



COMMONWEALTH of VIRGINIA

Office of the Governor

Timothy M. Kaine
Governor

July 18, 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
Virginia 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 half of the 2007 fiscal year as required by § 2.2-115(F) of the Code of Virginia.

For the second half of the 2007 fiscal year, ended June 30, 2007, a total of \$3,695,000 was committed from the Opportunity Fund to assist 11 projects relocating to or expanding in the state. A summary for each of these projects is enclosed. 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.

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For the second half 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; the City of Danville for Corning; Montgomery County for Federal Mogul; Orange County for Diversified Information Technologies; and the City of Danville for Nestle. Actual disbursements totaled \$1,500,000.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Kaine", with a stylized flourish at the end.

Timothy M. Kaine

TMK:kme
Enclosures

c: The Honorable Patrick O. Gottschalk
Secretary of Commerce and Trade

Mr. Jeffrey M. Anderson
Executive Director, Virginia Economic Development Partnership

PROJECT SUMMARIES

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. City of Chesapeake: **American Funds, Inc.**, a manager of mutual funds, is planning an expansion of its facility in the City of Chesapeake. Investment will total \$12 million, with 250 new jobs being created (amount of grant: \$200,000; use of grant: building construction and upfit). This project has been 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.
8. Augusta County: **Hershey**, a manufacturer of chocolate and non-chocolate confectionery products, will expand its existing facility in Augusta County. Hershey will create 150 new jobs and invest \$25 million (amount of grant: \$200,000; use of grant: infrastructure improvements). This project has been announced.

9. Charlotte County: **Alderman Rail Car Services** will locate a new facility in Charlotte County. Alderman refurbishes and repairs railcars. With an investment totaling \$3.5 million, this location will create 110 new jobs (amount of grant: \$100,000; use of grant: site preparation). This project has been announced.

10. Smyth/Washington Counties: **Gates Corporation**, a manager of hoses, belts, and hydraulic systems, will locate a new facility in the Glade Highlands shell building, which is owned by the Smyth-Washington Industrial Facilities Authority. Investment will total \$8.7 million, with 172 new jobs being created (amount of grant: \$300,000; use of grant: building upfits). This project has been announced.

11. Smyth County: **American Wood Fibers** will expand its existing facility in Smyth County. American Wood Fibers is a producer of wood flour and wood by-products and will create 30 new jobs. Investment will total \$9 million (amount of grant: \$100,000; use of grant: site and infrastructure development). This project has been announced.