

U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services
Immigrant Investor Program
131 M Street, NE, MS 2235
Washington, DC 20529



**U.S. Citizenship
and Immigration
Services**

TO:

Pacific Viniculture
Peter Holland
700 Fifth Ave 6100
Seattle, WA 98104

DATE: March 22, 2018

Application: Form I-924

File Number: RCW1407151704

RCID: ID1407151704

NOTICE OF TERMINATION

This letter shall serve as notification that U.S. Citizenship and Immigration Services ("USCIS") has terminated the designation of Pacific Viniculture (the "Regional Center") as a regional center under the Immigrant Investor Program (the "Program") pursuant to Title 8 of the Code of Federal Regulations ("8 C.F.R.") section 204.6(m)(6). The reasons for the termination are explained, below:

(SEE ATTACHED)

If the Regional Center disagrees with this decision, or if the Regional Center has additional evidence that shows this decision is incorrect, the Regional Center may file a motion or an appeal to this decision by filing a completed Form I-290B, Notice of Appeal or Motion, along with the appropriate filing fee. A copy is enclosed. The Regional Center may also include a brief or other written statement and additional evidence in support of the motion or appeal. The Form I-290B must be filed within 33 days from the date of this notice. If a motion or appeal is not filed within 33 days, this decision is final.

The Regional Center must send the completed Form I-290B and supporting documentation with the appropriate filing fee to the address indicated below.

If using the U.S. Postal Service:

USCIS
P.O. Box 660168
Dallas, TX 75266

If using USPS Express Main/Courier:

USCIS
Attn: I-290B
2501 S. State Highway 121 Business
Suite 400
Lewisville, TX 75067

For an appeal, the Regional Center may request additional time to submit a brief within 30 calendar days of filing the appeal. Any brief, written statement, or evidence in support of an appeal that is not filed with Form I-290B must be directly sent within 30 days of filing the appeal to:

USCIS Administrative Appeals Office
U.S. Citizenship and Immigration Services
20 Massachusetts Avenue, NW, MS 2090
Washington, DC 20529-2090

Pacific Viniculture – **Designation Terminated**

ID1407151704

RCW1407151704

Page 2

For more information about the filing requirements for appeals and motions, please see 8 C.F.R. § 103.3 or 103.5, or visit the USCIS website at www.uscis.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Julia L. Harrison", with a long horizontal flourish extending to the right.

Julia L. Harrison

Acting Chief, Immigrant Investor Program

Enclosure: (1) Form I-290B with instructions

(2) Notice of Intent to Terminate issued on January 30, 2018

NOTICE OF TERMINATION
Termination of Regional Center Designation Under the Immigrant Investor Program
PACIFIC VINICULTURE

The regulation at 8 C.F.R. § 204.6(m)(6) (*Continued participation requirements for regional centers*) provides:

- (i) Regional centers approved for participation in the program must:
 - (A) Continue to meet the requirements of section 610(a) of the Appropriations Act.
 - (B) Provide USCIS with updated information annually, and/or as otherwise requested by USCIS, to demonstrate that the regional center is continuing to promote economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area, using a form designated for this purpose; and
 - (C) Pay the fee provided by 8 CFR 103.7(b)(1)(i)(XX).
- (ii) USCIS will issue a notice of intent to terminate the designation of a regional center in the program if:
 - (A) A regional center fails to submit the information required in paragraph (m)(6)(i)(B) of this section, or pay the associated fee; or
 - (B) USCIS determines that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.
- (iii) A notice of intent to terminate the designation of a regional center will be sent to the regional center and set forth the reasons for termination.
- (iv) The regional center will be provided 30 days from receipt of the notice of intent to terminate to rebut the ground or grounds stated in the notice of intent to terminate.
- (v) USCIS will notify the regional center of the final decision. If USCIS determines that the regional center's participation in the program should be terminated, USCIS will state the reasons for termination. The regional center may appeal the final termination decision in accordance with 8 CFR 103.3.
- (vi) A regional center may elect to withdraw from the program and request a termination of the regional center designation. The regional center must notify USCIS of such

election in the form of a letter or as otherwise requested by USCIS. USCIS will notify the regional center of its decision regarding the withdrawal request in writing.

I. Procedural History

On August 26, 2014, USCIS designated and authorized the Regional Center's participation in the Program. On January 30, 2018, USCIS issued a Notice of Intent to Terminate ("NOIT") to the Regional Center which afforded the Regional Center 30 days from receipt of the NOIT to offer evidence in opposition to the grounds alleged in the NOIT. On March 2, 2018, USCIS received a response to the NOIT (the "NOIT Response"), which did not sufficiently address the grounds alleged in the NOIT. Accordingly, USCIS has determined that the Regional Center's participation in the Program should be terminated. Pursuant to 8 C.F.R. § 204.6(m)(6)(v) and through this Notice of Termination, USCIS hereby terminates the Regional Center's participation in the Program.

II. Reasons for Termination

USCIS has determined that the Regional Center failed to submit the required information, failed to pay the fee provided by 8 CFR 103.7(b)(1)(i)(XX) and no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, or increased domestic capital investment as required by 8 C.F.R. § 204.6(m)(6).

A. Failure to Submit Required Information to USCIS

As indicated in the NOIT, the Regional Center failed to provide information to USCIS on its annual Form I-924A filing for fiscal year 2017. Under 8 C.F.R. § 204.6(m)(6)(i)(B), a regional center must:

Provide USCIS with updated information annually, and/or as otherwise requested by USCIS, to demonstrate that the regional center is continuing to promote economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area, using a form designated for this purpose.

1. Failure to Submit Form I-924A

The Form I-924A instructions state that each designated regional center must file a Form I-924A for each fiscal year (October 1 through September 30) within 90 days after the end of the fiscal year (on or before December 29 of the calendar year in which the fiscal year ended). The form instructions further state that failure to timely file a Form I-924A for each fiscal year in which the regional center has been designated for participation in the Program will result in the issuance of an intent to terminate the participation of the regional center in the Program, which may ultimately result in the termination of the approval and designation of the regional center.

In the NOIT response, the Regional Center included a copy of Form I-924A along with a check for the filing fees associated with the form. The instructions for the Form I-924A explain that the proper mailing address for filing a Form I-924A is the USCIS California Service Center in Laguna Niguel, California. Since the form was mailed to the Immigrant Investor Program Office in Washington, D.C., USCIS rejected the form as improperly filed on March 8, 2018.

As of the date of this notice, USCIS records indicate that the Regional Center has not properly filed a Form I-924A for fiscal year 2017. Due to the Regional Center's failure to file Form I-924A, as required by the regulations and the Form I-924A instructions, USCIS terminates the Regional Center's participation in the Program.

B. Failure to Continue to Serve the Purpose of Promoting Economic Growth

Regional centers are designated for the promotion of economic growth and must continue to meet the requirements of section 610(a) of the Appropriations Act as amended, and promote economic growth in a manner that does not conflict with requirements for classification under section 203(b)(5) of the Immigration and Nationality Act ("INA"), removal of conditions on lawful permanent residence under section 216A of the INA, and implementing regulations following their designation. According to section 610(a) of the Appropriations Act, economic growth includes increased export sales, improved regional productivity, job creation, or increased domestic capital investment. *See also* 8 C.F.R. § 204.6(m)(6)(ii) ("USCIS will issue a notice of intent to terminate the designation of a regional center in the program if . . . USCIS determines that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.").

The reasons why a regional center may no longer serve the purpose of promoting economic growth are varied and "extend beyond inactivity on the part of a regional center." 75 FR 58962. For example, depending on the facts, a regional center that takes actions that undermine investors' ability to comply with EB-5 statutory and regulatory requirements such that investors cannot obtain EB-5 classification through investment in the regional center may no longer serve the purpose of promoting economic growth. *See* Section 610(a)-(b) of the Appropriations Act (stating that one purpose of a regional center is to concentrate pooled investment in defined economic zones and accomplishing such pooled investment by setting aside visas for aliens classified under INA 203(b)(5)). Likewise, a regional center that fails to engage in proper monitoring and oversight of the capital investment activities and jobs created or maintained under the sponsorship of the regional center may no longer serve the purpose of promoting economic growth in compliance with the Program and its authorities.

When derogatory information arises (such as evidence of inaction, mismanagement, theft, or fraud by the regional center or related entities), USCIS weighs all relevant factors in the totality of the circumstances to determine whether the regional center is continuing to serve the purpose of promoting economic growth. Such factors may include the seriousness of the derogatory information, the degree of regional center involvement in the activities described in the derogatory information, any resulting damage or risk

imposed on investors and the economy, as well as any mitigating, corrective, or restorative actions taken or forthcoming to redress the situation.

USCIS has considered all evidence in the record, including evidence provided in response to the NOIT, “for relevance, probative value, and credibility, both individually and within the context of the totality of the evidence,” in determining whether the Regional Center’s continued participation is justified under the regulations by a preponderance of the evidence. *See Matter of Chawathe*, 25 I&N Dec. 369, 376 (AAO 2010). For the reasons set forth below, USCIS has determined by a preponderance of the evidence that the Regional Center no longer serves the purpose of promoting economic growth in compliance with the Program.

1. Lack of Regional Center Activity

As noted in the NOIT, the Regional Center’s Form I-924A filings for fiscal years 2014, 2015, and 2016 do not report any EB-5 capital investment or job creation. In addition, although USCIS designated the Regional Center on August 26, 2014, the Form I-924A filings do not report any pending or approved Forms I-526 filed by petitioners who have made or are actively in the process of making investments associated with the Regional Center.

In the NOIT Response, the Regional Center provided the following evidence:

- Letter from Peter Holland, managing member of Pacific Viniculture, LLC, dated February 27, 2018;
- Exhibit 3 – Certificate of Formation for V75, LLC, dated January 24, 2018;
- Exhibit 4 – Quit Claim Deed contributing unencumbered title to 1,200 acres of real property to V75, LLC, dated February 1, 2018; and
- Exhibit 5 – Fruit Grape Contract for the first 125 acres of fruit on the V75, LLC vineyard, dated January 23, 2018.

As of the date of this notice, the Regional Center has not filed any amendments with USCIS for any project since receiving its initial designation on August 26, 2014. In response to the lack of Regional Center activity, the Regional Center mentions two potential projects the Regional Center is currently reviewing. However, the Regional Center acknowledges that it is still “conducting final due diligence” on these two projects, suggesting that neither project has advanced past the conceptual stage such that it is more likely than not to create jobs and promote economic growth.

(b)(4)

The NOIT Response provides evidence that a new entity, V75, LLC, has acquired land from 101 Bar Ranch, LLC and asserts that the Regional Center has spent [REDACTED] on the property for the development of a vineyard at Goodnoe Hills in Washington State. Publicly-available

information shows that V75, LLC is owned by 101 Bar Ranch, LLC, which initially applied for a water rights permit on October 18, 2016 and planned for construction of the project to start on September 1, 2017². However, the Regional Center has provided no evidence that the development of the property has begun as originally planned or that all other necessary permits and licenses will be obtained in the future.

The applicant also asserts that the Regional Center executed a Sponsorship Agreement in December 2016 with regard to the Goodnoe Station Development vineyard project and remains in “active negotiations with Goodnoe Station Development to partner on the project.” This same project was mentioned in the Regional Center’s previous Response to a Notice of Intent to Terminate, dated July 1, 2017. However, no amendment has been filed with USCIS for this project, and the Regional Center has provided no evidence showing that these “active negotiations” with Goodnoe Station Development have resulted in any significant progress on the project in the 15 months since the sponsorship agreement was executed or in the 8 months since the Regional Center’s previous NOIT Response. Additionally, Exhibit 2 of the recent NOIT Response— purported to show the Regional Center’s sponsorship of the project— is missing from the record. The lack of project development and scant evidence that much progress has taken place on these projects since late 2016 casts serious doubt on whether either project is viable or at a stage in which they could support EB-5 investors.

The Regional Center’s filings do not indicate that it has conducted activity that serves the purposes of the Program since its designation. Additionally, the Regional Center’s NOIT response fails to show any significant progress on potential projects and casts doubt on the likelihood of the Regional Center promoting economic growth and job creation in the future.

In the absence of evidence of increased export sales, improved regional productivity, job creation, or increased domestic capital investment, USCIS concludes that the Regional Center no longer serves the purpose of promoting economic growth.

III. Conclusion

For the reasons described above and set forth in the NOIT and pursuant to 8 C.F.R. 204.6(m)(6), USCIS has determined that the Regional Center has failed to submit the required information to USCIS, has failed to pay the fee provided by 8 CFR 103.7(b)(1)(i)(XX) and no longer serves the purpose of promoting economic growth and hereby terminates the Regional Center’s participation in the Program.

If the Regional Center disagrees with this decision, or if the Regional Center has additional evidence that shows this decision is incorrect, the Regional Center may file a motion or an appeal to this decision by filing a completed Form I-290B, Notice of Appeal or Motion, along with the appropriate filing fee. A copy

¹<http://www.kljckitalpud.com/sf-docs/default-source/default-document-library/website-media-agendadb08d95e0edb605b9844f00008e99fd.pdf?sfvrsn=0>, last accessed March 20, 2018.

² <https://fortress.wa.gov/ecy/wrx/wrx/fsvr/ecyleyfsvr/file/WaterRights/ScanToWRTS/hq4/06501406.pdf>, last accessed March 20, 2018.

Pacific Viniculture – **Designation Terminated**

ID1407151704

RCW1407151704

Page 8

is enclosed. The Regional Center may also include a brief or other written statement and additional evidence in support of the motion or appeal. The Form I-290B must be filed within 33 days from the date of this notice. If a motion or appeal is not filed within 33 days, this decision is final.

The Regional Center must send the completed Form I-290B and supporting documentation with the appropriate filing fee to the address indicated below.

If using the U.S. Postal Service:

USCIS
P.O. Box 660168
Dallas, TX 75266

If using USPS Express Main/Courier:

USCIS
Attn: I-290B
2501 S. State Highway 121 Business
Suite 400
Lewisville, TX 75067

For an appeal, the Regional Center may request additional time to submit a brief within 30 calendar days of filing the appeal. Any brief, written statement, or evidence in support of an appeal that is not filed with Form I-290B must be directly sent within 30 days of filing the appeal to:

USCIS Administrative Appeals Office
U.S. Citizenship and Immigration Services
20 Massachusetts Avenue, NW, MS 2090
Washington, DC 20529-2090

For more information about the filing requirements for appeals and motions, please see 8 C.F.R. § 103.3 or 103.5, or visit the USCIS website at www.uscis.gov.