

INTRODUCED: October 14, 2019

AN ORDINANCE No. 2019-273

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Commonwealth's Development Opportunity Fund Performance Agreement between the City of Richmond, Thomson Reuters Holdings Inc., the Economic Development Authority of the City of Richmond, and the Virginia Economic Development Partnership Authority for the purpose of providing Thomson Reuters Holdings Inc. with incentives to establish a cybersecurity operations office and to improve, equip, and operate a new facility in the city of Richmond.

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Patron – Mayor Stoney

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Approved as to form and legality  
by the City Attorney

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PUBLIC HEARING: NOV 12 2019     AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Commonwealth's Development Opportunity Fund Performance Agreement between the City of Richmond, Virginia, Thomson Reuters Holdings Inc., the Economic Development Authority of the City of Richmond, and the Virginia Economic Development Partnership Authority for the purpose of providing Thomson Reuters Holdings Inc. with incentives to establish a cybersecurity operations office and to improve, equip, and operate

AYES:                    9                    NOES:                    0                    ABSTAIN: \_\_\_\_\_

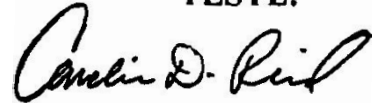
ADOPTED:    NOV 12 2019    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

a new facility in the city of Richmond. The Commonwealth's Development Opportunity Fund Performance Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:**

**TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reed". The signature is written in a cursive, flowing style.

**City Clerk**



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

O & R REQUEST  
4-9166  
SEP 18 2019

Office of the  
Chief Administrative Officer

### O&R REQUEST

**DATE:** September 12, 2019

**EDITION:** RECEIVED

**TO:** The Honorable Members of City Council

OCT 08 2019

**THROUGH:** The Honorable Levar M. Stoney, Mayor

Lenora G. Reid, Acting Chief Administrative Officer

**THROUGH:** ~~Selena Cuffee-Glenn~~, Chief Administrative Officer

OFFICE OF THE CITY ATTORNEY

**THROUGH:** Lenora Reid, Deputy Chief Administrative Officer, Finance and Administration

**THROUGH:** Sharon Ebert, Deputy Chief Administrative Officer for Economic and Community Development

**FROM:** Leonard L. Sledge, Director, Department of Economic Development

**RE:** Thomson Reuters Commonwealth Opportunity Fund Grant and Performance Agreement

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To authorize the Chief Administrative Officer, on behalf of the City of Richmond, to execute a Commonwealth's Development Opportunity Fund Performance Agreement (Agreement) by and between the City of Richmond, Thomson Reuters Holdings Inc. (the Company) a Delaware corporation authorized to transact business in the Commonwealth, and the Economic Development Authority of the City of Richmond, Virginia (Authority) and accept a Commonwealth Opportunity Fund (COF) Grant for this project in the amount of \$50,000.

**REASON:** The City of Richmond has been awarded a COF grant of \$50,000 from the Commonwealth of Virginia for the Company to establish a cybersecurity operations office. City Council approval is required to accept the COF grant and to execute the Performance Agreement.

**RECOMMENDATION:** The City Administration recommends adoption of this ordinance.

**BACKGROUND:** After an extensive site search, Thomson Reuters chose the City of Richmond to establish their Cyber Fusion Center in September 2017. The Company is locating in Riverfront Plaza and will reduce the office vacancy rate in the City.

This key industry will have a critical impact on citizens and businesses around the globe, and is an important component of the ongoing efforts to diversify and build the Richmond economy. The new Cyber Fusion Center is an important element of an enhanced information security program underway at the Company. The Company will be accessing talent and cyber-related resources from the nearby academic and research and military entities.

The Performance Agreement among Thomson Reuters, the City, the EDA and the Virginia Economic Development Partnership (VEDP) sets forth the terms and conditions under which the \$50,000 COF grant will be disbursed to the Company. The COF Grant is made for the purpose of inducing new jobs and investment to the City.

The Performance Agreement requires the Company to meet certain performance targets (68 new jobs and \$2,181,000 investment). And, provided such targets are met the City, is to match the COF Grant of \$50,000 with local Enterprise Zone benefits estimated at \$25,000 and local in-kind workforce services estimated at \$25,000.

**FISCAL IMPACT / COST:** To locate the Company and to match the COF the City is offering statutory local Enterprise Zone benefits estimated at \$25,000 and in-kind workforce services estimated at \$25,000.

**FISCAL IMPLICATIONS:** The Company will be investing \$2,181,000 and creating 68 new jobs with an average annual salary of at least \$120,000. The investment includes furniture and fixtures expenditures which will contribute to the City's tax base.

**BUDGET AMENDMENT NECESSARY:** A budget amendment to accept and appropriate the COF of \$50,000 will be required for the current FY 2019-2020 Budget.

**REVENUE TO CITY:** The project will increase tax revenues to the City with tangible personal property and utility taxes.

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** October 14, 2019

**CITY COUNCIL PUBLIC HEARING DATE:** November 12, 2019

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Finance and Economic Development, October 17, 2019

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** The \$50,000 COF is to be paid through the Economic Development Authority. Also, the Office of Community Wealth Building will be providing in-kind Workforce Development Services, and the Department of Economic Development will be providing local Enterprise Zone benefits.

**AFFECTED AGENCIES:** Department of Budget, Department of Economic Development and the Office of Community Wealth Building.

**RELATIONSHIP TO EXISTING ORD. OR RES.:** None

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** Commonwealth's Development Opportunity Fund Performance Agreement

**STAFF:** Leonard L. Sledge, Director, Department of Economic Development; 646-7576

## COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

### PERFORMANCE AGREEMENT

This **PERFORMANCE AGREEMENT** made and entered this \_\_\_\_ day of \_\_\_\_\_, 2019, by and among the **CITY OF RICHMOND, VIRGINIA** (the "Locality") a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), **THOMSON REUTERS HOLDINGS INC.** (the "Company"), a Delaware corporation authorized to transact business in the Commonwealth, the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the "Authority"), a political subdivision of the Commonwealth, and the **VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY ("VEDP")**, a political subdivision of the Commonwealth.

#### WITNESSETH:

WHEREAS, the Locality has been awarded a grant of and expects to receive \$50,000 from the Commonwealth's Development Opportunity Fund (a "COF Grant") through VEDP for the purpose of inducing the Company to establish a cybersecurity operations office and improve, equip and operate a facility in the Locality (the "Facility"), thereby making a significant Capital Investment and creating and Maintaining a significant number of New Jobs, as such capitalized terms are hereinafter defined;

WHEREAS, the Locality is willing to provide the funds to the Authority with the expectation that the Authority will provide the funds to or for the use of the Company, provided that the Company promises to meet certain criteria relating to Capital Investment and New Jobs;

WHEREAS, the Locality, the Authority, the Company and VEDP desire to set forth their understanding and agreement as to the payout of the COF Grant, the use of the COF Grant proceeds, the obligations of the Company regarding Capital Investment and New Jobs, and the repayment by the Company of all or part of the COF Grant under certain circumstances;

WHEREAS, the improvement, equipping and operation of the Facility will entail a capital expenditure by or on behalf of the Company of approximately \$2,181,000, of which approximately \$1,381,000 will be invested in furniture, fixtures and equipment, and approximately \$800,000 will be invested in the renovation and up-fit of the Facility's building;

WHEREAS, the improvement, equipping and operation of the Facility will further entail the creation and Maintenance of 68 New Jobs at the Facility; and

WHEREAS, the stimulation of the additional tax revenue and economic activity to be generated by the Capital Investment and New Jobs constitutes a valid public purpose for the expenditure of public funds and is the animating purpose for the COF Grant:

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

**Section 1. Definitions.**

For the purposes of this Agreement, the following terms shall have the following definitions:

“Capital Investment” means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at the Facility. The Capital Investment must be in addition to the capital improvements at the Facility as of September 1, 2017. A capital expenditure related to a leasehold interest in real property will be considered to be made “on behalf of the Company” if a lease between a developer and the Company is a capital lease, or is an operating lease having a term of at least ten years, and the real property would not have been constructed or improved but for the Company’s interest in leasing some or all of the real property. Only the capital expenditures allocated to the portion of the real property to be leased by the Company will count as “Capital Investment.” The purchase or lease of furniture, fixtures and equipment, including under an operating lease, and expected building up-fit and tenant improvements by or on behalf of the Company will qualify as Capital Investment.

“Maintain” means that the New Jobs will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company’s employment levels (so long as there is active recruitment for open positions), (ii) strikes, and (iii) other temporary work stoppages.

“New Job” means new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least \$120,000. Average annual wage means the average annual salary of full-time positions at the Facility determined by dividing total payroll (of a type included in W-2 compensation) provided to full-time positions at the Facility by the number of full-time positions at the Facility. Each New Job must require a minimum of either (i) 35 hours of an employee’s time per week for the entire normal year of the Company’s operations, which “normal year” must consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

“Performance Date” means December 31, 2020. If the Locality, in consultation with the Authority and VEDP, deems that good faith and reasonable efforts have been made and are being made by the Company to achieve the Targets, the Locality may request an extension of the Performance Date by up to 15 months. Any extension of the Performance Date shall require the

prior approval of the Board of Directors of VEDP (the "Board"). If the Performance Date is extended, the Locality shall send written notice of the extension to the Authority, the Company and VEDP and the date to which the Performance Date has been extended shall be the "Performance Date" for the purposes of this Agreement.

"Targets" means the Company's obligations to make Capital Investments at the Facility of at least \$2,181,000 and to create and Maintain at least 68 New Jobs at the Facility, all as of the Performance Date.

"Virginia Code" means the Code of Virginia of 1950, as amended.

## **Section 2. Targets; Statutory Criteria.**

(a) *Targets:* The Company will improve, equip and operate the Facility in the Locality, make a Capital Investment of at least \$2,181,000, and create and Maintain at least 68 New Jobs at the Facility, all as of the Performance Date. Notwithstanding anything to the contrary herein, including the foregoing Targets, the Company retains sole discretion over the hiring, termination, salary, benefits and any and all other employment terms and conditions of each of its employees, including those that are the subject of this Agreement.

(b) *Encouragement to Offer New Jobs to Residents of the Commonwealth and the Locality:* The Locality, the Authority, and VEDP hereby strongly encourage the Company to ensure that at least 30% of the New Jobs are offered to "Residents" of the Commonwealth, as defined in Virginia Code Section 58.1-302. In pertinent part, that definition includes natural persons domiciled in Virginia or natural persons who, for an aggregate of more than 183 days of the year, maintained a place of abode within the Commonwealth, whether domiciled in the Commonwealth or not.

Furthermore, the Locality and the Authority hereby strongly encourage the Company to offer New Jobs to current residents of the Locality, to the extent reasonable. The Company hereby agrees to use reasonable efforts to offer New Jobs to current residents of the Locality.

(c) *Prevailing Wage; Unemployment and Poverty Rates:* The average annual wage of the New Jobs of at least \$120,000 is more than the prevailing average annual wage in the Locality of \$60,146. The Locality is a high-unemployment locality, with an unemployment rate for 2017, which is the last year for which such data is available, of 4.4 as compared to the 2017 statewide unemployment rate of 3.8%. The Locality is a high-poverty locality, with a poverty rate for 2017, which is the last year for which such data is available, of 24.0% as compared to the 2017 statewide poverty rate of 10.7%.

(d) *Disclosure of Political Contributions:* The Company acknowledges that the name of the Company will be shared by VEDP with the Governor of Virginia, and any campaign committee or political action committee associated with the Governor. The Company acknowledges that within 18 months of the date of this Performance Agreement, the Governor, his



campaign committee, and his political action committee will submit to the Virginia Conflict of Interest and Ethics Advisory Council a report listing any contribution, gift, or other item with a value greater than \$100 provided by the Company to the Governor, his campaign committee, or his political action committee, respectively, during the period from the date of the Company's application for the COF Grant through the one-year period immediately after the date of this Agreement.

**Section 3. Disbursement of COF Grant.**

(a) *Disbursement of the COF Grant:* By execution and delivery of this Agreement, the Locality requests that the COF Grant be disbursed to it. VEDP will promptly arrange for the payment of the \$50,000 COF Grant to the Locality. Within 60 days of its receipt of the COF Grant proceeds, the Locality will disburse the COF Grant proceeds to the Authority. Within 60 days of its receipt of the COF Grant proceeds, the Authority will disburse the COF Grant proceeds to the Company.

The disbursement of the COF Grant proceeds to the Company will serve as an inducement to the Company to achieve the Targets.

(b) *Use of the COF Grant Proceeds:* The Company will use the COF Grant proceeds to pay or reimburse itself for the costs of the up-fit of the Facility and for training, as permitted by Section 2.2-115(D) of the Virginia Code.

**Section 4. Break-Even Point; State and Local Incentives.**

(a) *State-Level Incentives:* VEDP has estimated that the Commonwealth will reach its "break-even point" by the Performance Date. The break-even point compares new revenues realized as a result of the Capital Investment and New Jobs at the Facility with the Commonwealth's expenditures on discretionary incentives, including but not limited to the COF Grant. With regard to the Facility, the Commonwealth expects to provide discretionary incentives in the following amounts:

<u>Category of Incentive:</u>	<u>Total Amount</u>
COF Grant	\$ 50,000
Virginia Jobs Investment Program ("VJIP") (Estimated)	68,000
Enterprise Zone Job Creation Grant ("EZJCG") (Estimated)	256,000

The proceeds of the COF Grant shall be used for the purposes described in Section 3(b). The VJIP grant proceeds shall be used by the Company to pay or reimburse itself for recruitment and training costs. The proceeds of the EZJCG may be used by the Company for any lawful purpose.

(b) *Locality-Level Incentives:* The Locality expects to provide the following incentives, as matching grants or otherwise, for the Facility:

<u>Category of Incentive:</u>	<u>Total Amount</u>
Local Enterprise Zone Benefits ("Local EZ Benefits") (Estimated)	\$25,000
In-Kind Workforce Development Services ("In-Kind Workforce Services") (Estimated)	\$25,000

If, by the Performance Date, the value of the Local EZ benefits and the In-Kind Workforce Services provided or committed to be provided by the Locality to the Company total less than the \$50,000 COF Grant local match requirement (the shortfall between the value of the Local Incentives and \$50,000 being the "Difference"), the Locality, subject to appropriation, will make an additional grant, and/or will provide additional in-kind services, in the Locality's discretion, to the Company in a value equal to Difference, so long as the Company has met its Targets. Any changes to the Locality-level incentives from those described above will require the prior approval of the Company and VEDP.

The proceeds of the Local EZ Benefits shall be used by the Company in accordance with Company's Local EZ Benefits application and applicable Local EZ Benefits requirements and restrictions. The In-Kind Workforce Services will reflect cost savings to the Company.

Notwithstanding the foregoing, the Company and VEDP acknowledge and agree that the value of the Locality-level incentives in the amounts set forth above is based upon estimated value of the availability of the incentives to the Company. The Company and VEDP further acknowledge and agree that so long such incentives are made available to the Company, the Locality shall be deemed to have met its obligations related thereto and met its local match requirement in the amount corresponding thereto, regardless of whether the Company avails itself to any particular incentive, in whole or in part. The Company, VEDP, the Locality and the Authority acknowledge and agree that the Company and the Locality may mutually agree (outside of this Agreement) to increase or decrease the availability of or more Locality-level incentives, so long as the Locality makes available Locality-level incentives having an estimated value of at least \$50,000, but need not provide Locality-level incentives having an estimated value in excess of \$50,000.

The value of the Locality-level incentives in the amounts set forth above is based on the assumption that the Company will apply, and qualify, for the incentives for which it is eligible. If the Company neglects to properly apply for the incentives for which it is eligible then for the purposes of meeting its local match requirement under this Agreement, the Locality shall be deemed to have provided the incentives in the corresponding amounts set forth above.

The Locality may provide the "In-Kind Workforce Services" incentives by offering to work collaboratively with the Company to help meet its workforce needs, through the Locality's

Center for Workforce Innovation (“CWI”) or otherwise, including, but not limited to, the following:

- Serving as a facilitator to connect qualified job seekers with the Company.
- Conducting a workforce needs assessment built upon the Company’s job descriptions and hiring criteria.
- Providing workplace readiness and technical job skills training.
- Holding recruitment events including on or off-site job fairs.
- Providing knowledge and skills essential to the full and adequate performance of jobs at the Company to participants in the Locality’s CWI On-the-Job Training program run by CWI, or equivalent program.

Notwithstanding the actual cost to the Locality and the actual use of the In-Kind Workforce Services incentives by the Company, the Company and VEDP acknowledge that the value of the availability of such incentives is the corresponding amount set forth above and that for the purposes of meeting its local match requirement under this Agreement, the Locality shall be deemed to have provided the incentives in the corresponding amount set forth above.

(c) *Documentation for Other Incentives:* This Agreement relates solely to the COF Grant. The qualification for, and payment or provision of, VJIP, the EZJCG, the Local EZ Benefits, and the In-Kind Workforce Services will not be governed by this Agreement, but by separate arrangements between the Company and the entity offering the other incentives.

## **Section 5. Company Reporting.**

(a) *Progress Reporting:* The Company shall provide, at the Company’s expense, in the form attached hereto as Exhibit A, detailed verification reasonably satisfactory to the Locality, the Authority, and VEDP of the Company’s progress on the Targets. Such progress reports will be provided annually, starting at March 31, 2019, and covering the period through the prior December 31. Further, the Company shall provide such progress reports at such other times as the Locality, the Authority, or VEDP may reasonably require.

With each such progress report, the Company shall report to VEDP the amount paid by the Company in the prior calendar year in Virginia corporate income tax. VEDP hereby represents to the Company that it considers such information to be confidential proprietary information that is exempt from public disclosure under the Virginia Freedom of Information Act and that such information will be used by VEDP solely in calculating aggregate return on invested capital analyses for purposes of gauging the overall effectiveness of economic development incentives.

The Locality acknowledges and agrees that, in the course of its engagement by the Company, the Locality may receive or have access to Personal Information (as defined by the Virginia Government Data Collection and Dissemination Practices Act, Va. Code § 2.2-3800, et seq. The Locality shall comply with all applicable provisions of the Virginia Government Data

Collection and Dissemination Practices Act. The Company acknowledges that the Locality, the Authority and VEDP are subject to the provisions of Virginia Freedom of Information Act, and that this Agreement, the amount and timing of the COF Grant payment, the basic information required to calculate the level of achievement of the Targets, and the fact that the Company did or did not timely file an annual or final report under this Agreement, reflect public records or information that may be disclosed by the Locality, the Authority and VEDP, without notice to the Company and without violating this paragraph.

(b) *Final Report:* The Company shall provide, at the Company's expense, in the form attached hereto as Exhibit B, detailed verification reasonably satisfactory to the Locality, the Authority, and VEDP of the Company's achievement of the Targets. The final report shall be filed within 90 days after the Performance Date.

#### **Section 6. Verification of Targets.**

(a) *Verification of Capital Investment:* The Company hereby authorizes the Locality, including the Locality's Department of Finance, to release to VEDP the Company's real estate tax, business personal property tax and machinery and tools tax information. Such information shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the Capital Investment Target. If the Locality, or its Department of Finance should require additional documentation or consents from the Company to access such information, the Company shall promptly provide, at the Company's expense, such additional documentation or consents as the Locality, the Authority, or VEDP may request. In accordance with Virginia Code Section 58.1-3122.3, VEDP is entitled to receive the Company's real estate tax, business personal property tax and machinery and tools tax information from the Locality's Commissioner of the Revenue.

In addition to the verification data described above, in the sole discretion of the Locality, the Authority, or VEDP, the Locality, the Authority, or VEDP, may each require such other documentation, including invoices, or audits as may be required to properly verify the Capital Investment.

(b) *Verification of New Jobs and Wages:* The Company must submit a copy of its four most recent Employer's Quarterly Tax Report (Form FC-20) with the Virginia Employment Commission with the final report. The forms shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the New Jobs Target. In accordance with Virginia Code Section 60.2-114, VEDP is entitled to receive the Company's employment level and wage information from the Virginia Employment Commission.

The Company agrees that it will report to the Virginia Employment Commission with respect to its employees at a facility-level, rather than at the company-level.

In addition to the verification data described above, in the sole discretion of the Locality, the Authority, or VEDP, the Locality, the Authority or VEDP, may each require such other documentation or audits as may be required to properly verify the New Jobs.

**Section 7.     Repayment Obligation.**

(a)     *If Statutory Minimum Eligibility Requirements are Not Met:* Section 2.2-115 of the Virginia Code requires that the Company make a Capital Investment of at least \$1,500,000 in the Facility and create and Maintain at least 15 New Jobs at the Facility in order to be eligible for the COF Grant. Failure by the Company to meet either of these statutory minimum eligibility requirements by the Performance Date shall constitute a breach of this Agreement and the Company must repay to the Authority all of the COF Grant proceeds previously disbursed to the Company.

(b)     *Allocation of COF Proceeds:* For purposes of repayment under subsection (c), the COF Grant is to be allocated as 50% (\$25,000) for the Company's Capital Investment Target, and 50% (\$25,000) for the Company's New Jobs Target.

(c)     *If Statutory Minimum Eligibility Requirements are Met:* The provisions of this subsection (c) shall become applicable only if the Company has met the statutory minimum eligibility requirements set forth in subsection (a). If the Company has met at least 90% of both of the Targets at the Performance Date, then and thereafter the Company is no longer obligated to repay any portion the COF Grant. If the Company has not met at least 90% of either or both of its Targets at the Performance Date, the Company shall repay to the Authority that part of the COF Grant that is proportional to the Target or Targets for which there is a shortfall. For example, if at the Performance Date, the Capital Investment is only \$1,635,750 (reflecting achievement of 75% of the Capital Investment Target) and only 51 New Jobs have been created and Maintained (reflecting achievement of 75% of the New Jobs Target), the Company shall repay to the Authority 25% of the moneys allocated to the Capital Investment Target (\$6,250) and 25% of the moneys allocated to the New Jobs Target (\$6,250).

(d)     *Determination of Inability to Comply:* If the Locality or VEDP shall determine at any time prior to the Performance Date (a "Determination Date") that the Company is unable or unwilling to meet and Maintain its Targets by and through the Performance Date, and if the Locality, the Authority or VEDP shall have promptly notified the Company of such determination, the Company must repay to the Authority all of the COF Grant proceeds previously disbursed to the Company. Such a determination will be based on such circumstances as a filing by or on behalf of the Company under Chapter 7 of the U.S. Bankruptcy Code, the liquidation of the Company, an abandonment of the Facility by the Company or other similar significant event that demonstrates that the Company will be unable or is unwilling to satisfy the Targets for the COF Grant.

(e)     *Repayment Dates:* Such repayment shall be due from the Company to the Authority within ninety days of the Performance Date or the Determination Date, as applicable.

Any moneys repaid by the Company to the Authority hereunder shall be repaid by the Authority to the Locality and shall be repaid by the Locality promptly to VEDP for redeposit into the Commonwealth's Development Opportunity Fund. The Locality and the Authority shall use their best efforts to recover such funds, including legal action for breach of this Agreement. Neither the Locality nor the Authority shall have any responsibility for the repayment of any sums payable by the Company hereunder unless said sums have been received by the Authority from the Company.

(f) *Failure to Repay*: If any repayment due pursuant to this Section 7 is not made by the Company when due, the VEDP Board may determine that further collection action is required, and the Board may refer the matter to the Office of the Attorney General (the "OAG") for collection pursuant to Section 2.2-518 of the Virginia Code. In such event, by their signatures below, the Locality and the Authority will be deemed to have assigned to the Commonwealth all of their rights, title and interest in and to this Section 7. In any matter referred to the OAG for collection, the Company shall be liable to pay interest, administrative charges, attorney fees and other applicable fees. Interest on any outstanding repayment referred to the OAG shall accrue at the rate set forth in Section 6.2-301 A. of the Virginia Code (currently 6.0% per year) for the period from the Initial Performance Date or the Determination Date, as applicable, until paid.

#### **Section 8.     Notices.**

Formal notices and communications between the Parties shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service that provides a receipt showing date and time of delivery, (iii) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, or (iv) delivery by facsimile or electronic mail (email) with transmittal confirmation and confirmation of delivery, addressed as noted below. Notices and communications personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices and communications mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices and communications delivered by facsimile or email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. Such written notices and communications shall be addressed to:

if to the Company, to:

Thomson Reuters Holdings Inc.  
610 Opperman Drive  
Eagan, MN 55123  
Email: [Jeff.Rowedder@thomsonreuters.com](mailto:Jeff.Rowedder@thomsonreuters.com)  
Attn: Jeff Rowedder, Assistant Tax Manager -  
Indirect Tax

if to the Locality, to:

City of Richmond, Virginia  
1500 East Main Street  
Suite 400  
Richmond, Virginia 23219  
Attention: Chief Administrative Officer

with a copy to:

City of Richmond, Virginia  
900 E. Broad Street  
Room 300  
Richmond, Virginia 23219  
Attention: City Attorney

if to the Authority, to:

Economic Development Authority of the  
City of Richmond, Virginia  
c/o City of Richmond Department of  
Economic and Community Development  
Main Street Station  
1500 East Main Street  
Suite 400  
Richmond, Virginia 23219  
Attention: Chair

with a copy to:

City of Richmond Department of  
Economic and Community Development  
Main Street Station  
1500 East Main Street  
Suite 400  
Richmond, Virginia 23219  
Attention: Director

if to VEDP, to:

Virginia Economic Development Partnership  
One James Center, Suite 900  
901 East Cary Street  
Richmond, Virginia 23219  
Facsimile: 804.545.5611  
Email: [moret@vedp.org](mailto:moret@vedp.org)  
Attention: President and CEO

with a copy to:

Virginia Economic Development  
Partnership  
One James Center, Suite 900  
901 East Cary Street  
Richmond, Virginia 23219  
Facsimile: 804.545.5611  
Email: [smcninch@vedp.org](mailto:smcninch@vedp.org)  
Attention: General Counsel

**Section 8. Miscellaneous.**

(a) *Entire Agreement; Amendments:* This Agreement constitutes the entire agreement among the parties hereto as to the COF Grant and may not be amended or modified, except in writing, signed by each of the parties hereto and consented to by VEDP. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The Company may not assign its rights and obligations under this Agreement without the prior written consent of the Locality, the Authority and VEDP.

(b) *Governing Law; Venue:* This Agreement is made, and is intended to be performed, in the Commonwealth and shall be construed and enforced by the laws of the Commonwealth.

Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

(c) *Counterparts*: This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

(d) *Severability*: If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

(e) *Attorney's Fees*: Attorney's fees shall be paid by the party incurring such fees.

(f) *Subject to Appropriations*: Notwithstanding any provision of this Agreement to the contrary, the Locality shall be obligated to perform under this Agreement, financially and otherwise, only to the extent that sufficient funds for such performance are appropriated by the City Council for the City of Richmond, Virginia.

(g) *Signature Authority*: Unless otherwise specified herein and to the extent permitted by law, the Chief Administrative Officer for the City of Richmond or the designee thereof may provide any authorizations, approvals, and notices contemplated herein on behalf of the Locality.

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IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

**CITY OF RICHMOND, VIRGINIA**

APPROVED AS TO FORM



Assistant City Attorney

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ECONOMIC DEVELOPMENT  
AUTHORITY OF THE CITY OF  
RICHMOND, VIRGINIA**

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: Chair

Date: \_\_\_\_\_

**THOMSON REUTERS HOLDINGS  
INC.**

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**VIRGINIA ECONOMIC DEVELOPMENT  
PARTNERSHIP AUTHORITY**

By \_\_\_\_\_

Name: Stephen Moret

Title: President and Chief Executive  
Officer

Date: \_\_\_\_\_

## ANNUAL PROGRESS REPORT COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

### PROJECT SUMMARY:

Project	
Location	
Amount of Grant	
Performance Reporting Period	
Performance Date	

### PROJECT PERFORMANCE:

Performance Measurement	Target	As of	% Complete
<b>New Jobs (over baseline)<sup>1</sup></b>			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
<b>Capital Investment (provide breakdown below)<sup>2</sup></b>			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
<b>Average Annual Wage</b>			N/A
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
<b>Standard Fringe Benefits (check one)</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A
<b>Virginia Corporate Income Tax Paid in Prior Calendar Year<sup>3</sup></b>	\$		

<sup>1</sup>Data will be verified using Virginia Employment Commission records.

<sup>2</sup>Data will be verified with locality records.

<sup>3</sup>This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA.

Capital Investment Breakdown	Amount
Land	\$
Land Improvements	\$
New Construction or Expansion	\$
Renovation or Building Up-fit	\$
Production Machinery and Tools	\$
Furniture, Fixtures and Equipment	\$
Other	\$
<b>Total</b>	\$

**COMMENTS:**

Discuss project status, including the current level of new jobs and capital investment, progress on targets, changes or likely changes in project's nature that may impact achievement of targets, and other information relevant to project performance. If the project is not on track to meet targets, please provide an explanation.

**TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:**

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: \_\_\_\_\_

Submitted By: \_\_\_\_\_  
Signature of Official

Name: \_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership,  
804.545.5618, [kelllett@vedp.org](mailto:kelllett@vedp.org)

## FINAL REPORT COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

### PROJECT SUMMARY:

Project	
Location	
Amount of Grant	
Performance Date	

### PROJECT PERFORMANCE:<sup>1</sup>

Performance Measurement	Target	As of March 1, 2021	% Complete
New Jobs (over __ baseline) <sup>2</sup>			
Capital Investment (provide breakdown below) <sup>3</sup>			
Average Annual Wage			N/A
Standard Fringe Benefits			
Virginia Corporate Income Tax Paid in Prior Calendar Year <sup>4</sup>	\$		

Capital Investment Breakdown	Amount
Land	\$
Land Improvements	\$
New Construction or Expansion	\$
Renovation or Building Up-fit	\$
Production Machinery and Tools	\$
Furniture, Fixtures and Equipment	\$
Other	\$
<b>Total</b>	<b>\$</b>

<sup>1</sup>Final, actual performance will be reported on VEDP's public reporting website.

<sup>2</sup> Attach the company's four most recent Quarterly Tax Report (Form FC-20) filed with the Virginia Employment Commission.

<sup>3</sup> Data will be verified using records from the Locality's Department of Finance and invoices.

<sup>4</sup>This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA

**LOCAL MATCH:**

Goal	
Actual	

**COMMENTS:**

Discuss Project status or the important of the Project to the locality and region.

**TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:**

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: \_\_\_\_\_

Submitted By: \_\_\_\_\_  
Signature of Official

Name: \_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership,  
804.545.5618, [kellelt@vedp.org](mailto:kellelt@vedp.org)