



February 26, 2021

The Honorable Janet D. Howell
Chair
Senate Finance and Appropriations 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 Chairs:

I am writing to provide documentation of the transactions of the Commonwealth's Development Opportunity Fund (COF) which have occurred during the second quarter of the 2021 fiscal year as required by § 2.2-115(G) of the Code of Virginia.

As of December 31, 2020, a total of \$352,759,163 had been appropriated to the Fund over time. As of December 31, 2020, the Cardinal Financial System cash balance was \$44,028,717, and the balance available for future commitments totaled \$35,827,784. Taking into account COF preapprovals of \$32,061,800 made by the Secretary of Commerce and Trade, however, the available balance is \$3,765,984. Generally, 40% of preapprovals, or \$10,304,720, do not move forward, and the available balance is more likely approximately \$14,000,000. Active grants awarded since the inception of the Fund total 670.

For the second quarter of the 2021 fiscal year, ended December 31, 2020, a total of \$3,374,482 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 1,336, while committed investment totaled \$192.2 million. Summaries on these projects follow:

1. Pittsylvania County: **Ison Furniture**, an assembler and manufacturer of upholstered furniture, will locate a new facility in Pittsylvania County. This project will create 150 new jobs and an investment of \$3.5 million (amount of grant: \$186,500; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$105,000; local match: \$186,500; anticipated completion date: December 2023; average wage of new jobs: \$38,000; prevailing average wage: \$37,197). This project has been announced.

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2. Grayson County: **Grayson Natural Farms**, a producer of smoked beef snacks, will expand its existing facility in Grayson County. This project will create 40 new jobs and an investment of \$1.5 million (amount of grant: \$50,000; use of grant: building construction and utility improvements; other grants awarded: Virginia Jobs Investment Program grant of \$28,000, Enterprise Zone Job Creation grant of \$116,500, Enterprise Zone Real Property Investment grant of \$50,000, Port Economic and Infrastructure Development grant of \$28,000); local match: \$12,000 (a partial waiver of the local match was approved for this project); anticipated completion date: December 2025; average wage of new jobs: \$31,706; prevailing average wage: \$29,301). This project has been announced.
3. City of Harrisonburg: **Shenandoah Valley Organic** will expand its organic poultry processing facility in the City of Harrisonburg. This expansion will create 110 new jobs and an investment of \$64.3 million (amount of grant: \$500,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$82,500, Virginia Investment Performance grant of \$800,000, Agriculture and Forestry Industries grant of \$500,000; local match: \$800,000; anticipated completion date: December 2024; average wage of new jobs: \$44,300; prevailing average wage: \$40,895). This project has been announced.
4. Warren County: **Silent Falcon UAS Technologies**, a manufacturer of small Unmanned Aircraft Systems, components, and sensors, will locate a new facility in Warren County. The company will create 249 new jobs and invest \$6.0 million (amount of grant: \$161,482; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$224,100; local match: \$186,482; anticipated completion date: December 2023; average wage of new jobs: \$84,096; prevailing average wage: \$40,814). This project has been announced.
5. Scott County: **eHealth Technologies**, a provider of medical record retrieval and organization services, will locate a new facility in Scott County. This project will create 160 new jobs and an investment of \$.4 million (amount of grant: \$626,500 COF New Company Incentive Program (NCIP); use of grant: not applicable for NCIP; other grants awarded: Enterprise Zone Job Creation grant of \$502,400; local match: not required for NCIP; anticipated completion date: December 2025; average wage of new jobs: \$36,567; prevailing average wage: \$33,941). This project has been announced.
6. Stafford County: **Exel**, a contract logistics provider, will locate a regional distribution center in Stafford County. This location will create 577 new jobs and an investment of \$72.0 million (amount of grant: \$1,700,000; use of grant: building construction and site improvements; other grants awarded: Virginia Jobs Investment Program grant of \$288,500, Transportation Partnership Opportunity Fund grant of \$1,300,000; local match: \$1,700,000; anticipated completion date: December 2023; average wage of new jobs: 380 jobs at \$53,792, 197 jobs at \$31,158; prevailing average wage: \$53,734). This project has been announced.


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7. Pittsylvania County: **Intertape Polymer Group**, a manufacturer of pressure sensitive tapes, will expand its existing facility in Pittsylvania County. This project will create 50 new jobs and an investment of \$44.5 million (amount of grant: \$150,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$40,000, Virginia Investment Performance grant of \$300,000, Enterprise Zone Job Creation grant of \$166,400, Enterprise Zone Real Property Investment grant of \$100,000); local match: \$671,365; anticipated completion date: December 2024; average wage of new jobs: \$38,000; prevailing average wage: \$37,350). This project has been announced.

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

For the second quarter of the 2021 fiscal year, actual disbursements from the Fund were made to Henrico County for PPD and the City of Richmond for Thomson Reuters. Actual disbursements totaled \$725,000.

Sincerely,

DocuSigned by:

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Stephen Moret
President and Chief Executive Officer

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Enclosures

cc The Honorable Brian Ball
Secretary of Commerce and Trade