



Virginia Economic Development Partnership
P.O. Box 798 ■ 901 East Byrd Street
Richmond, Virginia 23218-0798
804-371-8100 www.YesVirginia.org

January 13, 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 second quarter of the 2005 fiscal year as required by Chapter 4, Item 128.H.

As of December 31, 2004, a total of \$141,264,286 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of December 31, 2004, the cash balance was \$31,358,263, and the balance available for future commitments totaled \$15,878,386. Grants awarded since the inception of the fund total 312.

For the second quarter of the 2005 fiscal year, ended December 31, 2004, a total of \$1,950,000 was committed from the Opportunity Fund to assist seven projects relocating to or expanding in the state. Total job creation of these projects was 2,260, while investment totaled \$268 million. Summaries on these projects follow:

1. Franklin County: **CTS&I Millwork, Inc.** will locate a new facility in Franklin County. CTS&I is a manufacturer of architectural trim and casework products and will create 100 jobs. Investment will total \$3.9 million (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.
2. Arlington County: **Corporate Executive Board** will locate its headquarters facility in Arlington County. Corporate Executive Board provides best practices research and analysis to more than 1,900 of the world's largest and most prestigious corporations. Corporate Executive Board will create 1,610 new jobs and invest \$227.4 million (amount of grant: \$1,000,000; use of grant: site development and improvements). This project has been announced.
3. City of Bristol: **Snack Alliance, Inc.**, a manufacturer of potato chips, will locate a new facility in the City of Bristol. Total investment is \$9.8 million, with 95 new jobs being created and 85 jobs being saved (amount of grant: \$225,000; use of grant: building improvements). This project has been announced.
4. Botetourt County: **Arkay Packaging Corporation** will expand its existing facility in Botetourt County. Arkay is a manufacturer of packaging for the cosmetics and pharmaceuticals industry. This expansion will create 75 jobs, and investment will total \$11 million (amount of grant: \$50,000; use of grant: building improvements). This project has been announced.
5. Greensville County: **Toll Brothers, Inc.** will expand its existing facility in Greensville County. Toll Brothers is a manufacturer of wooden wall panels, trusses, and building lumber. This company will create 100 new jobs, and investment will total \$5 million (amount of grant: \$300,000; use of grant: building construction). This project has been announced.
6. Scott County: **Midpaco**, a manufacturer of paper products, will locate a new facility in Scott County. Midpaco will create 140 new jobs (in addition to saving 33 existing jobs by acquiring an existing company, Mid-Atlantic Paper). Investment will total \$3 million (amount of grant: \$175,000; use of grant: site and building improvements). This project has been announced.
7. Mecklenburg County: **RD Group LLC**, a linen and uniform rental service, will locate a new facility in Mecklenburg County. RD Group will create 55 new jobs and invest \$8 million (amount of grant: \$100,000; use of grant: site work and building improvements). This project has been announced.

Committee Chair
January 13, 2005
Page Three

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 second quarter of the 2005 fiscal year, actual disbursements from the Fund were made to Tazewell County for Blue Ridge Wood Products and Botetourt County for Altec Industries. Actual disbursements totaled \$550,000.

Sincerely,

Mark R. Kilduff
Executive Director

MRK:kme

Enclosures

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