

May 4, 2010

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 2010 fiscal year as required by Chapter 781, Item 105.B.

As of March 31, 2010, a total of \$190,358,852 had been appropriated to the Fund. This amount excludes legislative mandates and monies which were unallotted after the original allocation. As of March 31, 2010, the cash balance was \$31,837,335, and the balance available for future commitments totaled \$17,762,224. However, when the GOF preapprovals made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$4,912,224. Active grants awarded since the inception of the fund total 413.

For the third quarter of the 2010 fiscal year, ended March 31, 2010, a total of \$1,475,000 was committed from the Opportunity Fund to assist five projects relocating to or expanding in the state. Total job creation of these projects was 355, while investment totaled \$149 million. Summaries on these projects follow:

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1. Greensville County: **Wood Fuel Developers, LLC**, a manufacturer of renewable fuels, will locate a new facility in Greensville County. Wood Fuel Developers will create 39 new jobs and invest \$18.6 million (amount of grant: \$175,000; use of grant: utility infrastructure and site development). This project has been announced.
2. Charlotte County: **Morgan Lumber Company, Inc.** will expand its sawmill in Charlotte County. This expansion will create 25 new jobs and an investment of \$4.2 million (amount of grant: \$100,000; use of grant: site development). This project has been announced.
3. Frederick County: **Kraft**, a manufacturer of snacks, beverages, cheese, grocery, and convenience meals, will expand its Frederick County facility. This expansion will increase production of the company's Capri Sun beverage product. With an investment totaling \$40 million, this expansion will create 100 new jobs (amount of grant: \$200,000; use of grant: grant to the Frederick County Industrial Development Authority to assist with utility connections and site infrastructure improvements). This project has been announced.
4. Shenandoah County: **Mercury Paper** will expand its facility in Shenandoah County. Mercury Paper is a manufacturer of paper towels and tissue products. Investment will total \$21.2 million, with 150 new jobs being created (amount of grant: \$250,000; use of grant: site and building improvements). This project has been announced.
5. City of Waynesboro: **Polymer Group, Inc.**, a manufacturer of non-woven materials, will expand its facility in the City of Waynesboro. This expansion will create 41 new jobs and an investment of \$65 million (amount of grant: \$750,000; use of grant: site 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 2010 fiscal year, actual disbursements from the Fund were made to the City of Danville for JTI Leaf Services, the City of Suffolk for Sparta Composites, and Frederick County for Thermo Fisher. Actual disbursements totaled \$490,000.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey M. Anderson". The signature is written in a cursive style with a long horizontal line extending to the right.

Jeffrey M. Anderson  
Executive Director

JMA:kme

Enclosures

cc     The Honorable James S. Cheng  
          Secretary of Commerce and Trade