



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP
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October 30, 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 first quarter of the 2018 fiscal year as required by Chapter 836, Item 125.G.

As of September 30, 2017, a total of \$300,567,071 had been appropriated to the Fund. As of September 30, 2017, the Cardinal Financial System cash balance was \$17,249,876, and the balance available for future commitments totaled \$15,108,776. However, when the COF preapprovals of \$8,653,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$6,455,776. Observing the rule that 40% of preapprovals, or \$3,431,200, will not move forward, the available balance becomes \$9,886,976. Active grants awarded since the inception of the Fund total 598.

For the first quarter of the 2018 fiscal year, ended September 30, 2017, a total of \$1,955,000 was committed from the Opportunity Fund to assist nine projects relocating to or expanding in the state. Total committed job creation of these projects was 1,115, while committed investment totaled \$97.8 million. Summaries on these projects follow:

1. Prince William County: **US Foods** will expand its existing food service distribution center in Prince William County. This project will create 99 new jobs and an investment of \$42 million (amount of grant: \$350,000; use of grant: building construction). This project has been announced.
2. City of Virginia Beach: **LifeNet Health** will expand its headquarters operation in the City of Virginia Beach. LifeNet, a regenerative medicine company, will create 321 new jobs and an investment of \$12.3 million (amount of grant: \$700,000; use of grant: building construction and workforce training). This project has been announced.
3. Not Yet Announced.
4. City of Roanoke: **PowerSchool** will expand its existing facility in the City of Roanoke. An education technology platform provider, PowerSchool will create 96 new jobs and invest \$1.8 million (amount of grant: \$250,000; use of grant: building improvements and workforce training). This project has been announced.
5. Pittsylvania County: **Intertape Polymer Group**, a manufacturer of pressure sensitive coatings and films, will expand its existing facility in Pittsylvania County. This expansion will create 15 new jobs and an investment of \$7 million (amount of grant: \$50,000; use of grant: building improvements). This project has been announced.
6. City of Richmond: **Thomson Reuters** will locate an internal cybersecurity operations center in the City of Richmond. This location will create 68 new jobs and an investment of \$2.2 million (amount of grant: \$50,000; use of grant: building upfits and workforce training). This project has been announced.
7. Pulaski County: **Koinonia Ltd.**, a manufacturer of foam and foam tapes, will locate a new facility in Pulaski County. The company will create 40 new jobs and invest \$4.9 million in this facility (amount of grant: \$100,000; use of grant: building construction). This project has been announced.

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8. Pittsylvania County: Unison Ltd., a manufacturer of metal fabrication machinery, will locate a new facility in Pittsylvania County. This location will create 35 new jobs and an investment of \$5 million (amount of grant: \$105,000; use of grant: building improvements and workforce training). This project has been announced.
9. Not Yet Announced.

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

For the first quarter of the 2018 fiscal year, actual disbursements from the Fund were made to the City of Emporia for SteelFab of Virginia, Arlington County for Bloomberg BNA, the City of Richmond for Owens & Minor, and the City of Suffolk for Atarfil. Actual disbursements totaled \$2,110,000.

Sincerely,



Stephen Moret
President and Chief Executive Officer

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Enclosures

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