

October 29, 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 first quarter of the 2020 fiscal year as required by Chapter 836, Item 125.G.

As of September 30, 2019, a total of \$334,241,526 had been appropriated to the Fund. As of September 30, 2019, the Cardinal Financial System cash balance was \$30,962,880, and the balance available for future commitments totaled \$31,699,779. However, when the COF preapprovals of \$10,284,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$21,415,779. Observing the rule that 40% of preapprovals, or \$4,113,600, will not move forward, the available balance becomes \$25,529,379. Active grants awarded since the inception of the Fund total 638.

For the first quarter of the 2020 fiscal year, ended September 30, 2019, a total of \$3,030,000 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 958, while committed investment totaled \$234.9 million. Summaries on these projects follow:

1. Henrico County: **PPD** will expand its existing pharmaceutical research and development and testing facility in Henrico County. This project will create 200 new jobs and an investment of \$63.7 million (amount of grant: \$675,000; use of grant: building improvements). This project has been announced.
2. Shenandoah County: **Howell Metal**, a manufacturer of copper and metal alloy tubing and fittings, will expand its existing facility in Shenandoah County. This project will create 102 new jobs and an investment of \$8.0 million (amount of grant: \$400,000; use of grant: building construction). This project has been announced.

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3. City of Danville: **PRA Group** will locate a debt collection call center in the City of Danville. This location will create 300 new jobs and an investment of \$10.9 million (amount of grant: \$780,000; use of grant: building improvements). This project has been announced. Originally announced in December 2018 with a \$1.5 million COF, the grant was subsequently reduced to \$780,000 due to a reduction in PRA's employment and investment totals.
4. Henry County: **Teal-Jones** will locate a new sawmill facility in Henry County. The company will create 67 new jobs and invest \$21 million (amount of grant: \$200,000; use of grant: building improvements). This project has been announced.
5. Westmoreland County: **Teal-Jones** will locate a new sawmill facility in Westmoreland County. This project will create 59 new jobs and an investment of \$10.8 million (amount of grant: \$125,000; use of grant: building improvements). This project has been announced.
6. Project Not Yet Announced.
7. Arlington County: **block.one** will locate its headquarters facility in Arlington County. The company will create 170 new jobs and invest \$10 million (amount of grant: \$600,000; use of grant: building improvements). 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 first quarter of the 2020 fiscal year, actual disbursements from the Fund were made to the City of Danville for Essel Propack and Prince Edward County for YakAttack. Actual disbursements totaled \$250,000.

Sincerely,



Stephen Moret  
President and Chief Executive Officer

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Enclosures

cc The Honorable Brian Ball  
Secretary of Commerce and Trade