



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT (GO-Biz)
STATE OF CALIFORNIA OFFICE OF GOVERNOR EDMUND G. BROWN JR

EB5 Investor Visa Updates

Conference Call

May 6, 2013



EB5 Program Strong

- Program streamlining, economic demand, and EB5 Regional Center program worked together to grow volume
- 2011: 113 letters, including renewals
- 2012 TOTAL: 181 letters and renewals
 - Pre-streamline Jan-April: 48 letters including renewals
 - Post-streamline: 133 letters (126 original and 7 renewals)
- 2013: 97 letters Jan-April including renewal
- Streamline eliminated denials, accelerated turnaround



2013-2104 Context: An Improving California Economy

- National leader in job creation
- 285,000 new jobs in 2012
- 746,800 new jobs since the recovery began in February 2010
- Job growth rate of 2.0% is outpacing the national average
- Unemployment rate 9.4% – the lowest rate in four years
- Significant job growth in high paying sectors such as business and professions, healthcare, education, trade and transportation, information, and finance
- California is by far the number one state for manufacturing both in jobs and output (11.7% of state output / 9% of workforce)
- Information technology jobs have exceeded pre-recession levels.
- **For EB5 Targeted Employment Areas**
 - **Qualifying 2012 unemployment rate reduced to 12.1%**
 - **Was 13.4% in 2011**



New TEA List

- Standard designated TEAs based on 2012 employment data
 - County
 - Metropolitan Statistical Area (MSA)
 - City, Town, Census Designated Place (CDP)
 - Rural Area
 - Individual Census Tract
- Same methodology as previous years
- Complete listing for all cities/towns/CDPs in qualifying jurisdictions
- Employment growth eliminated standard qualification for key larger jurisdictions (City of Long Beach, City of Los Angeles, San Bernardino County)
- Detailed list clarifies opportunities: e.g. 19 cities, towns or CDPs within San Bernardino County are still qualifying as TEA
- New Special TEA process offers helps qualify projects in marginal areas



Special TEA Process

- Allows limited combination of census tracts
- Adds flexibility for marginal area
- Addresses issues of turnaround time, workload, local EDC involvement, and unreasonably large areas
- Overview of process, effective May 1, 2013
 - 1. Project located within an area of 12 or fewer contiguous Census Tracts with total avg unemployment 150% national avg
 - 2. Include a table listing each census tract with corresponding unemployment rate and a map showing project address
 - 3. Supporting letter from local EDC or County or City in which the project is to be located must be provided. The letter must indicate EDC's concurrence that the proposed census tracts will reasonably be a source of workforce for the project. (EDC template support letter at website)



Next Steps

- Go to our EB5 Page for process and downloads
 - <http://www.business.ca.gov/Programs/EB5Program.aspx>
- Send us your contact information
 - EB5 Regional Center or Business Name
 - Contact Person Name
 - Address
 - Email Address
 - Phone Number
 - Website
- Send to EB5Info@gov.ca.gov