



July 12, 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 third quarter of the 2021 fiscal year as required by § 2.2-115(G) of the Code of Virginia.

As of March 31, 2021, a total of \$352,835,630 had been appropriated to the Fund over time. As of March 31, 2021, the Cardinal Financial System cash balance was \$46,652,937, and the balance available for future commitments totaled \$26,982,004. Taking into account COF preapprovals of \$11,205,800 made by the Secretary of Commerce and Trade, however, the available balance is \$15,776,204. Generally, 40% of preapprovals, or \$4,482,320, do not move forward, and the available balance is more likely approximately \$20,000,000. Active grants awarded since the inception of the Fund total 678.

For the third quarter of the 2021 fiscal year, ended March 31, 2021, a total of \$11,850,000 was committed from the Opportunity Fund to assist 15 projects relocating to or expanding in the state. Total committed job creation of these projects was 1,887, while committed investment totaled \$532.4 million. Summaries on these projects follow:

1. City of Petersburg: Civica, a manufacturer of pharmaceuticals, will locate a new facility in the City of Petersburg. This project will create 186 new jobs and an investment of \$124.6 million (amount of grant: \$5,700,000; use of grant: building improvements; other grants awarded: Port Economic and Infrastructure Development grant of \$46,000; local match: \$2,900,000 (a partial waiver of the local match was approved for this project); anticipated completion date: December 2025; average wage of new jobs: \$83,978; prevailing average wage: \$41,900). This project has been announced.

Committee Chair
July 12, 2021
Page 2

2. Henry County: **Laminate Technologies**, a manufacturer of laminated panel and fabricated components, will expand its existing facility in Henry County. This project will create 42 new jobs and an investment of \$4.0 million (amount of grant: \$100,000; use of grant: building improvements; other grants awarded: Enterprise Zone Job Creation grant of \$128,000, Enterprise Zone Real Property Investment grant of \$40,000, Port Economic and Infrastructure Development grant of \$27,000; local match: \$189,000; anticipated completion date: December 2024; average wage of new jobs: \$36,171; prevailing average wage: \$34,616). This project has been announced.
3. Wythe County: **STS Group**, a manufacturer of components for automotive and truck cabs, will locate a new facility in Wythe County. This location will create 120 new jobs and an investment of \$39.0 million (amount of grant: \$500,000; use of grant: site improvements and utility extensions; other grants awarded: Enterprise Zone Job Creation grant of \$306,400, Enterprise Zone Real Property Investment grant of \$200,000; local match: \$500,000; anticipated completion date: December 2025; average wage of new jobs: \$42,775; prevailing average wage: \$34,856). This project has been announced.
4. Henry County: **Crown Holdings**, a manufacturer of aluminum cans, will locate a new facility in Henry County. The company will create 126 new jobs and invest \$145.0 million (amount of grant: \$1,000,000; use of grant: building construction and site preparation; other grants awarded: Virginia Investment Performance grant of \$3,000,000, Virginia Jobs Investment Program grant of \$100,800, Enterprise Zone Job Creation grant of \$475,200, Enterprise Zone Real Property Investment grant of \$200,000; Port Economic and Infrastructure Development grant of \$105,000; local match: \$9,625,000; anticipated completion date: June 2026; average wage of new jobs: \$47,958; prevailing average wage: \$35,012). This project has been announced.
5. City of Richmond: **Vytal Studios**, a developer and provider of technology-based educational and training content, will relocate its corporate headquarters to the City of Richmond. This project will create 155 new jobs and an investment of \$6.8 million (amount of grant: \$500,000; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$124,000, Enterprise Zone Job Creation grant of \$541,600, Enterprise Zone Real Property Investment grant of \$100,000; local match: \$575,000; anticipated completion date: March 2024; average wage of new jobs: \$73,425; prevailing average wage: \$66,643). This project has been announced.
6. City of Norfolk: **Breeze Airways** will locate a start-up airline in the City of Norfolk. This location will create 116 new jobs and an investment of \$5.2 million (amount of grant: \$400,000; use of grant: workforce training; other grants awarded: Governor's New Airline Service Incentive Fund grant of \$280,000; local match: \$1,875,000; anticipated completion date: March 2024; average wage of new jobs: \$55,333; prevailing average wage: \$59,014). This project has been announced.

Committee Chair
July 12, 2021
Page 3

7. Scott County: **Tempur Sealy International**, a manufacturer of foam mattresses and pillows, will expand its existing facility in Scott County. This project will create 25 new jobs and an investment of \$16.7 million (amount of grant: \$110,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$17,500, Enterprise Zone Job Creation grant of \$84,000, Enterprise Zone Real Property Investment grant of \$200,000, Port Economic and Infrastructure Development grant of \$25,000; local match: \$383,520; anticipated completion date: March 2023; average wage of new jobs: \$33,300; prevailing average wage: \$33,955). This project has been announced.
8. City of Richmond: **Aditxt Therapeutics** will locate its corporate headquarters and immune monitoring center in the City of Richmond. This location will create 347 new jobs and an investment of \$31.5 million (amount of grant: \$1,300,000; use of grant: building improvements and workforce training; other grants awarded: Enterprise Zone Job Creation grant of \$1,223,200, Enterprise Zone Real Property Investment grant of \$41,985; local match: \$1,302,400; anticipated completion date: September 2024; average wage of new jobs: \$78,399; prevailing average wage: \$66,643). This project has been announced.
9. City of Petersburg: **AMPAC Fine Chemicals**, a manufacturer of active pharmaceutical ingredients, will expand its existing facility in the City of Petersburg. The company will create 156 new jobs and invest \$25.0 million (amount of grant: \$640,000; use of grant: building improvements; other grants awarded: Virginia Investment Performance grant of \$250,000; local match: \$570,000 (a partial waiver of the local match was approved for this project); anticipated completion date: March 2024; average wage of new jobs: \$73,269; prevailing average wage: \$41,841). This project has been announced.
10. Pittsylvania County: **J&J Truck Sales** will expand its automotive body, paint, and interior repair and maintenance facility in Pittsylvania County. This expansion will create 27 new jobs and an investment of \$5.2 million (amount of grant: \$50,000; use of grant: site preparation and building construction; other grants awarded: Enterprise Zone Job Creation grant of \$79,200, Enterprise Zone Real Property Investment grant of \$200,000; local match: \$118,338; anticipated completion date: March 2025; average wage of new jobs: \$34,166; prevailing average wage: \$37,402). This project has been announced.
11. Prince William County: **SES Americom** will expand its corporate headquarters and sales and support operations in Prince William County. This expansion will create 201 new jobs and an investment of \$17.0 million (amount of grant: \$500,000; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$105,750; local match: \$500,000; anticipated completion date: September 2026; average wage of new jobs: \$128,456; prevailing average wage: \$52,123). This project has been announced.

12. City of Virginia Beach: **Sunny Farms** will locate a start-up greenhouse operation in the City of Virginia Beach. This location will create 155 new jobs and an investment of \$59.6 million (amount of grant: \$600,000; use of grant: site development and building construction; other grants awarded: Agriculture and Forestry Industries Incentive grant of \$100,000; local match: \$600,000; anticipated completion date: March 2024; average wage of new jobs: \$51,516; prevailing average wage: \$44,729). This project has been announced.
13. Loudoun County: **Zasti** will locate its corporate headquarters in Loudoun County. The company uses proprietary state-of-the-art artificial intelligence and innovative MedTech technologies to create smart and low-carbon healthcare solutions. This location will create 60 new jobs and an investment of \$5.9 million (amount of grant: \$150,000; use of grant: building improvements and workforce training; other grants awarded: Virginia Jobs Investment Program grant of \$45,000; local match: \$150,000; anticipated completion date: June 2024; average wage of new jobs: \$71,250; prevailing average wage: \$68,969). This project has been announced.
14. Not Yet Announced.
15. City of Radford: **Oransi**, a manufacturer of air purification equipment, will locate a new facility in the City of Radford. The company will create 101 new jobs and invest \$5.6 million (amount of grant: \$50,000; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$70,700, Enterprise Zone Job Creation grant of \$360,000, Enterprise Zone Real Property Investment grant of \$100,000; Port Economic and Infrastructure Development grant of \$31,000; local match: \$50,000; anticipated completion date: September 2024; average wage of new jobs: \$39,556; prevailing average wage: \$45,838). 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.

Committee Chair
July 12, 2021
Page 5

For the third quarter of the 2021 fiscal year, actual disbursements from the Fund were made to Russell County for Plasticap and Augusta County for Flow Alkaline Spring Water. Actual disbursements totaled \$380,000.

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