



U.S. Citizenship
and Immigration
Services

HOOPRD 70/6.2.8

Los Angeles Film Regional Center
C/o Thomas Rosenfeld, C.P.A., J.D.
President
CanAm Enterprises, LLC
32 Court Street, Suite 1501
Brooklyn, N.Y. 11201

MAR 24 2008

Re: Los Angeles Film Regional Center

DECISION:

Pursuant to Section 610 of the Appropriations Act of 1993, CanAm Enterprises, LLC, submitted a proposal to U.S. Citizenship and Immigration Services (USCIS) requesting approval and designation of the Los Angeles Film Regional Center (LAF) Regional Center within the area of Los Angeles County, California to participate in the Immigrant Investor Pilot Program. The primary purpose of the LAF Regional Center would be to use immigrant investor capital to facilitate economic development of the motion picture and television industries in the county of Los Angeles. In addition, the LAF Regional Center will augment the immigrant investor capital with non-EB-5 domestic capital in order to satisfy the target requirement of 10 full time permanent jobs created and/or preserved per each EB-5 immigrant investor.

Based on its review and analysis of the February 4, 2008, proposal and supporting evidence and documentation seeking USCIS designation for the LAF Regional Center along with additional information provided in response to a subsequent RFE, solely for the specific purpose of developing the motion picture and television production throughout the county of Los Angeles, CA, USCIS hereby approves the request and designates LAF as a Regional Center under the Immigrant Investor Pilot Program.

FOCUS OF INVESTMENT ACTIVITY AND CAPITAL INVESTMENT THRESHOLD:

Through this designation by USCIS, the LAF Regional Center will focus on the following four (4) commercial activities within the film and television sub-sector of the tourism industry:

1. Production of motion pictures for theatrical release;
2. Production of motion pictures for direct to video or DVD release;

3. Production of television shows, segments, and series;
4. Production of made for television feature movies.

As such, aliens seeking immigrant visas through the Immigrant Investor Pilot Program may file individual petitions with USCIS for investments into financing projects and developing commercial enterprises in the above cited four (4) targeted commercial activities located within the geographic area of the LAF Regional Center comprised of the contiguous geographic area encompassing the county of Los Angeles, CA, with a specific targeted focus on those areas within the county which are comprised of 592 census tracts which have been formally designated as a targeted employment area (TEA) by the California Employment Development Department (EDD) acting as the designated state agency by the Governor of the State of California pursuant to 8 CFR 204.6(g)(3)(i).¹

All qualifying expenditures made by commercial enterprises associated with the film and television sub-sector of the tourism industry must occur in TEA's within the county of Los Angeles. Investment by an immigrant investor into any film and television production enterprise located within the TEA may not be less than \$500,000, while investment by an immigrant investor into such an enterprise that falls outside of the TEA may not be less than \$1,000,000.

EMPLOYMENT CREATION AND/OR PRESERVATION:

Alien entrepreneurs who file I-526 petitions for commercial enterprises located in the Los Angeles County Regional Center area must fulfill all of the requirements set forth in 8 CFR 204.6, except that the petition need not show that the new commercial enterprises created ten new jobs indirectly as a result of the alien entrepreneur's investment. This determination regarding new indirect jobs has been established by way of USCIS' acceptance of the final economic analysis, which is contained as part of the approved LAF Regional Center proposal and its indirect job creation model and multipliers contained within the final approved LAF Regional Center application package.² However, such petitions must demonstrate the mix of foreign and domestic capital as outlined therein to achieve the requisite of 10 indirect jobs created per each immigrant investor.

Further, wherever job creation is claimed based on a multiplier rooted in underlying new "direct jobs" (or preservation of existing direct jobs in a troubled business) in support of an immigrant investor's individual I-526 petition affiliated with the LAF Regional Center, then:

- To be credited for preserving/maintaining pre-existing direct jobs for "qualified employees" within the LAF Regional Center for a "troubled business" as defined at 8 CFR 204.6(e), the

¹ In addition, aliens seeking immigrant visas through investment made into film and television commercial enterprises within the LAF REGIONAL CENTER regional center may count direct and indirect job creation in all areas throughout Los Angeles County.

² Indirect job creation credit is based on a RIMS-II Input/Output "Final Demand" multiplier calculated specifically for the film and television sub-sector of the tourism industry of a total number of jobs created per each \$1 Million of capital.

individual I-526 petition must be supported by probative evidence of the number of full time (35 hours per week) qualified employees whose positions shall be preserved/maintained throughout the immigrant investor's period of conditional residency. Such evidence should include copies of quarterly state employment tax reports, Forms W-2, Forms I-9, and any other pertinent employment records sufficient to demonstrate the number of "direct" qualifying pre-existing full time jobs in the specified troubled business have been preserved/maintained, and any other pertinent employment records sufficient to demonstrate the number of employees before the investment.

- To be credited with projected creation of new "direct" jobs for "qualifying employees" upon filing the I-526 petition, then the petition must be supported by a comprehensive detailed business plan and supporting financial, marketing and related data and analysis providing a reasonable basis for projecting creation of the new direct jobs.
- For purposes of an immigrant investor's filing of a subsequent I-829 petition to remove the conditions wherein the investment through the LAF Regional Center in an enterprise for which the initial I-526 petition approval involved the creation of new direct jobs or the creation of new indirect jobs based on a multiplier tied to underlying new direct jobs, then to support the full number of direct and indirect new jobs being claimed at that point, an immigrant investor's subsequent I-829 petition will need to be supported by probative evidence of the number of new direct full time (35 hours per week) qualified employees whose positions have been created as a result of the investment. Such evidence would include copies of quarterly state employment tax reports, Forms W-2, Forms I-9, and any other pertinent employment records sufficient to demonstrate the number of qualified employees whose jobs were created directly.

INDIVIDUAL EB-5 INVESTOR AFFILIATION WITH THE REGIONAL CENTER:

Each individual petition, in order to demonstrate that it is associated with the LAF Regional Center, in conjunction with addressing all the requirements for an individual alien entrepreneur petition, shall also contain as supporting evidence relating to this regional center designation, the following:

- (1) A copy of this letter of the approval and designation.
- (2) A copy of the approved regional center narrative proposal and business plan.
- (3) A copy of the job creation methodology required in 8 CFR 204.6(j)(4)(iii), as contained in the LAF REGIONAL CENTER regional center economic analysis, which has been approved by USCIS, which reflects that investment by an individual immigrant investor of at least \$500,000 in a targeted industry or into a new film/television enterprise within the areas of the approved LAF Regional Center (or \$1,000,000 into such a commercial

activity located in a Non-Rural or outside the Targeted Employment Area) will generate full-time employment positions, either directly or indirectly, for not fewer than ten U.S. workers per immigrant investor.

- (4) A legally executed copy of:
- a. the Confidential Information Memorandum (CIM);
 - b. the Escrow Agreement;
 - c. the Escrow instructions;
 - d. the Limited Partnership Agreement; and
 - e. any CIM Amendment.

The designation by the USCIS of the Los Angeles County Regional Center does not reflect any determination on the merits of individual petitions filed by immigrant investors under the Immigrant Investor Pilot Program. All petitions for immigrant investors who invest within the LAF Regional Center will be adjudicated by the USCIS on a case-by-case basis, and each petition must be fully documented. The individual petitions must be submitted to the USCIS California Service Center.

DESIGNEE'S RESPONSIBILITIES INHERENT IN CONDUCT OF THE LAF REGIONAL CENTER:

The law, as reflected in the regulations at 8 CFR 204.6(m)(6), requires that an approved regional center in order to maintain the validity of its approval and designation must continue to meet the statutory requirements of the Immigrant Investor Pilot Program by serving the purpose of promoting economic growth, including increased export sales (where applicable), improved regional productivity, job creation, and increased domestic capital investment. Therefore, in order for USCIS to determine whether your regional center is in compliance with the above cited regulation, and in order to continue to operate as a USCIS approved and designated regional center, your administration, oversight, and management of your regional center shall be such as to monitor all investment activities under the sponsorship of your regional center and to maintain records, data and information on a quarterly basis in order to report to USCIS upon request the year to date for each Federal Fiscal Year³, commencing with the current year as follows:

1. The principal official and point of contact of the LAF Regional Center responsible for the normal operation, management and administration of the regional center.
2. How the LAF Regional Center is administering its regional center and is actively engaged in supporting a due diligence screening of its immigrant investors' lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital.

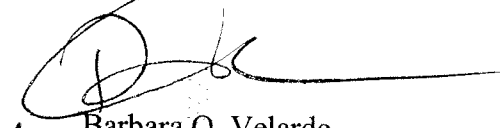
³ A Federal Fiscal Year runs for twelve consecutive months from October 1st to September 30th.

3. How the LAF Regional Center is actively engaged in the evaluation, oversight and follow-up on any proposed commercial activities that will be utilized by immigrant investors in order to create direct and/or indirect jobs through qualifying EB-5 capital investments into commercial enterprises throughout the geographic scope of the LAF Regional Center.
4. The name, date of birth, and alien registration number of each alien investor who makes an investment and files an EB-5/I-526 Petition with USCIS, specifying whether the petition was approved, denied, or withdrawn by the petitioner.
5. The country of nationality of each alien investor who makes an investment and files an EB-5/I-526 petition with USCIS.
6. The city and state of residence of each alien investor who makes an investment and files an EB-5/I-526 petition with USCIS.
7. The categories and/or sub-sectors of business activity within the geographic scope of your regional center that have received the immigrant investors' capital, and in what amount.
8. The names and locations of each job creating commercial enterprise located within the geographic scope of your regional center that has received alien investor capital.
9. The amounts of alien investor capital and the amounts of other domestic capital that have been invested together in each job creating commercial enterprise specified in item 8 above, distinguishing the separate totals for each.⁴
10. The total aggregate number of approved EB-5 alien investor I-526 petitions per Federal Fiscal Year to date made through your regional center.
11. The total aggregate number of approved EB-5 alien investor I-829 petitions per Federal Fiscal Year to date through your regional center.
12. The total aggregate of EB-5 alien capital invested through your regional center for each Federal Fiscal Year to date since your approval and designation.
13. The combined total aggregate of "new" direct and/or indirect jobs created by EB-5 investors through your regional center for each Federal Fiscal Year to date since your approval and designation.
14. If applicable, the total aggregate of "preserved" jobs by EB-5 immigrant investors for troubled businesses through your regional center for each Federal Fiscal Year to date since your approval and designation.
15. If for any given Federal Fiscal Year your regional center does not have investors to report (either immigrant or domestic investors), then provide an explanation for the inactivity along with a specific plan which details timelines and steps to actively promote your regional center program and recruit legitimate and viable immigrant investors.
16. Notification to USCIS within 30 days following any change of address or material change in the structure, operation, administration, focus, or activities relating to your regional center's basis for its most recent designation and/or reaffirmation by USCIS.
17. The total aggregate of EB-5 alien capital invested through your regional center and aggregate total of all jobs created (whether direct or indirect) for each Federal Fiscal Year.

⁴ A separate break out by aggregate amount of alien investor capital vs. aggregate amount of domestic capital invested where applicable.

If you have any questions concerning this approval and designation of the Los Angeles Film Regional Center under the Immigrant Investor Pilot Program, please contact the following office: the USCIS Foreign Trader, Investor and Regional Center Program via Email at USCIS.ImmigrantInvestorProgram@dhs.gov.

Sincerely,



fn Barbara Q. Velarde

Chief
Service Center Operations

