

## COMMONWEALTH of VIRGINIA

Office of the Governor

Robert F. McDonnell Governor

July 31, 2013

The Honorable Walter A. Stosch Chairman Senate Finance Committee Senate of Virginia 4551 Cox Road, Suite 110 Innsbrook Centre Glen Allen, Virginia 23060

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 second half of the 2013 fiscal year as required by § 2.2-115(G) of the <u>Code of Virginia</u>.

For the second half of the 2013 fiscal year, ended June 30, 2013, a total of \$4,020,000 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.

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For the second half of the 2013 fiscal year, actual disbursements from the Fund were made to Isle of Wight County for Tak Investments, Pulaski County for Phoenix Packaging, Augusta County for Daikin McQuay, Giles County for Celanese, the City of Lynchburg for Porter's Fabrication, the City of Newport News for Liebherr, Mecklenburg County for Microsoft, Prince George County for Rolls-Royce, and Isle of Wight County for International Paper. Actual disbursements totaled \$3,234,602.

Sincerely,

Robert F. McDonnell

RFM:kme

**Enclosures** 

cc: The Honorable James S. Cheng, Secretary of Commerce and Trade
Mr. Martin J. Briley, President and CEO, Virginia Economic Development Partnership

## PROJECT SUMMARIES

- 1. <u>City of Newport News</u>: **Liebherr Mining Equipment Company**, a manufacturer of mining equipment, will expand its existing facility in the City of Newport News. Liebherr will create 174 new jobs and invest \$45.4 million (amount of grant: \$500,000; use of grant: infrastructure improvements and employee training; other grants awarded: Virginia Jobs Investment Program grant of \$140,940, Virginia Investment Partnership grant of \$800,000, Enterprise Zone Job Creation grant of \$578,400, Enterprise Zone Real Property Improvement grant of \$116,000, Economic Development Access Program grant of \$650,000, Transportation Partnership Opportunity Fund grant of \$500,000; local match: \$1,000,000; anticipated completion date: December 2015; average wage of new jobs: \$46,067; prevailing average wage: \$46,021). This project has been announced.
- 2. Scott County: **Tempur-Pedic International Inc.**, a manufacturer of mattresses and pillows, will expand its existing facility in Scott County. This expansion will create 42 new jobs and an investment of \$13.3 million (amount of grant: \$150,000; use of grant: facility development and improvements; other grants awarded: Virginia Jobs Investment Program grant of \$42,000, Virginia Jobs Investment Program Retraining grant of \$90,000, Tobacco Region Opportunity Fund grant of \$182,000, Enterprise Zone Job Creation grant of \$108,800; local match: \$250,000; anticipated completion date: January 2016; average wage of new jobs: \$40,000; prevailing average wage: \$30,467). This project has been announced.

## 3. Not Yet Announced.

- 4. Mecklenburg County: Microsoft, a provider of internet service and software programs, will expand its existing facility in Mecklenburg County. Microsoft will create 30 new jobs and invest \$349 million (amount of grant: \$200,000; use of grant: utility infrastructure; other grants awarded: Tobacco Region Opportunity Fund grant of \$2,000,000; local match: \$200,000; anticipated completion date: January 2016; average wage of new jobs: \$45,318; prevailing average wage: \$29,621). This project has been announced.
- 5. Augusta County: Daikin McQuay will expand its existing facility in Augusta County. A manufacturer of heating, ventilation, air conditioning, and refrigeration equipment, Daikin McQuay will create 50 new jobs and an investment of \$9.2 million (amount of grant: \$250,000; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$42,500; local match: \$250,000; anticipated completion date: February 2016; average wage of new jobs: \$50,000; prevailing average wage: \$38,511). This project has been announced.

- 6. City of Virginia Beach: Prufrex Innovative Power Products GmbH will locate its headquarters, as well as a manufacturing operation, in the City of Virginia Beach. Prufrex is a manufacturer of digital ignition and electronic control systems. This location will create 60 jobs and an investment of \$7.3 million (amount of grant: \$120,000; use of grant: building improvements and employee training; other grants awarded: Virginia Jobs Investment Program grant of \$60,000; local match: \$120,000; anticipated completion date: February 2016; average wage of new jobs: \$39,020; prevailing average wage: \$38,393). This project has been announced.
- 7. Augusta County: Shamrock Foods, a manufacturer and distributor of food and food service products, will locate a new facility in Augusta County. With an investment of \$50 million, this project will create 60 jobs (amount of grant: \$250,000; use of grant: site development; other grants awarded: Virginia Jobs Investment Program grant of \$45,000, Agriculture and Forestry Industries Development Fund grant of \$50,000, Economic Development Access Program grant of \$650,000; local match: \$2,125,000; anticipated completion date: February 2016; average wage of new jobs: \$39,553; prevailing average wage: \$38,360). This project has been announced.
- 8. <u>City of Lynchburg</u>: **Porter's Fabrications**, a manufacturer of fabricated metal parts, will locate a new facility in the City of Lynchburg. Porter's will create 120 jobs and invest \$1.8 million (amount of grant: \$300,000; use of grant: building improvements and workforce training; other grants awarded: Virginia Jobs Investment Program grant of \$120,000, Enterprise Zone Job Creation grant of \$440,000; local match: \$300,000; anticipated completion date: February 2016; average wage of new jobs: \$40,000; prevailing average wage: \$39,737). This project has been announced.
- 9. Pulaski County: Red Sun Farms (Agricola el Rosal) will establish its first U.S. facility in Pulaski County. Red Sun is a producer of organic vegetables. This project will create 142 jobs and an investment of \$21.1 million (amount of grant: \$350,000; use of grant: site development; other grants awarded: Virginia Jobs Investment Program grant of \$113,600, Enterprise Zone Job Creation grant of \$38,400, Enterprise Zone Real Property Improvement grant of \$200,000, Agriculture and Forestry Industries Development Fund grant of \$100,000; local match: \$4,000,000; anticipated completion date: March 2016; average wage of new jobs: \$26,583; prevailing average wage: \$34,758). This project has been announced.
- 10. <u>Fairfax County</u>: Amazon Web Services is a designer and provider of information technology infrastructure services. Investing \$9.5 million and creating 380 jobs, Amazon Web Services will locate a new facility in Fairfax County (amount of grant: \$500,000; use of grant: road and building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$237,500; local match: \$500,000; anticipated completion date: March 2016; average wage of new jobs: \$114,000; prevailing average wage: \$77,238). This project has been announced.

- 11. City of Newport News: High Liner Foods, Incorporated, a processor of frozen seafood, will expand its existing facility in the City of Newport News. High Liner will create 57 new jobs and invest \$6.6 million (amount of grant: \$250,000; use of grant: infrastructure and process improvements; other grants awarded: Virginia Jobs Investment Program grant of \$39,900, Enterprise Zone Job Creation grant of \$121,600, Enterprise Zone Real Property Improvement grant of \$100,000; local match: \$300,000; anticipated completion date: March 2016; average wage of new jobs: \$35,422; prevailing average wage: \$45,735). This project has been announced.
- 12. Chesterfield County: Sabra Dipping Company, a producer of kosher vegetarian prepared foods, will expand its existing facility in Chesterfield County. Sabra will create 140 new jobs and invest \$86 million (amount of grant: \$350,000; use of grant: employee training and site preparation; other grants awarded: Virginia Jobs Investment Program grant of \$112,000, Virginia Investment Partnership grant of \$500,000, Enterprise Zone Job Creation grant of \$40,000; local match: \$1,224,500; anticipated completion date: May 2016; average wage of new jobs: \$45,000; prevailing average wage: \$43,629). This project has been announced.
- 13. Frederick County: HP Hood, a manufacturer of dairy products, will expand its existing facility in Frederick County. This expansion will create 75 new jobs and an investment of \$84.6 million (amount of grant: \$500,000; use of grant: water and sewer infrastructure improvements; other grants awarded: Virginia Jobs Investment Program grant of \$33,600, Virginia Investment Partnership grant of \$1,000,000; local match: \$1,533,600; anticipated completion date: May 2016; average wage of new jobs: \$44,080; prevailing average wage: \$38,606). This project has been announced.