



May 6, 2013

## State of California

### EB5 TEA NEW CERTIFICATION CATEGORY

#### Special Targeted Employment Area (Special TEA)

Section 204.6(i) of Title 8, Code of Federal Regulations (CFR) governing alien entrepreneur immigrant visa petitions under the USCIS administered EB-5 visa program authorizes the state government of any state of the United States to designate a particular geographic or political subdivision located within a metropolitan statistical area (MSA) or within a city or town having a population of 20,000 or more within such state as a high unemployment area if the area experienced an unemployment rate of at least 150 percent of the national average.

The designation and certification of high unemployment areas in the State of California under 8 CFR §204.6 paragraphs (i) and (j)(6)(ii) – including certification of high unemployment areas within any MSA or qualified area such as a census designated place (CDP) within an MSA – has been delegated to the Governor's Office of Business and Economic Development. Such certification is based on official estimated unemployment data provided by the Employment Development Department of this state.

From May 1, 2012 till the present, GO-Biz has streamlined the certification procedures and reduced the turn-around using specific jurisdictions with unemployment rates pre-calculated by the California Employment Development Department using federal Bureau of Labor Statistics data. These jurisdiction categories are MSA, County, City, CDP, individual Census Tract, and Rural Areas.

It is the practice of other states to use a methodology grouping contiguous census tracts to designate a Special TEA. This allows additional flexibility in EB5 TEA certification to include areas of high unemployment that are geographically close to areas of lower unemployment. Over the past year, GO-Biz has received input from EB5 Regional Centers and evaluated the potential benefit of special TEAs against the additional workload and potential for delays in completing TEA certifications.

Commencing May 1, 2013, GO-Biz will allow applications for a Special TEA for projects that do not meet the existing standard, pre-calculated certification categories. GO-Biz will certify Special TEA applications under the following criteria:

1. Projects can receive an EB5 Special TEA certification if they are located within an area of twelve or fewer contiguous Census Tracts with a total average unemployment rate of 150% the national average.
2. Requests for a special TEA should include a table listing of each census tracts with its corresponding unemployment rate and a map showing the project address.
3. A supporting letter from the local Economic Development Corporation (EDC) or County or City in which the project is to be located must be provided. The letter must indicate the economic development corporation's concurrence that the proposed census tracts will reasonably be a source of workforce for the project. (See Attachment 1 for an EDC template support letter.)

(Attachment 1 - Template Letter)

ATTN: EB5 Program  
Governor's Office of Business and Economic Development  
State of California  
1400 10th Street, 2nd Floor  
Sacramento, CA 95814  
USA

To Whom It May Concern:

We have received a request for a EB5 project supporting letter under California's Special Targeted Employment Area (Special TEA) methodology in connection with the United State Citizenship and Immigration Services EB-5 Investment Immigration program .

The request has been received from \_\_\_\_\_ (investor name) \_\_\_\_\_ with respect to a new business or project named \_\_\_\_\_ (name of business or project) \_\_\_\_\_, at the address of \_\_\_\_\_ (Street address, city) \_\_\_\_\_, County of \_\_\_\_\_ (county) \_\_\_\_\_, California.

We, the \_\_\_\_\_ (County, City, EDC) \_\_\_\_\_, concur that the project will draw employment from the list of contiguous Census Tracts provided. The table of census tracts and map of the project area provided by the requester are attached.

Sincerely

[ \_\_\_\_\_ (County, City, EDC) \_\_\_\_\_ ]