

FROM: EAST HARLEM ALLIANCE OF RESPONSIBLE MERCHANTS "EHARM"

Spokesperson: Damon Bae 1-917-309-9595

Contact: Michael Kramer 1-917-622-5154

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Immediate Release –

"East Harlem Merchants Announce Lawsuit to Fight Eminent Domain"  
Plan for East 125<sup>th</sup> Street Development Will Never Happen with EDC Developer Now Facing Bankruptcy

(New York, NY – January 21, 2009) – The East Harlem Alliance of Responsible Merchants ("EHARM"), a community-based group of residents, business and property owners in the East Harlem neighborhood of Uptown Manhattan has filed a class lawsuit against the City of New York (the "City"), the NYC Department of City Planning ("DCP"), the City of New York Department of Housing Preservation and Development ("HPD"), the NYC Economic Development Corporation ("EDC), and the NYC Department of Sanitation ("DSNY").

According to Spokesperson, Damon Bae of Fancy Cleaners, "we are asking for a Declaratory Judgment to declare the various actions surrounding the "East Harlem 125th Street Development Project" null and void. This is not an action that we took lightly, only reluctantly, after spending the past two years "trying to fight City Hall", and after repeatedly hearing claims by representatives of the New York City Economic Development Corporation that they have been negotiating with us in good faith, let alone at all. We are all property owners who have been here for over 20 years, back when these same developers wouldn't dare get out of their cars on East 125th Street let alone build up here... and we are confident that we will win this Lawsuit."

This lawsuit arose out of violations of specific provisions of the Harlem-East Harlem Urban Renewal Plan ("HEHURP"), as well as the unlawful, arbitrary and capricious determination of the DCP allowing the City to acquire, build and up-zone our property for the benefit of a future Developer Group. This Plan violates the New York State Constitution by including our properties in the Urban Renewal Plan solely for the purposes of enabling condemnation. As it relates to NYS Constitution Article XVIII, Section 6, it failed to restrict the occupancy of the proposed housing of the East 125th Street Project primarily to low-income households and should therefore be thrown out as unconstitutional. Approving this Project before the City disclosed the Developer was unlawful and in violation of the intended review procedures pursuant to NYC Charter Section 197C. We have pointed out numerous errors of law lacking a foundation in the record or constituting an arbitrary and capricious action in violation of lawful procedure and constituting an abuse of discretion.

Finally, we are all outraged that a Salt Pile was literally dumped on East 127th between Third and Second Avenues in early November, 2008, just days after the City Council voted to include us in the Urban Renewal Plan and with no notice to Community Board 11 or anyone else. An uncovered salt pile in the middle of East Harlem is a toxic bomb affecting our ground water and air quality, but it will not force us off our land.

The East Harlem Association of Responsible Merchants "EHARM" would like to thank Community Board 11 for your past resolutions of support. We will keep you informed as this matter goes through the Courts.

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