

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:

David Lin
Tacoma EB 5 Regional Center, LLC
12010 76th Ave S
Seattle, WA 98178

DATE: May 2, 2018

Application: Form I-924

File Number: RCW1114550209

RCID: ID1114550209

NOTICE OF TERMINATION

This letter shall serve as notification that U.S. Citizenship and Immigration Services ("USCIS") has terminated the designation of Tacoma EB 5 Regional Center, LLC (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

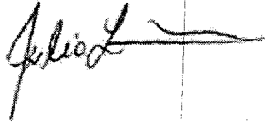
For an appeal, the Regional Center may request additional time to submit a brief within 30 calendar days of filing the appeal. Any brief, written statement, or evidence in support of an appeal that is not filed with Form I-290B must be directly sent within 30 days of filing the appeal to:

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

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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,



Julia L. Harrison
Acting Chief, Immigrant Investor Program

Enclosure: (1) Form I-290B with instructions
(2) Notice of Intent to Terminate issued on February 5, 2018

cc: David Derrico
101 Pineapple Grove
Delray Beach State, FL 33444

NOTICE OF TERMINATION

**Termination of Regional Center Designation Under the Immigrant Investor Program
Tacoma EB-5 Regional Center, LLC**

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 November 26, 2013, USCIS designated and authorized the Regional Center's participation in the Program. On February 5, 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 13, 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 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 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 November 26, 2013, 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 dated March 9, 2018, the Regional Center provided the following evidence:

- I-924A application for fiscal year 2017 (Exhibit I);
- Passport of immigrant investor (Exhibit II); (b)(4)
- Bank statement showing investor’s wire transfer of [REDACTED] (Exhibit III);
- Affidavit confirming immigrant investor’s commitment to invest through Tacoma EB-5 Regional Center (Exhibit IV);
- Business Plan (Exhibit V);
- Receipt of international student payment to Tacoma Public School (Exhibit VI);
- Letter from the City of Des Moines, Washington;

- Bargain and sale Deal;
- I-20, Certificate of Eligibility for Nonimmigrant Student Status;
- Design approval for [REDACTED] (b)(4)
- Private Placement Memorandum (Exhibit VII); and
- Blank Subscription Agreement (Exhibit VIII).

In the NOIT Response, the Regional Center provided evidence related to a project it claims that it is in the process of promoting, American Cultural and Economic Exchange Foundation, LLC (the “NCE”). According to the business plan, the NCE will use EB-5 capital from immigrant investors to promote international student recruiting, organize customized tours in both the United States and China that foster intercultural exchanges, and develop two real estate projects for student housing, and a bed and breakfast to accommodate international students. [REDACTED]

(b)(4)

[REDACTED] in Des Moines, Washington. The evidence dates presented for these projects range from November 11, 2014 to August 15, 2015. The evidence does not show the current state of the project, and the timeline for the construction of the project included in the business plan has already expired.

Based on the evidence, it does not appear that the development of the project has passed beyond the planning phase, and the Regional Center did not provide sufficient evidence to show that the project will commence in the near future. Further, it is unclear whether the evidence related to the property in Des Moines, WA, is related to the project proposed by the NCE. The evidence for the Des Moines, WA property indicates that the property will be a multi-family dwelling, there is insufficient detail to determine whether the property would be developed as the proposed student housing and bed and breakfast for international students.

Evidence submitted with the NOIT Response does show that the Regional Center has engaged in some activity related to recruiting investors and soliciting investment funds, but overall there is insufficient evidence in the record to show that the Regional Center will actually sponsor any petitions in any of its proposed projects. [REDACTED]

(b)(4)

In the response to a previous NOIT issued on February 21, 2017, the Regional Center offered the same assertion, stating that the Regional Center had [REDACTED] investors who were preparing their necessary documents in order to file their I-526 applications. [REDACTED]

(b)(4)

As of the date of this notice, the Regional Center has not provided any additional evidence to show that [REDACTED] as promised. The NOIT Response did (b)(4) not include an executed subscription agreement or any other documents that tended to support its assertion that [REDACTED]

Since the Regional Center has not provided credible evidence to show that any project under its sponsorship has promoted or will promote economic growth in accordance with the EB-5 Program or that the Regional Center has obtained any investors in any of its proposed projects, the Regional Center has not established that it has promoted economic growth or that it will do so in accordance with the EB-5 Program in the near future. Therefore, USCIS terminates the Regional Center's designation as a regional center in the Program.

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 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 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.

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