

May 2, 2019

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

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

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

The Honorable S. Chris Jones  
Chairman  
House Appropriations Committee  
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 2019 fiscal year as required by Chapter 836, Item 125.G.

As of March 31, 2019, a total of \$318,824,678 had been appropriated to the Fund. As of March 31, 2019, the Cardinal Financial System cash balance was \$28,649,626, and the balance available for future commitments totaled \$17,253,594. However, when the COF preapprovals of \$14,065,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$3,188,594. Observing the rule that 40% of preapprovals, or \$5,626,000, will not move forward, the available balance becomes \$8,814,594. Active grants awarded since the inception of the Fund total 635.

For the third quarter of the 2019 fiscal year, ended March 31, 2019, a total of \$2,035,000 was committed from the Opportunity Fund to assist seven projects relocating to or expanding in the state. Total committed job creation of these projects was 530, while committed investment totaled \$222.4 million. Summaries on these projects follow:

1. Smyth County: **Scholle IPN**, a manufacturer of in-box plastic bags, will expand its existing facility in Smyth County. This project will create 42 new jobs and an investment of \$10.3 million (amount of grant: \$125,000; use of grant: site development and building improvements). This project has been announced.
2. Arlington County: **Incentive Technology Group**, an information technology consulting firm, will expand its headquarters facility in Arlington County. This project will create 128 new jobs and an investment of \$5.1 million (amount of grant: \$450,000; use of grant: workforce training). This project has been announced.

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3. **Botetourt County: Pratt Industries, Inc.**, a manufacturer of paper packaging and shipping materials, will locate a new facility in Botetourt County. This location will create 50 new jobs and an investment of \$20.1 million (amount of grant: \$300,000; use of grant: building improvements). This project has been announced.
4. **Caroline County: M.C. Dean**, a manufacturer and distributor of electrical engineering and systems integration, will expand its existing facility in Caroline County. The company will create 100 new jobs and invest \$25.1 million (amount of grant: \$500,000; use of grant: building construction). This project has been announced.
5. **Frederick County: The Clorox Company**, a manufacturer of cat litter, will locate a new facility in Frederick County. This location will create 102 new jobs and an investment of \$90 million (amount of grant: \$350,000; use of grant: site development and building construction). This project has been announced.
6. **Russell County: Plasticap**, a manufacturer of specialty caps and closures, will locate a new facility in Russell County. This location will create 48 new jobs and an investment of \$11.8 million (amount of grant: \$130,000; use of grant: building improvements). This project has been announced.
7. **City of Portsmouth: Preferred Freezer Services** will locate a new refrigerated warehouse and distribution facility in the City of Portsmouth. The company will create 60 new jobs and invest \$60 million (amount of grant: \$180,000; use of grant: site development and building construction). This project has been 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 third quarter of the 2019 fiscal year, actual disbursements from the Fund were made to Henry County for Monogram Snacks, the City of Newport News for Ferguson Enterprises, Smyth County for Smyth County Machine and Fabrication, Fairfax County for MicroStrategy, Mecklenburg County for Microsoft, the City of Manassas for Aurora Flight Sciences, and Smyth County for Speyside. Actual disbursements totaled \$5,775,000.

Sincerely,



Stephen Moret  
President and Chief Executive Officer

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Enclosures

cc The Honorable Brian Ball  
Secretary of Commerce and Trade