

San Diego FBI building financed by Chinese seeking U.S. visas, senator says

Posh FBI field office, built by Las Vegas developer with ties to late mobster Moe Dalitz and San Diego GOP candidates Carl DeMaio and Kevin Faulconer, was financed by funds from U.S. visa-seeking Chinese investors, Sen. Charles Grassley says

By [Matt Potter](#), September 11, 2013

A costly new FBI headquarters in San Diego, built by means of a lease-back arrangement with the United States government by Las Vegas developer Irwin Molasky, was financed by investors from China seeking immigration visas, according to a July letter to FBI chief Robert Mueller from Republican Senator Charles E. Grassley of Iowa.

The letter, seeking more details on the secretive financing deal, questions the nomination by President Barack Obama of Alejandro Mayorkas - current Director of U.S. Citizenship and Immigration Services - to become Deputy Secretary of the Department of Homeland Security.

Attention to the matter has been spurred by allegations regarding Terry McAuliffe, the former Democratic national chairman and Bill and Hillary Clinton political intimate who is currently running for governor of Virginia.

But the key person of interest in San Diego's case, 86-year-old developer Molasky, has funneled major campaign contributions to Republicans Carl DeMaio and Kevin Faulconer, both for their mayoral bids as well as for DeMaio's run for congress against Democratic freshman incumbent Scott Peters.

As [reported here previously](#), DeMaio's office was involved in getting the Molasky project through city hall and the then-councilman appeared at the groundbreaking with Molasky executives and FBI officials.

In addition to political cash from Molasky, as well as from his family, and company employees, DeMaio has received campaign contributions from Molasky's San Diego lobbyist Paul Robinson, a local Republican leader.

Faulconer's current mayoral campaign has gotten money from [both Molasky and Robinson](#).

According to [a July 23 letter from Grassley to FBI director Robert S. Mueller, III](#):

The Molasky Group, the Las Vegas real estate firm that constructed the San Diego building, has also been responsible for building FBI field offices in Cincinnati, Minneapolis, and Portland, as well as buildings in Las Vegas for the Internal Revenue Service, the Social Security Administration, and the Secret Service.

In order to attract investors, the Molasky Group apparently participates in seminars hosted in China by groups like Wailan Overseas Consulting Group.

Wailan's website includes a picture of the Molasky Group's Chief Financial Officer, Brad Sher, speaking in front of promotional materials in Chinese which include the English letters "FBI."

Mr. Sher is also the manager of an entity known as "EB-5 FBI LLC," which is used to solicit the EB-5 investment. All told, one website states that the LLC has raised \$40 million from approximately 80 Chinese investors.

Grassley goes on to describe emails between FBI officials regarding the use of so-called the so-called EB-5 Regional Center program to finance Molasky's San Diego project.

The EB-5 "immigrant investor" program, run by U.S. Citizenship and Immigration Services in the Department of Homeland Security, grants U.S. visas to foreigners who invest at least \$500,000 in American projects that purport to create new jobs.

The program has long been said by critics to be ripe for abuse. According to Grassley's letter, the FBI may not have been informed that it's San Diego headquarters was paid for by Chinese money, a situation which the letter implies could jeopardize U.S. security.

I have also obtained March 2013 e-mails from FBI personnel with an "immediate request from . . . higher ups" of all investment LLCs under the EB-5 Regional Center program.

The e-mail to USCIS states: "Let's just say that we have a significant issue that my higher ups are really concerned about and this may be addressed way above my pay grade."

Another e-mail suggests that facilities funded by EB-5 Regional Centers will house "specific interests that we are concerned about."

It is unclear whether the concerns were connected in any way with the Counterintelligence Unit referral from September 2012 or whether they simply stemmed from USCIS's failure to inform the FBI that the Bureau's newly-constructed San Diego Field Office was built with funds from Chinese investors through the EB-5 Regional Center program.

One of the FBI e-mails states: "I am going to use the S[an] D[iego] office as an example of the issues why FinCEN and National Security should be at the forefront of any adjudication."

Another asks: "[C]an you ask . . . if they can remember any other FBI or government facility that was funded through EB5 money?"

In his letter to Mueller, Grassley poses a series of questions to the FBI chief regarding the San Diego project, including:

How and when did the FBI learn that the San Diego Field Office and other federal buildings had been constructed with EB-5 funds?

What investigations, if any, have been conducted into the Molasky Group, any members of its board, or the Wailan Overseas Consulting Group?

If the FBI has determined whether any other federal buildings been constructed with any EB-5 funds, please provide further information.

How did the FBI become aware that its San Diego Field Office had been constructed in part through Chinese investments?

To your knowledge, have any of the EB-5 investor applicants associated with the Molasky Group been denied visas due to national security concerns?

Two days before a July Senate committee confirmation hearing on the Mayorkas nomination to be second in command at Homeland Security, word broke that he was under investigation by the department's inspector general, and the matter was pulled from the committee's agenda.

DHS Secretary Janet Napolitano stepped down last week with the Mayorkas nomination still up in the air.

In addition to the San Diego FBI case, the inspector general's Mayorkas investigation is believed to involve foreign investor visas sought for those who put money into Greentech, an electric carmaker run by Virginia Democratic gubernatorial candidate McAuliffe.

According to [an August 9 New York Times report](#):

He and his lawyers sent a stream of e-mails to a senior official in charge of approving foreign investments that Mr. McAuliffe sought, and he went up the chain of command to Janet Napolitano, the secretary of homeland security, documents show.

The official Mr. McAuliffe and [Greentech president Charles] Wang met with in 2011, Alejandro Mayorkas, is the focus of an internal Homeland Security Department investigation into whether he gave GreenTech special treatment, which he denies.

As their meeting was wrapping up, Ms. Napolitano popped into the room to say hello, Mr. Wang said. Later, Mr. Mayorkas issued a favorable ruling that cleared the way for GreenTech to recruit more foreign investors.

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