



Virginia Economic Development Partnership
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May 2, 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 third quarter of the 2005 fiscal year as required by Chapter 4, Item 128.H.

As of March 31, 2005, a total of \$141,628,705 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of March 31, 2005, the cash balance was \$29,702,953, and the balance available for future commitments totaled \$13,197,953. Grants awarded since the inception of the fund total 322.

For the third quarter of the 2005 fiscal year, ended March 31, 2005, a total of \$4,237,500 was committed from the Opportunity Fund to assist 13 projects relocating to or expanding in the state. Total job creation of these projects was 2,126, while investment totaled \$213 million. Summaries on these projects follow:

1. Halifax County: **Lindstrand Technologies** will locate a new facility in Halifax County. Lindstrand is a manufacturer of inflatable fabric structures and will create 50 jobs. Investment will total \$2.5 million (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.
2. Pulaski County: **Bondcote Corporation**, a manufacturer of coated and laminated industrial fabrics, will expand its existing facility in Pulaski County. BondCote will create 27 new jobs and invest \$2.8 million (amount of grant: \$37,500; use of grant: building improvements). This project has been announced.
3. Henry County: **Texturing Services, Inc.** will locate a new facility in Henry County. This company is a provider of texturing services for the yarn industry. Total investment is \$13.25 million, with 200 new jobs being created (amount of grant: \$250,000; use of grant: building improvements). This project has been announced.
4. City of Roanoke: **Johnstown America Corporation**, a manufacturer of freight cars, will locate a new facility in the City of Roanoke. This location will create 400 jobs, and investment will total \$5.5 million (amount of grant: \$200,000; use of grant: site improvements). This project has been announced.
5. Patrick County: **Ten Oaks, LLC** will locate a new facility in Patrick County. Ten Oaks is a manufacturer of hardwood flooring. This company will create 150 new jobs, and investment will total \$5.95 million (amount of grant: \$200,000; use of grant: building acquisition and improvements). This project has been announced.
6. City of Danville: **Yorktowne Cabinetry, Inc.**, a manufacturer of kitchen cabinets, will locate a new facility in the City of Danville. Yorktowne will create 540 new jobs, and investment will total \$19.1 million (amount of grant: \$1,800,000; use of grant: site preparation and building improvements). This project has been announced.
7. Town of Pulaski: **James Hardie Building Products**, a manufacturer of fiber cement siding, will locate a new facility in the Town of Pulaski. James Hardie will create 200 new jobs and invest \$95 million (amount of grant: \$450,000; use of grant: site preparation). This project has been announced.
8. Carroll County: **AmerLink, Ltd.** will locate a new facility in Carroll County. AmerLink is a manufacturer of log homes and will create 200 new jobs. Investment will total \$3 million (amount of grant: \$300,000; use of grant: site development and building construction). This project has been announced.
9. King George County: **Gerdau Ameristeel**, a manufacturer of concrete reinforcing fabrication, will locate a new facility in King George County. Gerdau will create 50 new jobs and invest \$5 million (amount of grant: \$100,000; use of grant: site improvements). This project has been announced.

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10. Mecklenburg and Southampton Counties: **Narricot Industries, LP** will expand its existing facilities in Mecklenburg and Southampton Counties. Narricot is a manufacturer of seatbelts and air bags for the automotive industry. This expansion will create 138 jobs and an investment of \$20 million (amount of grant: \$450,000; use of grant: site and building improvements). This project has been announced
11. Town of South Hill (Mecklenburg County): **Pebbles, Inc.** will expand its distribution center in the Town of South Hill. This expansion will create 81 jobs and \$6.5 million investment (amount of grant: \$200,000; use of grant: building improvements). This project has been announced.
12. Roanoke County: **Tecton Products LLC**, a manufacturer of fiberglass products, will locate a new facility in Roanoke County. Tecton will create 58 jobs and invest \$6.5 million (amount of grant: \$100,000; use of grant: land acquisition, site development, and infrastructure improvements). This project has been announced.
13. Prince George County: **Service Center Metals**, a manufacturer of aluminum rod, bar, and tubing, will expand its existing facility in Prince George County. This expansion will create 32 new jobs and an investment of \$28 million (amount of grant: \$50,000; use of grant: site preparation). 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 third quarter of the 2005 fiscal year, actual disbursements from the Fund were made to Grayson County for Universal Food and Beverage; Scott County for Midpaco; Greensville County for Toll Integrated Systems; Mecklenburg County for RD Group; Botetourt County for Arkay Packaging; Orange County for Aerojet; the City of Virginia Beach for Stihl; and Henry County for MasterBrand Cabinets. Actual disbursements totaled \$2,450,000.

Sincerely,

Mark R. Kilduff
Executive Director

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Enclosures

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