

May 12, 2020

The Honorable Janet D. Howell  
Chair  
Senate Finance Committee  
P.O. Box 2608  
Reston, Virginia 20195

The Honorable Luke E. Torian  
Chair  
House Appropriations Committee  
4222 Fortuna Plaza, Suite 659  
Dumfries, Virginia 22025

The Honorable Vivian E. Watts  
Chair  
House Finance Committee  
8717 Mary Lee Lane  
Annandale, Virginia 22003

Dear Chair:

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 2020 fiscal year as required by Chapter 836, Item 125.G.

As of March 31, 2020, a total of \$334,606,844 had been appropriated to the Fund. As of March 31, 2020, the Cardinal Financial System cash balance was \$31,323,085, and the balance available for future commitments totaled \$27,715,634. However, when the COF preapprovals of \$15,294,000 made by the Secretary of Commerce and Trade are taken into account, the available balance is reduced to \$12,421,634. Observing the rule that 40% of preapprovals, or \$6,117,600, will not move forward, the available balance becomes \$18,539,234. Active grants awarded since the inception of the Fund total 647.

For the third quarter of the 2020 fiscal year, ended March 31, 2020, a total of \$3,946,350 was committed from the Opportunity Fund to assist eight projects relocating to or expanding in the state. Total committed job creation of these projects was 1,889, while committed investment totaled \$256.8 million. Summaries on these projects follow:

1. **Pulaski County: Patton Logistics** will locate a distribution center for third party logistics services in Pulaski County. This project will create 33 new jobs and an investment of \$12.0 million (amount of grant: \$150,000; use of grant: building construction). This project has been announced.
2. **City of Suffolk: Acesur Group**, a producer and distributor of vegetable oil, will locate a new facility in the City of Suffolk. This project will create 29 new jobs and an investment of \$11.0 million (amount of grant: \$120,000; use of grant: building improvements). This project has been announced.

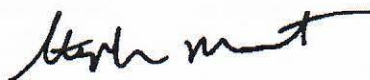
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3. Henrico County: **Moore DM Group**, a manufacturer of envelopes for direct mail distribution, will locate a new facility in Henrico County. This location will create 239 new jobs and an investment of \$24.9 million (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.
4. City of Chesapeake: **Total Fiber Recovery** recycles and converts paper into dry pulp for corrugated packaging. Locating in the City of Chesapeake, the company will create 68 new jobs and invest \$48.9 million (amount of grant: \$200,000; use of grant: building improvements and utility upgrades). This project has been announced.
5. James City County: **Navien**, a manufacturer of tankless water heaters, will locate a new facility in James City County. This project will create 180 new jobs and an investment of \$77.5 million (amount of grant: \$850,000; use of grant: building improvements). This project has been announced.
6. Henrico County: **Simplisafe**, a home security company, will locate a customer support center in Henrico County. This location will create 572 new jobs and an investment of \$5.5 million (amount of grant: \$200,000; use of grant: site development and building construction). This project has been announced.
7. Not Yet Announced.
8. 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 third quarter of the 2020 fiscal year, there were no actual disbursements from the Fund.

Sincerely,



Stephen Moret  
President and Chief Executive Officer

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Enclosures

cc The Honorable Brian Ball  
Secretary of Commerce and Trade