



Virginia Economic Development Partnership
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July 14, 2005

The Honorable John H. Chichester
Chairman
Senate Finance Committee
Senate of Virginia
Post Office Box 904
Fredericksburg, Virginia 22404

The Honorable Harry J. Parrish
Chairman
House Finance Committee
House of Delegates
8898 Bond Court
Manassas, Virginia 20110-4327

The Honorable Vincent F. Callahan, Jr.
Chairman
House Appropriations Committee
House of Delegates
Post Office Box 1173
McLean, Virginia 22101

Dear Messrs. Chairmen:

I am writing to provide documentation of the transactions of the Governor's Opportunity Fund which have occurred during the fourth quarter of the 2005 fiscal year as required by Chapter 4, Item 128.H.

As of June 30, 2005, a total of \$141,809,616 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of June 30, 2005, the cash balance was \$25,356,864, and the balance available for future commitments totaled \$10,991,864. Grants awarded since the inception of the fund total 325.

For the fourth quarter of the 2005 fiscal year, ended June 30, 2005, a total of \$2,925,000 was committed from the Opportunity Fund to assist six projects relocating to or expanding in the state (three of these projects have not yet announced; thus, no details for these projects are provided). Total job creation of these projects was 1,068, while investment totaled \$345 million. Summaries on these projects follow:

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1. Washington County: **Mid-Mountain Foods, Inc.** will expand its warehouse and distribution center in Washington County. This facility will be used for frozen storage and distribution to the Food City supermarket chain. Investment will total \$19.35 million, with 110 new jobs being created (amount of grant: \$250,000; use of grant: construction of second access bridge to warehouse). This project has been announced.
2. Wythe County: **PepsiCo, Inc.**, a manufacturer of beverages, will locate a new facility in Wythe County for its Gatorade line. This location will create 250 jobs, and investment will total \$140 million (amount of grant: \$750,000; use of grant: site preparation). This project has been announced.
3. Arlington County: **BNA, Inc.** will relocate its headquarters from Washington, DC, to Arlington County. BNA is a publisher of print and electronic news. This company will create 289 new jobs, and investment will total \$110 million (amount of grant: \$1,000,000; use of grant: building and site improvements). This project has been announced.

For the projects which have been announced, I am enclosing a profile, an analysis and recommendation by the Virginia Economic Development Partnership, and a scoring sheet.

For the fourth quarter of the 2005 fiscal year, actual disbursements from the Fund were made to the City of Virginia Beach for Stihl; Henry County for MasterBrand Cabinets; Carroll County for AmerLink; Fairfax County for IBM; Warren County for Northeast Cooperative; the City of Bristol for Snack Alliance; the City of Roanoke for Maple Leaf Bakery; Henrico County for Wachovia Securities; King George County for Gerdau Ameristeel; Mecklenburg County for Narricot Industries; Southampton County for Narricot Industries; Mecklenburg County for Peebles; and the City of Danville for Yorktowne Cabinetry. Actual disbursements totaled \$5,990,000.

Sincerely,

Mark R. Kilduff
Executive Director

MRK:kme

Enclosures

cc The Honorable Michael J. Schewel
Secretary of Commerce and Trade