

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:**

Misum Oh  
SPG Regional Center, LLC  
621 S. Western Ave., Suite 401  
Los Angeles, CA 90005

**DATE:** April 26, 2018

**Application: Form I-924**

**File Number: RCW1402751662**

**RCID: ID1402751662**

**NOTICE OF TERMINATION**

This letter shall serve as notification that U.S. Citizenship and Immigration Services ("USCIS") has terminated the designation of SPG 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

SPG Regional Center, LLC – Designation Terminated

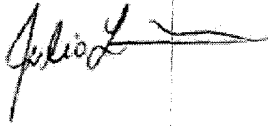
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For more information about the filing requirements for appeals and motions, please see 8 C.F.R. § 103.3 or 103.5, or visit the USCIS website at [www.uscis.gov](http://www.uscis.gov).

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 March 9, 2017

cc: Sarah Jeong  
Sarah Jeong APLC  
9150 Wilshire Blvd., Suite 210  
Beverly Hills, CA 90212

**NOTICE OF TERMINATION**

**Termination of Regional Center Designation Under the Immigrant Investor Program  
SPG 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 June 19, 2014, USCIS designated and authorized the Regional Center's participation in the Program. On March 10, 2017, 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 April 18, 2017, 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, 2016 do not report any EB-5 capital investment or job creation. The Regional Center’s Form I-924A filing for fiscal year 2017, submitted after the NOIT and NOIT Response, also does not report any EB-5 capital investment or job creation. In addition, although USCIS designated the Regional Center on June 19, 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, dated April 11, 2017 from Sarah Jeong, attorney for SPG Regional Center, LLC;
- Exhibit A – SPG Regional Center, LLC Operational Plan & the Crossroads Marketplace Redevelopment Business Plan;
- Exhibit B – Emails from 2013 to 2017 between agents of SPG and various representatives of Chino Hills, California;
- Exhibit C – Declaration of Lloyd Lee, current property manager of the Crossroads Marketplace;
- Exhibit D – Architectural Designs of the Chino Hills, CA Development, prepared in February 2016; and

- Exhibit E – Declaration of Sarah Jeong, attorney for SPG Regional Center, LLC.

In responding to the lack of Regional Center activity, the letter from Sarah Jeong, dated April 11, 2017, details the efforts of SPG Regional Center to redevelop the Crossroads Marketplace commercial shopping center that was initially proposed in its original business plan. These efforts include legal due diligence and review, marketing to potential investors in China, and working towards securing the necessary government approvals and entitlements. However, Ms. Jeong acknowledges that “negotiations with the City of Chino Hills to secure the necessary permits and entitlements has taken longer than expected.” The letter goes on to state that the “delays are entirely temporary in nature and will shortly be addressed by the continuing efforts of SPG.”

However, as of the date of this notice, the Regional Center has not filed any amendment or provided any updates with USCIS for this project in the 12 months since the NOIT Response. The Regional Center has not provided any evidence of progress on the construction and development of the project. A December 28, 2017 addendum submitted with the Regional Center’s I-924A for fiscal year 2017 acknowledges that neither the Crossroads Marketplace Shopping Center “nor any other potential regional Center sponsored projects, has surpassed the preliminary stages of project planning and development.”

Lack of construction, and scant evidence that much progress has taken place on this project since the business plan was submitted in 2014, strongly indicate that the project is not viable. These issues also cast doubt on the Regional Center’s ability to identify and sponsor viable projects in the furtherance of job creation and economic growth within its respective geographic area.

Additionally, simply conducting due diligence and negotiations with city officials on possible projects is not sufficient for demonstrating the Regional Center’s ability to promote economic growth or develop viable projects. The Regional Center’s filings do not indicate that it has conducted activity that serves the purposes of the Program since its designation. The Regional Center’s NOIT Response does not include any evidence showing that the Regional Center is engaged in the development of any other projects, and the Regional Center’s Form I-924A filing for fiscal year 2017 does not include any indication that the Regional Center has made progress in the Crossroads Marketplace redevelopment project in the subsequent 12 months, also 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 no longer serves the purpose of promoting economic growth and hereby terminates the Regional Center’s participation in the Program.

SPG Regional Center, LLC – **Designation Terminated**

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