

April 25, 2024

The Honorable L. Louise Lucas  
Chair  
Senate Finance and Appropriations  
Committee  
P.O. Box 700  
Portsmouth, Virginia 23705

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

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

Senator and Delegates:

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 2024 fiscal year as required by § 2.2-115(G) of the Code of Virginia.

As of March 31, 2024, a total of \$411,070,506 had been appropriated to the Fund over time. As of March 31, 2024, the Cardinal Financial System cash balance was \$110,727,327, and the balance available for future commitments totaled \$39,764,886. Taking into account COF preapprovals of \$20,883,750 made by the Secretary of Commerce and Trade, however, the available balance is \$18,881,136. Generally, 40% of preapprovals, or \$8,353,500, do not move forward, and the available balance is more likely approximately \$27,000,000. Active grants awarded since the inception of the Fund total 706.

For the third quarter of the 2024 fiscal year, ended March 31, 2024, a total of \$2,950,000 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 1,135, while committed investment totaled \$400.3 million. Summaries on these projects follow:

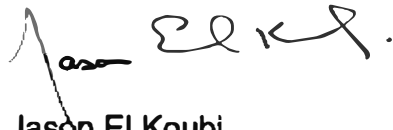
1. City of Suffolk: **Solenis** will expand its existing specialty chemical and water treatment facility in the City of Suffolk. This expansion will create 34 new jobs and an investment of \$193.0 million (amount of grant: \$275,000; use of grant: building construction; other grants awarded: Economic Development Access Program grant of \$700,000, Rail Industrial Access Program grant of \$450,000; local match: \$1,250,000; anticipated completion date: December 2027; average wage of new jobs: \$81,088; prevailing average wage: \$59,035). This project has been announced.
2. Not Yet Announced.
3. Orange County: **Aerojet Rocketdyne**, a manufacturer of guided missiles and space vehicles, will expand its existing facility in Orange County. This expansion will create 80 new jobs and an investment of \$41.3 million (amount of grant: \$540,000; use of grant: site improvements and building construction; other grants awarded: Virginia Jobs Investment Program grant of \$72,000; local match: \$540,000; anticipated completion date: December 2026; average wage of new jobs: \$56,667; prevailing average wage: \$45,998). This project has been announced.
4. Rockbridge County: **Modine**, a manufacturer of industrial cooling equipment, will expand its existing facility in Rockbridge County. This expansion will create 211 new jobs and an investment of \$18.1 million (amount of grant: \$470,000; use of grant: building construction; other grants awarded: none; local match: \$470,000; anticipated completion date: March 2029; average wage of new jobs: \$47,711; prevailing average wage: \$41,058). This project has been announced.
5. Arlington County: **CoStar** will relocate and expand its corporate headquarters to Arlington County. This relocation/expansion will create 650 new jobs and an investment of \$20.0 million (amount of grant: \$1,250,000; use of grant: building upfits; other grants awarded: Virginia Jobs Investment Program grant of \$150,000, Virginia Economic Development Incentive Grant of \$3,500,000; local match: \$17,500,000; anticipated completion date: March 2027; average wage of new jobs: \$185,000; prevailing average wage: \$115,340). This project has been announced.

6. City of Suffolk: **FreezPak** will locate a new refrigerated warehousing and storage facility in the City of Suffolk. This location will create 80 new jobs and an investment of \$77.5 million (amount of grant: \$175,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$56,000, Port Economic and Infrastructure Development grant of \$35,000; local match: \$175,000; anticipated completion date: March 2027; average wage of new jobs: 39 at \$49,487 and 41 at \$40,000; prevailing average wage: \$58,072). This project has been announced.
  
7. City of Danville: **EPL**, a manufacturer of laminate tubes, will expand its existing facility in the City of Danville. This expansion will create 24 new jobs and an investment of \$37.4 million (amount of grant: \$90,000; use of grant: building improvements; other grants awarded: Virginia Jobs Investment Program Retraining grant of \$62,400, Enterprise Zone Job Creation grant of \$6,000, Enterprise Zone Real Property Investment grant of \$100,000; local match: \$333,112; anticipated completion date: March 2030; average wage of new jobs: \$42,750; prevailing average wage: \$47,163). 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 third quarter of the 2024 fiscal year, actual disbursements from the Fund totaling \$888,400 were made to Henrico County for Moore DM, Henry County for Crown Holdings, Henrico County for EAB, and the City of Petersburg for Civica.

Sincerely,



Jason El Koubi  
President and Chief Executive Officer

JRE:kme

Enclosures

cc The Honorable Caren Merrick  
Secretary of Commerce and Trade