

July 31, 2017

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  
Mt. 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 fourth quarter of the 2017 fiscal year as required by Chapter 780, Item 125.G.

As of June 30, 2017, a total of \$283,817,071 had been appropriated to the Fund. As of June 30, 2017, the Cardinal Financial System cash balance was \$15,028,137, and the balance available for future commitments totaled \$169,537. However, when the COF preapprovals of \$6,623,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to (\$6,453,463). Observing the rule that 40% of preapprovals, or \$2,649,200, will not move forward, the available balance becomes (\$3,804,263). Active grants awarded since the inception of the Fund total 591.

For the fourth quarter of the 2017 fiscal year, ended June 30, 2017, a total of \$2,860,000 was committed from the Opportunity Fund to assist five projects relocating to or expanding in the state. Total committed job creation of these projects was 691, while committed investment totaled \$157.7 million. Summaries on these projects follow:

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1. Pulaski County: **Phoenix Packaging**, a manufacturer of plastics packaging, will expand its existing facility in Pulaski County. This project will create 145 new jobs and an investment of \$48.7 million (amount of grant: \$600,000; use of grant: site preparation and building costs). This project has been announced.
2. Russell County: **Jennmar** will locate a new facility in Russell County. A manufacturer of heavy duty conveyor belt systems, this project will create 40 new jobs and an investment of \$5 million (amount of grant: \$100,000; use of grant: building and infrastructure improvements). This project has been announced.
3. Henry County: **Eastman Chemical Company**, a manufacturer of solar film, will expand its existing facility in Henry County. This expansion will create 15 new jobs and an investment of \$11.7 million (amount of grant: \$50,000; use of grant: building improvements). This project has been announced.
4. City of Newport News: **Ferguson Enterprises, Inc.**, a supplier of commercial and residential plumbing, will expand its existing facility in the City of Newport News. Ferguson will create 434 new jobs and invest \$82.8 million (amount of grant: \$2,000,000; use of grant: building construction). This project has been announced.
5. Frederick County: **Thermo Fisher Scientific**, a manufacturer of advanced diagnostic tools, will expand its existing facility in Frederick County. This expansion will create 57 new jobs and an investment of \$9.5 million (amount of grant: \$110,000; use of grant: construction and site preparation). 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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For the fourth quarter of the 2017 fiscal year, actual disbursements from the Fund were made to Spotsylvania County for idX, Dinwiddie County for Aldi, Washington County for Universal Companies, Henry County for Eastman Chemical, and Arlington County for Nestle. Actual disbursements totaled \$6,990,000.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen Moret", with a long horizontal flourish extending to the right.

Stephen Moret  
President and Chief Executive Officer

SM:kme

Enclosures

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