



COMMONWEALTH of VIRGINIA

Office of the Governor

Patrick O. Gottschalk
Secretary of Commerce and Trade

July 31, 2006

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

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

The Honorable Harry R. Purkey
Chairman, House Finance Committee
House of Delegates
2352 Leeward Shore Drive
Virginia Beach, Virginia 23451

RE: Virginia Investment Partnership Transactions

Dear Messrs. Chairmen:

I am writing to report on the grants that have been awarded during the second quarter of the 2006 calendar year as required by § 2.2-5103(D) of the Code of Virginia.

For the second quarter, ending June 30, 2006, there was one Tier One grant awarded. In the Tier Two category (over \$100 million in capital investment and at least 1,000 new employees or corporate headquarters and other basic employers that make a capital investment of at least \$100 million and create at least 400 jobs paying at least twice the prevailing average wage for the area), there were no grants awarded.

Tier One:

1. **Printpak**, a manufacturer of packaging material, will expand its existing facility in the City of Newport News. Awarded a \$500,000 grant, the company will be making a \$51.9 million investment and creating 43 jobs by the end of 2009.

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Tier Two:

No Tier Two grants were awarded.

For the second quarter of the 2006 calendar year, there were no actual disbursements from the Fund, as the payments begin in the fourth year (or in the third year for manufacturers in fiscally distressed areas) after the investment is actually made. Funds to meet the Tier Two awards must be specifically appropriated for payment beginning in the sixth year after the investment is made.

Sincerely,

Patrick O. Gottschalk

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cc: Mr. Jeffrey M. Anderson
Executive Director
Virginia Economic Development Partnership