



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Legislation Text

File #: ORD. 2025-247, **Version:** 1

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$15,000,000.00 from the Commonwealth of Virginia, and to amend the Fiscal Year 2025-2026 Special Fund Budget by creating a new special fund for the Department of Economic Development called “CoStar Special Fund,” and appropriating the increase to the Department of Economic Development’s CoStar Special Fund by \$15,000,000.00, for the purpose of funding the development of infrastructure at CoStar Realty Information, Inc.’s existing and planned facilities located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, is hereby authorized to accept funds in the amount of \$15,000,000.00 from the Commonwealth of Virginia for the purpose of funding the development of infrastructure at CoStar Realty Information, Inc.’s existing and planned facilities located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond.

§ 2. That Ordinance No. 2025-057, adopted May 12, 2025, which adopted a Special Fund Budget for the fiscal year commencing July 1, 2025 and ending June 30, 2026, and which made appropriations pursuant thereto, be and is hereby amended by creating a new special fund for the Department of Economic Development called the “CoStar Special Fund” and appropriating \$15,000,000.00 of the funds received from the Commonwealth of Virginia to the Special Fund Budget for the fiscal year commencing July 1, 2025, and ending June 30, 2026, by increasing estimated revenues by \$15,000,000.00 and allotting to the Department of Economic Development’s CoStar Special Fund the sum of \$15,000,000.00 for the purpose of funding the development of infrastructure at CoStar Realty Information, Inc.’s existing and planned facilities located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond.

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

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: August 21, 2025
TO: The Honorable Members of City Council
THROUGH: The Honorable Dr. Danny Avula, Mayor
THROUGH: Odie Donald II, Chief Administrative Officer
THROUGH: Tanikia Jackson, DCAO, Finance and Administration
THROUGH: Letitia Shelton, Director of Finance
THROUGH: Meghan Brown, Director of Budget
THROUGH: Sharon Ebert, DCAO, Planning & Economic Development
FROM: Angie Rodgers, Director, Department of Economic Development
RE: Acceptance of Infrastructure Grant for CoStar Realty Information, Inc.
ORD. OR RES. No.

PURPOSE: To authorize the Chief Administrative Officer to accept funds in the amount of \$15,000,000 from the Commonwealth of Virginia, to (i) amend the Fiscal Year 2026 Special Fund Budget by creating a new special fund for the Department of Economic Development called CoStar Special Fund, and (ii) to appropriate the increase to the Fiscal Year 2026 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Economic Development's CoStar Special Fund by \$15,000,000, for the purpose of providing CoStar Realty Information, Inc., with incentives for the development of infrastructure at its existing and planned facilities located at 501 South 5th Street and 600 Tredegar Street in the city of Richmond.

BACKGROUND: In December 2021, following a competitive site selection search, CoStar Realty Information announced its decision to expand its facilities at 501 South 5th Street and 600 Tredegar Street by investing at least \$460.5 million and creating 1,984 new jobs with an average wage of over \$85,000. As part of its collaborative proposal with the City to induce the company to expand in Richmond, the Commonwealth offered a \$15,000,000 infrastructure grant to reimburse the company for infrastructure improvements like site grading and utilities on and around the site.

Pursuant to the terms of the Memorandum of Understanding between Costar Realty Information Inc., the City,

the Virginia Economic Development Partnership Authority (VEDP), and the Economic Development Authority of the City of Richmond (EDA), the company was required to submit reimbursement documentation to VEDP by July 1, 2025 -which it did. VEDP has reviewed the documentation and approved the \$15,000,000 infrastructure grant disbursement.

In accordance with the performance agreement, the funds will be transferred from VEDP to the City, which will then transfer the funds to the EDA. The EDA will then disburse the funds to the company. There are repayment provisions should CoStar fail to meet its new job and capital investment targets. CoStar's first performance report is due to the Commonwealth by April 1, 2026.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: The expansion of corporate headquarters and professional services companies aligns with the initiatives laid out in the City's adopted Strategic Plan for Equitable Economic Development (SPEED).

FISCAL IMPACT: The acceptance and appropriation of the infrastructure grant will not impact the budget beyond the increasing estimated revenues and the amount appropriated to the Department of Economic Development's CoStar Special Fund.

DESIRED EFFECTIVE DATE: Upon Adoption.

REQUESTED INTRODUCTION DATE: November 10, 2025

CITY COUNCIL PUBLIC HEARING DATE: December 8, 2025

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development Standing Committee

AFFECTED AGENCIES: Department of Economic Development, the Department of Budget and Strategic Planning, and the Department of Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: ORD. 2024-108

ATTACHMENTS: MOU Property Analytics Firm Infrastructure Grant Program

STAFF: Katie McConnell, Senior Deputy Director, Department of Economic Development

Amanda Blatnik, Policy Analyst, Senior, Department of Economic Development