

The Artist and the Slumlord: A Photographer's 1970s Quest to Unmask an NYC Real Estate Family

Wednesday, September 2, 2015, by James Nevius

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Installation view of America Is Hard to See (Whitney Museum of American Art, New York, May 1— September 27, 2015): Hans Haacke, Shapolsky, et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1 1971, 1971, (2007.148a-gg). Photography by Ronald Amstutz.

No real estate topic—not even "poor doors" or mega skyscrapers—engenders more fierce debate in New York City than gentrification. The narrative is familiar: in neighborhood after neighborhood, older, poorer tenants—both residential and commercial—are forced out by rising rents and new construction. Inevitably, they are replaced by well-heeled residents, big banks, and at least one Starbucks. In some neighborhoods, the rate of change is staggering. Take, for example, the Meatpacking District, where the success of the High Line—which wasn't even under construction a decade ago—has spawned a luxury building boom. While the park itself is an emblem of gentrification, it's the new Whitney Museum http://whitney.org/ at the park's Gansevoort Street terminus that serves as the current bellwether of the area's transformation. A handful of actual meat packing plants can still be

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GENTRIFICATION

HANS HAACKE

TOP

WHITNEY MUSEUM

spied from the museum's outdoor terraces, but the neighborhood's namesakes will likely soon be gone completely.

However, on a recent visit to the new Whitney, my eye was caught by a different barometer of gentrification—a sign that in other neighborhoods, change is slow, and sometimes less visible from the street than it might initially appear. On the fifth floor, I was delighted to find a piece that the museum rarely displayed in its old Madison Avenue home: Hans Haacke's conceptual artwork http://collection.whitney.org/object/29487, Shapolsky et al. Manhattan Real Estate Holdings, A Real Time Social System, as of May 1, 1971, which is among the artist's best-known and most controversial pieces. Though gentrification wasn't Haacke's primary concern when he created the work in 1971, the piece serves as a jumping-off point for examining how neighborhoods like the East Village and the Lower East Side have evolved over the last four and a half decades. What surprised me most, as I compared Haacke's 1971 work with the realities of the Lower East Side today, was how much—at least superficially—had stayed the same.



Hans Haacke (b. 1936). Shapolsky et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971, (1971).

 ${\bf B}$ orn in Germany in 1936, Hans Haacke's early work with the collective Zero in the early 1960s paved the way both for his embrace of nontraditional materials and his interest in using art to comment on—and influence—political debate. In 1970, for a group show at the Museum of Modern Art, Haacke's piece *MoMA Poll*

http://www.arts.ucsb.edu/faculty/budgett/algorithmic_art/haacke.html was simply two Plexiglas containers where museum-goers could register their opinion on Governor Nelson Rockefeller's politics—a direct critique of both the war in Vietnam and of the Museum's founder.

The next year, Haacke turned his attention to housing in New York City and began work on *Shapolsky et al.* His concept was deceptively simple but required an incredible amount of legwork. In 1971, he undertook to map out the holdings of prolific real estate investor Harry J. Shapolsky, who at the peak of his career had owned as many as 200 tenements in Harlem, the East Village, and the Lower East Side. Using public records, Haacke painstakingly unearthed the dozens of shell corporations that Shapolsky and his relatives had created to control properties around the city. Haacke then photographed each property and presented his findings—142 buildings in all—as gelatin silver prints, each accompanied by a dossier of facts: the building's address, block and lot number, lot size, and building type. Below that was information on ownership: corporate entity, date of acquisition, cost of the mortgage, the names of which of Shapolsky's associates were involved, and the assessed land value. (The idea of doing this for 142 buildings before the Internet makes my head spin.)



Hans Haacke (b. 1936). Shapolsky et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971, (1971).

This piece, along with its lesser-known companion, *Sol Goldman and Alex DiLorenzo Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971*, were to be centerpieces of a Haacke retrospective at the Guggenheim in 1971—a remarkable achievement for an artist who was only about a decade into his career. But the Guggenheim's director, Thomas Messer, was wary of the political overtones of these works. Six weeks prior to the show's opening, he demanded that Haacke pull the pieces. In a letter https://books.google.com/books?

id=B4IZGxdnX0cC&lpg=PA121&vq=messer&p>, Messer outlined his primary objection: the Guggenheim's policies "exclude active engagement toward social and political ends." Some speculated that Messer was mostly worried about backlash from Shapolsky, Goldman, and DiLorenzo (the latter two were among the city's biggest commercial real estate investors, with a portfolio that included the Chrysler Building). When Haacke refused to self-censor, Messer fired the show's curator, Edward Fry, and cancelled the exhibition, instantly cementing Haacke's status as a provocateur and an artist to be reckoned with. Over a hundred prominent colleagues refused to show at the Guggenheim https://books.google.com/books??

id=B4IZGxdnX0cC&Ipg=PA121&vq=messer&pg=PA123#v=onepage&q=messer&f=fals e> in solidarity with Haacke—and to protest the idea that their work, should it be selected for show, was therefore being *de facto* labeled apolitical or sufficiently

inoffensive.

Haacke's critique of Harry Shapolsky did not make the artist some sort of outlier. The New York District Attorney had referred to Shapolsky as "notorious" and "ruthlessly" exploitive https://books.google.com/books?

id=B4IZGxdnX0cC&lpg=PA122&ots=5b4KPApGXj&dq=shapolsky> . As early as 1947, the *New York Times* called Shapolsky out by name in connection with an investigation into the city's housing authority that resulted in the firing of its construction superintendent. In the late 1950s, Shapolsky was brought up on charges of being a front man for building department officials. Allegedly, Shapolsky had \$216,000 in hidden bank accounts http://query.nytimes.com/mem/archive/pdf?

res=9A0CE6D61E30E73BBC4152DFB2668383649EDE> . Was he using this to pay off city inspectors? Or was he laundering the money for officials who were taking payoffs? Either way, Shapolsky was sentenced to 30 days in jail and a \$250 fine. A year later, he was convicted of rent gouging http://query.nytimes.com/mem/archive/pdf? res=9502E4D6113FE53BBC4F52DFB5668382649EDE> . In 1966, New York State passed a bill to include slumlords' identities in the public record—they could no longer simply hide behind phony LLCs. This law surely helped Haacke in his quest to reveal just how deep the Shapolsky family's reach was in Manhattan real estate.



At right, Hans Haacke's photo of 110-112 St. Mark's Place. Hans Haacke (b. 1936). Shapolsky et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971, (1971).

hile gentrification in the East Village has not followed the same rapid arc as in the Meatpacking District, it has been no less dramatic. On blogs like EV Grieve http://evgrieve.com/, Bowery Boogie http://evgrieve.com/, and Jeremiah's Vanishing New York http://vanishingnewyork.blogspot.com/, which chronicle the changing face of the city, the sense of loss is palpable. Every time a place like Mars Bar comes down to be replaced by a "12-story prison-block of an apartment

building http://vanishingnewyork.blogspot.com/2010/12/loss-of-mars.html," one can't help but wonder how much sense of place is being lost.

To that end, I decided to take the portrait of the East Village Hans Haacke created in *Shapolsky, et al.*, and set out to see how different the neighborhood is today from how it appeared on May 1, 1971. (I narrowed my quest down to the East Village so as to make it a more manageable task as well as to acknowledge that changes in the Lower East Side south of Houston and in Harlem have followed somewhat different trajectories.) In all, Haacke photographed 55 buildings in the area bounded by Broadway, 14th Street, the East River, and Houston—more than a third of his total project.

Walking east from Astor Place, my first goal was 110-112 St. Mark's Place (right). I hoped this was going to turn out to be the tenement on the cover of Led Zeppelin's Physical Graffiti, but no such luck; it's the same block, but a few doors down. As I walked toward Second Avenue, I wondered how much of the street remained the same from 1971. Certainly, in Haacke's day, there was no Chipotle or Pinkberry, and it's easy to wallow in a there-goes-the-neighborhood vibe, particularly with the loss of long-term tenants like Trash and Vaudeville https://www.dnainfo.com/new- york/20150728/east-village/trash-vaudevilleleaving-st-marks-place-after-40-years> . But that sentiment isn't new. In 1971, just a couple



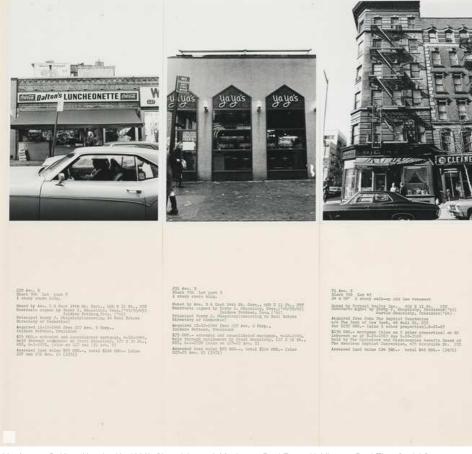
of months after Haacke's Guggenheim show was to have opened, the *Village Voice* was lamenting the change http://www.villagevoice.com/news/its-1971-and-the-voice-is-already-nostalgic-for-the-1960s-6666156 on "St. Mark's Place from a hippie haven to Desolation Row":

The rest of the scene is going the slow way of the [recently closed] Electric Circus, from excitement to doldrums to death. Even Gem's Spa, the classic egg cream and newspaper emporium on the corner, is feeling the crush. A permanent cluster of junkies using its doorways and newspaper benches as home base hasn't helped business any. Residents of the area, in fact, give St. Mark's Place a couple of years. Outside estimates say five. The East Village by that time, they say, will have returned to its former incarnation. Already the kids on the street refer to the area as "the neighborhood," or the Lower East Side. I can't recall the last time I heard anyone talk about a community.

But as I examined the buildings themselves, I realized the landscape hasn't changed much

<http://ny.curbed.com/archives/2014/09/04/the_strange_history_of_the_east_villages_most_famous_street.php> . That Chipotle is located in Arlington Hall, the old social club that once housed the Electric Circus. Across the street is the Hamilton-Holly House, once home to Alexander Hamilton's widow. In fact, I was hard pressed to find any building that wouldn't have been standing in 1971, and by the time I got to 110-112 St. Mark's, it didn't surprise me to see that it was still there—and, for a building once owned by a slumlord, not in bad shape. True: one of the building's two retail spaces was

shuttered, its metal pull-down grate covered in graffiti, but the other restaurant was hawking crepes.



227 Avenue B. Hans Haacke (b. 1936). Shapolsky et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971, (1971).

Over the next few hours, as I wandered the streets of the East Village comparing addresses to the photos from *Shapolsky et al.*, I encountered this scenario over and over: the most visible changes—if there were any at all—were cleaner buildings and changes in retail. The former makes sense: New York is a much less polluted city than it was in the early 1970s, when coal boilers were still prevalent and leaded gasoline filled many tanks. The latter is just the normal life cycle of business, though one can't help but be wistful looking at Haacke's documentation of places long gone: Weissman's Ladies & Children's Wear at 227 Avenue B (now Medilane Drugs, with signs in English, Chinese, and Spanish); Dalton's Luncheonette next door at 229 Avenue B (now a bodega) and Ya-Ya's diner next to that.



227 and 229 Avenue B today. Photo by Will Femia http://testofwill.blogspot.com/.

The most architecturally intriguing find was 538-40 East 11th Street, which in 1971 had been home to the warehouse of Zambrana Bros, a wholesale grocery. The neo-Renaissance facade is adorned with nautical symbols, including Neptune's trident, and an inscription carved across the top reveals its original use: FREE PUBLIC BATHS OF THE CITY OF NEW YORK. The building was erected

<http://www.nyc.gov/html/lpc/downloads/pdf/reports/11st_baths.pdf> [PDF] in 1904 by architect Arnold W. Brunner (perhaps best known in New York for designing Congregation Shearith Israel on the Upper West Side) at a time when the lack of indoor plumbing in many tenements was becoming a huge problem. Built to serve the German-American community that surrounded Tompkins Square Park, the facility included seven bathtubs (five for women; two for men) and 97 "rain baths" (now known as showers).



At left, Haacke's photo of 538-40 East 11th Street, the former Zambrana Bros warehouse. Hans Haacke (b. 1936). Shapolsky et al. Manhattan Real Estate Holdings, a Real-Time Social System, as of May 1, 1971, (1971).

After 1929, tenements were required to have a bath or shower in each unit, and bathhouses waned in popularity—though this one still drew over 130,000 people in 1958, the year it was finally closed by the city. After sitting vacant for three years, Harry Shapolsky acquired it at auction on April 20, 1961, for \$19,500 (+/- \$150,000 in today's dollars). A decade later, when Hans Haacke took his photo, the land and building combined were worth \$35,000 (+/- \$200,000 now). In 1995, the late photographer Eddie Adams purchased the building as his studio, renovating the 10,000 square feet

into a work/live space. His widow still owns the space, which various property websites estimate is valued in the \$5 to \$7 million range.

And therein lies the real gentrification, which isn't about boutique shops or even new construction. Most of the buildings are still the same ones that were built over a century ago for immigrant New Yorkers, but those immigrants would faint at the prices. I contacted Ada Calhoun, author of the forthcoming book *St Marks is Dead: The Many Lives of America's Hippest Street* who grew up on St Marks Place in the 1970s. She remembered

leaning out our front window on humid summer nights to see fires burning to the east—abandoned buildings reportedly being burned for the insurance money. So many buildings in our neighborhood were boarded up, and there were empty lots in between a lot of them (some of which are now community gardens). I wasn't allowed to play in Tompkins Square Park because it was overrun with junkies.

Today, I can't afford to live in the East Village...but I can take my son to play in Tompkins Square Park when we visit his grandparents. The streets are teeming with pedestrians 24 hours a day.

Calhoun's parents paid about \$200 a month; classified ads from the early 1970s show rents in the East Village ranging from a two bedroom for \$65 in Alphabet City to \$150 for places farther west. Using the most conservative calculations, that \$150 should be about \$1,460 today. But rents in the East Village are nowhere near that low. In 110-112 St Marks Place, where I started my walk, the most recent listing was for a two-bedroom at \$3,500. In *Steal This Book* http://www.nuevoanden.com/rag/ups_roster1971.html, Abbie Hoffman noted that in 1971, that building on St. Marks was home to the underground newspaper, *The New York Herald*, a lifetime subscription to which could be had for just \$5.

Today's East Village is a different place: underground newspapers are gone, the junkies are (mostly) gone, and the streets, as Calhoun notes, are a magnet for people. As for the slumlords? That's another story.



538-40 East 11th Street today. Photo by Will Femia http://testofwill.blogspot.com/> .

f the fifty-five buildings Haacke documented in the East Village, 18 are gone and 37 are still standing. None are owned by the Shapolsky family any longer. Beginning in 1974, New York's housing prices began to experience a period of decline http://furmancenter.org/files/Trends_in_NYC_Housing_Price_Appreciation.pdf [PDF] that mirrored the overall downturn in the city. Many landlords defaulted on property taxes and buildings ended up vacant or in the hands of the city—but not those owned by Harry Shapolsky. Researching the 18 Shapolsky buildings that are gone, I found that in each case, the property was sold by one of Shapolsky's holding companies in the early 1970s to someone else (many, but not all, to fellow slumlord Linton Campbell httm://ny.findacase.com/research/wfrmDocViewer.aspx/xq/fac.19890928_0050816.NY. httm/qx>), and it was the new owner who then defaulted within a year or two.

But even though Shapolsky was able to keep up with his mortgage payments and taxes, the East Village rental market in the 1970s couldn't have been making him much money. By the early 1980s—just as housing prices finally began to rise—Shapolsky had sold nearly every building that Haacke photographed. In doing so, Shapolsky missed out on a real estate boom. Just as one example: Haacke included a tenement at 280-82 East 10th Street that Shapolsky had purchased outright (under the guise of the 177 Mulberry Realty Corporation) in 1958 from the heirs of its previous owner, Herman Segal. Its value in 1971 was \$65,000 (+/- \$380,000 today). Harry Shapolsky sold the property in 1979 for an undisclosed amount, but it was mortgaged five years later for \$135,000. Two years later, in 1986, when the property changed hands again, the mortgage was up to \$499,600, and the most recent mortgage, in 2011, was for \$1.3 million. The assignment of leases and rents for the building (the amount the bank can claim if the mortgage is in default) is \$3.5 million. Multiply that by the number of buildings Haacke documented in the East Village and the amount of money that has been infused into this once down-and-out neighborhood is staggering.

But some people are still feeling the squeeze.

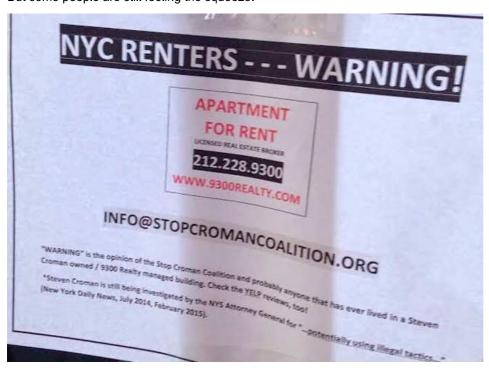


Photo via EV Grieve http://evgrieve.com/2015/05/warning-flyers-posted-about-renting.html.

As I was heading east to check out 280 East 10th Street, I noticed a sign posted on a street lamp emblazoned "ALERT - Croman / 9300 Realty - ALERT." Put up by the Stop Croman Coalition, the flyer warned potential renters in the neighborhood to be wary of

Steve Croman's network of properties. "Look at the YELP reviews," the flyer cautioned, with "comments like 'BEWARE' and 'WARNING' and 'NO! NO!""

Steve Croman, as Curbed noted earlier this year, is one of the most hated landlords in the city. Voted #8 on the *Village Voice* poll of the "Ten Worst New York City Landlords of 2014 http://www.villagevoice.com/news/the-ten-worst-new-york-city-landlords-of-2014-6716672," his tactics include "initiating pointless lawsuits," ignoring items in need of repair, and refusing to renew leases, "all in an effort to drive [tenants] out of their rent-stabilized leases." Seeing an email address on the flyer, I contacted the Stop Croman Coalition, who sent over a list of his properties, titled "Croman's Kingdom," which I immediately uploaded into my Shapolsky database to see if any properties matched. None were the same, but an overlay of the Croman properties onto a map of what Shapolsky had owned in 1971 shows that Croman's empire occupies essentially the same space as Shapolsky's—sometimes the buildings he owns are practically side-by-side with those documented by Hans Haacke.

When Cynthia Chaffee at the Stop Croman Coalition emailed me, she noted that Steve Croman is the

poster boy for landlord greed and he set the template for all the other slumlords to follow in his footsteps....

In the 70's the slumlords hired goons to commit arson...but today it's much more sophisticated and the landlord's goons are their lawyers, who use the courts to harass tenants and have them evicted. They drag out court cases trying to wear down tenants emotionally and financially.... They also use demolitions/gut renovations in their buildings to harass tenants out of their homes, forcing tenants to live in hazardous conditions blanketed in toxic renovation dust and debris and making them sick.



319 East Fifth Street

One of Harold Shapolsky's buildings was 319 East Fifth Street, a nondescript five-story walkup that still stands. Three doors down (and right next door to the 9th Precinct) is Steve Croman's 325 East Fifth Street, a tenement of the same era. Looking at the two buildings side-by-side, there's little to distinguish the one owned by a notorious slumlord from 45 years ago and one owned by a man who "seems to almost delight in playing the role of the villainous landlord."

That's when it struck me that someone could easily create Croman, et al. Manhattan

What your

Real Estate Holdings, A Real Time Social System, as of 2015. Photograph the buildings, print them as gelatin silver prints, pair them with the data mined for "Croman's Kingdom" and hang it up next to Hans Haacke's groundbreaking work of art. Despite all the many changes in the East Village in the last four-and-a-half decades, a casual museum-goer would not necessarily know which was Haacke's work and which was the homage.

- · Whitney Museum coverage http://curbed.com/tags/whitney-museum [Curbed]
- · The Strange History of the East Village's Most Famous Street

Central Park

- http://ny.curbed.com/archives/2014/09/04/the_strange_history_of_the_east_villages_most_famous_street.php [Curbed NY]
- · Curbed Features archive http://curbed.com/tags/curbed-features [Curbed]

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