

January 28, 2022

The Honorable Janet D. Howell
Chair
Senate Finance and Appropriations Committee
P.O. Box 396
Richmond, Virginia 23218

The Honorable Barry D. Knight
Chair
House Appropriations Committee
Pocahontas Building
900 East Main Street
Richmond, Virginia 23219

The Honorable Roxann L. Robinson
Chair
House Finance Committee
Pocahontas Building
900 East Main Street
Richmond, Virginia 23219

RE: Quarterly Report on Commonwealth's Development Opportunity Fund (COF) per § 2.2-115(G)

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

As of December 31, 2021, a total of \$367,744,873 had been appropriated to the Fund over time. As of December 31, 2021, the Cardinal Financial System cash balance was \$64,581,083, and the balance available for future commitments totaled \$31,980,397. Taking into account COF preapprovals of \$13,017,125 made by the Secretary of Commerce and Trade, however, the available balance is \$18,963,272. Generally, 40% of preapprovals, or \$5,206,850, 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 692.

For the second quarter of the 2022 fiscal year, ended December 31, 2021, a total of \$4,291,952 was committed from the Opportunity Fund to assist five projects relocating to or expanding in the state. Total committed job creation of these projects was 1,074, while committed investment totaled \$156.9 million. Summaries on these projects follow:

1. Not Yet Announced.

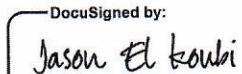
2. Not Yet Announced.
3. Not Yet Announced.
4. City of Winchester: **TFC Poultry** will locate a new poultry processing and deboning facility in the City of Winchester. The company will create 111 new jobs and invest \$31.5 million (amount of grant: \$500,000; use of grant: building improvements; other grants awarded: Enterprise Zone Job Creation grant of \$338,600, Enterprise Zone Real Property Investment grant of \$200,000, Agriculture and Forestry Industries Development grant of \$400,000; local match: \$735,000; anticipated completion date: December 2025; average wage of new jobs: \$51,315; prevailing average wage: \$54,464). This project has been announced.
5. Fairfax County: **Qualtrics/Clarabridge**, an information technology company, will expand its facility in Fairfax County. This project will create 400 new jobs and an investment of \$15.9 million (amount of grant: \$1,440,000; use of grant: building improvements; other grants awarded: Virginia Economic Development Incentive Grant of \$2,000,000; local match: \$1,500,000; anticipated completion date: December 2026; average wage of new jobs: \$157,198; prevailing average wage: \$96,979). 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.

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For the second quarter of the 2022 fiscal year, actual disbursements from the Fund totaling \$2,250,000 were made to Rockingham County for Veronesi and Augusta County for Hershey.

Sincerely,

DocuSigned by:


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Jason El Koubi

EVP and Interim President and CEO

JRE:kme

Enclosures

cc The Honorable Caren Merrick
Secretary of Commerce and Trade