses lease for Psilakis eatery

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Michael Psilakis
Getty Images

Even an Iron Chef's star power can't convince a Little Italy landlord to rent his place to a revamped restaurant.

Buona Notte, which has been on Mulberry Street since 1996, was set to be reshaped by Food Network star Michael Psilakis.

Pharmaceutical executive Thomas Leonard bought the eatery in April and hired Psilakis for his Michelin-star skills and experience in the kitchens of MP Taverna, Kefi and Fishtag.

But landlord 120 Mulberry LLC, owned by Steve Croman, won't assign Leonard the lease, throwing a roadblock in his business plans, Leonard charges in a Manhattan Supreme Court lawsuit.

Croman, known as the "Bernie Madoff of Landlords," pled guilty to grand larceny and fraud charges this month after the state attorney general accused him of harassing rent-stabilized tenants and illegally obtaining \$45 million in loans by falsely claiming he had market-rate rents coming in. He will spend a year in jail.

The landlord, in refusing Leonard a lease, cited his lack of experience in the restaurant business, Leonard said in court papers.

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“Any concerns about my restaurant experience should be completely alleviated by my bringing in this experienced and top level chef,” Leonard said in his legal filing. Psilakis, who competed on “Iron Chef” in 2006 and 2010, “will be a lynchpin in my restaurant business.”

Leonard has already gotten a green light on a state liquor license, and plans to keep Buona Notte’s name, Southern Italian cuisine and Little Italy vibe, with some updates to the menu and decor, he said.

He even offered to put up six or more months of rent “to show good faith” about his financial strength, but after an initial meeting, claims he’s been ignored by Croman.

“I have been waiting weeks for an update on the status of the landlord’s review” of the lease, he said.

The only notice of the rejection came in a voicemail from one of Croman’s attorneys.

Leonard, who says his family goes back three generations in Little Italy, wants a judge to reverse the landlord’s “completely unreasonable” rejection.

“I cannot get final SLA approval without assignment of the lease. I cannot obtain insurance or apply for a sidewalk cafe license. I am unable to order alcohol. I cannot set up utilities in the name of my corporation as new owner without the lease,” Leonard said in court papers.

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