

1. Council Meeting Agenda

Documents:

[05-23-17 AGENDA.PDF](#)

2. Council Meeting Packet

Documents:

[MAY 23RD SPECIAL MEETING PACKET.PDF](#)

3. Water Street Development Presentation

Documents:

[YPSILANTI-CITY-COUNCIL PRES 05232017.PDF](#)

4. Council Action Minutes

Documents:

[ACTION MINUTES 05-23-17.PDF](#)



(Revised 5/23/17)

**CITY OF YPSILANTI
COUNCIL SPECIAL MEETING AGENDA
COUNCIL CHAMBERS - ONE SOUTH HURON STREET
TUESDAY, MAY 23, 2017
6:00 P.M.**

I. CALL TO ORDER –

II. ROLL CALL –

Council Member Bashert	P A	Council Member Robb	P A
Mayor Pro-Tem Brown	P A	Council Member Vogt	P A
Council Member Murdock	P A	Mayor Edmonds	P A
Council Member Richardson	P A		

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL-

VI. AUDIENCE PARTICIPATION -

VII. REMARKS FROM THE MAYOR –

IX. MOTIONS, RESOLUTIONS, DISCUSSIONS -

1. Resolution No. 2017-121 ,directing staff and legal council to negotiate in good faith on behalf of the City Council to draft a purchase agreement for the sale of the approximately 36 acres of the Water Street Redevelopment Area (11-11-09-170-031) with International Village Advisory, LLC.

X. AUDIENCE PARTICIPATION –

XI. REMARKS FROM THE MAYOR –

XII. ADJOURNMENT -

Resolution No. 2017-122, adjourning the City Council Meeting.



(Revised 5/23/17)

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INFORMATION MEMORANDUM

To: City Manager, Mayor, Council, and City Attorney

From: Beth Ernat, Director of Community and Economic Development

Date: May 23, 2017

Subject: Current Status Update on Water Street

2016 Summary:

Herman and Kittle Properties (HKP) – The City entered into a new purchase agreement for property along the Michigan Avenue frontage in order to work with MSHDA and address their location and environmental concerns with the southern lot. After creation of a site plan and development of a new concept, MSHDA did not provide loan approval to HKP. The City and HKP exhausted all avenues for approval. Ultimately, HKP withdrew from the purchase agreement with the City.

Washtenaw County Park and Recreation Commission (WCPARC) – In 2016, the WCPARC chose to no longer pursue the East Side Recreation Center on Water Street. Prior to withdrawing their commitment, staff worked with WCPARC, St. Joseph Medical Center and a development company in Ohio to pursue a Wellness Center for the property. Ultimately, WCPARC decided not to pursue negotiations with the development company and withdrew from the purchase agreement with the City.

Integrated Wellness Partners (IWP) – IWP completed a feasibility study of the Water Street property for a wellness center that would incorporate health, rehabilitation, fitness, and community space. The development group was very excited for the project but required, at minimum, two community partners and investors for the project to be successful. IWP provided a pro forma to multiple partners but ultimately could not get firm commitments from any partners. The project has not been pursued any further.

Border 2 Border Trail – The City was awarded a grant for the remediation of the Water Street trail area. The project has been delayed start until end of May/early June as the soil erosion control permit has not been granted and is not expected until late May. The soil erosion permit was a major delaying factor in the development of the Water Street trail. MDEQ has approved the remediation activities plan and will provide a certificate of completeness when the project is completed.

Water Street Environmental – A security fence was partially installed in 2016 to separate areas of direct contact contamination from public access. The southern portion of the fence will be completed when trail remediation is completed. The fence is a requirement from the MDEQ to protect the public from contamination issues.

A document of due care and compliance was submitted to the MDEQ for review and approval. The document will be reviewed and is expected to be approved after the remediation plan is completed for the Water Street trail.

Water Street Debt – Although the 2016 Water Street millage failed, the City was still able to pay down debt from the budget reserves and refinance the existing debt. The current debt on the property prior to June 1st is, \$13,853,566.

Increased interest in Water Street – There has been increasing interest in the development of Water Street throughout 2016. Some of the interested parties include:

- Low-income/senior/transitional housing
- Recreation activities and facilities
- Artist/cultural venues
- Office space/research park
- Medical Marijuana

Challenges to development on Water Street – Most of the interest in the property is for smaller development of 2-8 acres. The major challenges that face development of that size, or any development in particular are:

- Environmental due diligence, clean-up, remediation
- Lack of infrastructure
- Cost of infrastructure
- Cost of land per acre

The current master plan layout with street layout is limiting. The size of the lots are too small for most development that includes commercial or multiple units on one lot. Additionally, the cost of the infrastructure for complete streets and multiple segments of streets is unrealistic for a small to medium sized development. The return on investment, even including brownfield TIF reimbursements, is unresolvable for creation of a pro forma requiring lending approval. Additionally from the City perspective, the creation of more public streets is burdensome to the tax payers as each street has legacy costs and with over ¼ of the property designated as infrastructure the assessed value is impacted by the reduction of assessable property.

Possible remedies for challenges – Now that the environmental has been identified and categorized on the property, the economy has improved, and investment is occurring in multiple market segments, it seems appropriate to revisit the concept of reducing the amount of infrastructure on the site, the limitations created by the lot being designated, and the thought of recruiting a master developer for the site.

Summary – 2016 was overall a positive year for Water Street as the debt was reduced and a renewal of interest in the site has happened. As we move forward half-way through 2017, interest has increased, and continues to increase, in the property. By removing challenges and addressing possible hurdles, the site will attract more positive attention.



REQUEST FOR LEGISLATION
May 23, 2017

To: Mayor and City Council

From: Beth Ernat, Director of Community and Economic Development

Subject: International Village Advisory, LLC, Letter of Intent – Water Street

SUMMARY & BACKGROUND: A Letter of Intent (LOI) has been received by staff from International Village Advisory, LLC, for the development of the entire 36 acre parcel of Water Street with an international village. The buyer is seeking to enter into negotiations with the City for a purchase agreement.

International Village Advisory, LLC is owned and represented by Amy Xue Foster. Amy is a Chinese ex-patriot and an American citizen seeking to utilize EB-5 Immigrant Investor Program to fully develop the Water Street site with an international village with mixed-use commercial property, student housing, and various types of housing.

The proposed design of the project will be presented at the Council meeting by Amy Foster and her representatives. According to the developer, the proposed design is a high-quality, sustainable, dense development that will include street-level pedestrian elements, development to enhance natural features of the riverfront, multi-modal transportation, and multiple architectural and landscaping features. The proposed investment for the development would be no less than \$250,000,000.

The proposed purchase price is \$1 per acre, based on the developer being responsible for clean-up, remediation, and construction of all infrastructure improvements associated with the project. The EB-5 Investor program requires eligible investments to be used for capital and infrastructure development within the site. Therefore, incentives typically offered and used for development would be replaced with the EB-5 investment.

The design and locations of buildings will determine the cost of remediation required. Staff estimates the environmental remediation for the entire property to be between \$4,000,000 and \$8,000,000. The infrastructure required for a development on the property includes, but is not limited to, complete streets, underground electrical, water, sanitary, storm sewer, cable, and fiber optic.

The developer will be committing to a minimum a \$150,000,000 investment in the first 25 months after sale of the property. The EB-5 program requires certificate of occupancy to be issued within 25 months for approval of investors. Based on time limitations, a phase II project may be necessary and would also be completed within 25 months of the start of the project.

The developer is seeking to promote housing to international students and national students at Eastern Michigan University and University of Michigan. The developer is aware that the priority

initiative of the new President of EMU, James Smith, is the recruitment of international students. The proposed development is dependent on transportation services to the property that access both EMU and UofM.

A qualified team of development resources has been assembled by the developer for this project. The developer is looking to move quickly and control the property as soon as possible as there are investors prepared to join the development. The EB-5 program may expire in September 2017, and there is a time limitation attached to the job creation portion of the program.

Water Street

The current bond debt owed on the Water Street parcel as of May 1, 2017 is \$13,853,566.

The current assessable value on the Water Street parcel as of May 1, 2017 is \$0

The base value of the Water Street TIF is \$3,120,206

If the property were to be sold in its entirety prior to December 31, 2017, our Assessor would assign a taxable value of \$565,975 or a true cash value of \$1,131,950. (Estimated taxes paid based on 66 mills would be \$37,354).

The value of the property without development would be \$1,988,256 short of TIF capture. Any development in excess of \$3,000,000 would create capture within the DDA TIF.

This is the taxable value that would be in full force and effect with or without development of the parcel. Any development would increase the taxable value and the true cash value of the property.

EB-5 Immigrant Investor Program

The EB-5 Immigrant Investor Program allows entrepreneurs (and their spouses and unmarried children under 21) to apply for a green card (permanent residence) if they:

Make the necessary investment in a commercial enterprise in the United States; and
Plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers.
This program is known as EB-5 for the name of the employment-based fifth preference visa that participants receive.

Congress created the EB-5 Program in 1990 to stimulate the U.S. economy through job creation and capital investment by foreign investors. In 1992, Congress created the Immigrant Investor Program, also known as the Regional Center Program. This sets aside EB-5 visas for participants who invest in commercial enterprises associated with regional centers approved by USCIS based on proposals for promoting economic growth.

The City of Ypsilanti could be a regional center as the development group of International Village Advisory, LLC has been approved.

An EB-5 investor must invest the required amount of capital in a new commercial enterprise that will create full-time positions for at least 10 qualifying employees.

Required minimum investments are:

The minimum qualifying investment in the United States is \$1 million.

Targeted Employment Area (High Unemployment or Rural Area). The minimum qualifying investment either within a high-unemployment area or rural area in the United States is \$500,000.

Development Requirements: The developer has to have the property under control to proceed with the creation of a regional center and development plans. The developer has invested significant capital in hiring the development team and creating preliminary site plans. Any development of the site will be required to complete the normal development process consisting of site plan review, engineering review, planning review, and building review. Additionally, all proposed remediation and clean-up of the site will have to be approved by the MDEQ in a remediation plan.

Development pros and cons:

Pros: The development of the entire Water Street parcel (not including the Family Dollar) would address multiple challenges with the development of the site. Challenges such as infrastructure, cost of development, and cost of individual lots.

The development would be completed in an expedient manner.

If the development did not occur, language in the contract would revert property back to City and penalties could be accessed.

The proposed price of land would not assist with debt coverage. However, the proposed acquisition of the property would generate immediate tax revenue.

The development would be dense, create living options, open doors for new cultures and residents to live in Ypsilanti and create a commercial and office corridor, which is currently lacking.

Investment minimums needed to make the project a regional center would guarantee TIF capture in three years.

Cons: The development of the entire parcel limits options for future plans and property needs.

The development will not generate immediate income to the city through purchase price.

Master developer plans are risky and have failed in the past.

RECOMMENDED ACTION: Staff recommends approval of a resolution directing staff to negotiate a purchase agreement with the International Village Advisory, LLC for the purchase and development of the Water Street parcel with an international village. If directed to negotiate, the final agreement would require approval by City Council, any development would follow normal development process of review and approval of engineering, planning, site plan, and building.

ATTACHMENTS: (letter, etc.)

CITY MANAGER APPROVAL: _____

COUNCIL AGENDA DATE: _____

CITY MANAGER COMMENTS: _____

FISCAL SERVICES DIRECTOR APPROVAL: _____



Resolution No. 2017 - 121
May 23, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

WHEREAS, the City of Ypsilanti has received a letter of intent from International Village Advisory, LLC for the purchase and development of the remaining 36 acres of Water Street; and

WHEREAS, the letter of intent seeks creation and approval of a purchase agreement within 120 days of the presentation of the letter of intent; and

WHEREAS, the International Village Advisory, LLC, intends to redevelop the Water Street Redevelopment area with a multi-use development that will enhance the street-level pedestrian experience, enhance the adjacent natural and recreational features of the property, include multi-modal transportation options, and visually interesting architectural and landscaping elements; and

WHEREAS, the City Council of the City of Ypsilanti has the authority to enter into a purchase agreement for the sale of the Water Street Redevelopment area (11-11-09-170-031) and may impose conditions within said purchase agreement.

NOW THEREFORE BE IT RESOLVED THAT the Ypsilanti City Council directs staff and legal council to negotiate in good faith on behalf of the City Council to draft a purchase agreement for the sale of the approximately 36 acres of the Water Street Redevelopment Area (11-11-09-170-031) with International Village Advisory, LLC.

OFFERED BY: _____

SUPPORTED BY: _____

YES:

NO:

ABSENT:

VOTE:



5/22/2017



Mr. Darwin McClary
City Manager

City of Ypsilanti
One South Huron Street
Ypsilanti, MI 48197

**Non-Binding Letter of Intent International Village Advisory, LLC to Develop
Property known as Water Street Redevelopment Area {11-11-09-170-031}**

Dear Mr. McClary:

The International Village team is excited to present our vision for the Water Street Redevelopment Area and is appreciative for the opportunity to enter exclusive negotiation on a Purchase Agreement with the City of Ypsilanti.

International Village Advisory, LLC ("the Buyer") is a domestic limited liability corporation formed for the purpose of developing all, or portion of, the Water Street Redevelopment Area {11-11-09-170-031} ("Subject Property") as a mixed-use community. This Non-Binding Letter of Intent ("LOI") will outline the terms under which the Buyer and the City of Ypsilanti ("the Seller") will negotiate in good faith to enter into a contract to purchase the property.

We respectfully request that upon acceptance of this letter of intent, that the City of Ypsilanti remove the Water Street Redevelopment Area from the market, and reserve it for the development of International Village, a mixed-use, pedestrian- and transit-oriented development.

Subject to the execution of a definitive and mutually acceptable agreement of purchase and sale ("Purchase Agreement") within one hundred and twenty (120) days after execution of this Letter of Intent (the "Contract Negotiation Period"), the undersigned offers to purchase all of, or a substantial portion thereof, the subject property in accordance with the following terms and conditions:

1. Seller: **The City of Ypsilanti**
2. Buyer: **International Village Advisory, LLC**, with contact information as follows:

- Amy Xue Foster, 101 W. Big Beaver Road, Troy, MI 48084
 - Buyer may assign its interest to any corporation, partnership, or limited liability company in which it is the controlling party.
3. Subject Property: The property, which is subject of this offer is identified as Water Street Redevelopment Area {11-11-09-170-031}. Together with the real property, Buyer is also purchasing all of Seller's rights, title and interest in all of the fixtures, improvements, leases, maps, reports, plans, and other such material is having to do with the Subject Property including all land use entitlements, governmental permits and allocations, and other such governmental and agency approvals as may exist concerning the property.
 4. Purchase Price: \$1/acre. It is understood that the Purchaser will develop infrastructure serving the development to include sewer, water, and road access to the site.
 5. Due Diligence Period Deposit: The buyer will deposit \$5,000 each month of the due diligence period into an escrow account to serve as a deposit.
 6. Terms of the Purchase:
 - a. Subdivision and Lot Split: Prior to Closing, Seller may execute a lot split to create a separate tax parcel for the Property in order to create a separate transferable tax parcel for the Property, should the Buyer resolve to purchase a portion of the Subject Property.
 7. Design: The design developed for the Subject Property will seek to create a high-quality development contributing to the vitality of the City that enhances:
 - a. The street-level pedestrian experience
 - b. Sustainability
 - c. The characteristics of adjacent natural features, recreational, and pedestrian assets
 - d. Multi-modal transportation
 - e. Visually interesting architectural and landscaping elements
 8. Feasibility Period: Seller shall fully cooperate with Buyer in providing any and all information available regarding the development potential of the property, as well as facilitating access for investigation activities required for proper due diligence. Buyer may terminate this Letter of Intent and/or the Purchase Agreement at any time prior to the end of the Feasibility Period for any reason or no reason at all upon written notification to Seller.
 9. Expiration of Offer: This Letter of Intent shall constitute an open offer until (June 6, 2017), at which time it shall be automatically terminated if not executed by Seller. If the above outline of terms and conditions are acceptable, please indicate by signing below. All parties to these transactions intend that this proposal be superseded by the Purchase Agreement. In the meantime, all parties agree to proceed in accordance with terms and conditions outlined in this Letter of Intent. Seller

understands the purpose of this Letter of Intent is to allow further investigation by both parties into the feasibility of entering into a formal agreement. This Letter of Intent is only binding on the parties during the Contract Negotiation period. If the Purchase Agreement is not mutually executed within the Contract Negotiation Period for any reason whatsoever or no reason at all, this Letter of Intent shall expire and no party shall have any further rights or duties hereunder. Seller shall not solicit other offers during the Contract Negotiation Period.

This letter of intent is a non-binding agreement between the Buyer and Seller to work for a term of one-hundred and twenty days (120) to transfer all or a portion of the Water Street Redevelopment Area based on the terms above. The Buyer is requesting this agreement as part of the Seller's process for transferring ownership to the buyer; perform geotechnical, utility, and environmental investigations; complete conceptual designs for the property; and to finalize details of project financing.

BUYER:: _____

Dated: _____

SELLER: _____

Dated: _____



The International Village

A Unique Opportunity for Ypsilanti and
the Water Street Redevelopment Area



INTERNATIONAL
VILLAGE



About International Village

- Project of the Global Capital Group
 - Established in 2013
 - Specifically focused to arrange financing for US-International projects
- Foreign direct investment
 - EB-5
 - AND General Equity/Financing
- Focus on large, transformational mixed-use real estate
- Based in Troy, MI

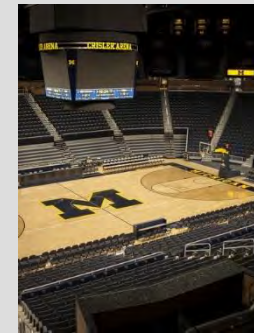


About Amy Xue Foster

- American Citizenship (became US citizen in 2003)
 - Resident of Troy, MI
 - Masters of Business, University of Detroit-Mercy
- AA American Mortgage, LLC
 - Licensed Mortgage Brokerage Firm established in 1999
 - Owned by Amy Foster
 - Funding levels of \$500 million
- AA Capital Advisory, LLC
 - Established in 2007 to facilitate Merger and Acquisition activity
 - Owned by Amy Foster
 - Coordinate International investment in foreign companies doing business in United States.

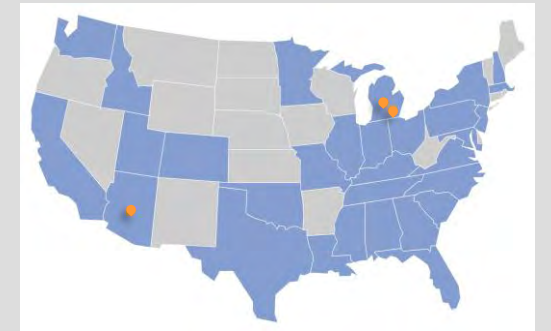
About Spence Brothers

- Established in 1893
- Construction Manager/General Contractor
 - Preconstruction Planning
 - Self-performance of trades
- Michigan Headquartered company
 - 3-offices (Ann Arbor, Saginaw, Traverse City)
 - Worked on the campus of The University of Michigan since 1929
 - Currently building two-high rises in Ann Arbor
 - We LOVE urban redevelopment



About Hobbs + Black Architects

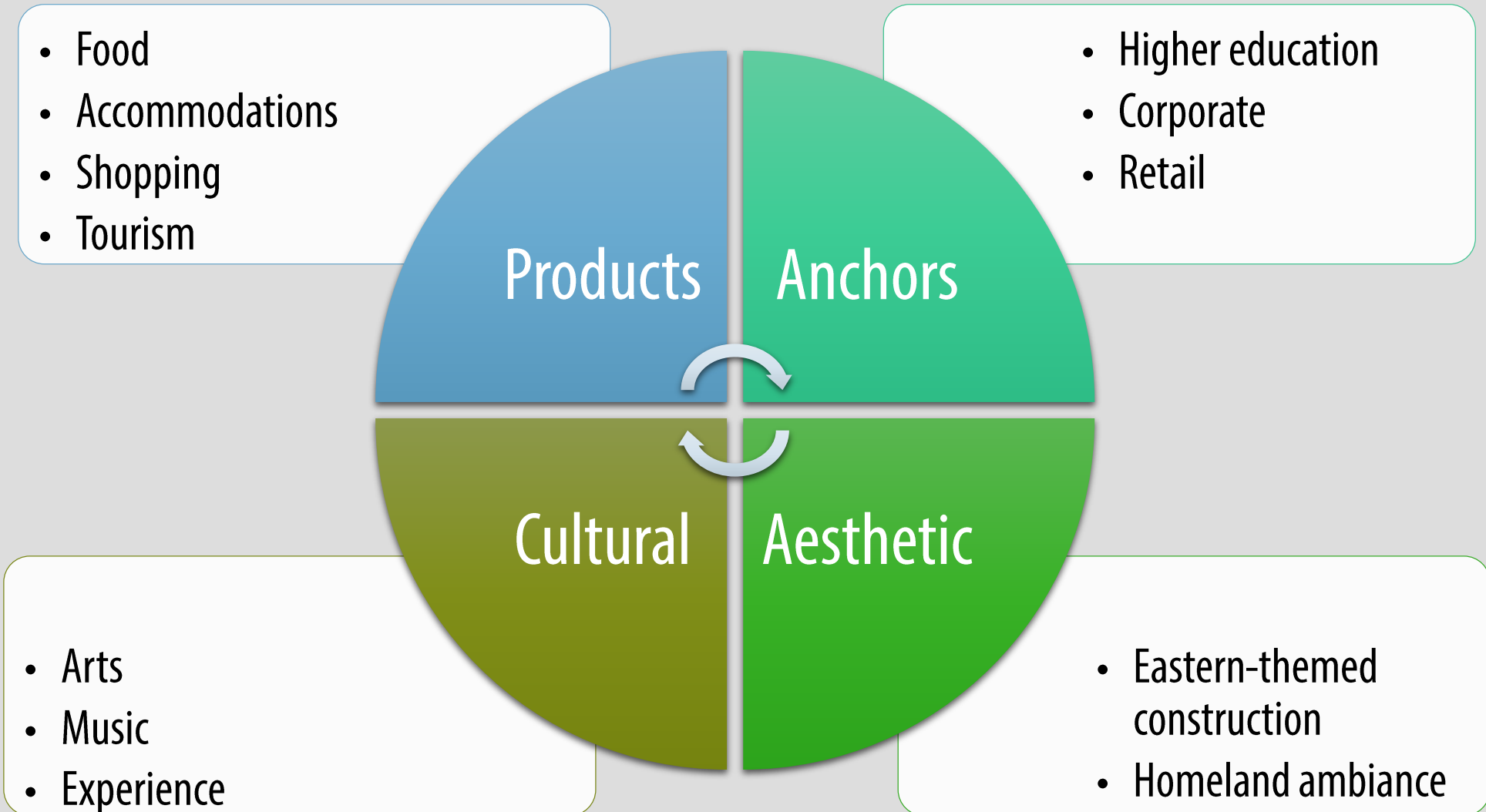
- Established in 1965
- Full Architectural Services
 - Architecture / Design
 - Planning
 - Interior Design
- Michigan Headquartered company
 - 3-offices (Ann Arbor, Lansing, Phoenix)
 - National Presence
 - Currently working on 2 large scale mixed-use developments in Detroit and Lansing



HOBBS + BLACK
ARCHITECTS



International Village



What are we seeking this evening?

Resolution to proceed into a 120-day due-diligence period.

- Enables our team to access the site and conduct geotechnical and environmental investigations.
- Determine detailed financial feasibility on the project.
- Solidify commitments from International investors.
 - Investors will want to visit the property
 - Unique aspects of Chinese civic culture







Why Ypsilanti?

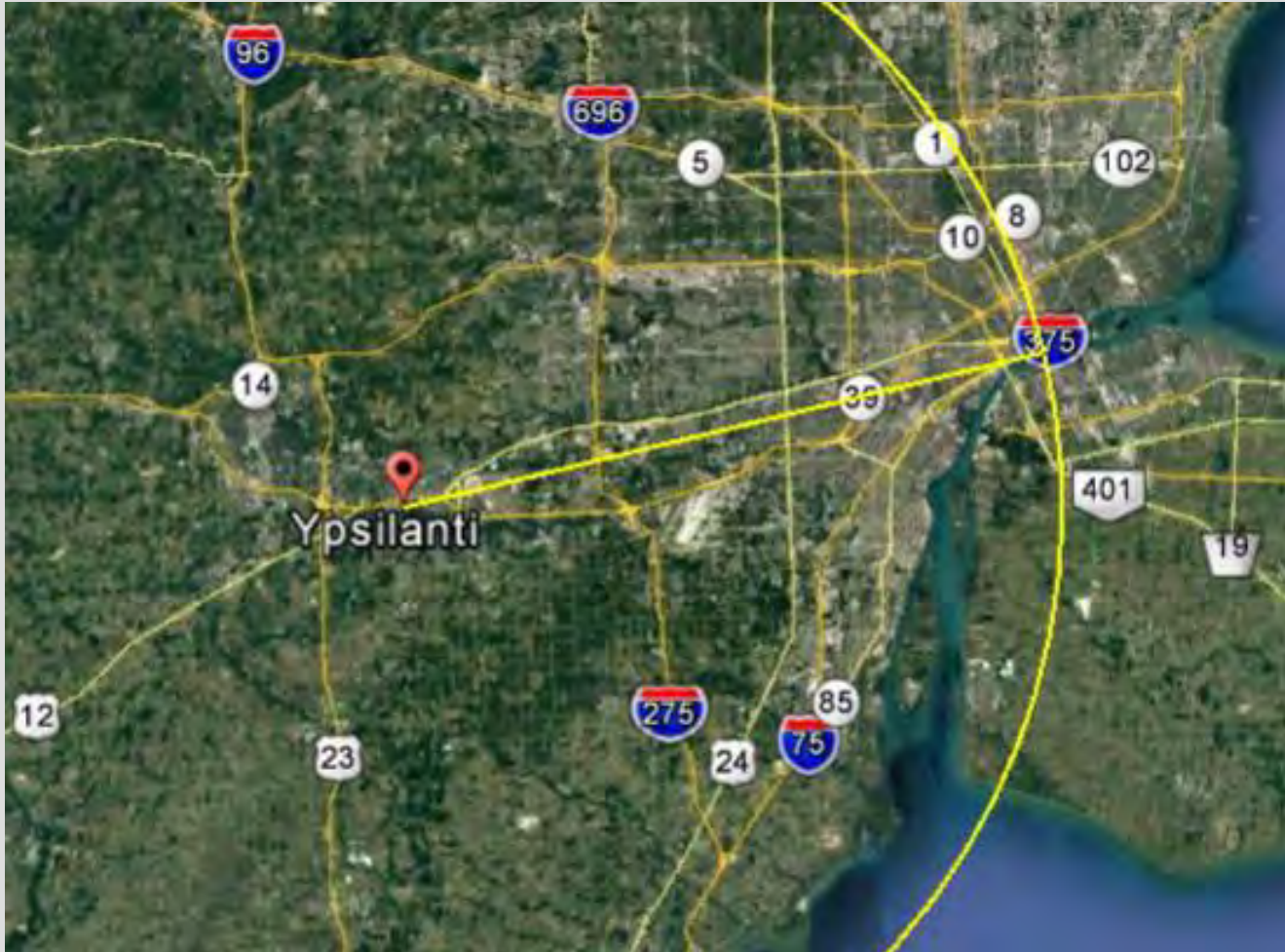
Universities

- The University of Michigan
- Eastern Michigan University
- Wayne State University
- University of Detroit-Mercy
- 13 other 4-year colleges within 35 mile radius



Proximity to Higher Education

Why Ypsilanti?



Within a 30 mile radius...

- The Motor City
- DTW International Airport
 - Direct service to Beijing, Shanghai,
 - Also Nagoya, Seoul, Tokyo
- Potential major transit connections with Ann Arbor, Detroit, and beyond
 - Toronto
 - Chicago

Why Ypsilanti?

**Ypsilanti is a
WELCOMING
community!**

Within a 30 mile radius...

- The Motor City
- DTW International Airport
 - Direct service to Beijing, Shanghai,
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 - Chicago

Why Ypsilanti?



Proximity to Auto Industry

Why Ypsilanti?



进 无 止 境



SHANGHAI GM



广汽菲亚特
GAC FIAT

Proximity to Auto Industry

Why Ypsilanti?

Universities

- The University of Michigan
- Eastern Michigan University
- Wayne State University
- University of Detroit-Mercy

Research and Development

- Major Employers
 - Tier II Suppliers
- American Center for Mobility
- The University of Michigan

Proximity to Research and Development

Why Ypsilanti?



Proximity to Research and Development

Why Ypsilanti?



吉利汽车
GEELY AUTO



Proximity to Auto Industry

Why Ypsilanti?



上汽集团
SAIC MOTOR



东风汽车公司
DONGFENG MOTOR CORPORATION

Chinese "Big 4"

Why Ypsilanti?



Alibaba's Jack Ma will bring his message to Detroit

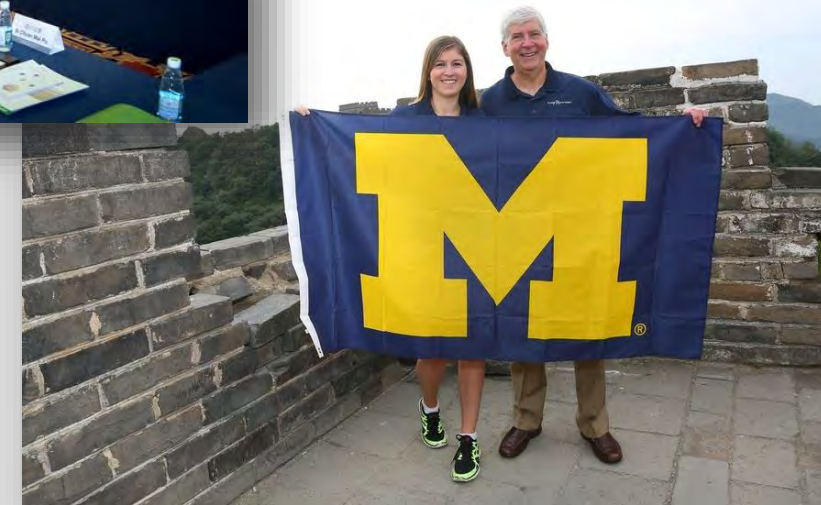
Carol Cain, Detroit Free Press Business Columnist Published 11:15 p.m. ET May 20, 2017 | Updated 12:28 p.m. ET May 21, 2017



You may not know the name Jack Ma.

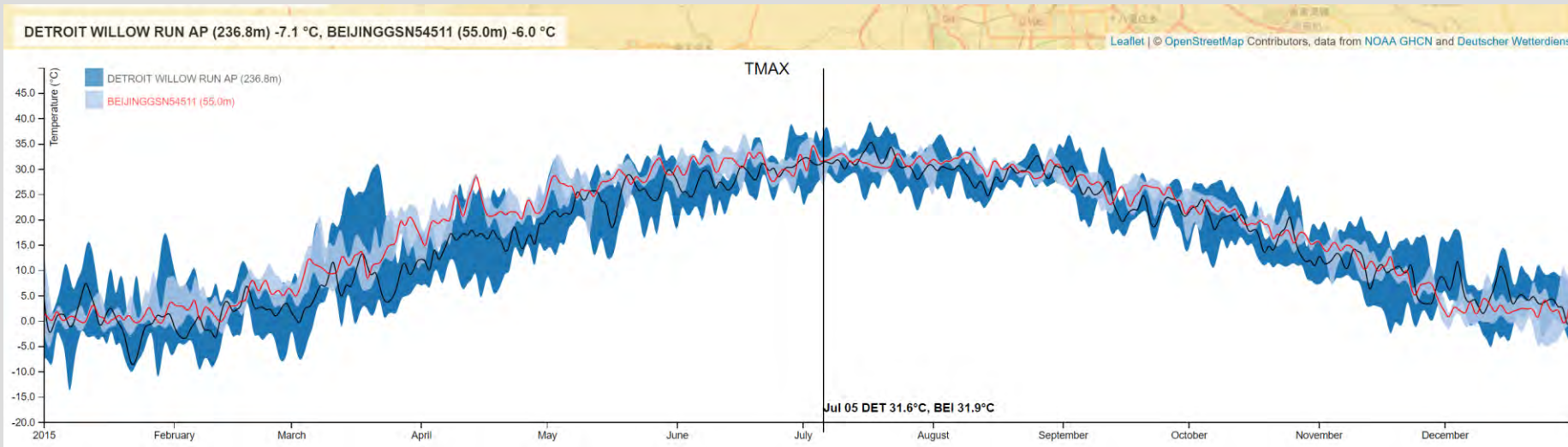
The determined Chinese billionaire behind Alibaba Group Holdings — one of the largest public companies — is coming to Detroit for a two-day conference next month.

The conference's purpose is to attract more American businesses and farmers interested in selling products to hundreds of millions of Chinese consumers through Alibaba's e-commerce services.



Michigan's Assets

Why Ypsilanti?



July 5 Mean Highest Temp

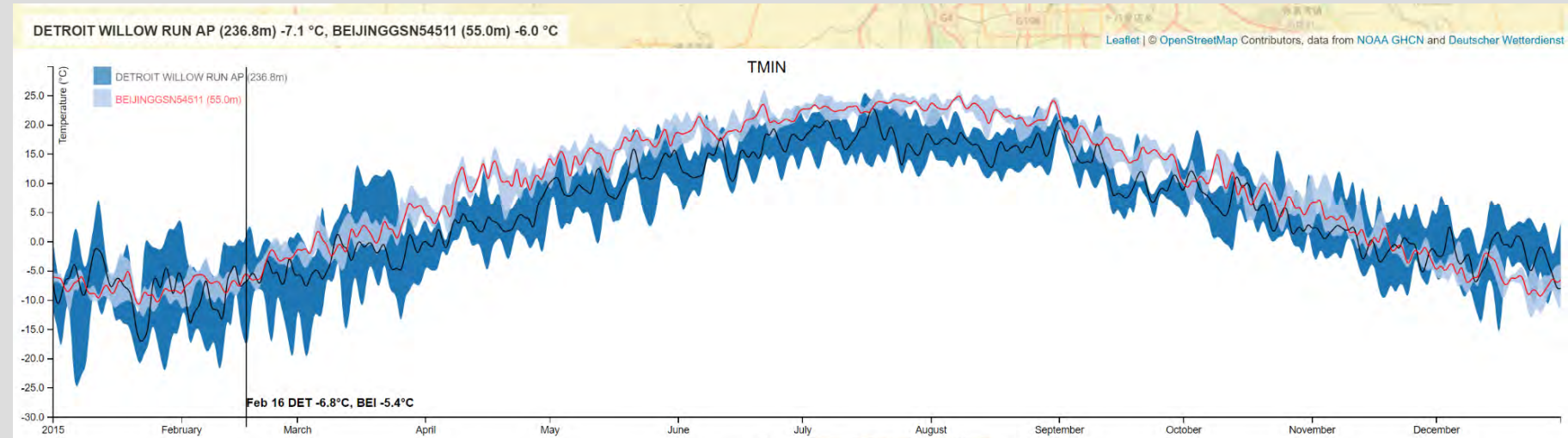
Beijing: 88°

Ypsilanti: 88°

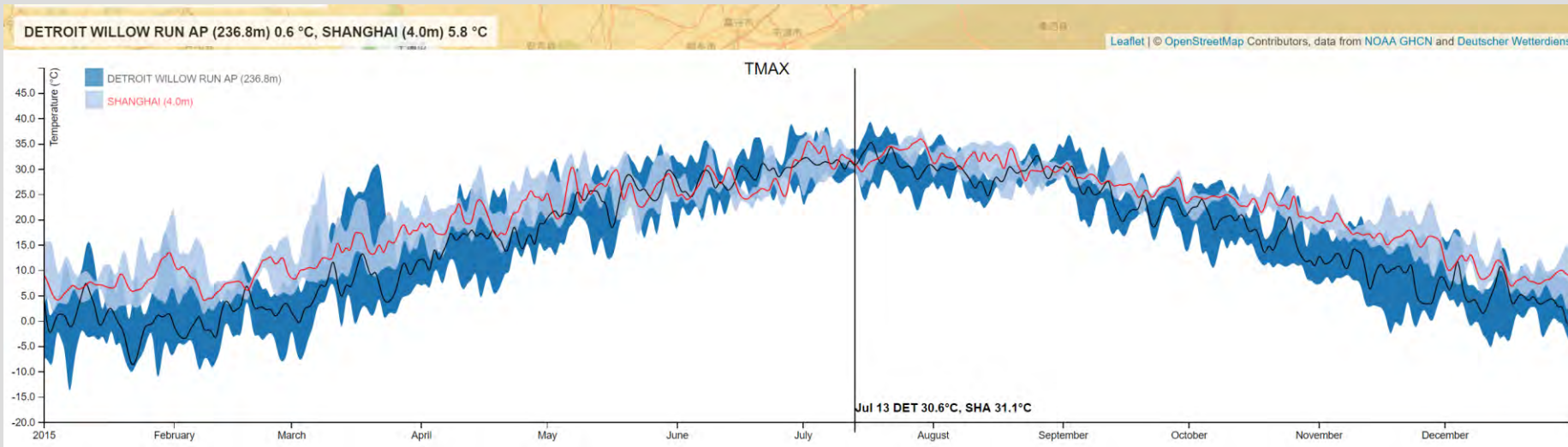
Feb 16 Mean Lowest Temp

Beijing: 22°

Ypsilanti: 19°



Why Ypsilanti?



July 13 Mean Highest Temp

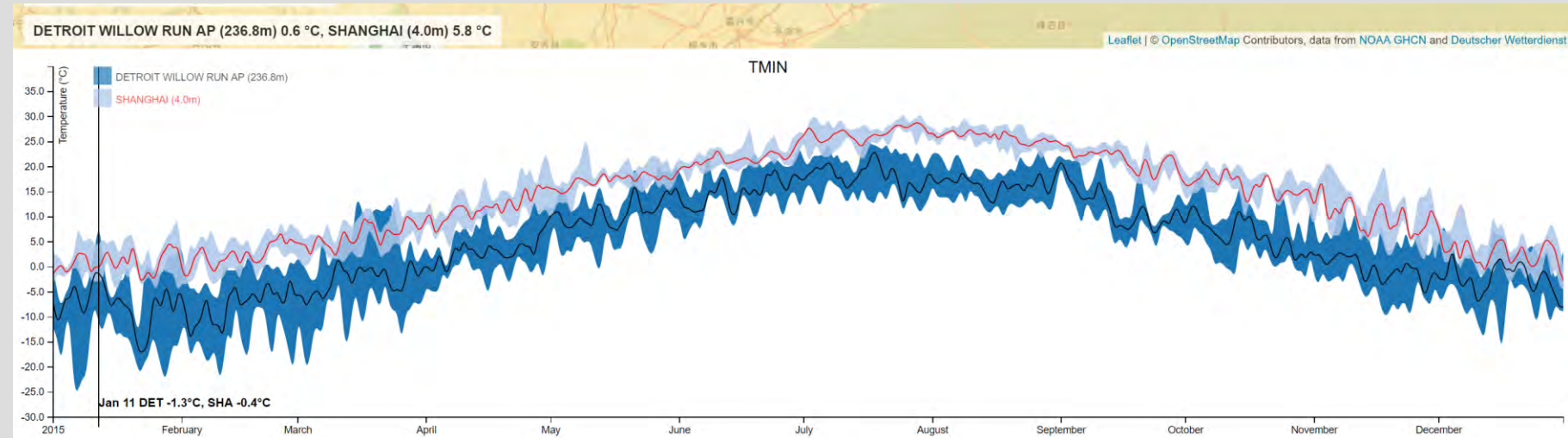
Shanghai: 88°

Ypsilanti: 87°

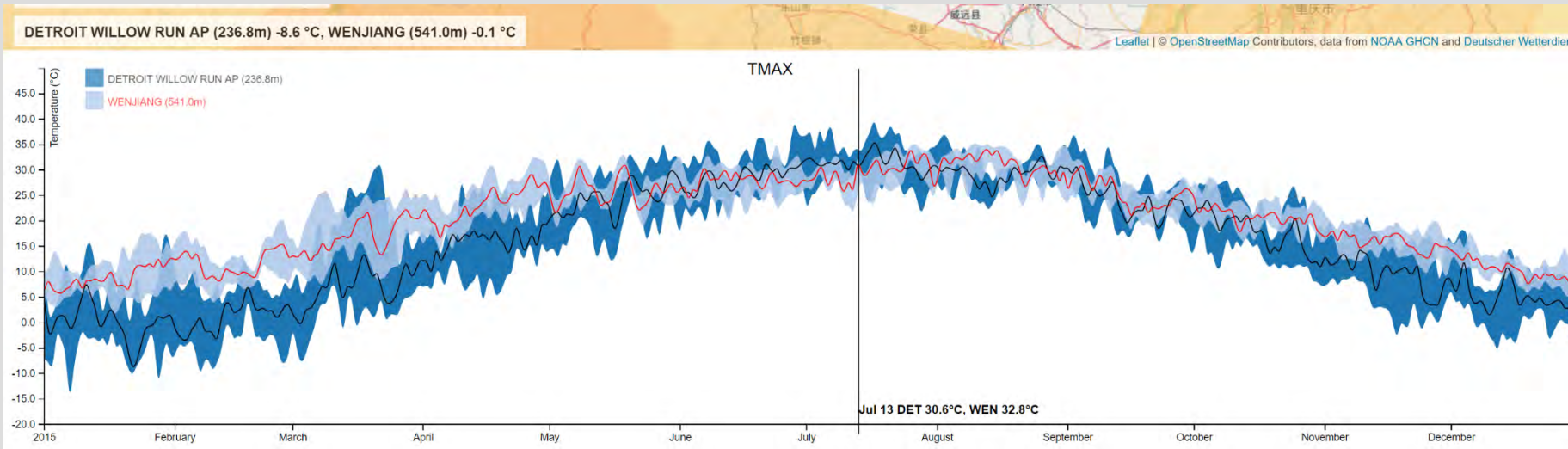
Jan 11 Mean Lowest Temp

Shanghai: 31°

Ypsilanti: 29°



Why Ypsilanti?



July 13 Mean Highest Temp

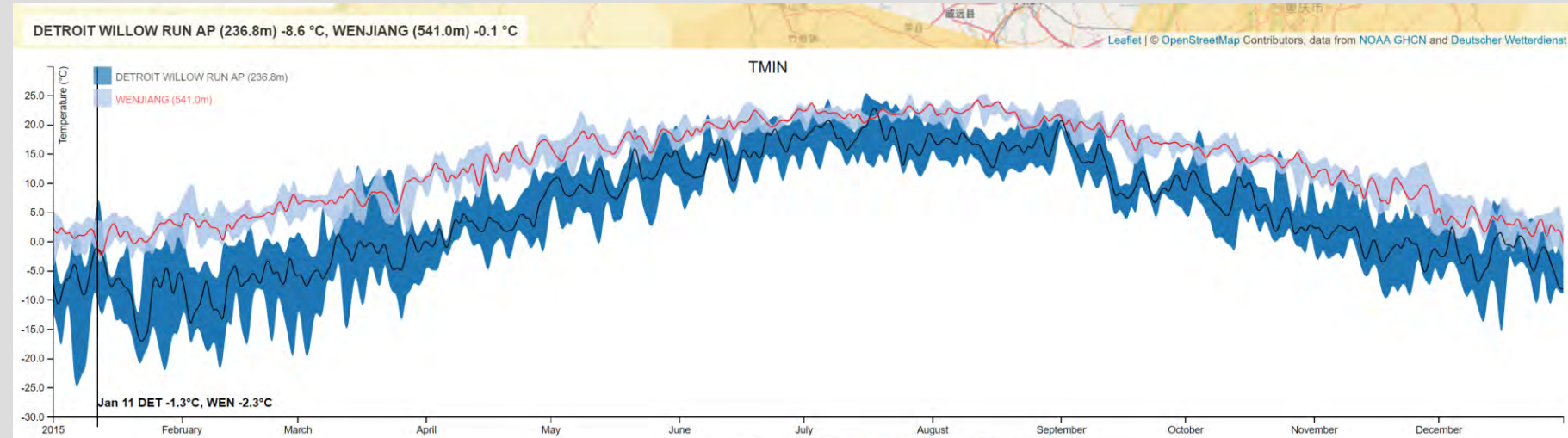
Chengdu: 90°

Ypsilanti: 87°

Feb 16 Mean Lowest Temp

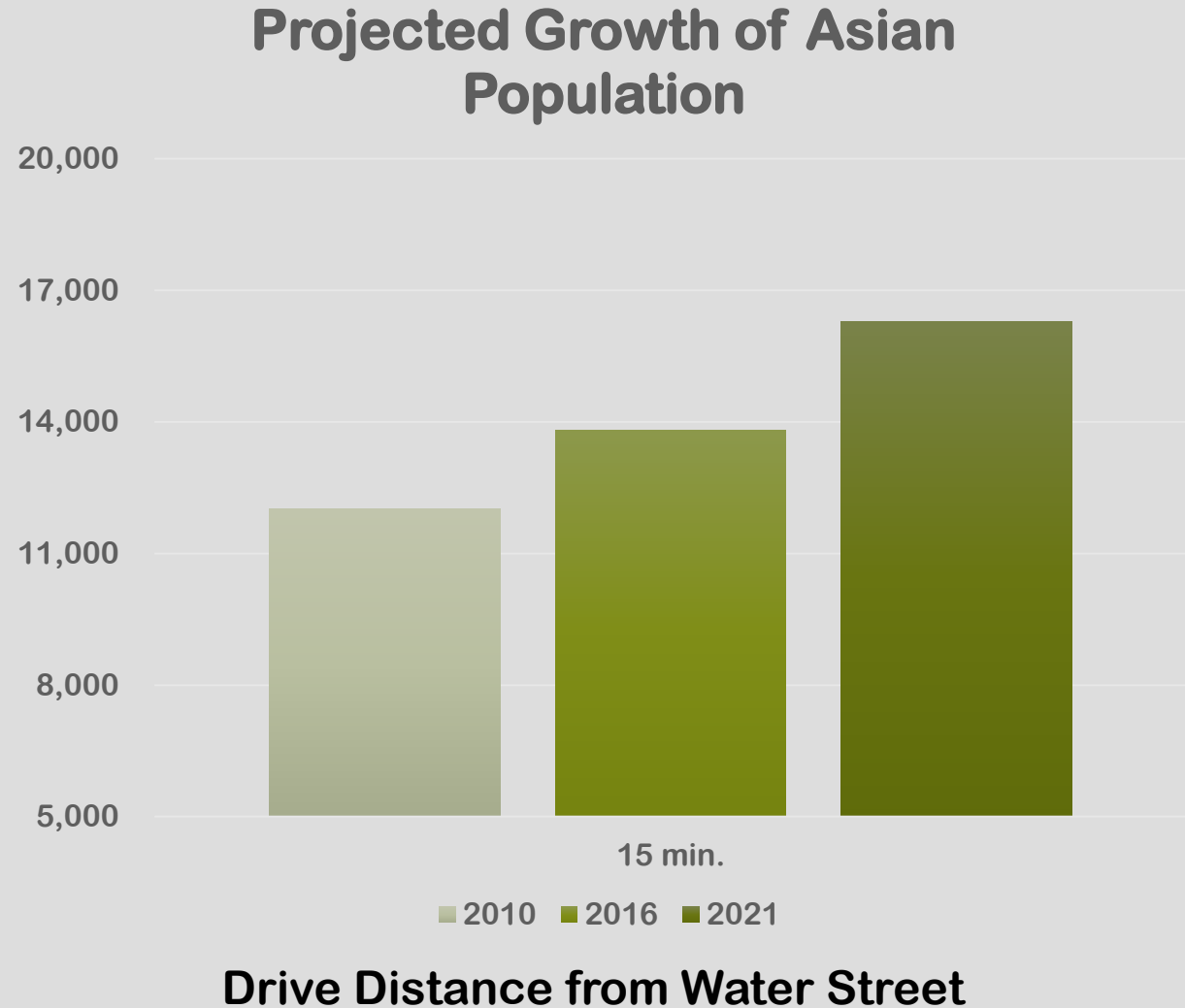
Chengdu: 28°

Ypsilanti: 19°



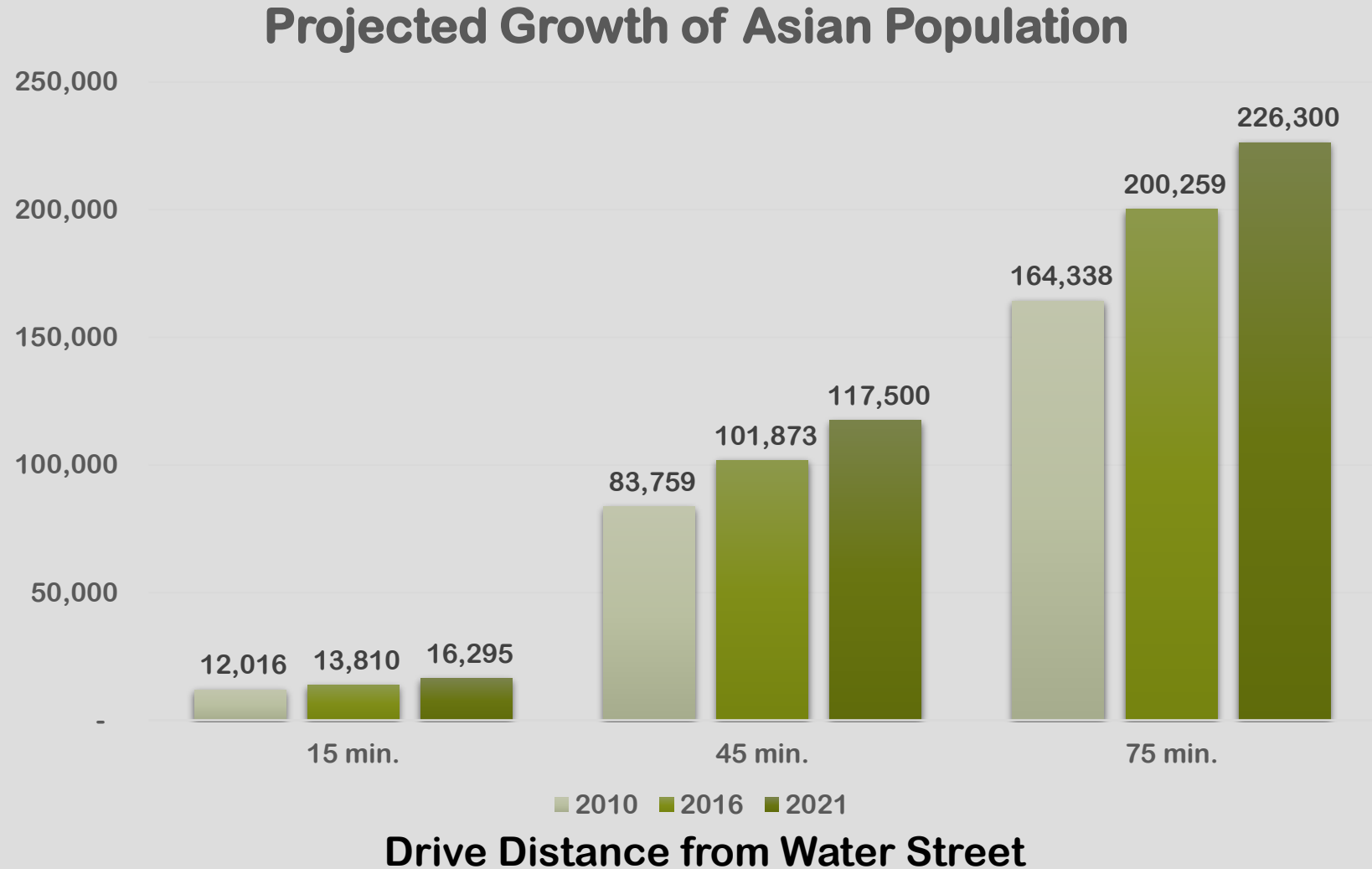
Why Ypsilanti?

Growing Regional Asian Population



Why Ypsilanti?

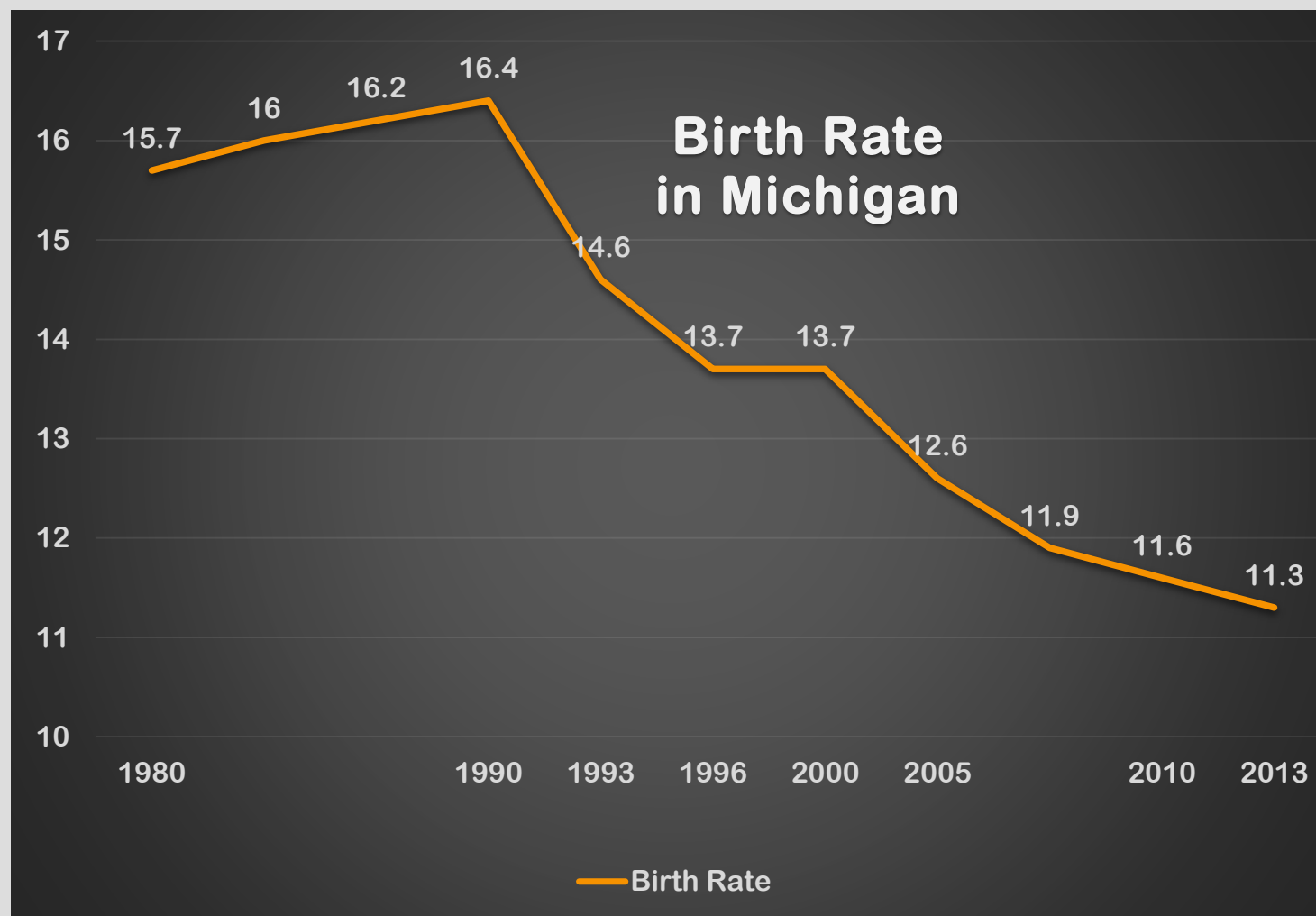
Growing Regional Asian Population



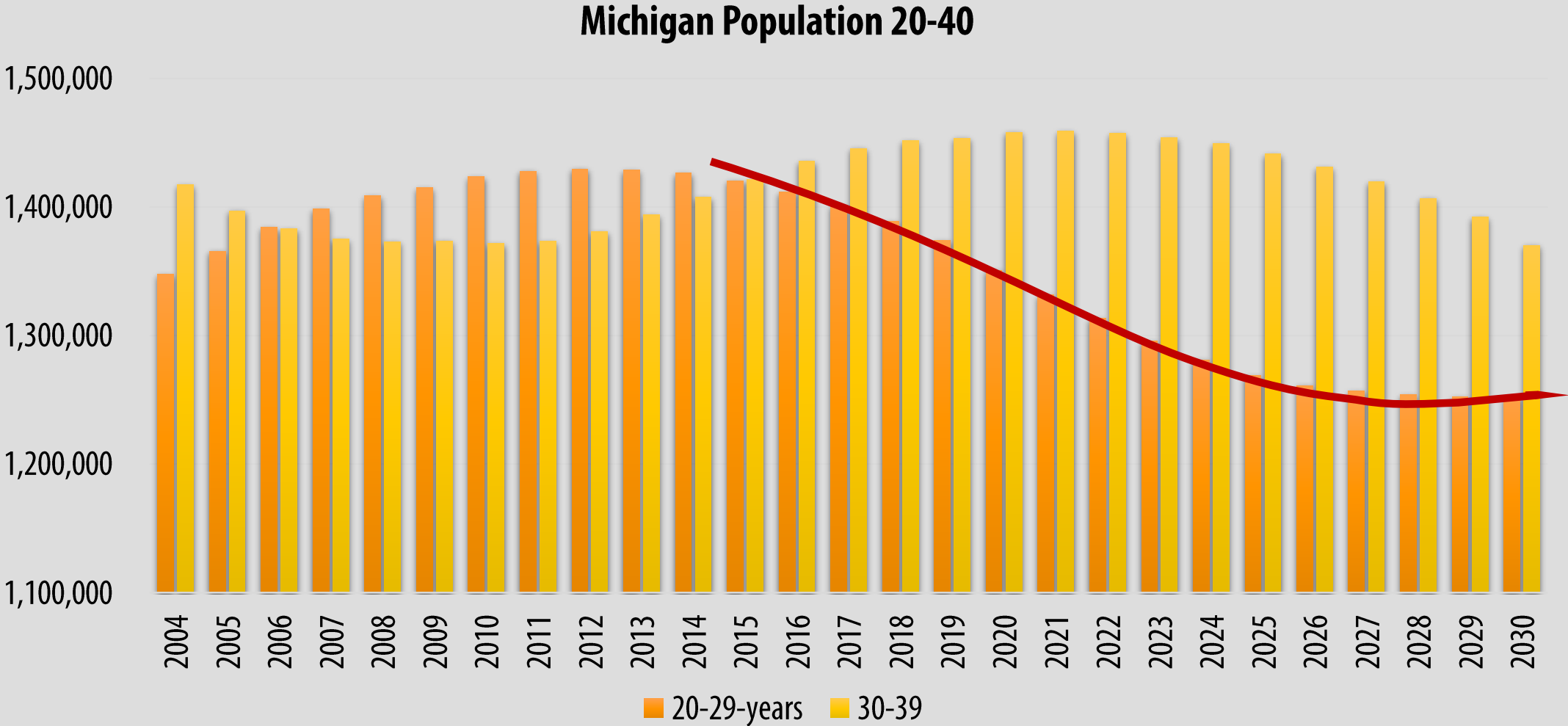
What is the Opportunity?

The Great Demographic Shift

Year	Birth Rate (Michigan)
1980	15.7
1990	16.4
1993	14.6
1996	13.7
2000	13.7
2005	12.6
2010	11.6
2013	11.3



The Great Demographic Shift

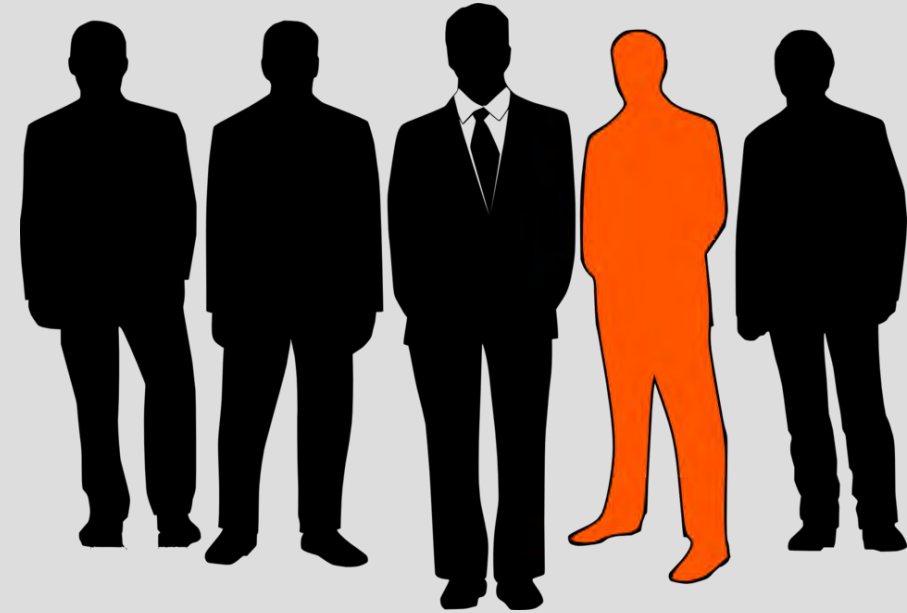


What does this mean?

We are not replacing ourselves.

Less Humans. Less Demand.

Retention alone is not a solution.



Guest column: Michigan and Detroit need immigrants to reach goals

Steve Tobocman 11:02 p.m. ET Feb. 11, 2017

Snyder says 10 million people should live in Michigan by 2020

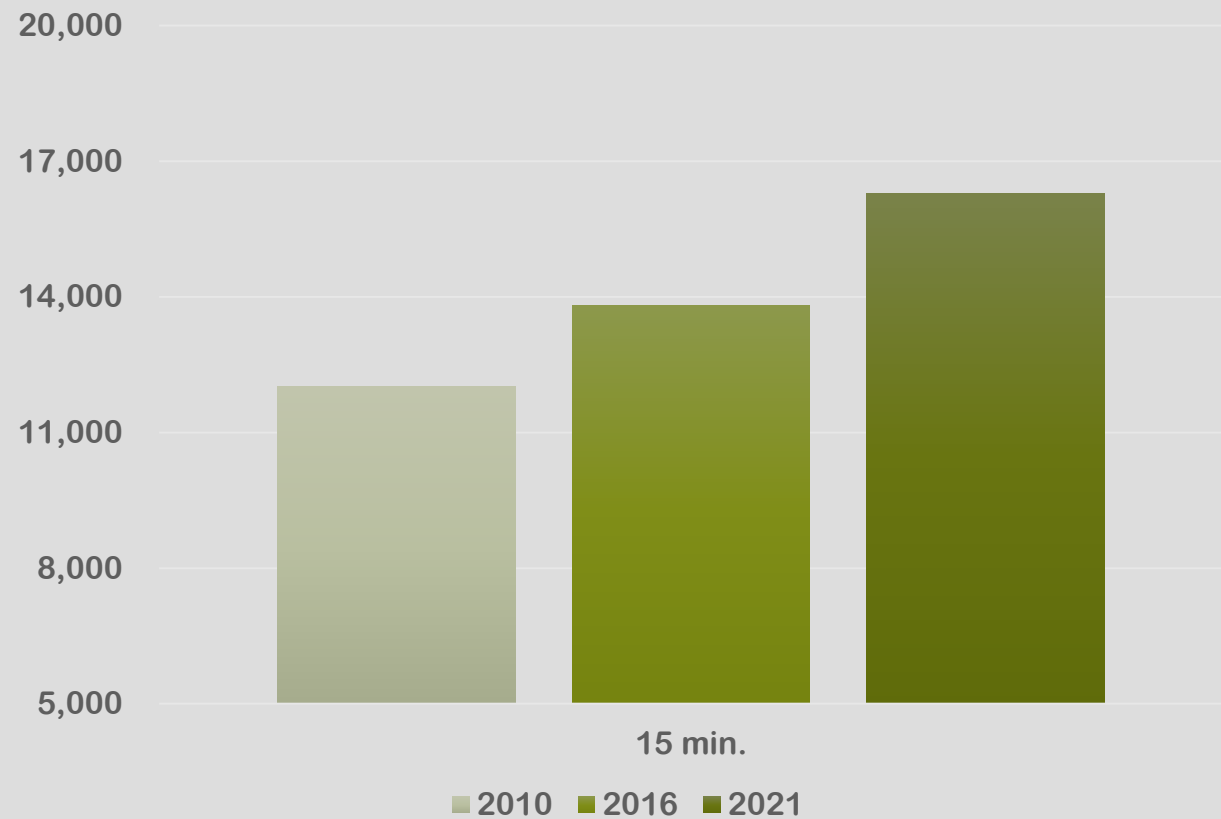
By RICK PLUTA • JAN 18, 2017

Demographic trends

Economic Driver

- Increase population
- Increase demand
- Increase jobs
- Improve perceptions

Projected Growth of Asian Population



International Village is an Opportunity

- Foreign, direct investment in Ypsilanti
 - \$150-350 million total development cost
 - Estimated 1,500-2,000 jobs during and after construction
- Initial planned development to bring at least 1,500 people as permanent residents, employees, and temporary residents
- Target 3,000 people at peak development

What is International Village?



International Village: CORE VALUES



Create an attractive, regional focal point



Embrace both Domestic and International citizens



Appropriate transportation through access to transit, alternatives to cars



Establish an inclusive community, not an isolated community



Expose Domestic audiences to Eastern activity, entertainment and cuisine.

International Village

Regional focal point for:

- Eastern Culture
- Eastern Cuisine
- Eastern Customs
- Eastern Living



What are we talking about?

Not Exclusively Chinese Culture

We intend to attract more investment by reflecting other cultures throughout International Village based upon the same core principles in this presentation.



International Village

Regional focal point for:

- Eastern Culture
- Eastern Cuisine
- Eastern Customs
- Eastern Living

Multi-Cultural Nexus of Activity

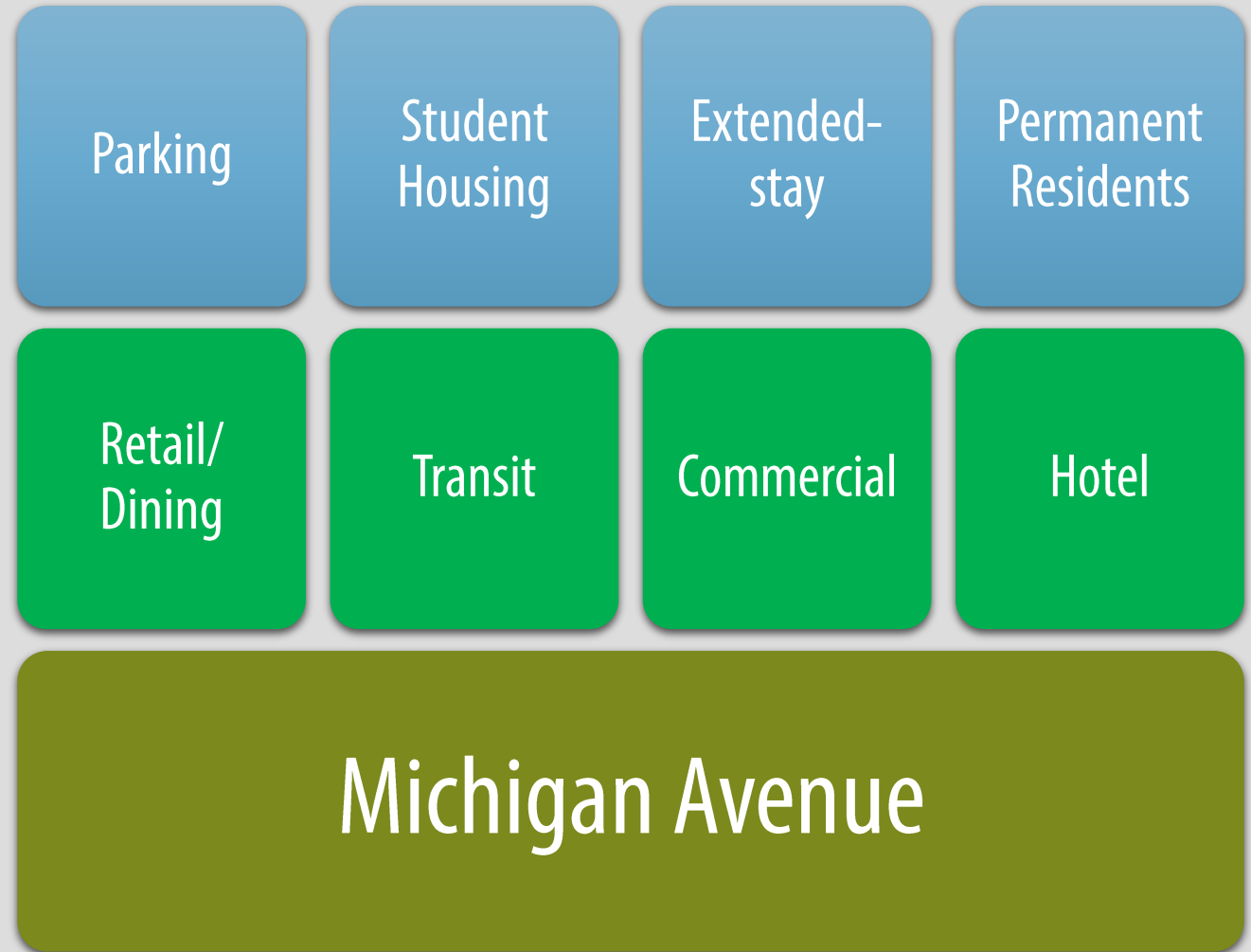


**What does this community
look like?**

International Village

Smart Development

- Mixed-use
- Density
- Incorporate Transit
- Walkable
- Limited vehicle ownership



International Village

Provide a level of comfort

- Shopping/grocery



Madison Heights

International Village



Culturally Branded Gateway

- At River Street entrance
- Potential additional “Eastside” entrance
- Incorporate transit nodes



Commercial Areas

- 1st floor retail spaces, grocery and plazas
- Upper floor commercial/corporate
- Hotel and/or extended stay apartment

International Village



Residential

- 4-5 story apartments
- Mix of bedroom units
 - 1-bedroom
 - 2/3-bedroom
 - 4/5-bedroom
- Blend design with natural features

International Village

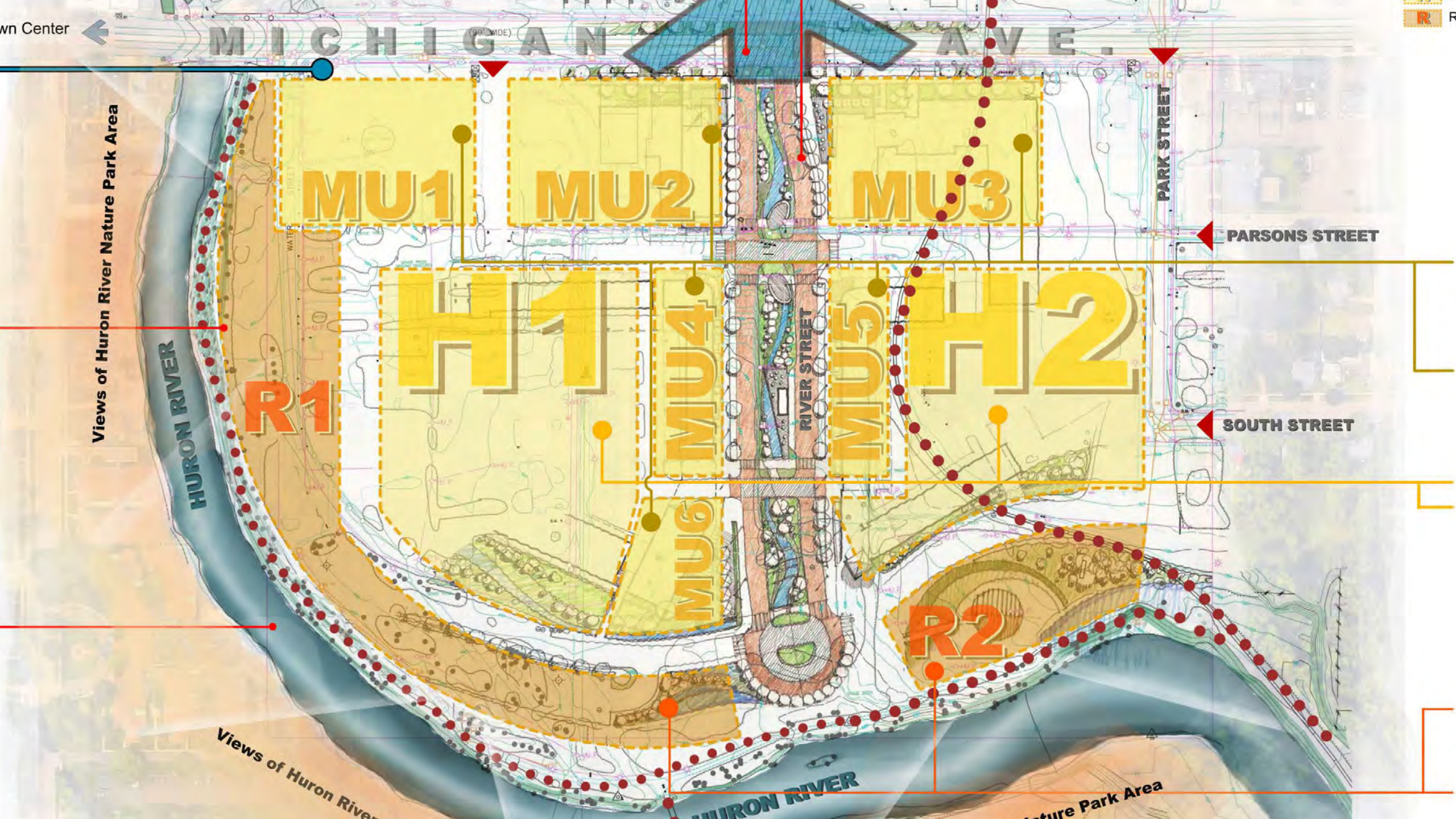
Transportation

- Seek to reduce car usage
- Multi-modal development
 - Bus transit
 - Bike share
 - Connections to rail



**Public-Private Partnership
Potential**





Town Center

Views of Huron River Nature Park Area

HURON RIVER

Views of Huron River

MICHIGAN AVE.

MU1

MU2

MU3

H1

MU4

MU5

H2

MU6

R2

R1

RIVER STREET

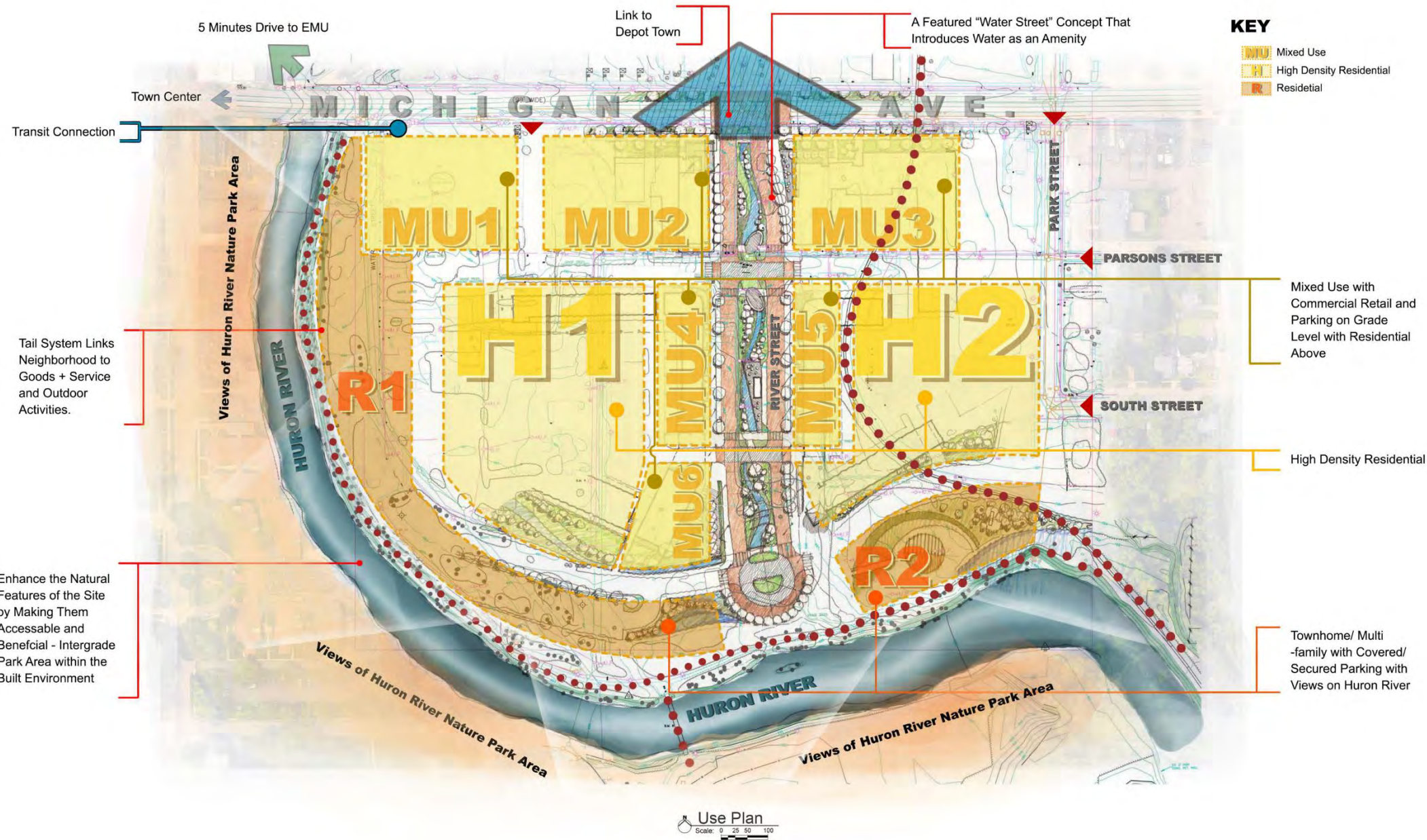
PARK STREET

PARSONS STREET

SOUTH STREET

HURON RIVER

Nature Park Area



Initial Investment

- \$150-200 million initial investment
 - Pre-development
 - Remediation
 - Design
 - Construction
- Future phases up to \$150 million of additional
- Construction of:
 - Buildings
 - Parking (surface/structure)
 - Private roads and utilities
 - Potentially public facilities through PPP
- Expected 1,500-2,000 direct and indirect jobs from construction
- Additional jobs through operations, maintenance, services, and other employment created related to International Village

Timeline

- 120 day due diligence (DD) period
- 180 days from DD close to secure approvals
 - Land acquisition
 - Design and permitting
 - Site plan approval
- 2 Year Construction schedule—need to be under construction by Fall 2018.
- Targeted completion of initial development by September 2020

What are we seeking this evening?

Resolution to proceed into a 120-day due-diligence period.

- Non-binding
- Allows us to complete due diligence on the property
- Enables us to further develop plans for the property

Questions?

谢谢

Thank you!



EB-5 ETHICS AND INTEGRITY PROTOCOLS TRAINING



TRAINING OBJECTIVES



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You will be able to:

- Describe the EB-5 program.
- Identify the EB-5 Ethics and Integrity Protocols.
- Recognize to whom the protocols apply.
- Identify the guiding principles for EB-5 processing.
- Demonstrate how to handle contacts from stakeholders regarding specific EB-5 cases.
- Identify when and how senior leadership may intervene in specific EB-5 cases.
- Report suspected violation(s) of the protocols.



BACKGROUND



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- Congress created the EB-5 program in 1990 to stimulate the U.S. economy through job creation and capital investment by immigrant investors.
- March 24, 2015 - OIG issues report: “Investigation into Employee Complaints about Management of USCIS’ EB-5 Program.”
- May 11, 2015 - Development of EB-5 Ethics and Integrity Protocols Implementation Plan. The implementation plan recognizes that, while the protocols are effective immediately, USCIS is prepared to clarify and refine the protocols as needed.



EB-5 PROTOCOLS PURPOSE



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- On April 30, 2015 the Secretary of Homeland Security issued “Ethics and Integrity: Protocols for Processing of EB-5 Immigrant Investor Visa Petitions and EB-5 Regional Center Applications, Including Stakeholder Communications.”
- As directed, USCIS established the protocols to ensure that the EB-5 program is administered with integrity and that substantive correspondence and discussions between external interested parties and DHS personnel are tracked and documented for transparency and accountability.



EB-5 PROTOCOLS APPLICATION



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The protocols apply to all DHS and USCIS employees and contractors who are involved in policymaking, evaluation, or review of the EB-5 program or the adjudication of any particular EB-5-related petition or application.

<http://www.uscis.gov/sites/default/files/USCIS/Working%20in%20the%20US/eb5protocols.pdf>



GUIDING PRINCIPLES FOR EB-5 PROCESSING



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Compliance with Existing Ethics Rules

- All official action relating to any EB-5 petition, application policy or procedure must be taken by employees or contractors free of financial or other conflicts of interest, and avoiding endorsement of any non-federal entity, person or project.

Transparency

- All EB-5 petitions and applications must be adjudicated in a manner that ensures transparency.



GUIDING PRINCIPLES FOR EB-5 PROCESSING



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Consistency

- EB-5 petitions, applications and appeals should be adjudicated based on reasonable application of precedents.

Appearances

- Employees and contractors must act impartially and avoid even the appearance of impropriety in order to ensure the integrity of our nation's immigration laws.
- DHS employees or contractors could potentially violate the prohibition against preferential treatment or create an appearance of the same in a number of ways.



GUIDING PRINCIPLES FOR EB-5 PROCESSING



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Appearances examples:

- Working on or attempting to expedite or otherwise influence the processing of an immigration application, petition or benefit for a friend, relative, neighbor or acquaintance;
- Meeting with certain stakeholders to the exclusion of others who are similarly situated;
- Referring applicants to a particular immigration practitioner or vendor; or
- Using an official position or title in a manner that could reasonably be construed to imply that the federal government sanctions or endorses the individual's personal activities or those of someone else.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS

“Stakeholders” for the purpose of the EB-5 Protocols include, but are not limited to:

- Petitioners
- Applicants
- Members of Congress and Congressional Staff
- State and Local Officials
- Industry Leaders and Civic Groups
- Non-Profit Entities and Business-Oriented Interest Groups



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



- Procedural vs. Substantive Communications
- Communication with EB-5 Petitioners, Applicants and Other Stakeholders
- Communications with Members of Congress and Congressional Staffers
- Communications with Other Elected Officials
- Communications with White House Staff



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



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Procedural

The EB-5 Protocols do not change any procedures, policies or protocols currently in place in USCIS or DHS for routine questions asked by EB-5 stakeholders involving "procedural" matters in EB-5 cases.

Substantive

The EB-5 Protocols require memorialization and filing in the relevant EB-5 case file when otherwise not required as a matter of USCIS policy.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS

Procedural Communications

- Procedural communications should be documented consistent with the procedures established outside of the EB-5 Protocols for the customer service intake process.
- Procedural matters include, but are not limited to:
 - the manner or method of filing, or
 - providing general information on the processing, appealing or fast-tracking (expediting) of an individual EB-5 case or groups of similar EB-5 cases.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Procedural Communications

- Below are ways stakeholders can contact USCIS about EB-5 cases:
 - USCIS.ImmigrantInvestorProgram@uscis.dhs.gov
 - complete an e-Request: <https://egov.uscis.gov>
 - call the USCIS National Customer Service Center at 1-800-375-5283 or TDD 1-800-767-1833, or
 - call 703-224-4501 for cases pending before the Administrative Appeals Office.
- The normal customer service process for each office may differ.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS

Substantive Communications

- Under the EB-5 Protocols, substantive communications require memorialization and filing in the EB-5 case file.
- Substantive communications are interactions in which there is a discussion of facts specific to an EB-5 case. In particular, substantive communications will also involve application of these facts to DHS and USCIS policy or to the processing of EB-5 petitions or applications, with a view toward impacting the facts considered and the adjudication of the case.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Substantive Communications (cont.)

- The determination of whether a communication is “substantive” must be made with regard to whether such communication has the likelihood of impacting or was considered in the adjudication of an EB-5 application or petition.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Substantive Communications (cont.)

- These "substantive" communications may also include conversations with a stakeholder that include directing or pressuring the senior official to become involved in any aspect of the processing of a particular EB-5 case or that actually leads to the senior official's involvement in such case processing.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Substantive Communications (cont.)

- Examples of substantive communications include, but are not limited to, communications relating to:
 - Any mandamus case or other litigation;
 - Advocacy letters from Congress, congressional staff and state or local elected officials;
 - Any communication from the USCIS Director's Office.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Substantive Communications (cont.)

- Any submission or offering of facts for consideration in the adjudication;
- Any case that requires supervisory intervention or processing outside of the normal processing flow (such as a priority date change); and
- Any USCIS Requests for Clarification.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



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To view examples of procedural and substantive communications, see appendix.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Contacts with EB-5 Petitioners, Applicants and Other Stakeholders

- Contacts from stakeholders should come through the USCIS customer service intake process previously mentioned or through established policies of the relevant office (e.g., CIS Ombudsman, Office of Legislative Affairs, Office of Administrative Appeals) so that the contacts can be tracked and documented.
- All written **substantive** communications, in addition to being tracked, must be printed and placed in the relevant case file.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Contacts with EB-5 Petitioners, Applicants and Other Stakeholders

- Any **substantive** telephonic or non-written communications must be documented (for example, transcribed into a written statement), printed, and placed in the relevant case file.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Contacts with members of Congress and congressional staff

- Substantive written contacts and questions must be processed according to established Office of Legislative Affairs procedures.
- Congressional advocacy letters (e.g., letter of support, targeted employment area letter) will be deemed substantive and must be placed in the relevant case file.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS

Contacts with members of Congress and congressional staff

- Non-substantive communications must be tracked according to Office of Legislative Affairs procedures.
- Oral communications from Congress or staff should be referred to the Office of Legislative Affairs.



PROCEDURES FOR STAKEHOLDER CONTACTS REGARDING SPECIFIC PETITIONS OR APPLICATIONS



Communications with Other Elected Officials

- Governors, mayors, and other state and local leaders may have concerns similar to members of Congress. Contacts with their offices and staffs should be treated consistent with the procedures identified for contacts with members of Congress and congressional staff.



Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Communications with White House Staff

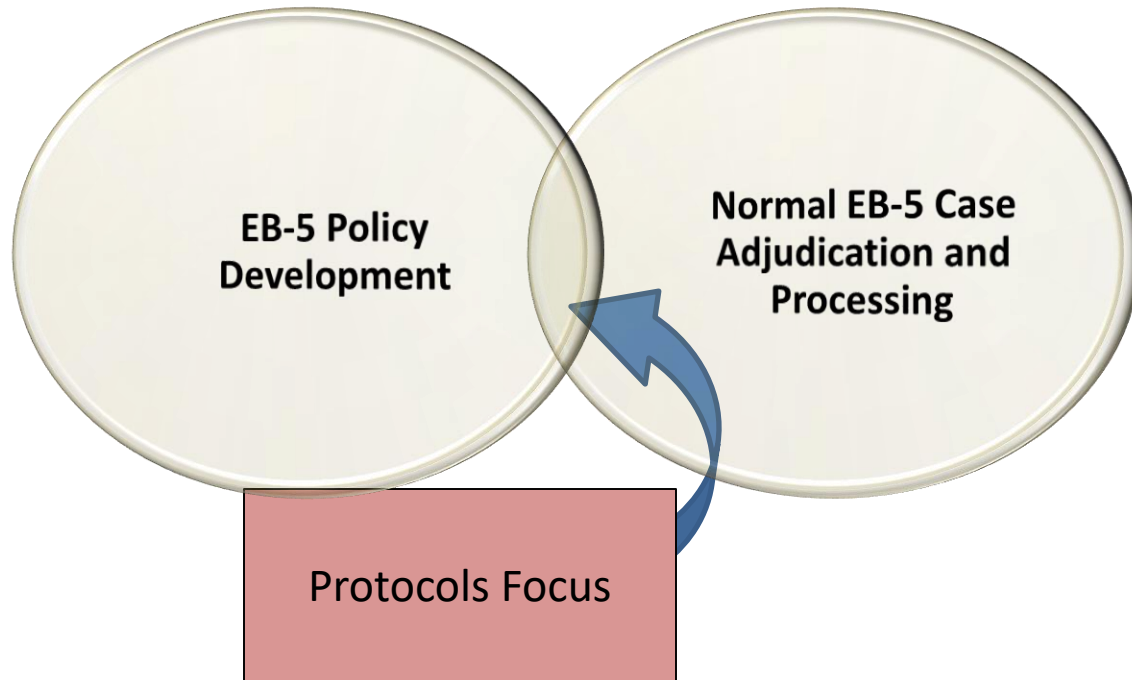
- The DHS directive on communications with the White House applies to EB-5 adjudications. See *Communications with the White House Regarding Open Investigations, Adjudications, or Civil and Criminal Enforcement Actions*, MD 0430 (March 1, 2003).



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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Senior leaders may intervene in particular cases only under exceptional circumstances. “Intervention” means providing substantive direction or input on decision-making or appeals regarding particular EB-5 cases, including requests to expedite. Intervention does not include mere requests for information (e.g., request for case status).



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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Senior leadership intervention should be reserved for exceptional circumstances where the senior leader can articulate an impartial mission-related reason for intervention.



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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Examples include, but are not limited to, situations where the case:

1. may affect national security;
2. may hinder a governmental response to an emergency matter, where serious economic injury or actual physical injury could occur;
3. may result in a serious failure to meet DHS's mission; or
4. involves allegations of misconduct by government employees and contractors (e.g., a conflict of interest), raising questions about the integrity of the adjudication process.



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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In such cases, if senior DHS leadership deems that circumstances exist that require leadership intervention in a particular case, they must, in writing, memorialize the decision. This written memorialization must articulate how leadership became aware of the facts of the case, and the impartial mission-related reason for intervention.



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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In the event the Secretary or Deputy Secretary of Homeland Security considers personal intervention in a particular case, prior consultation with the General Counsel is required.



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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For all other officials, the written memorialization must be provided to the senior officials designated below for the purpose of providing the Director (or the Director's delegate) written recommendations regarding an extraordinary intervention in a particular case:

1. The Deputy Director
2. The USCIS Chief Counsel
3. The CIS Ombudsman or delegate
4. Any other official the Director designates



LEADERSHIP INTERVENTION IN SPECIFIC EB-5 PETITION OR REGIONAL CENTER APPLICATION DECISIONS/ADJUDICATIONS



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Upon receiving recommendations from these designated senior officials, if the Director, or the Director's delegate, decides that an extraordinary case intervention is appropriate, he or she must document that decision and the reasons for intervention in writing.



EXPEDITE REQUESTS



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The USCIS general policy governing expedited processing of applications and petitions applies to all requests to expedite processing of EB-5 petitions or applications.

You can find the expedite criteria at
<http://www.uscis.gov/forms/expedite-criteria>.



REPORTING A SUSPECTED VIOLATION OF EB-5 PROTOCOLS, ETHICS RULES, OR ANY STATUTE, REGULATION OR POLICY



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DHS Inspector General

1-800-323-8603

TDD: 1-844-889-4357

Fax: 202-254-4297

dhs-oig.officepublicaffairs@oig.dhs.gov

USCIS Office of Security and Integrity

Fax: 202-233-2453

Chief, Investigations Division

Office of Security and Integrity

MS 2275

U.S. Citizenship and Immigration
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633 3rd Street, NW, 3rd Floor

Washington, DC 20529-2275



QUESTIONS



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Immigrant Investor Program Office

Stakeholder Engagement Branch

IPOStakeholderEngagement@uscis.dhs.gov

ABOUT THIS PRESENTATION



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- Author: Immigrant Investor Program Office, Stakeholder Engagement Branch
- Date of last revision: November 30, 2016. This presentation is current only as of the date of last revision.
- This presentation contains no sensitive Personally Identifiable Information (PII).

DISCLAIMER



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This training module is intended solely for informational purposes. It is not intended to, does not, and may not be relied upon to create or confer any right(s) or benefit(s), substantive or procedural, enforceable at law by any individual or other party in benefit applications before USCIS, in removal proceedings, in litigation with the United States, or in any other form or manner. This training module does not have the force of law, or of a DHS directive.

Appendix



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EB-5 Protocols procedural vs. substantive examples follow on the next slides.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 1: An EB-5 petitioner calls the USCIS Director's office and begins to ask about the particulars of his or her EB-5 case.

The USCIS employee refers the petitioner to the normal customer service intake process for the case.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 1 (cont.): This discussion is procedural even though the petitioner started to discuss specific case details with the USCIS employee. The employee properly followed USCIS policy, and this discussion does not require memorialization per the EB-5 Protocols.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 2: An EB-5 petitioner writes USCIS.ImmigrantInvestorProgram@uscis.dhs.gov with a question about case processing. Specifically, the customer wants to know how to get the case "fast-tracked."

A USCIS employee reviews the email and advises the customer about the procedures for expedite requests.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 2 (cont.):

The USCIS employee also provides the customer with the Web page for more information on expedite requests:

uscis.gov/forms/expedite-criteria.

This discussion is procedural in nature and does not require memorialization per the EB-5 Protocols.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 3: A trade association of textile manufacturers calls a senior USCIS official to ask about a regional center matter involving several EB-5 petitions intended to create jobs in a depressed garment district of a state. The representative of the trade association wishes to debate facts surrounding the adjudication of this particular group of cases.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Procedural Communications

Example 3 (cont.): The senior official explains general considerations related to these petitions.

This discussion is procedural in nature and does not require memorialization per the EB-5 Protocols.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 1: A Senator calls and requests a meeting with USCIS to discuss two pending EB-5 petitions. At the invitation of the senior USCIS official, representatives from the Office of Legislative Affairs and Office of the Chief Counsel as well as a representative from the regional office involved in the case, join the meeting.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 1 (cont.): The senior USCIS official instructs everyone in advance that the purpose of the meeting is to listen to the Senator's position and answer questions regarding case processing relevant to all cases; it is not to engage in debate or dispute factual assertions.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 1 (cont.): Since the Senator will provide specific case details with the purpose of impacting the final adjudication of the cases, this contact is substantive and shall be memorialized and filed in the relevant case files.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 2: A senior USCIS official has received a telephone call from a state government official, who suggests that a particular EB-5 case is being adjudicated inconsistent with USCIS policy and prior adjudications for similar cases. The USCIS official takes notes on the call in order to consider the matter.

This contact is substantive and the details of the phone call should be documented and filed.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 3: A state governor calls a senior USCIS official and complains that USCIS policy is not being followed in a particular EB-5 case adjudication and asks the senior USCIS official to intervene. The senior USCIS official, after hearing the facts relayed by the governor, decides to inquire into the adjudication of this particular case and the application of the DHS/USCIS policies in question.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 3 (cont.): Even though the senior USCIS official is merely inquiring about the case and not requesting any specific action, this contact is substantive and the details of the phone call should be documented and filed.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 4: A member of Congress pulls aside a senior DHS official and states that a petitioner investing in his state has been wrongfully denied EB-5 status.

The senior DHS official listens and concludes that the congressman's objections are not material, but the congressman requests that the senior official report back on the status of the matter with an opinion as to the propriety of the processing of the case.

Procedures for Stakeholder Contacts Regarding Specific Petitions or Applications



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Substantive Communications

Example 4 (cont.): Since the congressman has asked the senior DHS official to act on the case, even if the request is just to gather information about its status (let alone evaluate its propriety), this discussion is substantive and requires memorialization per the EB-5 Protocols. The senior DHS official and/or OLA should document this conversation and any response to this congressional inquiry.



National Association of Home Builders

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Negotiating the Best Financing Package
Other Types of Construction Financing
Residential AD&C Financing: The Basics
Financing for Builders and Developers: Using the EB-5 Immigrant Investor Program

Financing for Builders and Developers: Using the EB-5 Immigrant Investor Program

The Immigrant Investor Program, also known as "EB-5" and administered by the U.S. Citizenship and Immigration Service (USCIS), may be a viable option for some builders and developers to raise capital, and HBAs can play a significant role by acting as approved Regional Centers for job creation.

Congress created the EB-5 program in 1990 to stimulate the economy through job creation and capital investment by foreign investors.

When thinking about EB-5, builders and developers need to examine several factors: The time, effort and upfront expense required to pursue funding through the EB-5 program makes it most applicable to projects that require at least \$8 million of EB-5 capital. EB-5 investments are typically just one piece of a capital stack, and it is typically not possible to finance 100% of a project's costs with EB-5 funds. Some developer equity and/or conventional financing is usually required by investors or in order to meet the program's job creation requirements, which require the creation of at least 10 jobs per EB-5 investor.

The EB-5 program has been used more often for non-residential developments. However, there are opportunities for financing residential projects if the builder or developer can meet the program criteria, and residential projects funded with EB-5 money are becoming more common.

Advantages and Challenges for Investors, Builders

The incentive for foreign investors is issuance of a green card for themselves and their immediate families (spouse and children). If the project is successful, the investors have the opportunity to recover the investment (although no guarantees can be provided), earn a return on their capital, and achieve permanent residency status for themselves and their families.

In exchange, the EB-5 program may offer builders/developers a significant amount of capital at a lower cost. An EB-5 investor typically expects a return of between 0.5% and 3% on the capital for a term of five years, although each investment agreement will have its own individual terms, including interest rate and length of time. Investments are required to be "at risk" and investors cannot require or be given a guarantee that they will receive a return on, or a return of, their capital.

The EB-5 approval process may take up to a year or longer and it may cost a developer more than \$100,000 in attorney and program fees to create an EB-5 compliant investment offering. In addition to the upfront expenses, fees for marketing, immigration brokers and regional centers can be added to the interest rate raising the cost of capital over and above the investors' expected return.

It's All About the Jobs

Because EB-5 is intended to stimulate employment, the program has specific, mandatory job creation targets. Each EB-5 investment must create at least 10 full-time jobs, or 35 hours per week, that last a minimum of two years, and meeting this requirement can be a hurdle. These jobs may include indirect jobs (i.e. those not created directly at the entity into which the investor is investing) if the EB-5 is sponsored through an approved Regional Center. The number of indirect jobs that will be created by a project can be predicted using a specialized economic model, which is typically based on construction expenditures or other inputs.

Builders should focus on whether they could realistically achieve the job creation requirements when considering whether to utilize funding from EB-5 investments. The number of jobs that will be created by a project determines the amount of EB-5 capital that can be raised for that project. Also, job creation is essential to the investors obtaining their green cards, so whether the project is likely to meet its job creation targets is a factor that will be looked at carefully by potential investors, and will affect the marketability of the project as an EB-5 investment.

Investment Requirements and Options

The program generally requires an investment of \$1 million per foreign investor. But, the required investment is \$500,000 for projects in rural areas or areas of high unemployment – called TEAs or Targeted Employment Areas. These are rural areas outside a designated Metropolitan Statistical Area or the boundary of any city or town having a population of 20,000 or more according to the U.S. Census, or an area that is experiencing an unemployment rate of at least 150% of the national

average. The authority to designate a specified geographic territory as a high unemployment TEA has been delegated to the States. A state may designate a district comprised of one or more census tracts, or other political or geographic subdivisions that meets or exceeds 150% of the national unemployment rate.

There are two investment options: the direct investment or investment in Regional Center.

For the direct investment, the investor must serve in a management capacity of the company or project. This direct investment option requires direct job creation, which is a more stringent calculation.

When working through a Regional Center, the investor typically has no operational control over the project, and can benefit from indirect job creation, including employees added by subcontractors, making the 10-job minimum easier to meet. It is important to note that proving indirect job creation is highly scrutinized by USCIS and requires a specialized economic analysis that meets specific criteria. That said, the Regional Center program is the most favorable program for home builders because of the ability to count indirect jobs — and because a home builder, developer or HBA can apply to be a Regional Center for the purposes of hosting its own projects (or the projects of others for a fee), or can have an individual project sponsored by an existing Regional Center.

Application Process

Applicants must submit a wide range of documents in their filings. For instance, an economic analysis is needed to provide job creation estimates and, if applicable, to support the TEA designation request. Among other requirements: a private placement memorandum, feasibility study, business plan, marketing plan and an immigration filing (I-526 application).

Foreign investors must also use this detailed information to support their visa application, and the approval process can take up to a year.

Investments are not guaranteed. USCIS makes it clear in their communication to investors that EB-5 is an “at-risk” program and it is illegal for an investor to require any sort of corporate or personal guarantee in return for financing.

Connecting with Foreign Investors

Builders and developers find foreign investors through personal contacts, immigration brokers, existing regional centers or other experts.

Investors will likely expect the builder/developer to have some of their own equity in the projects.

Step by Step

The first step is to determine if the project will reasonably meet the job creation requirements. In most cases, this analysis would be done in consultation with someone experienced with EB-5. Also, the amount of money needed, the construction schedule and cost of the application process are important factors to consider.

Determine if the project could be eligible for a TEA designation, which allows for the lower investment amount of \$500,000 and may open the door to a larger pool of investors. This application for TEA designation is one of the first steps because it will set the level of investment.

The economic analysis demonstrating the job creation is another critical early step in the process, particularly since the investor's visa(s) are tied to the job creation requirement. Again, this analysis must meet specific USCIS criteria.

Create a private placement memorandum (PPM).

Determine if either a direct investment or Regional Center path is optimal for the individual circumstances.

1. Contact foreign investors. Typically, this is handled through brokers with existing contacts. (Please note there are many regulations governing this process, including SEC requirements.)
2. Contact an existing Regional Center to see if the project/company meets the specific industry, location and other requirements. Because regional centers are private entities, it is important to do appropriate due diligence: Speak to others who have used that Regional Center, speak to the Regional Center's counsel, etc.
3. Apply to become a Regional Center — either for the individual project or the company. This requires ongoing administrative processes and staff to monitor the investments and file the paperwork. The application process may take up to nine months.

The investor must submit an immigration application. The PPM, economic analysis, business plans, and other documentation must be included.

Because of the complexity of the program which includes financial agreements, immigration filings, foreign investors and securities laws, builders/developers should consider engaging expert advice on navigating through the process.

More Resources

www.uscis.gov/eb-5centers

<http://www.eb5insights.com/>

<http://www.eb5immigration.com/>

Contacts*

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Director

The EB-5 Resource Center, LLC

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Laura Foote Reiff

Greenberg Traurig, LLP, Business Immigration & Compliance Group

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Phone: 703-749-1372

Email: reiff@gtlaw.com

<http://www.gtlaw.com/>

Daniel B. Lundy, Esq. (N.Y. Bar only)

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(215) 825-8600

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Please note: This page is intended to familiarize NAHB members with the EB-5 Immigrant Investor Program. It is not a comprehensive treatment on the subject matter, and should not be regarded as such. This article in no way constitutes an opinion of law, financial or tax advice. For those interested in pursuing EB-5 investment funding, a qualified attorney or experienced financial planner should be consulted to determine matters of feasibility and application to your particular business needs and circumstances.

CONTACTS

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202-266-8401
jlynch@nahb.org

Related Resources

Acquisition, Development
and Construction Financing

Residential AD&C Financing:
The Basics

Ensure Availability of AD&C
Credit



Resolution No. 2017-122
May 23, 2017

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the City Council Meeting be adjourned, on call, by the Mayor or two (2) members of Council.

OFFERED BY: _____

SUPPORTED BY: _____

YES: NO: ABSENT: VOTE:

The International Village

A Unique Opportunity for Ypsilanti and
the Water Street Redevelopment Area



INTERNATIONAL
VILLAGE



About International Village

- Project of the Global Capital Group
 - Established in 2013
 - Specifically focused to arrange financing for US-International projects
- Foreign direct investment
 - EB-5
 - AND General Equity/Financing
- Focus on large, transformational mixed-use real estate
- Based in Troy, MI

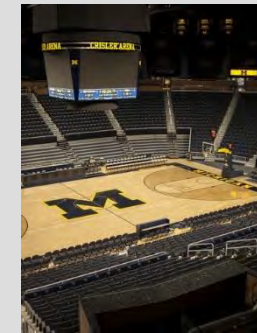


About Amy Xue Foster

- American Citizenship (became US citizen in 2003)
 - Resident of Troy, MI
 - Masters of Business, University of Detroit-Mercy
- AA American Mortgage, LLC
 - Licensed Mortgage Brokerage Firm established in 1999
 - Owned by Amy Foster
 - Funding levels of \$500 million
- AA Capital Advisory, LLC
 - Established in 2007 to facilitate Merger and Acquisition activity
 - Owned by Amy Foster
 - Coordinate International investment in foreign companies doing business in United States.

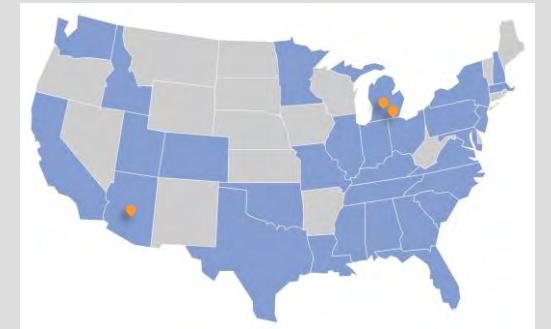
About Spence Brothers

- Established in 1893
- Construction Manager/General Contractor
 - Preconstruction Planning
 - Self-performance of trades
- Michigan Headquartered company
 - 3-offices (Ann Arbor, Saginaw, Traverse City)
 - Worked on the campus of The University of Michigan since 1929
 - Currently building two-high rises in Ann Arbor
 - We LOVE urban redevelopment



About Hobbs + Black Architects

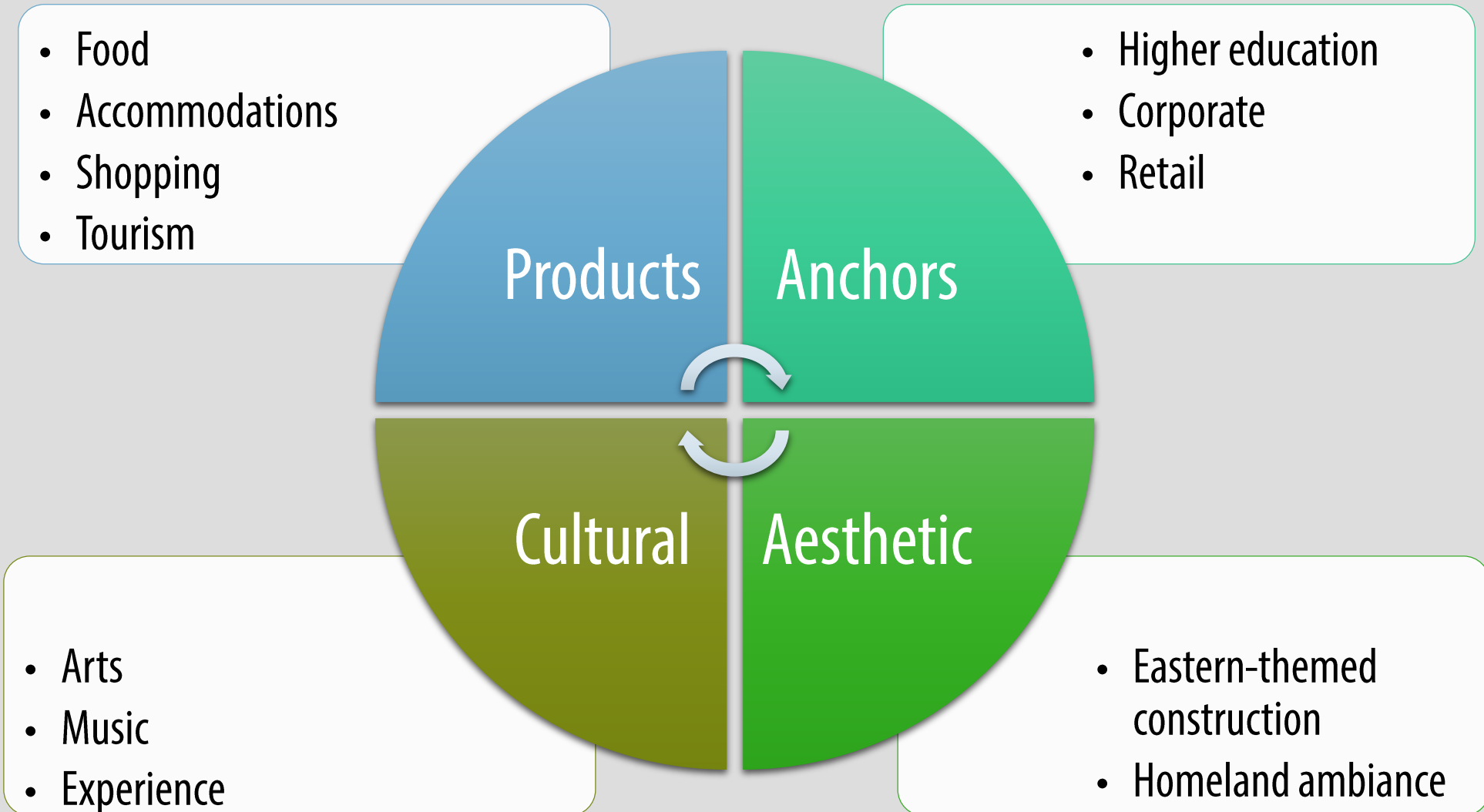
- Established in 1965
- Full Architectural Services
 - Architecture / Design
 - Planning
 - Interior Design
- Michigan Headquartered company
 - 3-offices (Ann Arbor, Lansing, Phoenix)
 - National Presence
 - Currently working on 2 large scale mixed-use developments in Detroit and Lansing



HOBBS + BLACK
ARCHITECTS



International Village



What are we seeking this evening?

Resolution to proceed into a 120-day due-diligence period.

- Enables our team to access the site and conduct geotechnical and environmental investigations.
- Determine detailed financial feasibility on the project.
- Solidify commitments from International investors.
 - Investors will want to visit the property
 - Unique aspects of Chinese civic culture







Why Ypsilanti?

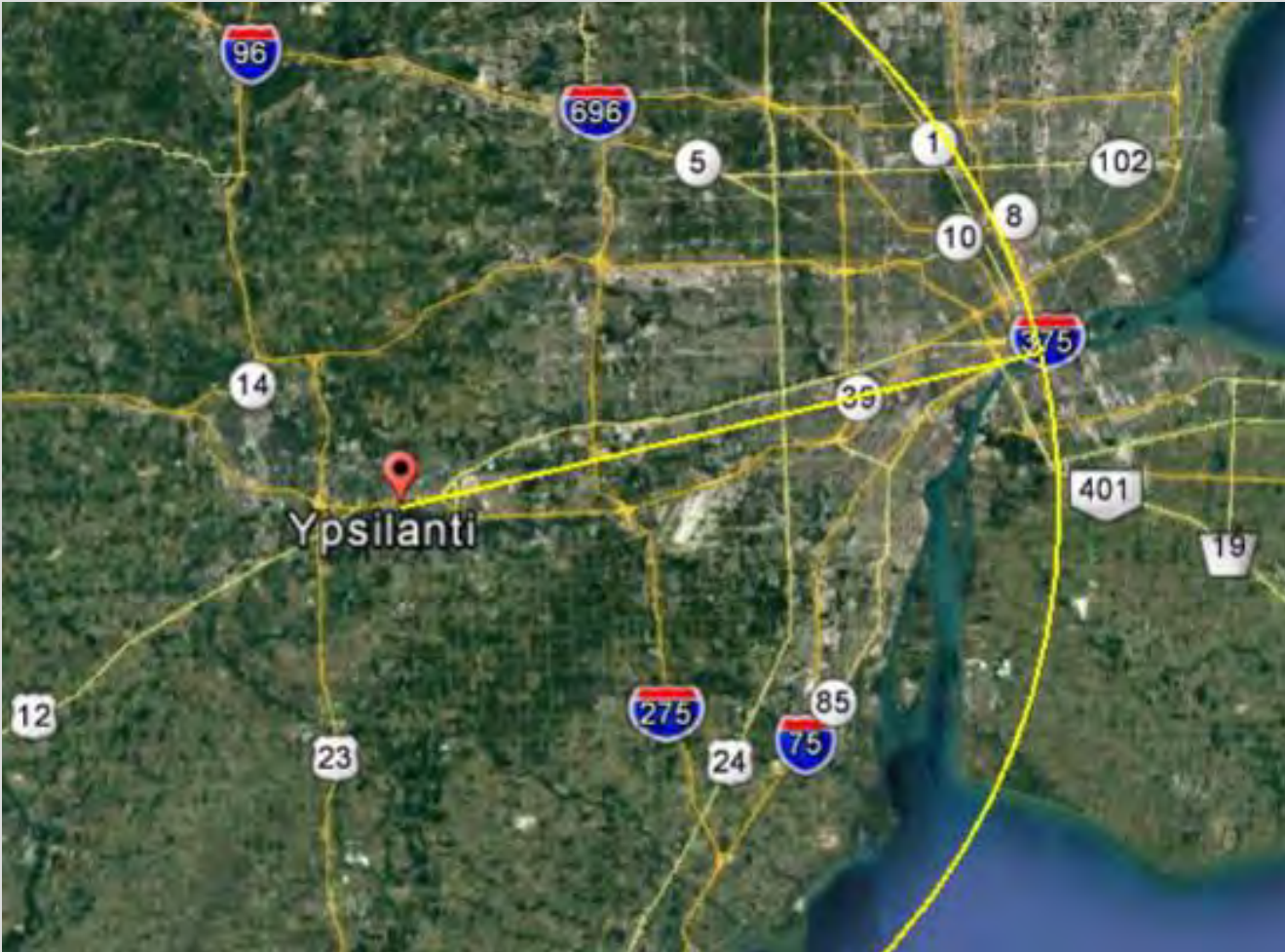
Universities

- The University of Michigan
- Eastern Michigan University
- Wayne State University
- University of Detroit-Mercy
- 13 other 4-year colleges within 35 mile radius



Proximity to Higher Education

Why Ypsilanti?



Within a 30 mile radius...

- The Motor City
- DTW International Airport
 - Direct service to Beijing, Shanghai,
 - Also Nagoya, Seoul, Tokyo
- Potential major transit connections with Ann Arbor, Detroit, and beyond
 - Toronto
 - Chicago

Why Ypsilanti?

**Ypsilanti is a
WELCOMING
community!**

Within a 30 mile radius...

- The Motor City
- DTW International Airport
 - Direct service to Beijing, Shanghai,
 - Also Nagoya, Seoul, Tokyo
- Potential major transit connections with Ann Arbor, Detroit, and beyond
 - Toronto
 - Chicago

Why Ypsilanti?



Proximity to Auto Industry

Why Ypsilanti?



进 无 止 境



SHANGHAI GM



广汽菲亚特
GAC FIAT

Proximity to Auto Industry

Why Ypsilanti?

Universities

- The University of Michigan
- Eastern Michigan University
- Wayne State University
- University of Detroit-Mercy

Research and Development

- Major Employers
 - Tier II Suppliers
- American Center for Mobility
- The University of Michigan

Proximity to Research and Development

Why Ypsilanti?



Proximity to Research and Development

Why Ypsilanti?



吉利汽车
GEELY AUTO



Proximity to Auto Industry

Why Ypsilanti?



上汽集团
SAIC MOTOR



东风汽车公司
DONGFENG MOTOR CORPORATION

Chinese "Big 4"

Why Ypsilanti?



Alibaba's Jack Ma will bring his message to Detroit

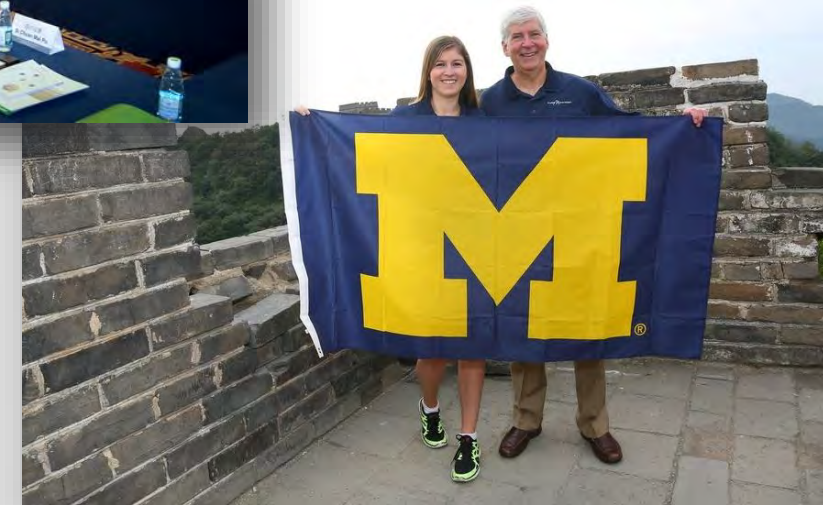
Carol Cain, Detroit Free Press Business Columnist Published 11:15 p.m. ET May 20, 2017 | Updated 12:28 p.m. ET May 21, 2017



You may not know the name Jack Ma.

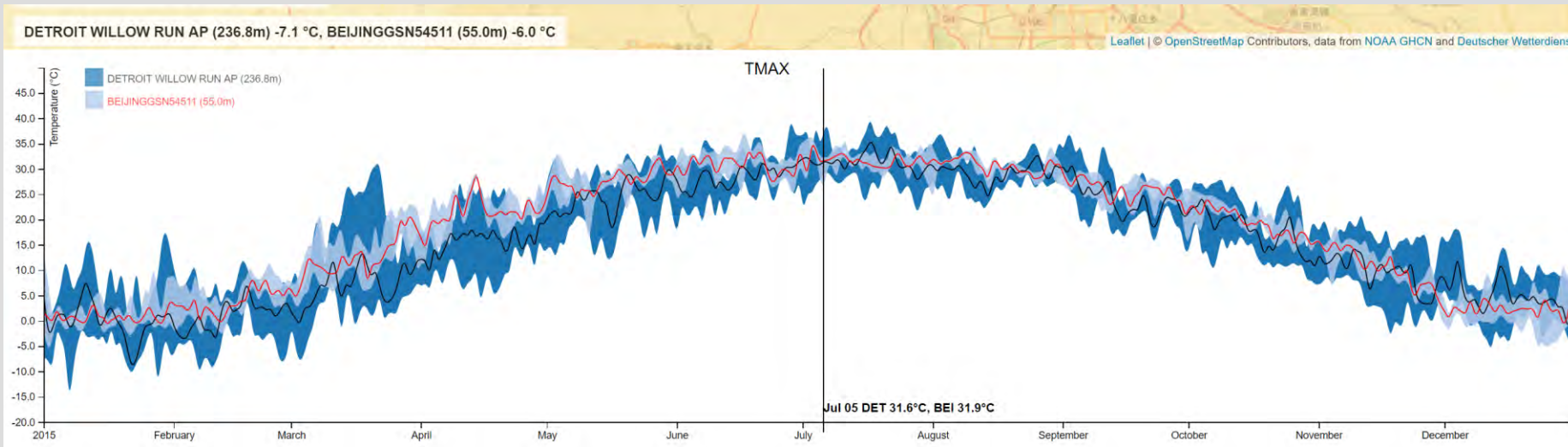
The determined Chinese billionaire behind Alibaba Group Holdings — one of the largest public companies — is coming to Detroit for a two-day conference next month.

The conference's purpose is to attract more American businesses and farmers interested in selling products to hundreds of millions of Chinese consumers through Alibaba's e-commerce services.



Michigan's Assets

Why Ypsilanti?



July 5 Mean Highest Temp

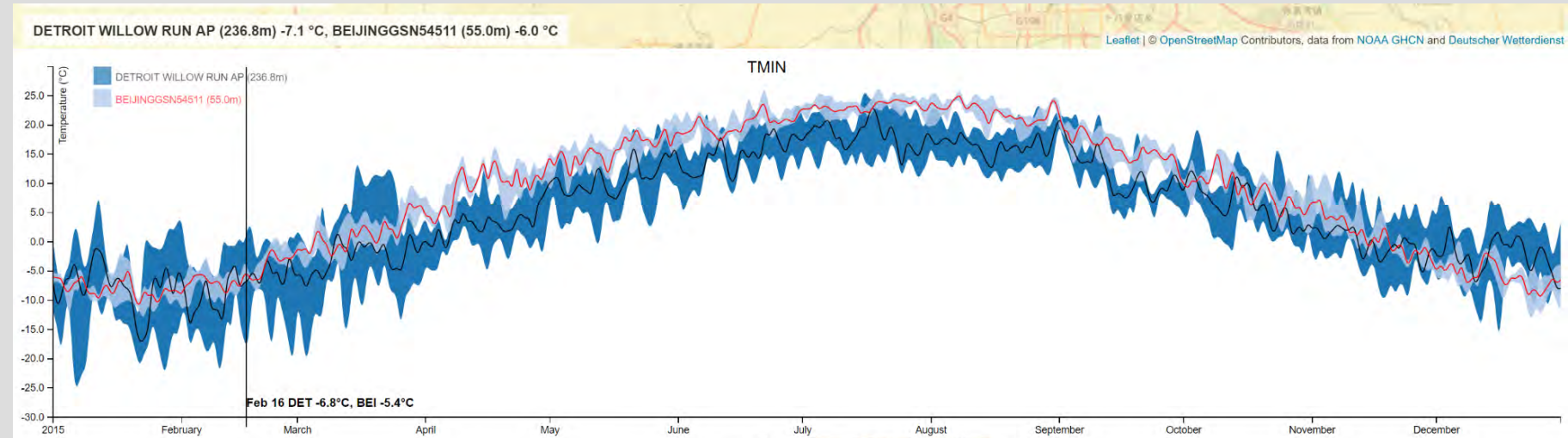
Beijing: 88°

Ypsilanti: 88°

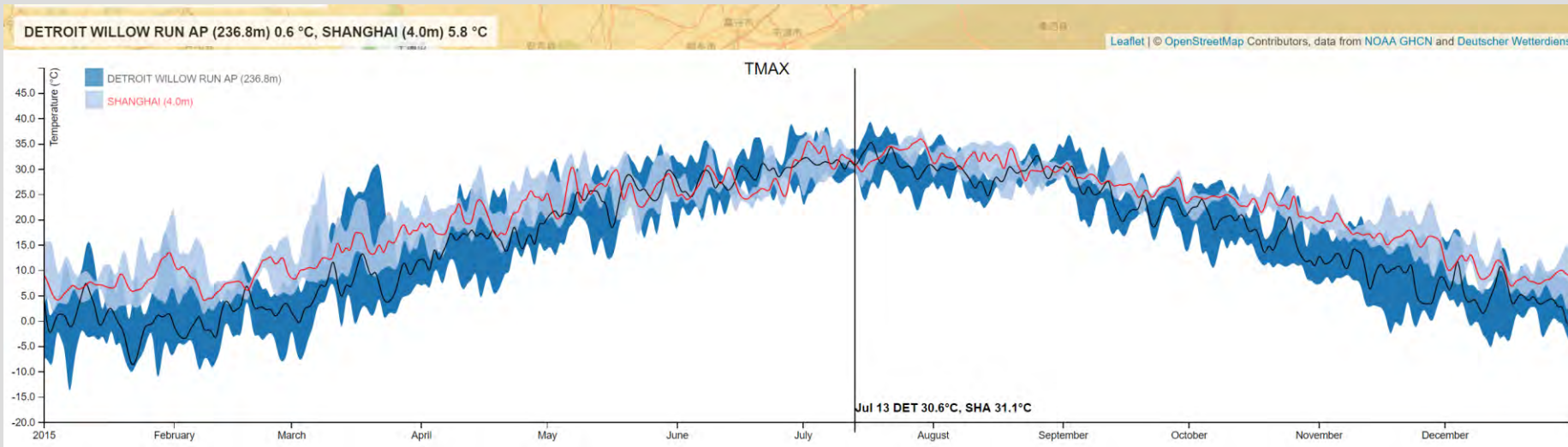
Feb 16 Mean Lowest Temp

Beijing: 22°

Ypsilanti: 19°



Why Ypsilanti?



July 13 Mean Highest Temp

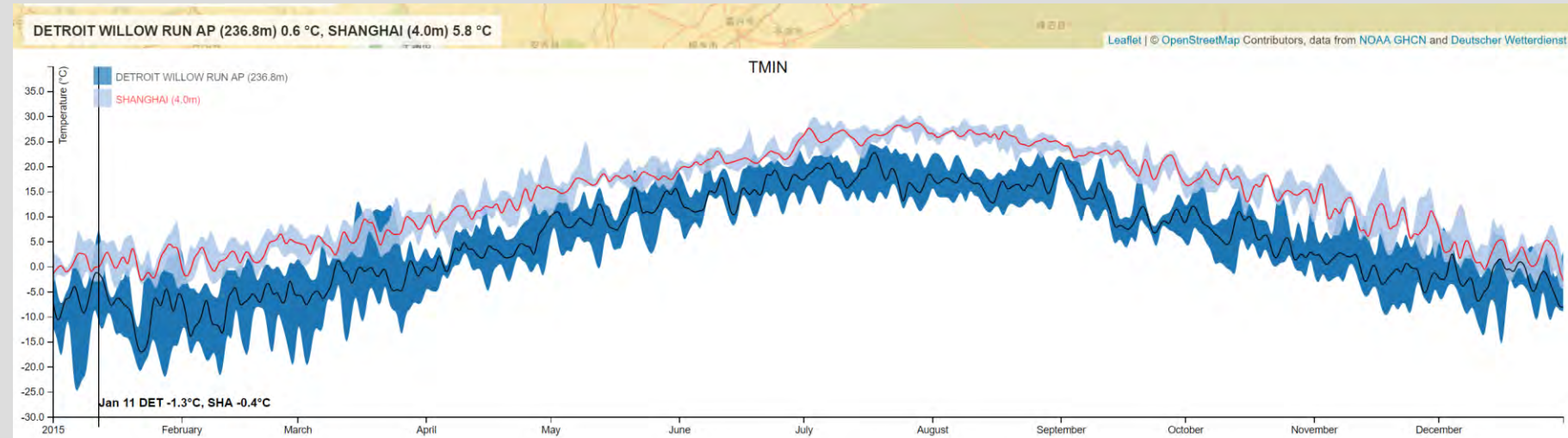
Shanghai: 88°

Ypsilanti: 87°

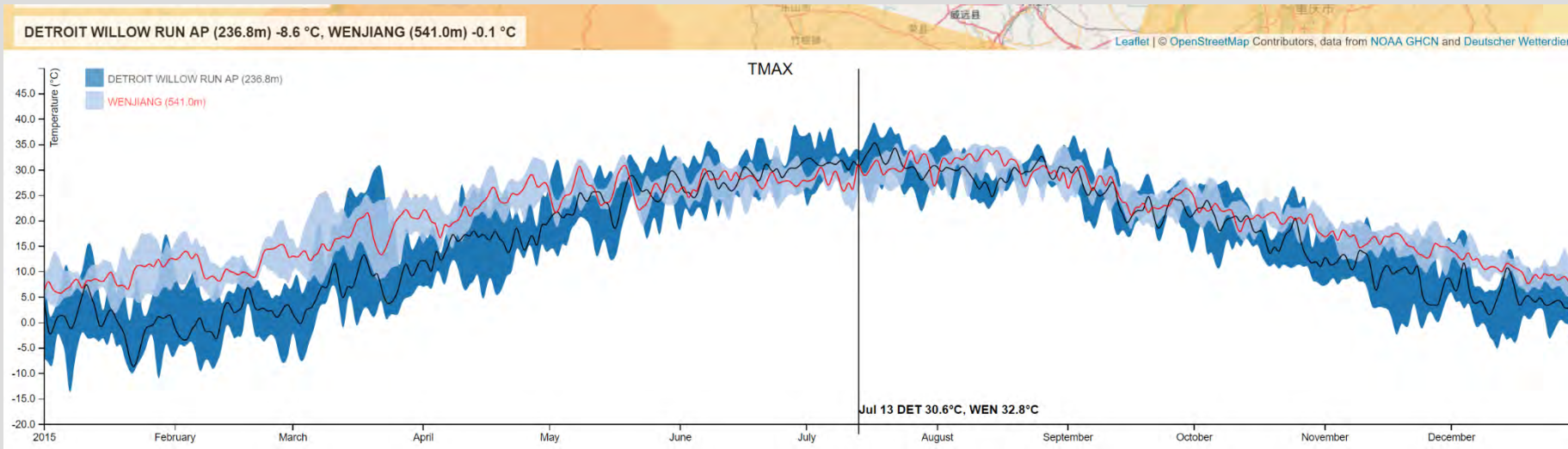
Jan 11 Mean Lowest Temp

Shanghai: 31°

Ypsilanti: 29°



Why Ypsilanti?



July 13 Mean Highest Temp

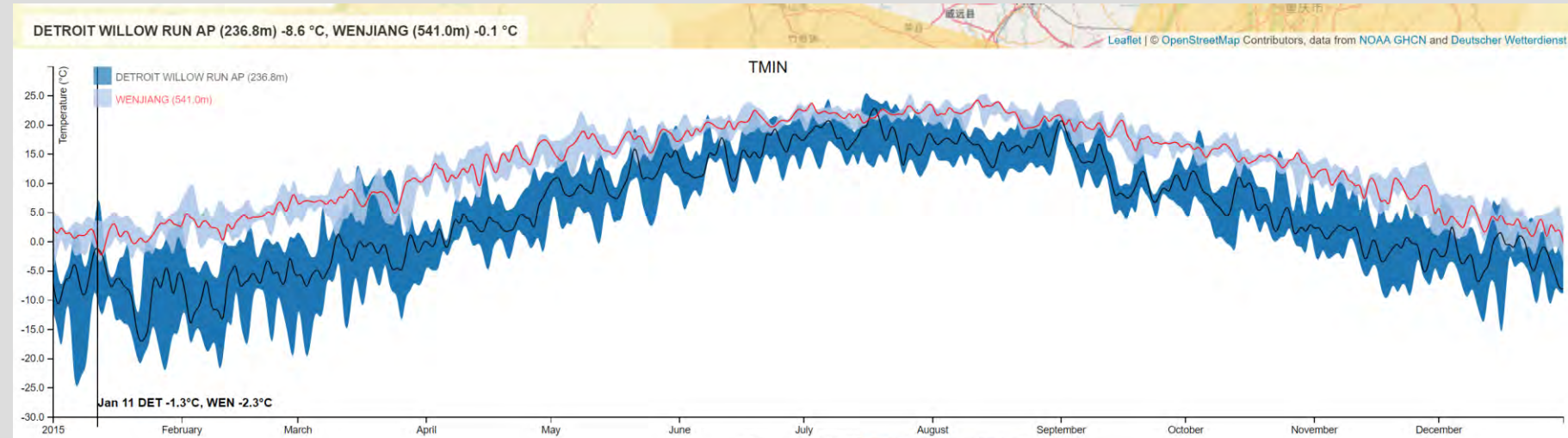
Chengdu: 90°

Ypsilanti: 87°

Feb 16 Mean Lowest Temp

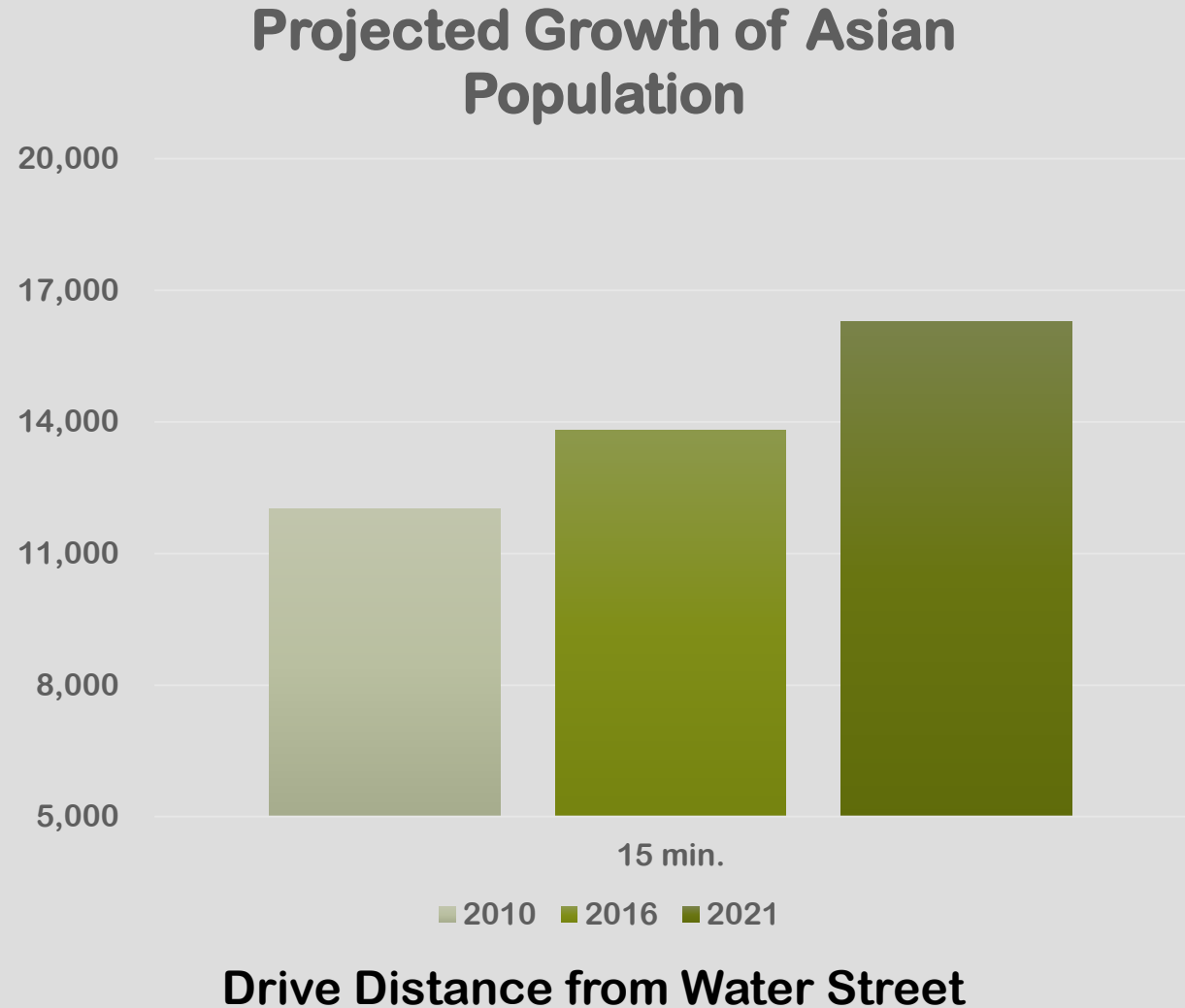
Chengdu: 28°

Ypsilanti: 19°



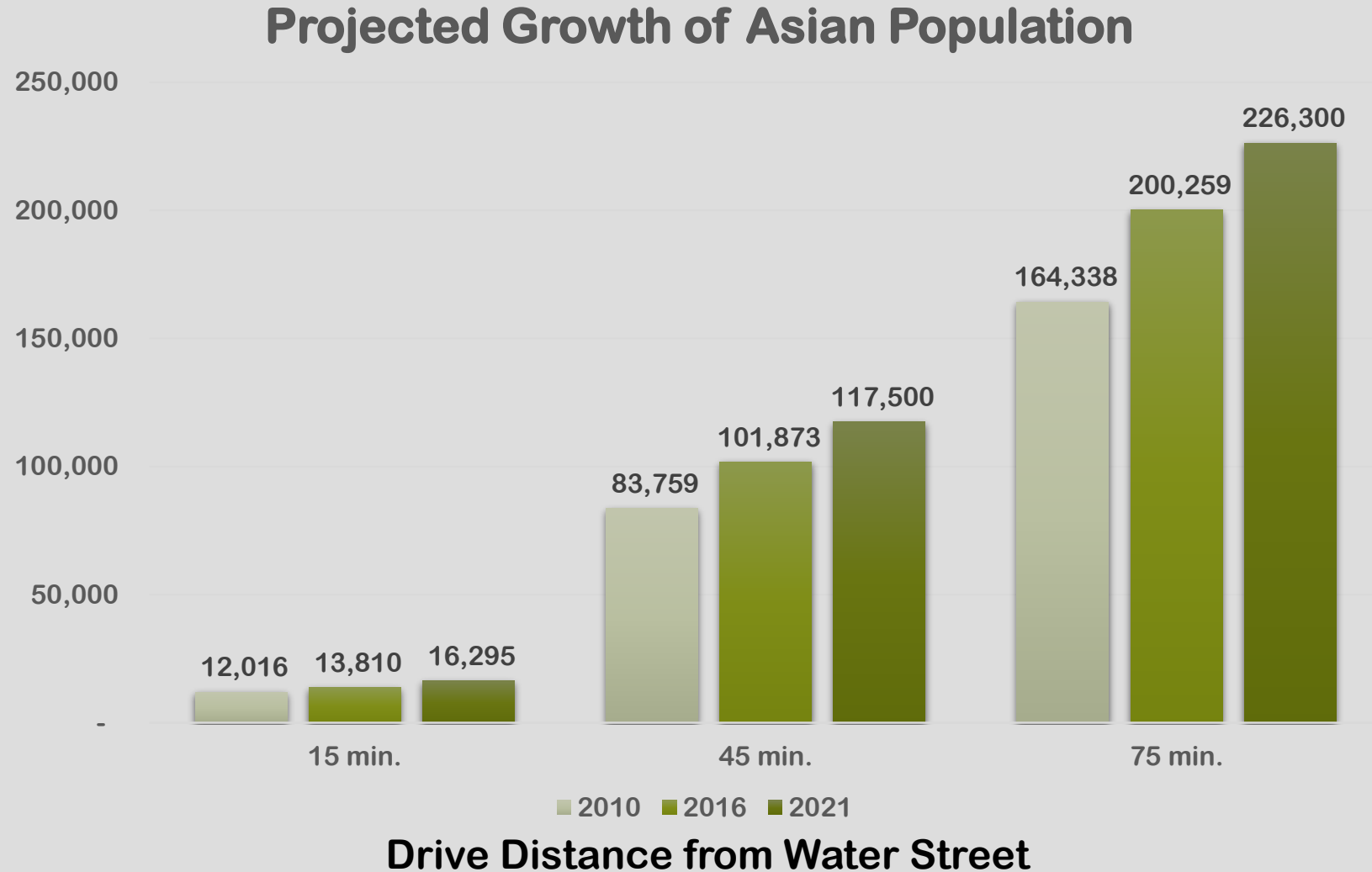
Why Ypsilanti?

Growing Regional Asian Population



Why Ypsilanti?

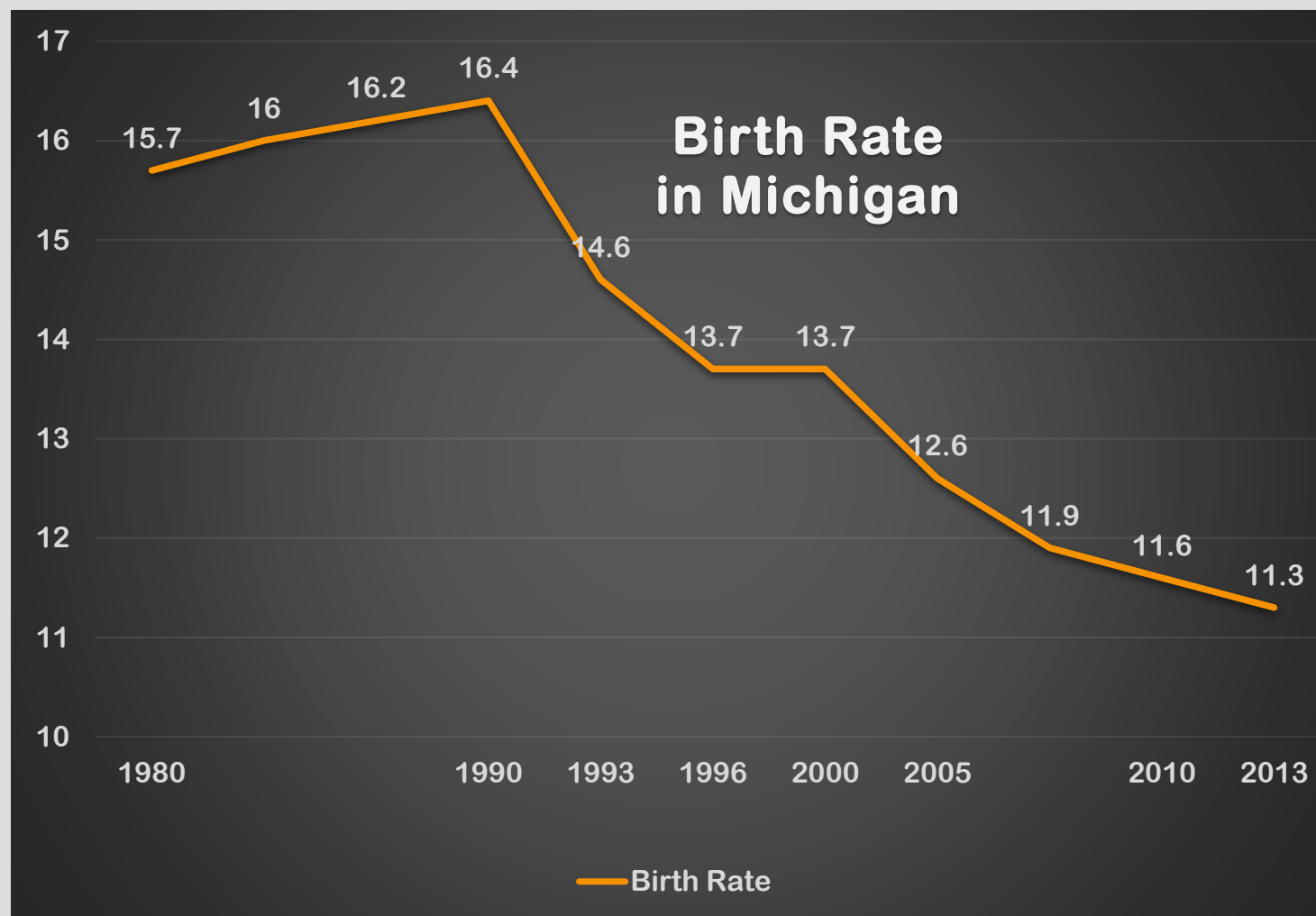
Growing Regional Asian Population



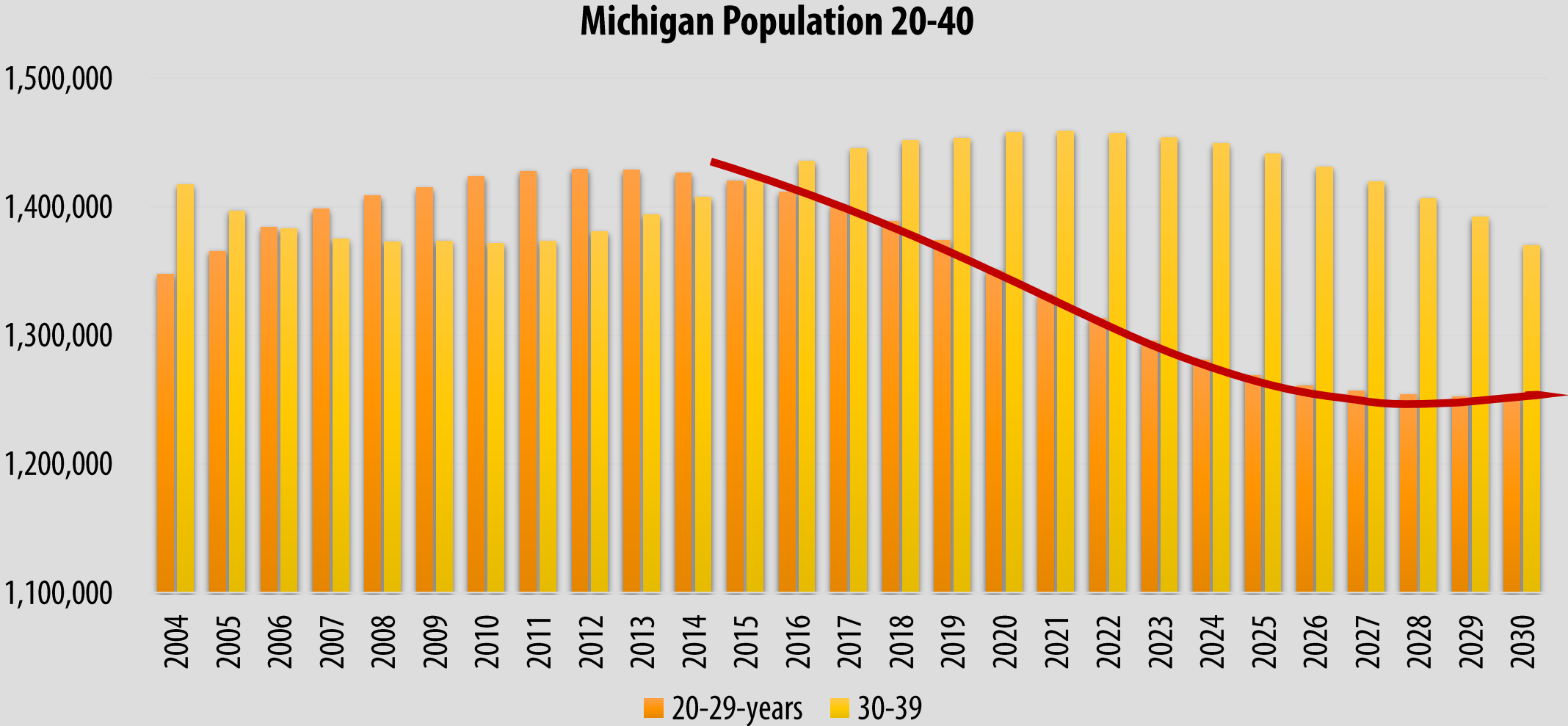
What is the Opportunity?

The Great Demographic Shift

Year	Birth Rate (Michigan)
1980	15.7
1990	16.4
1993	14.6
1996	13.7
2000	13.7
2005	12.6
2010	11.6
2013	11.3



The Great Demographic Shift

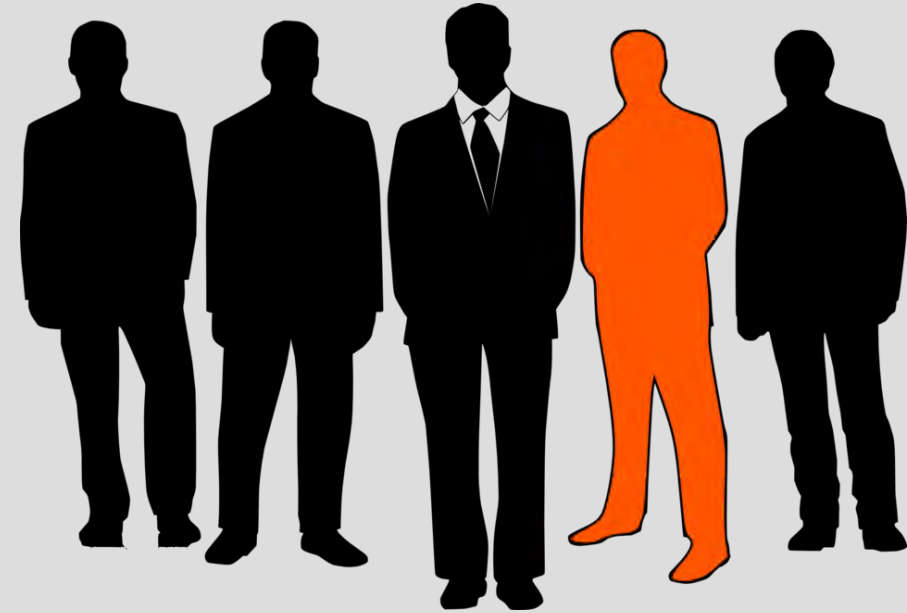


What does this mean?

We are not replacing ourselves.

Less Humans. Less Demand.

Retention alone is not a solution.



Guest column: Michigan and Detroit need immigrants to reach goals

Steve Tobocman 11:02 p.m. ET Feb. 11, 2017

Snyder says 10 million people should live in Michigan by 2020

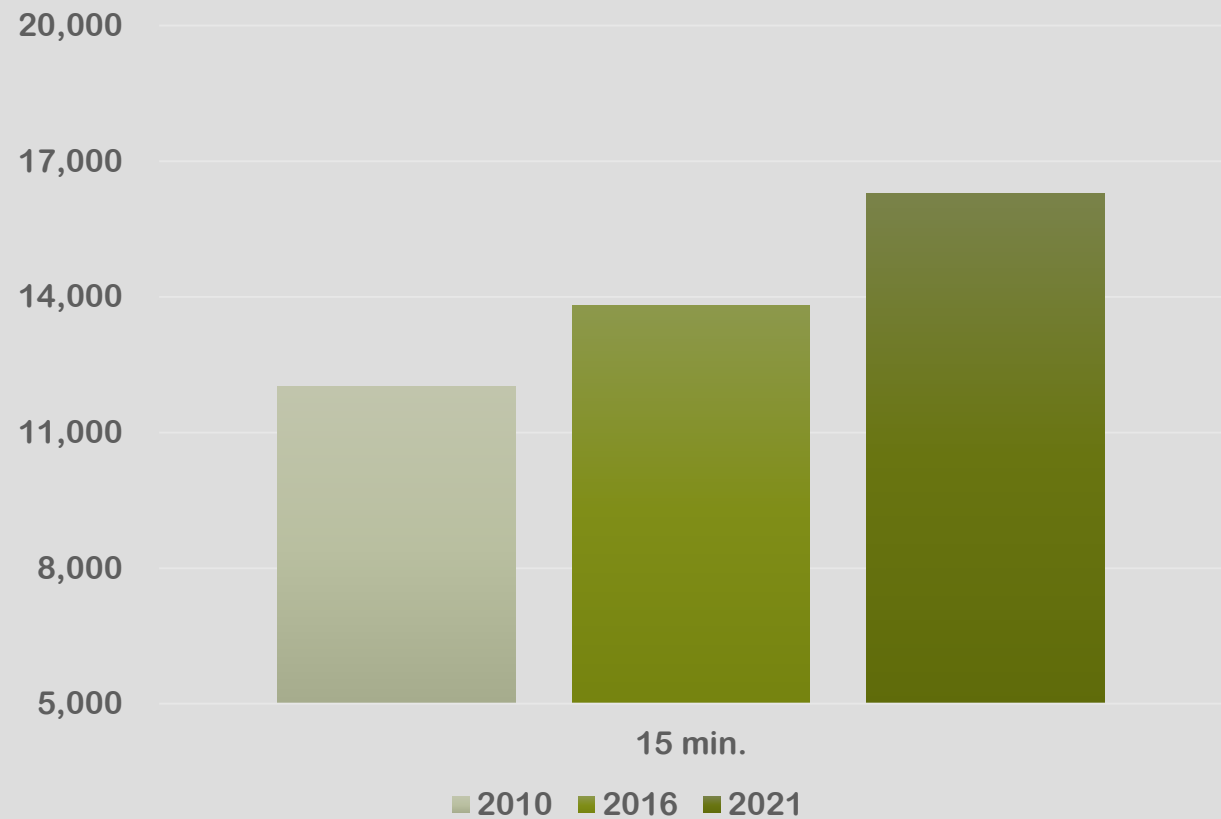
By RICK PLUTA • JAN 18, 2017

Demographic trends

Economic Driver

- Increase population
- Increase demand
- Increase jobs
- Improve perceptions

Projected Growth of Asian Population



International Village is an Opportunity

- Foreign, direct investment in Ypsilanti
 - \$150-350 million total development cost
 - Estimated 1,500-2,000 jobs during and after construction
- Initial planned development to bring at least 1,500 people as permanent residents, employees, and temporary residents
- Target 3,000 people at peak development

What is International Village?



International Village: CORE VALUES



Create an attractive, regional focal point



Embrace both Domestic and International citizens



Appropriate transportation through access to transit, alternatives to cars



Establish an inclusive community, not an isolated community



Expose Domestic audiences to Eastern activity, entertainment and cuisine.

International Village

Regional focal point for:

- Eastern Culture
- Eastern Cuisine
- Eastern Customs
- Eastern Living



What are we talking about?

Not Exclusively Chinese Culture

We intend to attract more investment by reflecting other cultures throughout International Village based upon the same core principles in this presentation.



International Village

Regional focal point for:

- Eastern Culture
- Eastern Cuisine
- Eastern Customs
- Eastern Living

Multi-Cultural Nexus of Activity

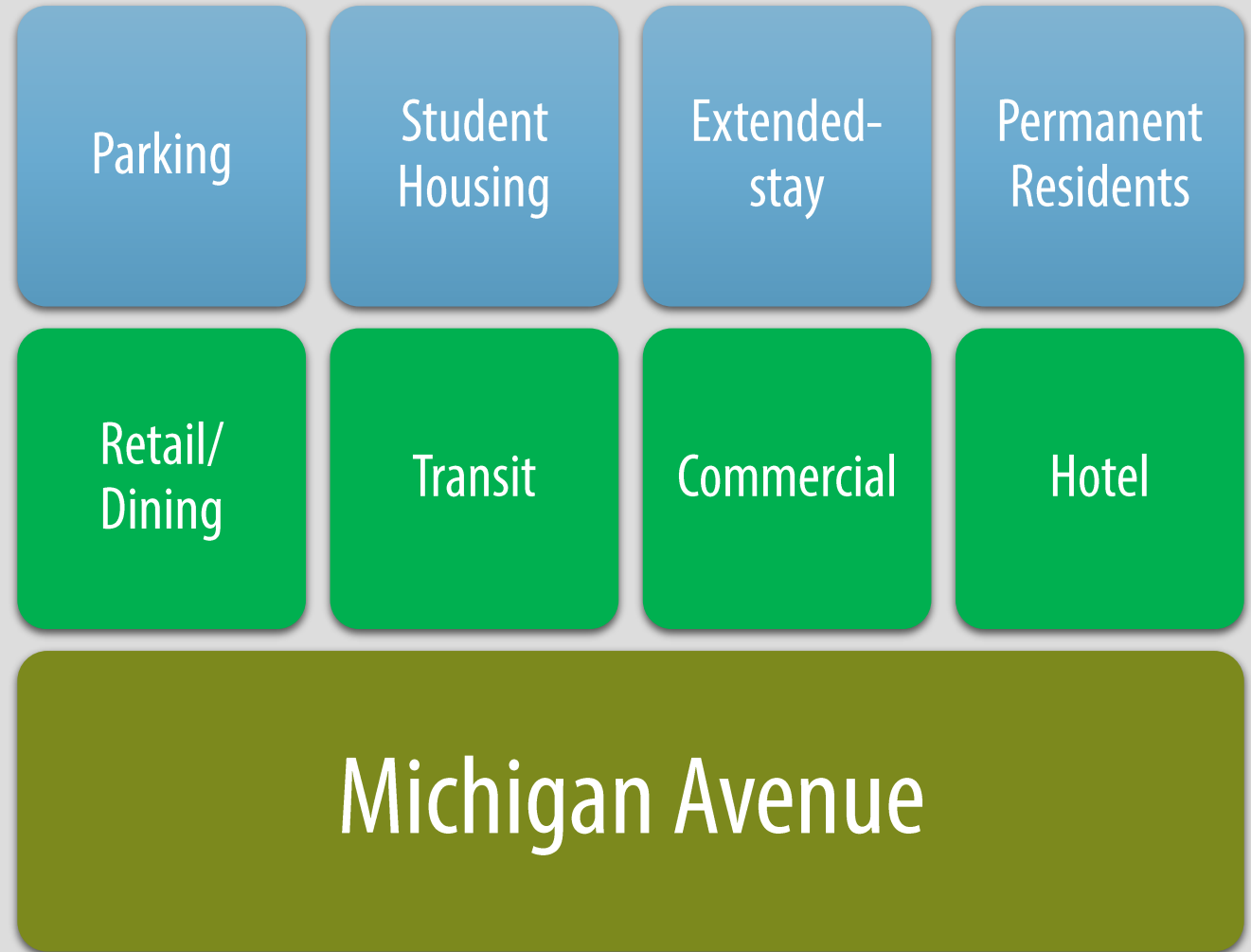


**What does this community
look like?**

International Village

Smart Development

- Mixed-use
- Density
- Incorporate Transit
- Walkable
- Limited vehicle ownership



International Village

Provide a level of comfort

- Shopping/grocery



Madison Heights

International Village



Culturally Branded Gateway

- At River Street entrance
- Potential additional “Eastside” entrance
- Incorporate transit nodes



Commercial Areas

- 1st floor retail spaces, grocery and plazas
- Upper floor commercial/corporate
- Hotel and/or extended stay apartment

International Village



Residential

- 4-5 story apartments
- Mix of bedroom units
 - 1-bedroom
 - 2/3-bedroom
 - 4/5-bedroom
- Blend design with natural features

International Village

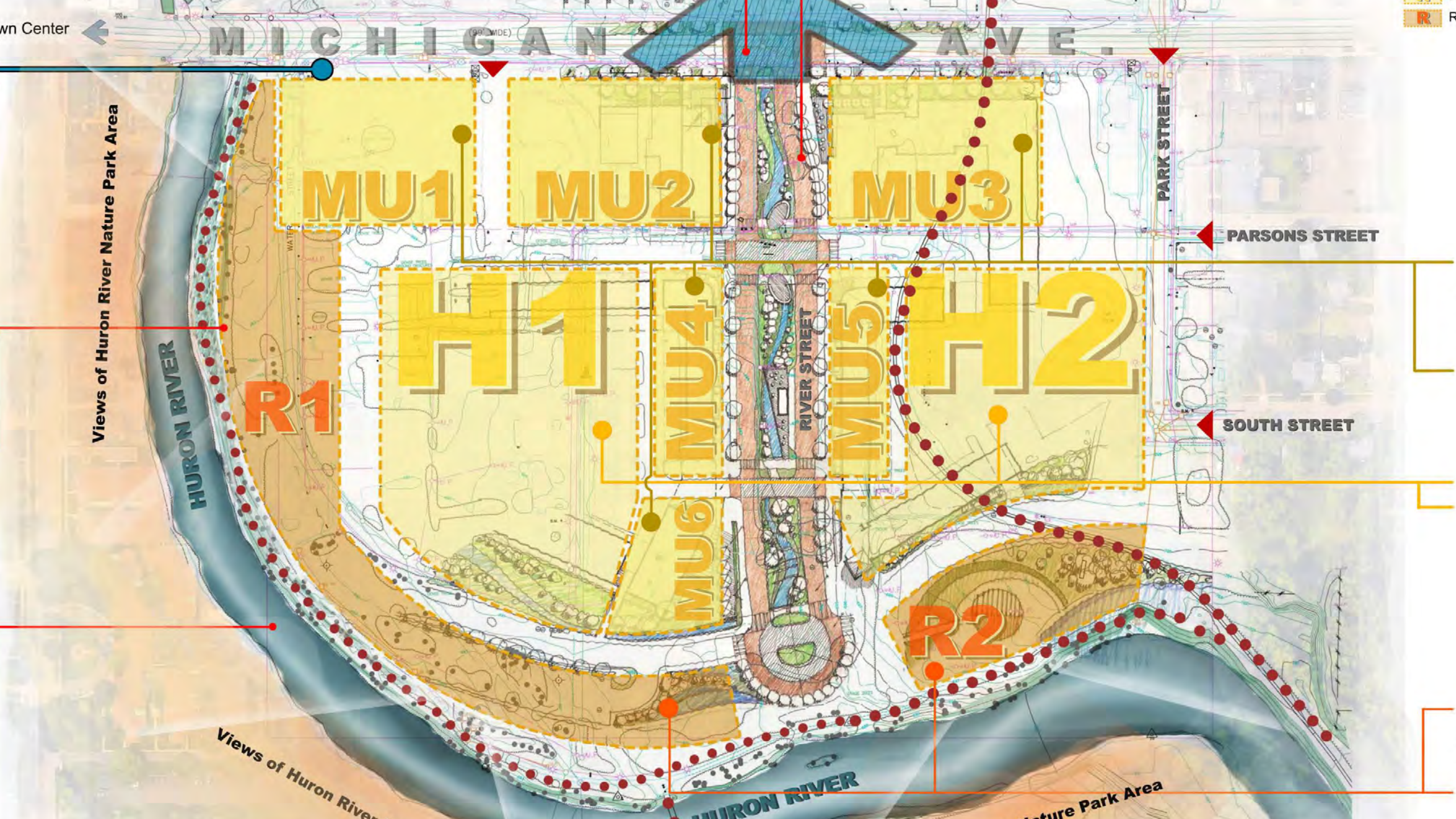
Transportation

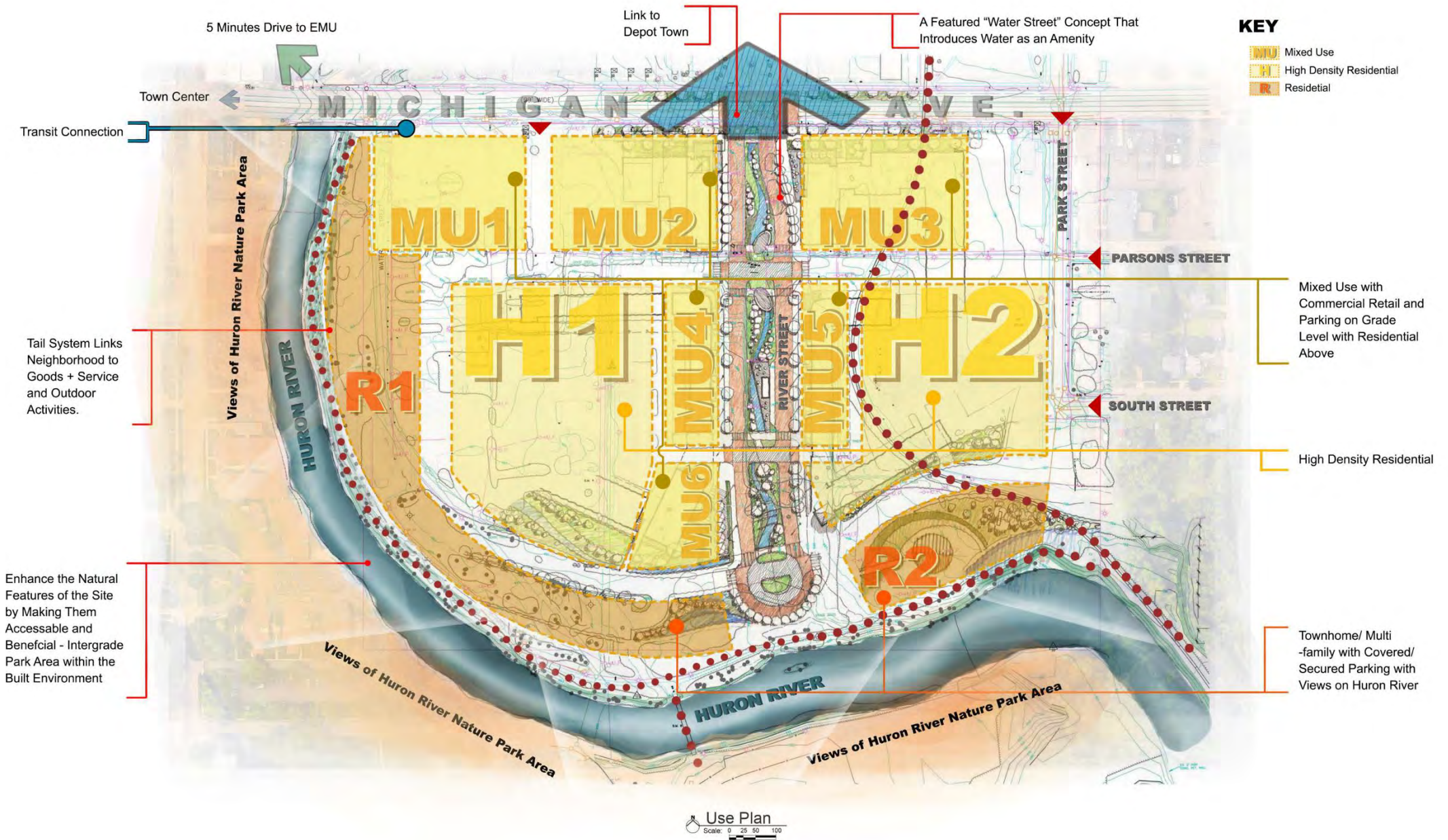
- Seek to reduce car usage
- Multi-modal development
 - Bus transit
 - Bike share
 - Connections to rail



**Public-Private Partnership
Potential**







Initial Investment

- \$150-200 million initial investment
 - Pre-development
 - Remediation
 - Design
 - Construction
- Future phases up to \$150 million of additional
- Construction of:
 - Buildings
 - Parking (surface/structure)
 - Private roads and utilities
 - Potentially public facilities through PPP
- Expected 1,500-2,000 direct and indirect jobs from construction
- Additional jobs through operations, maintenance, services, and other employment created related to International Village

Timeline

- 120 day due diligence (DD) period
- 180 days from DD close to secure approvals
 - Land acquisition
 - Design and permitting
 - Site plan approval
- 2 Year Construction schedule—need to be under construction by Fall 2018.
- Targeted completion of initial development by September 2020

What are we seeking this evening?

Resolution to proceed into a 120-day due-diligence period.

- Non-binding
- Allows us to complete due diligence on the property
- Enables us to further develop plans for the property

Questions?

谢谢

Thank you!



ACTION MINUTES

**CITY OF YPSILANTI
COUNCIL SPECIAL MEETING AGENDA
COUNCIL CHAMBERS - ONE SOUTH HURON STREET
TUESDAY, MAY 23, 2017
6:00 P.M.**

I. CALL TO ORDER –

The meeting was called to order at 6:04 p.m.

II. ROLL CALL –

Council Member Bashert	Present	Council Member Robb	Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	Present
Council Member Murdock	Absent	Mayor Edmonds	Present
Council Member Richardson	Present		

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL-

VI. AUDIENCE PARTICIPATION -

VII. REMARKS FROM THE MAYOR –

IX. MOTIONS, RESOLUTIONS, DISCUSSIONS -

1. Resolution No. 2017-121 ,directing staff and legal council to negotiate in good faith on behalf of the City Council to draft a purchase agreement for the sale of the approximately 36 acres of the Water Street Redevelopment Area (11-11-09-170-031) with International Village Advisory, LLC.

Offered By: Mayor Pro-Tem Brown; Seconded By: Council Member Vogt
Approved: Yes – 6; No – 0; Absent – 1 (Murdock)

X. AUDIENCE PARTICIPATION –

XI. REMARKS FROM THE MAYOR –

XII. ADJOURNMENT -

Resolution No. 2017-122, adjourning the City Council Meeting.

The meeting adjourned at 8:16 p.m.