

July 31, 2015

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

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

The Honorable R. Lee Ware  
Chairman  
House Finance Committee  
House of Delegates  
P.O. Box 689  
Powhatan, Virginia 23139

The Honorable S. Chris Jones  
Chairman  
House Appropriations Committee  
House of Delegates  
P.O. Box 5059  
Suffolk, Virginia 23435

Dear Messrs. Chairmen:

I am writing to provide documentation of the transactions of the Governor's Opportunity Fund which have occurred during the fourth quarter of the 2015 fiscal year as required by Chapter 2, Item 120.G.

As of June 30, 2015, a total of \$247,538,789 had been appropriated to the Fund. As of June 30, 2015, the CARS cash balance was \$23,532,596, and the balance available for future commitments totaled \$9,713,997. However, when the GOF preapprovals of \$43,900,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to (\$34,186,003). Observing the rule that 40% of preapprovals, or \$17,560,000, will not move forward, the available balance becomes (\$16,626,003). Active grants awarded since the inception of the Fund total 544.

For the fourth quarter of the 2015 fiscal year, ended June 30, 2015, a total of \$6,715,000 was committed from the Opportunity Fund to assist 11 projects relocating to or expanding in the state. Total job creation of these projects was 1,230, while investment totaled \$301 million. The combined ten-year net present value of these 11 projects is \$65,289,086. Summaries on these projects follow:

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Committee Chair

July 31, 2015

Page Two

1. Arlington County: **Lidl**, a global discount supermarket chain, will establish its U.S. headquarters in Arlington County. The company will create 500 new jobs and invest \$77 million (amount of grant: \$4,000,000; use of grant: site and building improvements; ten-year net present value: \$37,376,872). This project has been announced.
  2. Spotsylvania County: **Lidl**, a global discount supermarket chain, will locate a distribution center in Spotsylvania County. This location will create 80 new jobs and an investment of \$125 million (amount of grant: \$1,000,000; use of grant: building and infrastructure improvements; ten-year net present value: \$8,219,304). This project has been announced.
  3. Wise County: **Dhiyo House, Inc.** will expand its existing facility in Wise County. Dhiyo House is a manufacturer of specialty belting. This project will create 80 new jobs and an investment of \$6.1 million (amount of grant: \$250,000; use of grant: building improvements and workforce training; ten-year net present value: \$1,127,841). This project has been announced.
  4. Hanover County: **Mavalerio Ltd.**, a manufacturer of confectionery products, will locate a new facility in Hanover County. This location will create 55 new jobs and an investment of \$5 million (amount of grant: \$50,000; use of grant: building improvements and workforce training; ten-year net present value: \$1,628,609). This project has been announced.
  5. Montgomery County: **Hubbell Lighting, Inc.**, a manufacturer of lighting products, will expand its existing facility in Montgomery County. Hubbell will create 100 new jobs and invest \$4.665 million (amount of grant: \$100,000; use of grant: building improvements; ten-year net present value: \$2,890,761). This project has been announced.
  6. Washington County: **Qore Systems, LLC** will locate a new facility in Washington County. The company is a manufacturer of hand purifier products and will create 140 new jobs and invest \$12.8 million (amount of grant: \$500,000; use of grant: site acquisition and building improvements; ten-year net present value: \$6,054,002). This project has been announced.
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7. Orange County: **Aerojet Rocketdyne**, an aerospace manufacturer, will expand its existing facility in Orange County. This project will create 100 new jobs and invest \$11 million (amount of grant: \$300,000; use of grant: building and infrastructure improvements; ten-year net present value: \$4,256,976). This project has been announced.
8. Henry County: **Monogram Food Solutions**, a manufacturer of processed meat snacks, will expand its existing facility in Henry County. Monogram will create 101 new jobs and invest \$7.244 million (amount of grant: \$200,000; use of grant: building improvements and workforce training; ten-year net present value: \$1,915,095). This project has been announced.
9. City of Harrisonburg: **AXON Ghost Sentinel** will expand its existing facility in the City of Harrisonburg. The company is a developer of cybersecurity products and will create 29 new jobs and invest \$1.5 million (amount of grant: \$75,000; use of grant: workforce training; ten-year net present value: \$1,177,696). This project has been announced.
10. Carroll County: **CWW Conveyor Systems**, a supplier of conveyor systems for the mining industry, will expand its existing facility in Carroll County. CWW will create 20 new jobs and invest \$2 million (amount of grant: \$65,000; use of grant: infrastructure improvements and workforce training; ten-year net present value: \$317,879). This project has been announced.
11. Culpeper County: **Continental Automotive Systems, Inc.** is a supplier of automotive products. With an investment of \$49 million and the creation of 25 new jobs, Continental will expand its existing facility in Culpeper County (amount of grant: \$175,000; use of grant: building improvements and workforce training; ten-year net present value: \$324,051). This project has been announced.

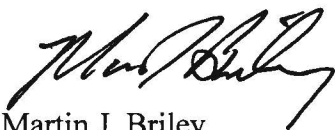
For the projects which have been announced, I am enclosing a profile, an analysis and recommendation by the Virginia Economic Development Partnership, and a scoring sheet.

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Committee Chair  
July 31, 2015  
Page Four

For the fourth quarter of the 2015 fiscal year, actual disbursements from the Fund were made to Charlotte County for Blue Ridge Railcar, the City of Bristol for Nulife, Wythe County for Coperion, the City of Suffolk for Friant and Associates, Hanover County for Mavalerio, Fairfax County for Bechtel Corporation, and the City of Richmond for Stone Brewing. Actual disbursements totaled \$6,035,000.

Sincerely,



Martin J. Briley  
President and Chief Executive Officer

MJB:kme

Enclosures

cc The Honorable Maurice A. Jones  
Secretary of Commerce and Trade

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