



January 12, 2022

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 first quarter of the 2022 fiscal year as required by § 2.2-115(G) of the Code of Virginia.

As of September 30, 2021, a total of \$367,682,648 had been appropriated to the Fund over time. As of September 30, 2021, the Cardinal Financial System cash balance was \$60,526,107, and the balance available for future commitments totaled \$33,372,124. Taking into account COF preapprovals of \$14,626,625 made by the Secretary of Commerce and Trade, however, the available balance is \$18,745,499. Generally, 40% of preapprovals, or \$5,850,650, do not move forward, and the available balance is more likely approximately \$24,000,000. Active grants awarded since the inception of the Fund total 690.

For the first quarter of the 2022 fiscal year, ended September 30, 2021, a total of \$11,222,800 was committed from the Opportunity Fund to assist 12 projects relocating to or expanding in the state. Total committed job creation of these projects was 1,879, while committed investment totaled \$757.4 million. Summaries on these projects follow:

1. Rockingham County: Veronesi Holding S.p.A., a manufacturer and processor of Italian cured meats, will locate a new facility in Rockingham County. This project will create 161 new jobs and an investment of \$105.3 million (amount of grant: \$3,816,800; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$120,750; local match: \$6,114,125; anticipated completion date: June 2025; average wage of new jobs: 58 at \$44,483 and 103 at \$35,000; prevailing average wage: \$44,424). This project has been announced.

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2. City of Newport News: **Aery Aviation** will expand its avionics retrofitting and modification facility in the City of Newport News. This expansion will create 211 new jobs and an investment of \$15.3 million (amount of grant: \$280,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$168,800, Enterprise Zone Job Creation grant of \$788,600, Enterprise Zone Real Property Investment grant of \$200,000; local match: \$280,000; anticipated completion date: December 2024; average wage of new jobs: \$80,073; prevailing average wage: \$57,820). This project has been announced.
3. Augusta County: **Cava Group LLC**, a manufacturer of dips, spreads, and sauces, will locate a new facility in Augusta County. This location will create 52 new jobs and an investment of \$37.6 million (amount of grant: \$200,000; use of grant: site development; other grants awarded: Virginia Investment Performance grant of \$300,000; local match: \$600,000; anticipated completion date: December 2026; average wage of new jobs: \$47,235; prevailing average wage: \$47,222). This project has been announced.
4. City of Danville: **Kegerreis Digital Marketing** will relocate its headquarters to the City of Danville. Kegerreis is an outdoor marketing firm specializing in digital marketing and billboards. The company will create 72 new jobs and invest \$1.7 million (amount of grant: \$160,500; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program grant of \$29,400, Enterprise Zone Job Creation grant of \$184,000, Enterprise Zone Real Property Investment grant of \$100,000; local match: \$206,000; anticipated completion date: December 2025; average wage of new jobs: \$60,484; prevailing average wage: \$38,884). This project has been announced.
5. Henry County: **Schock GmbH**, a manufacturer of sinks, will locate a new facility in Henry County. This project will create 355 new jobs and an investment of \$85.0 million (amount of grant: \$1,700,000; use of grant: building improvements; other grants awarded: Enterprise Zone Job Creation grant of \$233,800, Enterprise Zone Real Property Investment grant of \$400,000; local match: \$6,600,000; anticipated completion date: December 2029; average wage of new jobs: \$42,805; prevailing average wage: \$36,399). This project has been announced.
6. Pittsylvania County: **Tyson Foods, Inc.**, a manufacturer of ready-to-eat chicken products, will locate a new facility in Pittsylvania County. This project will create 376 new jobs and an investment of \$295.5 million (amount of grant: \$3,048,000; use of grant: site preparation and utility extension; other grants awarded: Virginia Investment Performance grant of \$3,000,000, Enterprise Zone Job Creation grant of \$486,300, Enterprise Zone Real Property Investment grant of \$200,000, Agriculture and Forestry Industries Development grant of \$500,000; local match:

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\$21,790,500; anticipated completion date: December 2024; average wage of new jobs: \$41,668; prevailing average wage: \$38,882). Tyson received approval from the Major Employment and Investment Commission on August 18, 2021, since total state incentives exceeded \$10 million. This project has been announced.

7. Albemarle County: **Bonumose Inc.** will expand its production and distribution facility for plant-based sugar alternatives in Albemarle County. This location will create 64 new jobs and an investment of \$27.7 million (amount of grant: \$256,000; use of grant: building improvements; other grants awarded: Virginia Investment Performance grant of \$300,000, Virginia Jobs Investment Program grant of \$44,800, Port Economic and Infrastructure Development grant of \$35,000; local match: \$256,000; anticipated completion date: December 2026; average wage of new jobs: \$76,563; prevailing average wage: \$59,325). This project has been announced.
8. Prince George County: **Service Center Metals**, a manufacturer of aluminum extrusion and billets, will expand its existing facility in Prince George County. This expansion will create 94 new jobs and an investment of \$101.7 million (amount of grant: \$350,000; use of grant: building construction; other grants awarded: Virginia Investment Performance grant of \$900,000, Virginia Jobs Investment Program grant of \$75,200, Enterprise Zone Job Creation grant of \$360,000, Enterprise Zone Real Property Investment grant of \$200,000; local match: \$1,800,000; anticipated completion date: March 2025; average wage of new jobs: \$74,968; prevailing average wage: \$57,155). This project has been announced.
9. City of Norton: **EarthLink LLC** will locate a new customer service call center in the City of Norton. The company will create 285 new jobs and invest \$5.4 million (amount of grant: \$686,500 (COF New Company Incentive Program [NCIP] grant); use of grant: not applicable for COF NCIP grants; other grants awarded: Virginia Jobs Investment Program grant of \$142,500, Enterprise Zone Job Creation grant of \$180,000; local match: not required for COF NCIP grants; anticipated completion date: January 2025; average wage of new jobs: \$33,751; prevailing average wage: \$41,115). This project has been announced.
10. Campbell County: **BWX Technologies, Inc.** will expand its Campbell County facility to include a new innovation campus and client visitor center to showcase company activity and products. This expansion will create 97 new jobs and an investment of \$65.0 million (amount of grant: \$400,000; use of grant: building improvements; other grants awarded: Virginia Investment Performance grant of \$700,000; local match: \$600,000; anticipated completion date: December 2026; average wage of new jobs: \$116,591; prevailing average wage: \$50,171). BWX Technologies received approval from the Major Employment and Investment

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Commission on August 18, 2021, due to the relocation of jobs within the state. This project has been announced.

11. Scott County: **VFP, Inc.**, a manufacturer of prefabricated metal buildings and components, will expand its existing facility in Scott County. This project will create 30 new jobs and invest \$7.2 million (amount of grant: \$100,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$21,000, Enterprise Zone Real Property Investment grant of \$200,000; local match: \$200,200; anticipated completion date: December 2024; average wage of new jobs: \$34,715; prevailing average wage: \$36,100). This project has been announced.
  
12. Henry County: **VF Corporation**, a manufacturer of apparel, footwear, and accessories, will expand its existing facility in Henry County. The company will create 82 new jobs and invest \$10.2 million (amount of grant: \$225,000; use of grant: worker recruitment and training; other grants awarded: Virginia Jobs Investment Program grant of \$57,400, Enterprise Zone Job Creation grant of \$209,000; local match: \$531,021; anticipated completion date: December 2024; average wage of new jobs: \$33,823; prevailing average wage: \$35,369). 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 first quarter of the 2022 fiscal year, no actual disbursements were made from the Fund.

Sincerely,

DocuSigned by:  
  
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Jason El Koubi  
EVP and Interim President & CEO

JRE:kme

Enclosures

cc The Honorable Brian Ball  
Secretary of Commerce and Trade