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Report: EB-5 Program Has Untapped Potential to Drive Foreign Capital into Distressed U.S. Inner Cities
ICIC presents research showcasing EB-5 Immigrant Investor Program as a tool for impact investing

BOSTON, MA – The EB-5 Immigrant Investor Program has significant potential to drive more resources into America’s distressed urban cores, according to a report released today by ICIC, a national nonprofit research and strategy organization and the leading authority on U.S. inner city economies. The report, [“Increasing Economic Opportunity in Distressed Urban Communities with EB-5.”](#) was authored by ICIC with support from the Surdna Foundation, Garfield Foundation and Boston Foundation.

To date, a conservative ICIC estimate suggests EB-5 loans have provided at least \$8 billion of direct investment into American businesses and created at least 160,000 jobs. The program’s “visa-for-dollars” moniker describes the fundamental incentive within the program: EB-5 visas are granted to foreign nationals who make a significant investment in a business that creates at least 10 full-time jobs. While the EB-5 Program was created in 1990 to stimulate economic growth in the U.S., it has been underutilized in distressed urban areas, exercised primarily through real estate projects, and largely overlooked by city governments, economic development corporations, foundations and other organizations actively promoting inner city investment.

According to ICIC Senior Vice President and Director of Research, Kim Zeuli, “We hope to stimulate a new dialogue around EB-5 by offering insights into how the program can be utilized for impact investing and urban economic development. Foreign capital presents a unique and underutilized opportunity to create jobs in areas where high levels of poverty and unemployment exist.”

ICIC’s report offers a set of recommendations to the community of organizations engaged in impact investing to help them fully leverage the tool to maximize economic opportunity. In addition, the report spotlights five diverse case studies of EB-5 deals from across the U.S., outlining their impact and emphasizing how their successes can be replicated in other projects. The five EB-5 case studies presented are:

- University of Miami Life Science and Technology Park: Miami, FL
- NYLO Dallas South Side Hotel: Dallas, TX
- Memory Care Centers: Chicago, IL
- E3 Cargo Trucking: Indianapolis, IN
- Education Fund of America Charter Schools

"EB-5 is an untapped resource for economic developers that can bring a new source of capital to economically distressed areas," said Shawn Escoffery, Director of the Surdna Foundation's Strong Local Economies program. "Now with the report's evidence and insight into how to make EB-5 work as a tool for community developers, there's added impetus for its broader use."

ICIC is officially releasing the report today at a national convening of over one hundred leading policymakers, economic development professionals, philanthropic trailblazers and investment experts at the Harvard Kennedy School in Cambridge, Massachusetts. The featured speakers at the event, "[Impact Investing in Inner Cities: Putting Foreign Capital to Work Through EB-5](#)," include Peter Joseph, Executive Director, Association to Invest in the USA; Michael Gibson, Managing Director, USAAdvisors; David Wood, Director, Initiative for Responsible Investment, Hauser Institute for Civil Society, Harvard Kennedy School; Bill Stenger, President, Jay Peak Resort; Christopher Kui, Executive Director, Asian Americans for Equality; and Gabriel Hidalgo, Managing Director, Civitas Capital Group. Takeaways from the conversation will include:

- Where EB-5 investments are positively impacting urban communities today
- High-impact opportunities for EB-5
- Key challenges associated with using EB-5
- Recommendations for stakeholders to increase EB-5 adoption

About ICIC

The Initiative for a Competitive Inner City (ICIC) is a national, not-for-profit organization founded in 1994 by Harvard Business School professor Michael E. Porter. ICIC's mission is to promote economic prosperity in America's inner cities through private sector investment that leads to jobs, income and wealth creation for local residents. www.icic.org

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