



COMMONWEALTH of VIRGINIA

Office of the Governor

Timothy M. Kaine
Governor

February 11, 2008

The Honorable Charles J. Colgan
Chairman
Senate Finance Committee
Senate of Virginia
Post Office Box 396
Richmond, Virginia 23218

The Honorable Harry R. Purkey
Chairman
House Finance Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

The Honorable Lacey E. Putney
Chairman
House Appropriations Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

Dear Messrs. Chairmen:

I am writing to provide documentation of the transactions of the Governor's Opportunity Fund which have occurred during the first half of the 2008 fiscal year as required by § 2.2-115(F) of the Code of Virginia.

For the first half of the 2008 fiscal year, ended December 31, 2007, a total of \$13,500,000 was committed from the Opportunity Fund to assist 13 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.

The Honorable Charles J. Colgan
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For the first half of the 2008 fiscal year, actual disbursements from the Fund were made to the City of Virginia Beach for Amerigroup; Scott County for Holston Medical Group; York County for Philip Morris; Halifax County for ABB; the City of Chesapeake for American Funds; the City of Harrisonburg for Ariake; the Smyth-Washington Industrial Facilities Authority for Gates Corporation; Augusta County for Hershey; Smyth County for Wellborn Cabinet; the City of Bedford for Matrixx; the City of Richmond for MeadWestvaco; Arlington County for the Bureau of National Affairs; and Rockbridge County for Lees Commercial Carpet. Actual disbursements totaled \$6,360,000.

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

cc: The Honorable Patrick O. Gottschalk, Secretary of Commerce and Trade
Mr. Jeffrey M. Anderson, Virginia Economic Development Partnership

PROJECT SUMMARIES

1. City of Richmond: **MeadWestvaco Corporation**, a manufacturer of packaging products, will locate its corporate headquarters in the City of Richmond. MeadWestvaco will create 400 jobs and invest \$80 million (amount of grant: \$2,000,000; use of grant: building upfits and infrastructure improvements). This project has been announced.
2. City of Staunton: **Universal Impact, Inc.** will locate a new facility in the City of Staunton. Universal Impact is a manufacturer of aluminum impact extrusion products. With an investment totaling \$2.5 million, this location will create 50 new jobs (amount of grant: \$50,000; use of grant: workforce training). This project has been announced.
3. Fairfax County: **Volkswagen of America, Inc.** will locate its North American corporate headquarters in Fairfax County. Investment will total \$118 million, with 401 new jobs being created (amount of grant: \$1,500,000; use of grant: infrastructure improvements and workforce training). This project has been announced.
4. Project Not Yet Announced.
5. Shenandoah County: **International Automotive Components**, a manufacturer of molded automotive interiors, will expand its existing facility in Shenandoah County. The company will create 60 new jobs and invest \$3 million (amount of grant: \$50,000; use of grant: building improvements). This project has been announced.
6. City of Staunton: **Carded Graphics, LLC**, a manufacturer of folded cartons, will expand its existing facility in the City of Staunton. Carded Graphics will invest \$6.5 million and create 35 new jobs (amount of grant: \$75,000; use of grant: site improvements). This project has been announced.
7. Arlington County: **GridPoint, Inc.** will locate its corporate headquarters in Arlington County. GridPoint is a provider of intelligent energy management appliances and will create 246 jobs and invest \$5 million (amount of grant: \$500,000; use of grant: building improvements). This project has been announced.
8. Bedford County: **Innovative Wireless Technologies, Inc.**, a supplier of wireless and telecommunications products, will expand its existing facility in Bedford County. With an investment totaling \$5.7 million, this expansion will create 50 new jobs (amount of grant: \$150,000; use of grant: site improvements). This project has been announced.
9. Prince William County: **Covance**, a pharmaceutical research and development laboratory, will expand its facility in Prince William County. Investment will total \$175 million, with 100 new jobs being created and retaining the existing 450 jobs for Virginia (amount of grant: \$1,000,000; use of grant: grant to the Prince William County Industrial Development Authority to assist with Covance's location). This project has been announced.

10. Prince George County: **Rolls-Royce North America** will locate an assembly and test facility for corporate and commercial aerospace engines in Prince George County. Rolls-Royce will create 100 jobs, and investment will total \$90 million (amount of grant: \$3,000,000; use of grant: site and infrastructure improvements). Please see the note in Item 11 below. This project has been announced.

11. Prince George County: **Rolls-Royce North America** will locate an aerospace advanced manufacturing facility in Prince George County. The company will create 70 new jobs and invest \$60 million (amount of grant: \$3,000,000; use of grant: site and infrastructure improvements). NOTE: Beyond the time period covered by the Performance Agreement for the two Governor's Opportunity Fund grants for Rolls-Royce, the company has announced further capital improvements of \$351.4 million and further jobs in Virginia of 472, resulting in a total capital investment of \$501.4 million and total jobs of 642. This project has been announced.

12. Nottoway County: **Showbest Fixture Corporation**, a manufacturer of store fixtures, will expand its existing facility in Nottoway County. Showbest will invest \$2.85 million and create 104 new jobs (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.

13. Lunenburg County: **Lignetics, Inc.**, a manufacturer of wood pellets for fuel, will locate a new facility in Lunenburg County. Lignetics will invest \$5.35 million and create 35 new jobs (amount of grant: \$75,000; use of grant: site improvements). This project has been announced.