



## More foreign investment coming to Michigan?

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GLOBAL DETROIT STAFF

"Our state needs outstanding talent to help drive the new economy. Immigrants are net job creators," said Gov. Rick Snyder in a recent announcement. "In return, Michigan offers a wonderful place to live, work, play, and raise a family."

On the heels of Gov. Snyder's announcement last week, Michigan has been granted status by the federal government to create its own EB-5 "Regional Center." Michigan is just the second state in the country to do so.

The Detroit Chinese Business Association (DCBA), in conjunction with Global Detroit, Aspire Lending, and Ogilvy PR, will be hosting the [Immigration Investment Opportunities in Michigan](#) conference on Wednesday, April 23 from 3:00 – 6:00 p.m. at the Iroquois Club in Bloomfield Hills. Civitas Capital, a firm that has leveraged over \$280 million in EB-5 investments into the Dallas regional economy on projects creating over 8,000 jobs, will present at the seminar.

Never heard of an EB-5 visa? You're not alone. EB-5 is the fifth of five "Employment-Based" visas that help foreigners legally work in the U.S. Known as an "investor" visa, the EB-5 is specifically designed to spur business investment that creates jobs in the United States with particular emphasis on areas of high unemployment. The program began in the early 1990s, and is authorized by Congress to issue up to 10,000 visas every year, though that limit has yet to be reached.

EB-5 visas allow foreign investors to obtain conditional residency, legal permanent residency, and, eventually, full U.S. citizenship, as long as they invest \$1 million in a U.S. business that they "control," and that business in turn creates 10 U.S. jobs. Foreign investments in "Targeted Employment Areas" (TEAs), meaning "high unemployment" areas or rural areas, lower the total investment threshold to \$500,000.

So, what does Michigan's new EB-5 Regional Center mean for a state like Michigan, and cities like Detroit? "This approval is an important step in helping harness top talent and international direct investment into the state to continue and accelerate Michigan's comeback," Gov. Snyder said in his press release.

The Governor hopes Michigan's EB-5 Regional Center will act as a vehicle that connects foreign investment with development projects across the state, as well as help foreign investors gain permanent residency for themselves and their families. According to

Snyder, investors will be identified from a variety of places, including individuals and contacts made through Michigan's colleges and universities who are working to retain and attract current and former students.

The Center will work in coordination with Gov. Snyder's Michigan Office for New Americans created in late January and will be housed at the Michigan State Housing and Development Authority (MSHDA).

Scott Woosley, Executive Director of MSHDA, said Michigan is eager to deepen relationships internationally and bring home investment, projects, jobs, and possible new residents critical to Michigan's future.

"It's anticipated that once it's up and running, the regional center will generate \$30-50 million of new private equity for projects each year and create 600 new jobs in communities where they are much needed," Woosley said in Snyder's release.

So what about cities like Detroit? Can a tool like the EB-5 and a platform like the Michigan Regional Center be utilized to leverage more investment in Metro Detroit? Joe Borgstrom, director of the State of Michigan's EB-5 Regional Center says that MSHDA's "decades of housing and development experience," makes him feel very "optimistic about the role EB-5 capital can play in the revitalization of cities as well as potentially retaining existing foreign national students and new immigrants."

If cities like Dallas and Philadelphia are any indication, EB-5 investments can come together in a powerful way, especially if there is a desire for coordination between public and private actors. The Philly Welcome Fund, a privately run EB-5 regional center that operates out of the Philadelphia Industrial Development Corporation, has raised some \$600 million of investment capital that has created over 19,000 jobs.

Several years ago, the City of Dallas and Civitas Capital Group came together to run the [City of Dallas Regional Center](#), an EB-5 center that has helped shepherd nearly \$300 million dollars in foreign investment in a range of real estate [projects](#) in and around Dallas that have generated over 8,000 jobs. Success in Dallas is one of the reasons why Civitas has been invited to next week's Detroit Chinese Business Association conference on EB-5 opportunities.

"We're excited about this event," said DCBA's President Jerry Xu. "It brings together the best of both the public and private sector to discuss how we can continue to bring top talent and foreign direct investment into the State of Michigan."

The conference will feature dynamic speakers, including Bing Goei, director of Michigan's Office for New Americans, Joe Borgstrom, director of Michigan's EB-5 Regional Center, and Texas State House Member, Rafael M. Anchia, who also serves as chairman of Civitas Capital Group's advisory board.

"Events like this are great mediums to exchange ideas and information about how we can continue to bring highly skilled, job-creating immigrants to the State of Michigan," Goei said. "This is a key pillar of our state's economic growth plan and we're working diligently to move the right policies forward to support this initiative along with creating a

welcoming community and culture for immigrants."

Civitas Capital Group CEO Dan Healy added that he is looking forward to the event, the dialogue it will generate and the opportunity to deepen relationships with key stakeholders across the state.

"Our full-service asset management approach for global investors and unique expertise with public-private partnerships have created thousands of jobs at zero cost to American taxpayers. This model is a great fit for the comeback taking place in Michigan," Healy said. "We want to play an influential role in the state's efforts to marry high-quality investment opportunities with the appropriate risk-return profile of global institutions and individuals."

*The EB-5 Immigration Investment Opportunities for Michigan Conference is also sponsored by Global Detroit and Aspire Lending and will take place from 3-6 p.m. April 23 at the Iroquois Club in Bloomfield Hills, Michigan. Seating is limited and tickets are \$50 in advance or \$75 at the door (if available), which includes dinner, beverages and a cash bar. Please register online at [www.dcba.com](http://www.dcba.com) or call +1-248-918-0391.*

*Founded in 1995, the Detroit Chinese Business Association (DCBA) is a Michigan-based, non-profit organization. Its primary goal is to advocate, educate and form business relationships between American and Chinese companies. For more information about DCBA, please visit [www.dcba.com](http://www.dcba.com).*