

October 31, 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 first quarter of the 2017 fiscal year as required by Chapter 780, Item 125.G.

As of September 30, 2016, a total of \$283,576,990 had been appropriated to the Fund. As of September 30, 2016, the CARS cash balance was \$27,226,390, and the balance available for future commitments totaled \$18,269,632. However, when the COF preapprovals of \$23,014,650 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to (\$4,745,018). Observing the rule that 40% of preapprovals, or \$9,205,860, will not move forward, the available balance becomes \$4,460,842. Active grants awarded since the inception of the Fund total 572.

For the first quarter of the 2017 fiscal year, ended September 30, 2016, a total of \$8,542,500 was committed from the Opportunity Fund to assist nine projects relocating to or expanding in the state. Total job creation of these projects was 1,510, while investment totaled \$379.3 million. The combined ten-year net present value of these nine projects is \$83,405,511. Summaries on these projects follow:

1. City of Alexandria: **The Motley Fool**, a provider of financial advisory services, will expand its existing facility in the City of Alexandria. The Motley Fool will create 60 new jobs and invest \$5 million (amount of grant: \$350,000; use of grant: building improvements; ten-year net present value: \$4,441,111). This project has been announced.
2. Dinwiddie County: **Aldi, Inc.** will locate its regional headquarters and a distribution facility in Dinwiddie County. This location will create 145 new jobs and an investment of \$57 million (amount of grant: \$450,000; use of grant: site acquisition and construction costs; ten-year net present value: \$3,875,655). This project has been announced.
3. City of Danville: **Overfinch** will locate a new automotive customization facility in the City of Danville. This project will create 41 new jobs and an investment of \$1.8 million (amount of grant: \$125,000; use of grant: building improvements and workforce training; ten-year net present value: \$541,048). This project has been announced.
4. Chesterfield County: **Niagara Bottling, LLC**, a supplier of bottled water, will locate a new facility in Chesterfield County. This location will create 76 new jobs and an investment of \$95.4 million (amount of grant: \$500,000; use of grant: site development; ten-year net present value: \$4,936,817). This project has been announced.
5. City of Chesapeake: **Dollar Tree**, a discount variety store, will consolidate its corporate headquarters in the City of Chesapeake. This consolidation will create 600 new jobs and an investment of \$110 million (amount of grant: \$4,000,000; use of grant: building construction and improvements and workforce training; ten-year net present value: \$28,380,466). This project has been announced.
6. Arlington County: **Applied Predictive Technologies**, an analytics provider, will expand its existing facility in Arlington County. Applied Predictive Technologies will create 368 new jobs and invest \$6.8 million (amount of grant: \$1,750,000; use of grant: building improvements; ten-year net present value: \$31,275,122). This project has been announced.

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7. Isle of Wight County: **ST Tissue** will expand its existing facility in Isle of Wight County. A manufacturer of tissue paper, this expansion will create 50 new jobs and an investment of \$35 million (amount of grant: \$167,500; use of grant: building improvements; ten-year net present value: \$3,916,482). This project has been announced.
8. Not Yet Announced.
9. City of Danville: **Kyocera SGS Tech Hub, LLC** will locate a new tooling production facility in the City of Danville. This project will create 35 new jobs and an investment of \$9.5 million (amount of grant: \$200,000; use of grant: building construction and improvements and workforce training; ten-year net present value: \$715,452). 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.

For the first quarter of the 2017 fiscal year, actual disbursements from the Fund were made to the City of Staunton for Graphic Packaging, Botetourt County for Ballast Point, Accomack County for KmX Chemical, the City of Newport News for Printpack, Arlington County for LIDL, Botetourt County for Eldor, the City of Danville for Overfinch, and Henry County for Solid Stone. Actual disbursements totaled \$10,888,158.

Sincerely,



Daniel C. Gundersen
Interim President and Chief Executive Officer
and Chief Operating Officer

DCG:kme

Enclosures

cc The Honorable Todd P. Haymore
Secretary of Commerce and Trade