



Virginia Economic Development Partnership
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April 23, 2007

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

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

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 2007 fiscal year as required by **Chapter 3, Item 119.G**.

As of March 31, 2007, a total of \$167,998,857 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of March 31, 2007, the cash balance was \$33,843,434, and the balance available for future commitments totaled \$18,485,934. However, when the GOF preapprovals made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$1,260,934. Grants awarded since the inception of the fund total 376.

For the third quarter of the 2007 fiscal year, ended March 31, 2007, a total of \$2,995,000 was committed from the Opportunity Fund to assist seven projects relocating to or expanding in the state. Total job creation of these projects was 1,295, while investment totaled \$340.9 million. Summaries on these projects follow:

1. Culpeper County: **Terremark Worldwide, Inc.**, a leading operator of integrated internet exchanges and a global provider of managed information technology infrastructure for government and the private sector, will locate a new facility in Culpeper County. Terremark will create 250 new jobs and invest \$270 million (amount of grant: \$1,000,000; use of grant: building infrastructure). This project has been announced.
2. Smyth County: **Wellborn Cabinet, Inc.**, a manufacturer of cabinets, will locate a new facility in Smyth County. With an investment totaling \$3 million, this location will create 100 new jobs (amount of grant: \$75,000; use of grant: building improvements). This project has been announced.
3. Project Not Yet Announced.
4. City of Harrisonburg: **Ariake U.S.A., Inc.** will expand its existing facility in the City of Harrisonburg. Ariake is a manufacturer of natural seasonings and will create 25 new jobs. Investment will total \$18 million (amount of grant: \$50,000; use of grant: site improvements). This project has been announced.
5. City of Danville: **Nestle** will expand its existing facility in the City of Danville. Nestle will create 50 new jobs and invest \$20 million (amount of grant: \$75,000; use of grant: building improvements). This project has been announced.
6. City of Bedford: **The Matrixx Group**, a manufacturer of thermoplastic compounded products, will locate a new facility in the City of Bedford. The Matrixx Group will create 40 jobs and invest \$9.85 million (amount of grant: \$175,000; use of grant: site improvements). This project has been announced.
7. Project Not Yet Announced.

Committee Chair
April 23, 2007
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 third quarter of the 2007 fiscal year, actual disbursements from the Fund were made to the City of Staunton for Specialty Blades; the Town of West Point for U.S. Components; Wythe County for Mid-Atlantic Manufacturing and Hydraulics; Roanoke County for Novozymes Biologicals; Russell County for Northrop Grumman; and the City of Danville for Corning. Actual disbursements totaled \$1,025,000.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey M. Anderson". The signature is written in black ink and is positioned above a thin horizontal line.

Jeffrey M. Anderson
Executive Director

JMA:kme

Enclosures

cc The Honorable Patrick O. Gottschalk
Secretary of Commerce and Trade