



G. MICHAEL FLORES
CEO

February 3, 2019

Mr. Kevin Kimble, Esq.
Via: Email

Kevin,

I believe the New Opportunity Zone Program is a boon for investors and developers but does not guarantee investment in areas most in need. That is, dollars will flow to zones that show the highest profit potential.

For example, New York's Empire State Development chose sites where little or no investment has taken place, such as the Brooklyn Navy Yards and South Bronx. Which do you think will get the most investment, waterfront land overlooking Manhattan or the South Bronx? This begs the question, why are there tax breaks for an area that is naturally drawing investments?

According to an article¹ quoting Bloomberg News, "At present, a host of projects in various stages of development are transforming the Yard. These include the manufacturing hub [Building 77](#), the futuristic office tower [Dock 72](#), the [Green Manufacturing Center](#), Steiner's [Admirals Row](#) development (future home of New York's first Wegmans), and the expansion of its film and television studio empire.

This new expansion will add 5 million square feet of development to the Brooklyn Navy Yard, and will be spread out over three sites on Kent Avenue, Flushing Avenue, and Navy Street, respectively. Details on the expansion remain a bit scarce, but instead of getting outside developers to build these new structures, the BNYDC² is planning to fundraise and build them itself, according to Bloomberg."

The Opportunity Zone concept needs more thought in order to fulfil the promise to aid underserved groups.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Michael Flores", written in a cursive style.

¹¹ <https://ny.curbed.com/2018/1/31/16956704/brooklyn-navy-yard-expansion>

² Brooklyn Navy Yard Development Corporation (BNYDC), the non-profit real estate developer that manages and operates the Yard on behalf of the city