

INTRODUCED: November 12, 2024

AN ORDINANCE No. 2024-291

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Franchise Agreement between the City of Richmond and the Greater Richmond Transit Co. for the purpose of displaying advertisements on Greater Richmond Transit Co. bus stops and bus rapid transit system stations.

\_\_\_\_\_  
Patron – Mayor Stoney

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: DEC 9 2024 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 Franchise Agreement between the City of Richmond and the Greater Richmond Transit Co. for the purpose of displaying advertisements on Greater Richmond Transit Co. bus stops and bus rapid transit system stations. The Franchise 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.

AYES: 8 NOES: 0 ABSTAIN: \_\_\_\_\_

ADOPTED: DEC 9 2024 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_





# City of Richmond

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

## Master

**File Number: Admin-2024-1360**

<b>File ID:</b> Admin-2024-1360	<b>Type:</b> Request for Ordinance or Resolution	<b>Status:</b> Regular Agenda
<b>Version:</b> 1	<b>Reference:</b>	<b>In Control:</b> City Clerk Waiting Room
<b>Department:</b>	<b>Cost:</b>	<b>File Created:</b> 10/24/2024
<b>Subject:</b>	<b>Final Action:</b>	
Title:		

**Internal Notes:**

**Code Sections:**

**Agenda Date:** 11/12/2024

**Indexes:**

**Agenda Number:**

**Patron(s):**

**Enactment Date:**

**Attachments:** ADMIN 2024-1360 WD Ord. - GRTC Franchise Agreement, ADMIN 2024-1360 Franchise Agreement - AATF

**Enactment Number:**

**Contact:**

**Introduction Date:**

**Drafter:** Dironna.Clarke@rva.gov

**Effective Date:**

**Related Files:**

### Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	10/28/2024	Dironna Clarke	Approve	10/30/2024
1	2	10/28/2024	Bobby Vincent	Approve	10/30/2024
1	3	10/28/2024	Robert Steidel	Approve	10/30/2024
1	4	10/29/2024	Jeff Gray	Approve	10/30/2024
1	5	10/29/2024	Sabrina Joy-Hogg	Approve	10/31/2024
1	6	10/31/2024	Lincoln Saunders	Approve	11/7/2024
1	7	10/31/2024	Caitlin Sedano - FYI	Notified - FYI	
1	8	11/7/2024	Mayor Stoney	Approve	11/18/2024
1	9	11/7/2024	Cordell Hayes - FYI	Notified - FYI	

### History of Legislative File

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<b>Ver- sion:</b>	<b>Acting Body:</b>	<b>Date:</b>	<b>Action:</b>	<b>Sent To:</b>	<b>Due Date:</b>	<b>Return Date:</b>	<b>Result:</b>
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**Text of Legislative File Admin-2024-1360**

**O&R REQUEST**

**DATE:** October 23, 2024 **EDITION:** 1

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

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

**THROUGH:** J.E. Lincoln Saunders, Chief Administrative Officer

**THROUGH:** Sabrina Joy-Hogg, Senior DCAO

**THROUGH:** Robert Steidel, DCAO, Operations

**THROUGH:** Bobby Vincent Jr., Director of Public Works

**FROM:** Dironna Moore Clarke, Deputy Director, Office of Equitable Transit & Mobility

**RE:** **TO AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER, FOR AND ON BEHALF OF THE CITY OF RICHMOND, TO EXECUTE A FRANCHISE AGREEMENT BY AND BETWEEN THE CITY OF RICHMOND AND THE GREATER RICHMOND TRANSIT COMPANY (GRTC) FOR THE PURPOSE OF FACILITATING THE PLACEMENT OF ADVERTISEMENTS ON ALL GRTC BUS STOPS AND BRT STATIONS.**

**ORD. OR RES. No.**

**PURPOSE:** To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Franchise Agreement by and between the City of Richmond and the Greater Richmond Transit Company (GRTC) for the purpose of facilitating the placement of advertisements on all GRTC Bus Stops and BRT Stations.

**BACKGROUND:** The City and GRTC were signees to the Broad Street Bus Rapid Transit Project Development Agreement dated April 18, 2016, by which agreement the Parties assumed obligations, including those of funding, maintenance, and operation, relating to the establishment of a bus rapid transit system (the "Pulse BRT"). Pursuant to the BRT Agreement, the city owns all infrastructure comprising, identifying and located at each GRTC station to be served by the Pulse BRT, with the exception of ticket vending machines and communications equipment attached to the BRT Stations. The City and GRTC were signees to a 5-year term franchise agreement dated Oct 14, 2019, that allowed advertisements on BRT stations. With the expiration of that 5-year term, a new franchise agreement that expands the parameters of the aforementioned agreement is desired by the City and GRTC.

**COMMUNITY ENGAGEMENT:** Richmond Connects, adopted in March 2024, is the City's largest transportation planning effort to date. It was developed to provide leadership with a ranked list of priority transportation projects and priority programs. The GRTC Franchise Agreement is in line with transit as a top priority for Richmonders through the Richmond Connects process. The Office of Equitable Transit and Mobility (OETM) has been commended and nationally recognized for the level and depth of engagement, that was underwent for Richmond Connects.

OETM engaged the public in an intensive, equity focused, planning process from Spring 2021 to Winter 2024 while completing the Path to Equity: *Policy Guide for Richmond Connects* and the Richmond Connects Strategic and Action Plans. During that time, 6 rounds of engagement and community feedback were completed. Through community pop-ups, paid focus groups, neighborhood events, canvassing, social media, telephone town halls, online surveys, and email blasts, the team touched over 20,000 Richmonders in some way during the process. In the last round of engagement alone, over 8,000 Richmonders completed a survey to indicate which projects were the most pressing for their neighborhood; and more than 10,000 surveys were collected and analyzed throughout the Path to Equity and Richmond Connects processes. Throughout this process the team also consulted at key milestones with an Advisory Committee and Steering committee comprised of city leaders, staff experts across various departments, regional and community planning partners, advocacy groups, business and real estate groups, and paid citizen ambassadors.

**STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL:** The GRTC Franchise Agreement conforms to the Equitable Transportation vision set forth in the Richmond 300 master plan by expanding and improving walking and public transit infrastructure. No other governmental agency approval is required.

This project helps met several goals laid out in Richmond 300, as described below:

- **Goal 6: Land Use and Transportation Planning-** Align future land use and transportation planning to support a sustainable and resilient city.
- **Goal 15: Clean Air-** Improve the air quality within the city and the region, achieve a 45% reduction in greenhouse gas emissions within the city by 2030, and achieve net zero greenhouse gas emissions within the city by 2050 via RVAgreen 2050.
- **Goal 8: Equitable Transportation-** Expand and improve on-street networks and amenities serving bicyclists and other non-vehicle users; Increase transit service to serve existing and new riders so that 75% of residents live within a half mile of a transit line with service that comes every 15 minutes by 2040; Increase the number of intercity travel options connecting the Richmond region to other regions and cities.
- **Goal 17: Resilient & Healthy Communities-** Positively adapt to the effects of a changing climate via RVAgreen 2050 and ensure that all residents have equitable access to nature and a healthy community.

**FISCAL IMPACT:** GRTC estimates an annual revenue of up to \$2 million from advertisements, through this franchise agreement. These revenues will be used to support the Zero Fare transit program

for the City of Richmond.

**DESIRED EFFECTIVE DATE:** Immediate upon adoption

**REQUESTED INTRODUCTION DATE:** November 12, 2024

**CITY COUNCIL PUBLIC HEARING DATE:** December 9, 2024

**REQUESTED AGENDA:** Consent Agenda

**RECOMMENDED COUNCIL COMMITTEE:** Land Use, Housing and Transportation Standing Committee Meeting.

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None.

**AFFECTED AGENCIES:** Department of Public Works.

**RELATIONSHIP TO EXISTING ORD. OR RES.:** N/A

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

**ATTACHMENTS:** (1) GRTC Franchise Agreement

**STAFF:** Dironna Moore Clarke, Office of Equitable Transit and Mobility x3074

## FRANCHISE AGREEMENT

**THIS FRANCHISE AGREEMENT** (this “Agreement”) is made and entered into as of \_\_\_\_\_, 2024 (the “Effective Date”), by and between the City of Richmond, Virginia, a municipal corporation of the Commonwealth of Virginia (the “City”), and the Greater Richmond Transit Company, a Virginia corporation (“GRTC”).

WHEREAS, the City and GRTC (collectively the “Parties”) were signees to the Broad Street Bus Rapid Transit Project Development Agreement (the “BRT Agreement”), dated April 18, 2016, by which agreement the Parties assumed obligations, including those of funding, maintenance and operation, relating to the establishment of a bus rapid transit system (the “Pulse BRT”) principally located in the city of Richmond, Virginia;

WHEREAS, pursuant to the BRT Agreement, the City owns all infrastructure comprising, identifying and located at each station to be served by the Pulse BRT (“BRT Station,” collectively the “BRT Stations”), with the exception of ticket vending machines and communications equipment attached to the BRT Stations;

WHEREAS, because all infrastructure comprising bus stops for GRTC’s local fixed route and express service within the geographical boundaries of the city of Richmond is constructed and located in city right-of-way, the City owns all such infrastructure (“Bus Stops”)

WHEREAS, GRTC, desires to identify advertisers (the “Advertisers”) who will pay for the right to have advertisements placed at the BRT Stations and at the Bus Stops (the “Advertisements”);

and

WHEREAS, GRTC desires, and the City is willing to grant to GRTC, a franchise in accordance with Section 15.2-2100 of the Code of Virginia and Article VII, Section 9 of the Constitution of Virginia, to use the BRT Stations and the Bus Stops for placement of the Advertisements.

**NOW, THEREFORE**, in consideration of the mutual terms, conditions, promises, covenants and payments hereinafter set forth, the Parties agree as follows:

- 1.0 Recitals.** The accuracy of the Recitals set forth above are acknowledged by the Parties and, along with the attachments to this Agreement, are incorporated herein by reference.
- 2.0 Definitions.** Words, terms and phrases used in this Agreement shall have the meanings ascribed to them by the sections below, unless the context clearly indicates another meaning is intended.
- 2.1 Advertisement Revenue.** “Advertisement Revenue” means all revenue associated with the Advertisements that GRTC receives from the Advertisers, net of any commission paid by GRTC to secure the Advertisers.
- 2.2 Claims.** “Claims” means that term as defined in paragraph 9.0 of this Agreement.



- 2.2 Franchise.** “Franchise” means the franchise granted to GRTC by the City, as further described in paragraph 3.1 below, and as conditioned by this Agreement.
- 2.3 Public Ways.** “Public Ways” means the public ways of the City, as defined in Chapter 24 of the 2020 Richmond City Code.
- 2.4 Term.** “Term” means the term of the Franchise, as set forth in paragraph 4.0 below.
- 3.0 Franchise.**
- 3.1 Grant of Franchise.** City grants to GRTC the Franchise for the Term and subject to the conditions and limitations hereinafter stated, for the sole purposes of (i) placement and display of the Advertisements within those areas of the BRT Stations, to-wit: windscreen; ticket vending machines; electronic signs; and space on each station’s totem; (ii) placement and display of advertisement at Bus Stops, to-wit: benches; ad displays in shelters; electronic signs; and static signs on bus stop poles; and (iii) any necessary access to the BRT Stations and the Bus Stops, to the extent not already available to GRTC, to allow GRTC to exercise its rights and fulfill its obligations under this Franchise. GRTC shall not place, and shall not permit placement of, the Advertisements anywhere other than those areas identified in this Agreement.
- 3.2 Extent of Franchise.** The Franchise will apply to every BRT Station and Bus Stop located within the geographical boundaries of the city of Richmond.
- 3.3 No Effect on City’s Rights.** The City’s granting of the Franchise will not affect its right, as owner of the BRT Stations and the Bus Stops, to engage in any lawful activity in, on or around the BRT Stations and the Bus Stops at any time.
- 3.4 No Additional Use of Public Ways or City Property.** This Franchise does not grant to GRTC any use of the Public Ways not permitted to the general public, or use of any City-owned structure or other City property, other than as set forth in paragraph 3.1 above.
- 4.0 Term.** The Franchise will take effect on the Effective Date and, unless terminated in accordance with paragraph 3.1 below, will expire on the same day and month five (5) years after the Effective Date.
- 4.1 Termination.** The City, at its option, may terminate this Agreement before expiration of the Term upon the occurrence of either of the following:
- i) any material breach of this Agreement, should GRTC fail to correct such breach within ninety (90) days after receiving specific written notice of such material breach from the City or, if the breach cannot be reasonably corrected within 90 days, within a reasonable time as agreed to by the Parties; or
  - ii) the ceasing of operation of the Pulse BRT, or of GRTC, as the case may be.

**5.0 Advertisements.**

**5.1 Advertisement Policy.** GRTC agrees that the content of the Advertisements will satisfy the conditions of GRTC's advertising policy as of the Effective Date, which policy is attached hereto as Attachment A, as same may be lawfully amended from time to time.

**5.2 Intellectual Property Rights.** GRTC represents and warrants that the Advertisements will not infringe on any valid copyright, patent, service mark, trademark or other form of intellectual property rights.

**5.3 Advertisement Revenue. Use of Advertisement Revenue.** GRTC agrees to use the Advertisement Revenue exclusively for funding of GRTC operating and capital expenses, including the continuation of GRTC's zero-fare policy.

**6.0 Restoration.** GRTC shall, at its own cost and expense, replace, repair and restore as close as reasonably possible to its prior condition any City property and Public Ways damaged or altered during any exercise of GRTC's rights under the Franchise.

**7.0 Safety Precautions.** GRTC, in any exercise of its rights and obligations under the Franchise, shall, at its own cost and expense, ensure such exercise is i) undertaken such as to prevent accidents in accordance with applicable law and ii) performed, using materials of good and durable quality, in a safe, thorough and reliable manner in accordance with industry, professional, state, and federal standards.

**8.0 Compliance with Laws.** During the Term, GRTC shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, relating to the rights granted to GRTC in this Franchise.

**9.0 Liability.** Neither the City nor its officers, employees, agents or contractors will be responsible to GRTC for any liability or costs as a result of or in connection with, i) any exercise of rights or obligations set forth in this Agreement by or on behalf of GRTC, ii) any lawful use, operation, maintenance, repair, replacement or removal of the Transit Stations by the City, or iii) any emergency related to the health and safety of the public; provided, however, nothing in this paragraph shall waive any rights GRTC may have against the City for any willful misconduct or negligent acts by the City. Nothing herein may be construed as a waiver of the sovereign immunity granted to City by the Commonwealth of Virginia Constitution, statutes, and applicable case law. This paragraph will survive the termination or expiration of this Agreement.

**10.0 Indemnification.** GRTC agrees to indemnify the City against any injury, loss, or damage to the extent caused by any negligent or intentional act or omission of GRTC. Under no circumstances will GRTC be obligated to indemnify any party to the extent that the injury, loss, or damage was caused by the negligence or willful misconduct of the party to be indemnified. Nothing in this Section 9.0 may be construed as a waiver of the sovereign

immunity granted to Landlord by the Commonwealth of Virginia Constitution, statutes, and applicable case law.

**11.0 Insurance.** Throughout the Term, GRTC shall, at its own expense, maintain liability insurance policies in a form reasonably acceptable to the City. Upon request, GRTC shall provide a certificate of liability insurance demonstrating that GRTC is maintaining the insurance requirements of this paragraph. Each certificate shall include the City as an additional insured as its interest may appear. Such policies shall be issued by companies duly authorized or permitted to conduct business in the Commonwealth of Virginia. Such policies shall insure GRTC, and excluding Workers' Compensation and Employer's Liability, include the City as an additional insured as its interest may appear. GRTC shall include the following among such policies:

- (a) Commercial General Liability Insurance (including, but not limited to, premises-operations, products/completed operations, contractual liability, independent contractors, personal injury) with limits of not less than two million dollars (\$2,000,000) combined single limit for each occurrence for bodily injury and property damage (limits may be satisfied with primary and/or excess coverage);
- (b) Commercial Automobile Liability Insurance with limits of not less than one million dollars (\$1,000,000) combined single limit for each accident for bodily injury and property damage;
- (c) Workers' Compensation insurance meeting all statutory requirements of the Commonwealth of Virginia;
- (d) Employer's Liability insurance with limits of not less than one million dollars (\$1,000,000) each accident/disease/policy limit;
- (e) Umbrella Liability insurance shall be maintained above the primary Commercial General Liability, Commercial Automobile Liability, and Employers' Liability policies required herein. The limit of such Umbrella Liability insurance shall not be less than two million dollars (\$2,000,000) each occurrence and aggregate.

The foregoing minimum limitations shall not prohibit GRTC from obtaining a liability insurance policy or policies in excess of such limitations.

**12.0 Miscellaneous Provisions.**

**12.1 Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties hereto; provided, however, that in no event may GRTC assign, transfer or otherwise dispose of this Agreement or any of its rights, benefits, duties or obligations without the prior written consent of the City, which consent the City will not be obligated to give.

- 12.2 Captions.** All section titles or captions in this Agreement are for convenience of reference only. They should not be deemed to be part of this Agreement or to in any way define, limit, extend, or describe the scope or intent of any provisions of this Agreement.
- 12.3 Entire Agreement.** This Agreement contains the entire understanding between the Parties and supersedes any prior understandings and written or oral agreements between them respecting this subject matter. There are no representations, agreements, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Agreement that are not fully expressed in this Agreement.
- 12.4 Governing Law and Forum Choice.** All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the City and GRTC in connection with this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. GRTC accepts the personal jurisdiction of any court in which an action is brought pursuant to this article for purposes of that action and waives all jurisdiction- and venue-related defenses to the maintenance of such action. Each party shall be responsible for its own attorneys' fees in the event this Agreement is subject to litigation.
- 12.5 Modifications.** This Agreement may be amended, modified and supplemented only by the written consent of both the City and GRTC preceded by all formalities required as prerequisites to the signature by each party of this Agreement.
- 12.6 No Joint Venture.** The terms and conditions of this Agreement shall not be construed or interpreted in any manner as creating or constituting the City as a partner or joint venture with GRTC or as making the City liable for the debts, defaults, obligations or lawsuits of GRTC or its assigns, contractors or subcontractors.
- 12.7 No Third-Party Beneficiaries.** Notwithstanding any other provision of this Agreement, the City and GRTC hereby agree that, i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City or GRTC; iii) no individual or entity shall obtain any right to make any claim against the City or GRTC under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, tenants, subtenants, contractors, subcontractors, vendors, sub-vendors, assignees, licensees and sub-licensees, regardless of whether such individual or entity is named in this Agreement.

**12.8 Notices.** All notices, offers, consents, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U. S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To City:

Dironna Moore Clarke  
Senior Manager for Multimodal Transportation & Strategic Planning  
Department of Public Works  
City of Richmond  
900 East Broad Street, Room 707  
Richmond, Virginia 23219  
(804)646-3074  
Dironna.Clarke@richmondgov.com

B. To GRTC:

Adrienne Torres, Chief of Staff  
GRTC  
301 East Belt Boulevard  
Richmond, VA 23224  
(804) 474-9338  
adrienne.torres@ridegrtc.com

Either party may change any of its address information given above by giving notice in writing stating its new address to the other party.

**12.9 Waiver.** The failure of either of the Parties to insist upon the strict performance of any provision of this Agreement shall not be deemed to be a waiver of the right to insist upon strict performance of such provision or of any other provision of this Agreement at any time. Waiver of any breach of this agreement shall not constitute waiver of a subsequent breach.

**12.10 Signature Authority.** Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement. Following the authorization of this Agreement by the City Council, the City's Chief Administrative Officer shall have the authority to execute this Agreement on behalf of the City, and the Chief Administrative Officer or her designee shall have the authority to provide any notices or authorizations contemplated under this Agreement on behalf of the City.

**SIGNATURES ON FOLLOWING PAGE**

CITY OF RICHMOND  
a municipal corporation

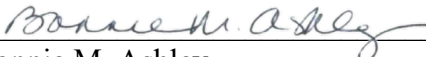
By: \_\_\_\_\_  
J. E. Lincoln Saunders  
Chief Administrative Officer

Pursuant to the Authority Granted  
In Ordinance No: \_\_\_\_\_

Greater Richmond Transit Company

By: \_\_\_\_\_  
Sheryl Adams  
Chief Executive Officer

Prepared and approved as to form:

  
\_\_\_\_\_  
Bonnie M. Ashley  
Deputy City Attorney