

April 20, 2009

The Honorable Charles J. Colgan
Chairman
Senate Finance Committee
Senate of Virginia
10677 Aviation Lane
Manassas, Virginia 20110

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

The Honorable Lacey E. Putney
Chairman
House Appropriations Committee
House of Delegates
P.O. Box 127
Bedford, Virginia 24523

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 2009 fiscal year as required by Chapter 879, Item 124.G.

As of March 31, 2009, a total of \$179,102,101 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of March 31, 2009, the cash balance was \$27,318,421, and the balance available for future commitments totaled \$10,745,921. However, when the GOF preapprovals made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$2,795,921. Grants awarded since the inception of the fund total 409.

For the second quarter of the 2009 fiscal year, ended March 31, 2009, a total of \$1,935,000 was committed from the Opportunity Fund to assist five projects relocating to or expanding in the state. Total job creation of these projects was 669, while investment totaled \$72 million. Summaries on these projects follow:

1. Halifax County: **Lasco Bathware**, a manufacturer of bath fixtures, will expand its existing facility in Halifax County. Lasco will create 50 new jobs and invest \$1.7 million (amount of grant: \$60,000; use of grant: employee training). This project has been announced.
2. City of Galax: **Vaughan-Bassett Furniture Company**, a manufacturer of furniture, will expand its existing facility in the City of Galax. With an investment totaling \$2.15 million, this expansion will create 100 new jobs (amount of grant: \$75,000; use of grant: employee training). This project has been announced.
3. Fairfax County: **Hilton Hotels Corporation** will locate its headquarters in Fairfax County. Investment will total \$17 million, with 325 new jobs being created (amount of grant: \$1,000,000; use of grant: infrastructure improvements). This project has been announced.
4. City of Suffolk: **Sparta Composites**, a manufacturer of aircraft composites, will locate a new facility in the City of Suffolk. This location will create 92 new jobs and an investment of \$13.2 million (amount of grant: \$300,000; use of grant: site preparation). This project has been announced.
5. Loudoun County: **Raytheon**, a defense contractor, will relocate its existing facility from Fairfax County to Loudoun County. In addition to saving the existing 1,493 jobs for Virginia, this relocation will create 102 new jobs and an investment of \$37.5 million (amount of grant: \$500,000; use of grant: transportation improvements). 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.

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For the third quarter of the 2009 fiscal year, actual disbursements from the Fund were made to Grayson County for Nautilus; the City of Portsmouth for APM Terminals; the City of Galax for Vaughan-Bassett; and Chesterfield County for Sabra Dipping. Actual disbursements totaled \$975,000.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey M. Anderson". The signature is written in black ink and is positioned above the typed name.

Jeffrey M. Anderson
Executive Director

JMA:kme

Enclosures

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