



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP
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October 21, 2011

The Honorable Charles J. Colgan
Chairman
Senate Finance Committee
Senate of Virginia
10660 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 first quarter of the 2012 fiscal year as required by Chapter 890, Item 114.G.

As of September 30, 2011, a total of \$227,900,679 had been appropriated to the Fund. As of September 30, 2011, the CARS cash balance was \$47,106,937, and the balance available for future commitments totaled \$39,690,229. However, when the GOF preapprovals made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$13,580,229. Active grants awarded since the inception of the fund total 447.

For the first quarter of the 2012 fiscal year, ended September 30, 2011, a total of \$1,550,000 was committed from the Opportunity Fund to assist six projects relocating to or expanding in the state. Total job creation of these projects was 869, while investment totaled \$151 million. Summaries on these projects follow:

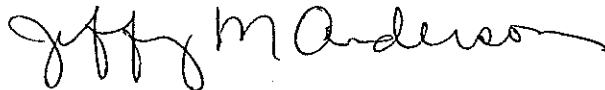
1. Isle of Wight County: **International Paper**, a manufacturer of paper products, will locate a new facility in Isle of Wight County. International Paper will create 238 jobs and invest \$83 million (amount of grant: \$350,000; use of grant: workforce training). This project has been announced.
2. Botetourt County: **Tread Corporation**, a manufacturer of bulk explosives handling equipment, will expand its existing facility in Botetourt County. This location will create 100 new jobs and an investment of \$5 million (amount of grant: \$100,000; use of grant: infrastructure improvements). This project has been announced.
3. Henrico County: **Fareva, S.A.**, a manufacturer of pharmaceuticals, will expand its existing facility in Henrico County. Fareva will create 90 new jobs, in addition to saving the 494 existing jobs, and invest \$42 million (amount of grant: \$650,000; use of grant: training, retraining, and building improvements). This project has been announced.
4. Pittsylvania County: **Axxor, N.A.**, a supplier of honeycomb cores, will locate a new facility in Pittsylvania County. Axxor supplies Swedwood and other manufacturers of furniture, doors, and automotive components with these cores. Investment will total \$4.9 million, with 31 new jobs being created (amount of grant: \$50,000; use of grant: infrastructure improvements). This project has been announced.
5. City of Suffolk: **Ace Hardware** will locate a distribution center in the City of Suffolk. With an investment of \$14 million, this location will create 75 jobs (amount of grant: \$100,000; use of grant: workforce training). This project has been announced.
6. City of Galax: **Albany Industries, Inc.** will locate a new facility in the City of Galax. Albany is a manufacturer of furniture and will create 335 new jobs and invest \$2.5 million (amount of grant: \$300,000; use of grant: building 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.

Committee Chair
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For the first quarter of the 2012 fiscal year, actual disbursements from the Fund were made to the City of Staunton for Cadence, the City of Danville for Noblis' Center for High Performance Computing, Charlotte County for Genesis, and the City of Danville for Com40. Actual disbursements totaled \$1,400,000.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey M. Anderson". The signature is fluid and cursive, with the first name "Jeffrey" being the most prominent part.

Jeffrey M. Anderson
President and Chief Executive Officer

JMA:kme

Enclosures

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