

FROM: EAST HARLEM ALLIANCE OF RESPONSIBLE MERCHANTS "EHARM"

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Immediate Release –

**"East Harlem Merchants Announce New Motion to Fight Eminent Domain"
Plan for East 125th Street Development Will Never Happen with GGP Developer Now
Filing for Bankruptcy**

(New York, NY – April 17, 2009) – East Harlem Merchants ("EHARM") legal counsel and a representative of the New York Corporation Counsel appeared before Judge Lobis this morning in New York County Supreme Court concerning our application for an Order to Show Cause and injunction against the City concerning the hearing on Monday and subsequent EDPL process. The outcome was a positive one.

The appearance was an excellent opportunity to show the Judge the duplicative nature of the hearing and the harm to our clients from this EDPL process. The Judge did not enjoin the city from holding the hearing at 12 pm on Monday, April 20th, but she did enjoin the City from issuing any determinations and findings following Monday's hearing until the parties return to court on May 5, 2009 at 11:00 A.M.

Legally speaking, the hearing itself doesn't mean much in terms of the condemnation process. It is the issuance and publication of determinations and findings following the hearing that starts the clock for 1) a challenge to the determinations and findings in the Appellate Division; and 2) the three year period for the City to actually begin the acquisition process. The Judge did not feel it was necessary to stop the hearing, since it is the determinations and findings, not the occurrence of the hearing that could affect the property owners. She did recognize that the City's EDPL hearing would be reviewing similar issues that had already been reviewed under the City's ULURP process.

Overall, we believe this was a great outcome for our side. It also allowed us to show Judge Lobis that the City is up to something and the City is now prevented from quickly issuing its determinations and findings until the Court lifts the injunction. The hearing is now scheduled for Monday, April 20, 2009 at 12:00 P.M. at Tiano Towers, Crystal Room, 240 E. 123rd St, 4th Floor, New York, NY 10035. All are welcome.

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