

January 27, 2025

The Honorable L. Louise Lucas  
Chair  
Senate Finance and Appropriations  
Committee  
P.O. Box 396  
Richmond, Virginia 23218

The Honorable Luke E. Torian  
Chair  
House Appropriations Committee  
201 North 9<sup>th</sup> Street  
General Assembly Building, Room 1223  
Richmond, Virginia 23219

The Honorable Vivian E. Watts  
Chair  
House Finance Committee  
201 North 9<sup>th</sup> Street  
General Assembly Building, Room 907  
Richmond, Virginia 23219

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 second quarter of the 2025 fiscal year as required by § 2.2-115(G) of the Code of Virginia.

As of December 31, 2024, a total of \$433,877,435 had been appropriated to the Fund over time. As of December 31, 2024, the Cardinal Financial System cash balance was \$132,553,074, and the balance available for future commitments totaled \$46,034,486. Taking into account COF preapprovals of \$31,082,800 made by the Secretary of Commerce and Trade, the available balance is \$14,951,686. Generally, 40% of preapprovals, or \$12,433,120, 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 719.

For the second quarter of the 2025 fiscal year, ended December 31, 2024, a total of \$5,175,000 was committed from the Opportunity Fund to assist eight projects relocating to or expanding in the state. Total committed job creation of these projects was 928, while committed investment totaled \$436.3 million. Summaries on these projects follow:

1. Not Yet Announced.
2. Not Yet Announced.
3. Franklin County: Traditional Medicinals, a manufacturer of herbal tea, will locate a new facility in Franklin County. This location will create 57 new jobs and a \$47.0 million investment (amount of grant: \$350,000; use of grant: building construction; other grants awarded: none; local match: \$3,360,000; anticipated completion date: December 2028; average wage of new jobs: \$70,658; prevailing average wage: \$45,154). This project has been announced.
4. Washington County: Electro-Mechanical Corporation, a manufacturer of switchgear and switchboard apparatus, will expand its existing facility in Washington County. This expansion will create 109 new jobs and an investment of \$16.6 million (amount of grant: \$300,000; use of grant: building upfits; other grants awarded: Enterprise Zone Job Creation grant of \$388,500, Enterprise Zone Real Property Investment grant of \$100,000; local match: \$500,000; anticipated completion date: December 2027; average wage of new jobs: \$47,115; prevailing average wage: \$46,636). This project has been announced.
5. Pittsylvania County: Cambridge Pavers, a manufacturer of cement and concrete products, will locate a new facility in Pittsylvania County. This location will create 55 new jobs and an investment of \$47.4 million (amount of grant: \$220,000; use of grant: building construction and upfits; other grants awarded: Enterprise Zone Job Creation grant of \$187,500, Enterprise Zone Real Property Investment grant of \$200,000, Port Economic and Infrastructure Development grant of \$82,500; local match: \$4,253,098; anticipated completion date: December 2027; average wage of new jobs: \$58,141; prevailing average wage: \$47,431). This project has been announced.

6. City of Norton: **Wrap Technologies**, a manufacturer and distributor of non-lethal law enforcement and security technologies, will establish a new facility in the City of Norton. This location will create 126 new jobs and invest \$4.1 million (amount of grant: \$425,000; use of grant: building construction; other grants awarded: Virginia Jobs Investment Program grant of \$126,000, Enterprise Zone Job Creation grant of \$396,000; local match: \$480,000; anticipated completion date: December 2027; average wage of new jobs: \$64,561; prevailing average wage: \$45,376). This project has been announced.
7. Not Yet Announced.
8. Not Yet 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 2025 fiscal year, actual disbursements from the Fund totaling \$1,000,000 were made to Buchanan County for Coronado Coal.

Money Committee Chair  
January 27, 2025  
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Sincerely,

A handwritten signature in blue ink, appearing to read "Jason El Koubi", followed by a stylized flourish and a period.

Jason El Koubi  
President and Chief Executive Officer

JRE:kme

Enclosures

cc The Honorable Caren Merrick  
Secretary of Commerce and Trade