



Congress of the United States
House of Representatives
Washington, DC 20515

February 18, 2022

Ur M. Jaddou
Director, U.S. Citizenship and Immigration Services
20 Massachusetts Ave NW
Washington, DC 20001

Dear Director Jaddou,

As Congress considers the reauthorization of the EB-5 Immigrant Investor Program, we believe it is essential to ensure that those who utilize the program are creating jobs as promised. We have learned that one major developer may be falling significantly short of its obligations—which also raises questions about USCIS’ ability to enforce the rules and regulations that govern this program.

As such, we respectfully request that USCIS thoroughly examine the situation and provide information regarding Relevant Group and affiliates’ usage of EB-5.

The EB-5 program makes immigrants eligible for Green Cards if they invest a \$1,000,000, or \$500,000 in a rural area or an area of high unemployment, in a U.S. commercial enterprise and “plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers.”ⁱ

According to marketing materials for Relevant Hospitality Fund 1, the Relevant Group raised more than \$250 million in Chinese capitalⁱⁱ to finance a major hotel and entertainment development in Hollywood, California through the EB-5 program. The fund listed the Dream Hotel, Selma Hotel, Thompson Hotel and Citizen News as existing assetsⁱⁱⁱ and included the Schrader Hotel and Hotel Barclay in the fund’s portfolio.^{iv}

One of the Relevant Group’s co-founders said that the \$110 million Dream Hotel relied on funding from 180 “mostly high-net-worth” Chinese investors.^v If each of the 180 investors is an EB-5 participant, the Dream Hotel itself would have to create 1,800 jobs to abide by USCIS rules. The hotel seems to have fallen far short of that requirement.

The Relevant Group told the *Los Angeles Times* and *Beverly Press* in 2011 that it was securing EB-5 funding for the Dream Hotel and that the project would create only 900 jobs.^{vi} The week after the hotel opened in July 2017, local reports said the project generated 700 jobs.^{vii} None of these figures comes close to the 1,800 job requirement.

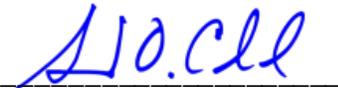
We urge USCIS to examine the Dream Hotel project to ensure full compliance with the EB-5 program's requirements. Additionally, for every Relevant Group project that has used EB-5 financing, we ask that you provide the following information:

- How much EB-5 financing the project used, and how many applicant investors financed the project.
- How many jobs the project created and the duration of those jobs.
- The project's anticipated timeline as presented to USCIS and investors and the project's current timeline, including whether the project has been completed and is in operation.
- How many investors have received a Green Card.

Regards,



J. Luis Correa
Member of Congress



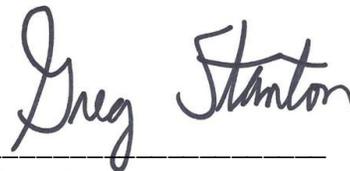
Salud Carbajal
Member of Congress



Alan Lowenthal
Member of Congress

/S/

Grace Napolitano
Member of Congress



Greg Stanton
Member of Congress



Norma J. Torres
Member of Congress

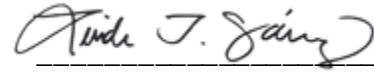


Jimmy Gomez
Member of Congress

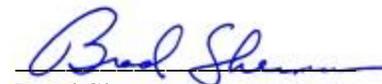
/S/
Julia Brownley
Member of Congress

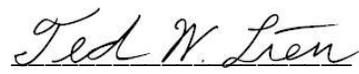

Tony Cárdenas
Member of Congress

/S/
Nanette Diaz Barragán
Member of Congress


Linda T. Sánchez
Member of Congress


Mike Levin
Member of Congress


Brad Sherman
Member of Congress


Ted W. Lieu
Member of Congress


Katie Porter
Member of Congress


Judy Chu
Member of Congress

i “USCIS Policy Manual, Chapter 2 - Eligibility Requirements” <https://www.uscis.gov/policy-manual/volume-6-part-g-chapter-2>

ii “Relevant Hospitality Fund 1,” April 2018 ,Page 26, https://www.relevantgroup.com/wp-content/uploads/2020/07/RHF1_CONFIDENTIAL_4.11.18-1.pdf

iii Ibid

iv Ibid, Page 7

v “Hospitality: Road to Hotels Ran Through China,” March 28, 2017, <https://www.relevantgroup.com/wp-content/uploads/2017/04/LA-Business-Journal-3.28.17.pdf>

vi <https://beverlypress.com/2011/12/dream-hotel-project-close-to-coming-true/>

vii “Hotel Complex: A Dream for Hollywood Jobs,” City Watch LA, July 20, 2017, <https://www.citywatchla.com/index.php/cw/los-angeles/13635-hotel-complex-a-dream-for-hollywood-jobs>



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

April 15, 2022

The Honorable J. Luis Correa
U.S. House of Representatives
Washington, DC 20515

Dear Representative Correa:

Thank you for your February 18, 2022 letter to U.S. Citizenship and Immigration Services (USCIS) regarding the Relevant Group and affiliates' usage of EB-5. Specifically, your letter highlighted the job creation requirements of the Relevant Group's Dream Hotel project and expressed concern that the project may not be meeting this eligibility requirement under the EB-5 program.

Please know that I am deeply committed to administering all immigration programs under the law, fairly, efficiently, and with integrity, including in the EB-5 program. USCIS must comply with certain privacy and other applicable legal protections (e.g., Privacy Act, Trade Secrets Act) when responding to inquiries on an immigration benefit request. Due to these restrictions, we are unable to provide you with the results of any inquiry into the issues raised in your letter, but we thank you for sharing the information and bringing these concerns to our attention, and please be assured I have forwarded your correspondence to the USCIS Immigrant Investor Program Office, which administers the EB-5 program, for review and any appropriate action under the law.

As you may know, in the recently passed EB-5 Reform and Integrity Act of 2022 (division BB of Public Law 117-103), Congress repealed the provision of law under which regional centers were previously designated (section 610 of the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993 (8 U.S.C. 1153 note)), and requires all entities seeking regional center designation to provide a proposal in compliance with the new requirements in the legislation. The new legislation provides for the adjudication of previously filed regional center-based cases according to the applicable eligibility standards at the time the EB-5 immigrant petition was filed. USCIS is working to assess the recent changes in EB-5 law and is providing additional guidance on implementation to the public on our website as soon as available.

The Honorable J. Luis Correa
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The cosigners of your letter will receive a separate, identical response. Should you require any additional assistance, please have your staff contact the USCIS Office of Legislative Affairs at (240) 721-3801.

Respectfully,

A handwritten signature in black ink, appearing to read "Ur M. Jaddou", with a long horizontal flourish extending to the right.

Ur M. Jaddou
Director