



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP
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April 29, 2016

The Honorable Thomas K. Norment, Jr.
Co-Chairman
Senate Finance Committee
Senate of Virginia
P.O. Box 6205
Williamsburg, Virginia 23188

The Honorable Emmett W. Hanger, Jr.
Co-Chairman
Senate Finance Committee
Senate of Virginia
P.O. Box 2
Mount Solon, Virginia 22843

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 Commonwealth's Opportunity Fund (COF) which have occurred during the third quarter of the 2016 fiscal year as required by Chapter 665, Item 120.G.

As of March 31, 2016, a total of \$265,038,789 had been appropriated to the Fund. As of March 31, 2016, the CARS cash balance was \$28,354,739, and the balance available for future commitments totaled \$10,991,139. However, when the COF preapprovals of \$32,620,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to (\$21,628,861). Observing the rule that 40% of preapprovals, or \$13,048,000, will not move forward, the available balance becomes (\$8,580,861). Active grants awarded since the inception of the Fund total 567.

For the third quarter of the 2016 fiscal year, ended March 31, 2016, a total of \$14,060,000 was committed from the Opportunity Fund to assist 14 projects relocating to or expanding in the state. Total job creation of these projects was 3,060, while investment totaled \$298 million. The combined ten-year net present value of these 14 projects is \$73,653,187. Summaries on these projects follow:

1. Henry County: **StarSprings**, a manufacturer of springs for the trucking industry, will locate a new facility in Henry County. StarSprings will create 68 new jobs and invest \$3.7 million (amount of grant: \$100,000; use of grant: building improvements; ten-year net present value: \$860,392). This project has been announced.
2. Augusta County: **AccuTec Blades, Inc.**, a manufacturer of blades, will expand its existing facility in Augusta County. This location will create 53 new jobs and an investment of \$5.4 million (amount of grant: \$125,000; use of grant: building construction; ten-year net present value: \$1,864,241). This project has been announced.
3. City of Newport News: **Printpack, Inc.**, a manufacturer of packaging containers, will expand its existing facility in the City of Newport News. This project will create 50 new jobs and an investment of \$25.7 million (amount of grant: \$150,000; use of grant: construction and workforce training; ten-year net present value: \$1,635,780). This project has been announced.
4. Culpeper County: **Euro-Composites Corporation**, a manufacturer of advanced composites products, will expand its existing facility in Culpeper County. This expansion will create 58 new jobs and an investment of \$10.5 million (amount of grant: \$150,000; use of grant: building construction and improvements; ten-year net present value: \$1,578,885). This project has been announced.
5. City of Suffolk: **Emser Tile, LLC** will locate a new facility in the City of Suffolk. A manufacturer of tile and natural stone, the company will create 98 new jobs and invest \$16.3 million (amount of grant: \$250,000; use of grant: building improvements; ten-year net present value: \$3,383,322). This project has been announced.
6. City of Staunton: **Graphic Packaging International, Inc.** will expand its existing facility in the City of Staunton. The company is a manufacturer of folding cartons and will create 43 new jobs and invest \$20 million (amount of grant: \$250,000; use of grant: building construction; ten-year net present value: \$714,569). This project has been announced.
7. Arlington County: **Opower, Inc.** will expand its headquarters operation in Arlington County. Opower is a provider of software and services to the utility industry. This expansion will create 70 new jobs and invest \$10.5 million (amount of grant: \$1,000,000; use of grant: leasehold improvements; ten-year net present value: \$3,029,581). This project has been announced.

8. Not Yet Announced.
9. Franklin County: **Ply Gem Windows**, a manufacturer of windows, will expand its existing facility in Franklin County. This expansion will create 76 new jobs and an investment of \$1.9 million (amount of grant: \$100,000; use of grant: workforce training; ten-year net present value: \$891,660). This project has been announced.
10. City of Norfolk: **ADP** will locate a new regional customer service center in the City of Norfolk. A provider of business outsource solutions, ADP will create 1,800 new jobs and invest \$32.3 million (amount of grant: \$5,000,000; use of grant: building improvements and workforce training; ten-year net present value: \$33,363,422). This project has been announced.
11. Botetourt County: **Eldor Corporation**, an automotive parts supplier, will locate a new facility in Botetourt County. The company will create 350 new jobs and invest \$75.2 million (amount of grant: \$3,200,000; use of grant: building construction; ten-year net present value: \$6,134,764). This project has been announced.
12. City of Norfolk: **Movement Mortgage, LLC** will relocate its operations center from the City of Virginia Beach to the City of Norfolk. The company will create 200 new jobs and an investment of \$2 million (amount of grant: \$600,000; use of grant: building improvements and workforce training; ten-year net present value: \$5,962,235). This project has been announced.
13. City of Roanoke: **Deschutes Brewery, Inc.** will locate a new brewery in the City of Roanoke. This project will create 108 new jobs and invest \$85 million (amount of grant: \$3,000,000; use of grant: building and site improvements; ten-year net present value: \$12,254,078). This project has been announced.
14. Not Yet 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
April 29, 2016
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For the third quarter of the 2016 fiscal year, actual disbursements from the Fund were made to Tazewell County for Blue Wolf, Fairfax County for Carfax, the City of Hampton for Measurement Specialties, Goochland County for Hardywood, and Henry County for StarSprings. Actual disbursements totaled \$995,000.

Sincerely,

A handwritten signature in black ink, appearing to read "DCGundersen", written over a horizontal line.

Daniel C. Gundersen
Interim President and Chief Executive Officer

DCG:kme

Enclosures

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