

INTRODUCED: July 27, 2026

AN ORDINANCE No. 2026-195

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept a donation of certain services, including but not limited to the design of an AI proof of concept and a survey, valued at approximately \$268,209.02 from Ernst & Young LLP and, in connection therewith, to execute a Donation of Services and Data Sharing Agreement between the City of Richmond and Ernst & Young LLP, all for the purpose of enhancing the City’s certificate of occupancy processes.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEP 28 2026 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, is hereby authorized to accept a donation of services, including but not limited to the design of an AI proof of concept and a survey, valued at approximately \$268,209.02 from Ernst & Young LLP for the purpose of enhancing the City’s certificate of occupancy processes.

§ 2. That the Chief Administrative Officer, for and on behalf of the City of Richmond, is

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

hereby authorized to execute a Donation of Services and Data Sharing Agreement between the City of Richmond and Ernst & Young LLP in connection with the acceptance of the gift authorized by section 1 of this ordinance; provided that such Donation of Services and Data Sharing Agreement must first be approved as to form by the City Attorney and must be substantially in the form of the document attached to this ordinance.

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

DATE: June 18, 2026

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 for Finance and Administration

THROUGH: Letitia Shelton, Director of Finance

THROUGH: Meghan Brown, Director of Budget and Strategic Planning

THROUGH: Sharon Ebert, DCAO for Planning and Economic Development

FROM: Kevin Vonck, Director of Planning and Development Review

RE: Authorize acceptance of a donation of services from Ernst & Young LLP and signature of a Donation of Services and Data Sharing Agreement between the City and Ernst & Young LLP

ORD. OR RES. No.:

PURPOSE: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept a donation of services from Ernst & Young LLP valued at approximately \$268,209.02, and, in connection therewith, execute a Donation of Services and Data Sharing Agreement between the City of Richmond and Ernst & Young LLP, for the purposes of preparing and producing a survey designed to elicit feedback on the City of Richmond's building permitting processes and an AI proof of concept solution to help the City of Richmond enhance its certificate of occupancy processes.

BACKGROUND: The Department of Planning and Development Review is excited to partner with Ernst & Young LLP to (1) conduct a survey that will help inform process improvements to improve the user experience for applicants applying for building licenses from the City and to make the building license application process more efficient overall and (2) producing an AI proof of concept solution to help the City of Richmond enhance its certificate of occupancy processes.

COMMUNITY ENGAGEMENT: NA

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Mayoral Action Plan, Pillar One (A Thriving City Hall); Goal E: Provide White Glove Service for all Constituents

FISCAL IMPACT: The total value of the donated services is approximately \$268,209.02.

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: July 27, 2026

CITY COUNCIL PUBLIC HEARING DATE: September 14, 2026

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic
Development Standing Committee

AFFECTED AGENCIES: PDR, DIT, Budget, Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: None

ATTACHMENTS: Attachment A: Donation of Services and Data Sharing Agreement

STAFF: Kevin Vonck, Director of PDR, Charles Todd, Director of DIT

DONATION OF SERVICES AND DATA SHARING AGREEMENT

THIS DONATION OF SERVICES AND DATA SHARING AGREEMENT (“Agreement”) is made and entered into on _____, 2026 (“Effective Date”), by and between City of Richmond, Virginia (“City”) and Ernst & Young LLP (“EY”), acting by and through their authorized representatives. Subject to the terms and conditions of this Agreement, EY shall donate certain services, an AI proof of concept, and a survey to the City, and the City, to facilitate EY’s development of the survey, shall provide certain data to EY as described below:

1. Donated Services

- a. EY shall prepare and produce for the City’s sole use and ownership a “Voice of the Customer” survey (“Purpose”) at no cost to the City to help the City enhance its building permitting processes. EY shall design the survey to elicit feedback on the City of Richmond’s building permitting processes, including strengths, points of friction and recommendations. The intended audience for the survey is all constituents (e.g., developers, contractors, individuals) who have applied for a building permit in the last 18-24 months. By Ordinance No. 2026-_____, adopted _____, 2026, the City’s Chief Administrative Officer is authorized to accept this donation of services and survey, valued at approximately \$142,890.91.
- b. Also, EY shall prepare and produce for the City’s sole use and ownership an AI proof of concept solution at no cost to the City to help the City enhance its certificate of occupancy processes. EY shall design the AI proof of concept to demonstrate how the customer experience around certificate of occupancy can be improved by leveraging recent technological advances. The solution will only be proof of concept and not implemented into Richmond’s IT environment. To the extent EY is separately contracted to implement the solution into Richmond’s IT environment, the production configuration must comply with relevant City policies, including without limitation Administrative Regulation 2.13 (The Artificial Intelligence (AI) Policy). By Ordinance No. 2026-_____ adopted _____, 2026, the City’s Chief Administrative Officer is authorized to accept this donation of services and AI proof of concept, valued at approximately \$125,318.11.
- c. The attachment to this Agreement labeled “Appendix A: Donated Services,” which attachment is made a part of this Agreement, further describes the donated services discussed in paragraphs a and b above.
- d. The City shall not pay EY any fees or costs associated with the deliverables provided under this Agreement. The parties acknowledge that this Agreement does not obligate the City to make any future purchases of services or deliverables from EY, and that EY’s development of the deliverables herein may disqualify EY from participation or consideration in future procurements initiated by the City. Any future purchase by the City of services or deliverables not explicitly described herein must comply with any applicable procurement requirements.

2. Purpose of Data Sharing

- a. Voice of the Customer Survey: EY and City acknowledge that EY will require the City Data, defined below, to perform the Purpose, and EY shall use the City Data only to perform

the Purpose.

- b. AI Proof of Concept: EY and City acknowledge that EY does not require the City Data for the purposes of the AI proof of concept, and EY will only use publicly-available data for the AI proof of concept.

3. Description of Data

- a. City will make available to EY the following data relating to each building permit application made through the City's electronic building permit processing system in the last 18-24 months: type of permit requested, fee charged, value of proposed construction, address where construction to occur, process steps in the permitting process, date and time stamps of activities within the permitting process, applicant electronic contact information (but not applicant name) (collectively, the "City Data").

4. Method of Data Sharing.

City will make the City Data available to EY electronically pursuant to directions provided by City.

5. Grant of License and Ownership of Data

City hereby grants to EY a limited, non-exclusive, non-transferrable, and freely revocable license and permission to access, copy, and use the City Data solely for the Purpose. City possesses and retains all rights, title, and interest in and usage of the City Data.

6. Constraints on Access and Use of Data.

EY shall limit access to the City Data to the minimum number of individuals necessary to achieve the Purpose, and to those individuals on a need-to-know basis. Without receipt of prior written consent from City's Director of Information Technology, EY shall not:

- a. access, process, or otherwise use the City Data other than as necessary to facilitate the Purpose;
- b. release, sell, or otherwise grant access to the City Data to any third party; and
- c. share, publish, or otherwise externally distribute any findings or conclusions derived from the analysis of the City Data.

Notwithstanding the foregoing, EY may disclose the City Data as required by applicable law or by legal or governmental authority. EY shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise contest such required disclosure. In the event of a conflict between the terms of this section 6 and another term of this Agreement, the terms of this section 6 shall control.

7. Data Confidentiality and Security.

The Parties shall comply with all Federal, State, and local laws and regulations governing the confidentiality of the City Data. EY shall protect the City Data using not less than the same care with which it treats its own confidential information, but at all times using at least reasonable care. EY shall establish and maintain the appropriate administrative, technical, and physical safeguards to protect the confidentiality of the City Data and to prevent unauthorized use or disclosure. In the event of a data breach or unauthorized disclosure, EY will: (i) notify City within 48 hours of discovery of the breach or unauthorized disclosure of City Data; and (ii) cooperate with City and law enforcement agencies, where applicable, to investigate and resolve the matter. EY will give City prompt access to records directly related to a data breach or unauthorized disclosure of the City Data as City may reasonably request.

8. Disposition of Data

Upon expiration or termination of this Agreement for any reason, EY will erase and destroy all City Data in EY's possession in any form, including, but not limited to, electronic, hard copy, or other memory device, except to the extent EY is required to retain data by applicable law or professional standards. EY shall continue to maintain the confidentiality of any retained data consistent with the terms of this Agreement.

9. Termination.

City may terminate this Agreement for convenience at any time for any or no reason upon thirty days prior written notice to EY. Unless terminated by City, this Agreement shall terminate upon EY's completion of the Purpose.

10. No Third-Party Beneficiary.

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, will be strictly reserved to the Parties, and nothing contained in this Agreement will give or allow any such claims or right of action by any third person or other entity. It is the express intention of the Parties that any person or entity, other than the Parties to this Agreement, will be deemed to be incidental beneficiaries only.

11. General Provisions. The following General Provisions set forth below shall be binding upon the parties hereto and considered an essential part of this Agreement:

- a. **Assignment.** No Party will assign or otherwise transfer this Agreement or any right or obligation hereunder without prior written consent of the other Parties.
- b. **Governing Law and Construction.** This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Virginia, and its provisions will be construed as a whole according to their common meaning and not strictly for or against any

Party. Venue for any action hereunder shall only be in the Circuit Court of the City of Richmond, Virginia.

- c. **Severability.** If any provision of this Agreement is illegal or unenforceable, then that provision is severed from this Agreement and the other provisions remain in force.
- d. **Remedies.** In the event of a breach of this Agreement by either party to this Agreement, the non-breaching party may pursue any remedy now or hereafter available to such party at law or in equity notwithstanding earlier termination or expiration of this Agreement, and the rights of each party set forth in this Agreement shall be cumulative, such that exercise of any right shall not exclude the exercise of any other right.
- e. **Survival.** All provisions of this Agreement that would by their nature or terms survive will survive termination of this Agreement.
- f. **Waiver.** The waiver of any breach of term hereof will not be construed as a waiver of any other term, or the same term upon subsequent breach.
- g. **Signature.** Execution and delivery of this Agreement via electronic transmission or other electronic means shall be binding, and photocopies, facsimile transmissions, and electronic images or copies (such as DocuSign or pdf), of this Agreement shall be valid, binding, effective and enforceable the same as originals for all purposes. This Agreement may be executed in two (2) or more counterparts, all of which together shall constitute but one and the same agreement.
- h. **Notice.** All notices required herein shall be sent to either party below by First Class Mail or through electronic means at the addresses indicated below:

For the City: City of Richmond
 c/o Kevin Vonck, Planning Director
 900 East Broad Street, Room 511
 Richmond, VA 23219

For the EY: Ernst & Young
 c/o Greg Williams
 2100 East Cary Street, Suite 201
 Richmond, VA 23223

12. Entire Agreement.

This Agreement embodies the entire agreement between the Parties with respect to the subject matter hereof. The Parties will not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth above.

City of Richmond

By: _____
Odie Donald
Chief Administrative Officer

Approved as to Form:



Senior Assistant City Attorney

Ernst & Young LLP

By: _____
Greg Williams,
Managing Director

Appendix A: Donated Services

This pro-bono engagement is designed to identify potential process bottlenecks and improve efficiency through data-driven insights and permit applicant feedback. As part of this scope, AI-powered tools will be explored that may enable users to quickly access relevant information, reducing delays and minimizing repetitive processes for both reviewers and applicants.

- **Workstream 1:** Conduct a Voice of the Customer (VoC) survey.
- **Workstream 2:** Develop an AI proof-of-concept chatbot toward improving permitting operations.

A. Objectives:

1. (Workstream # 1) Conduct Voice of the Customer (VoC) survey:

- Evaluate historical data (i.e. permits initiated in the last 18-24 months) to identify 3 - 5 priority permit types based on:
 - Highest volume.
 - Longest processing times.
 - Frequency of “back-and-forth” or repetitive cycles.
- Capture the current state by reviewing key process documents and conducting up to four interviews to clarify processes and systems and identify bottlenecks.
- Capture applicant experience through the design, implementation, collection and analysis of a VoC survey.
- Develop actionable recommendations.

2. (Workstream # 2) Develop AI proof-of-concept:

- Develop an AI proof-of-concept chatbot to assist users with the navigation of front-end permit requirements during the certificate of occupancy intake process
- Provide supplementary documentation and policies to back up the responses

B. Scope of Services:

1. (Workstream # 1) Conduct Voice of the Customer (VoC) survey:

- Evaluate available permit data to identify the population of permit types to include in the VoC survey
- Design and deploy applicant survey focused on prioritized permit types.
- Assess and summarize applicant experience and pain points.

2. (Workstream # 2) Develop AI proof-of-concept:

- Develop an AI proof-of-concept chatbot using provided permit documentation and policies specifically around the Certificate of Occupancy

C. Approach and Timeline:

1. (Workstream # 1) Conduct Voice of the Customer (VoC) survey:

Methodology:

- **Phase 1 (Weeks 1–3): Kickoff & Survey Design**
 - Receive data, select priority permits, build survey framework
- **Phase 2 (Weeks 4–5): Survey Deployment**
 - Send survey, collect responses
- **Phase 3 (Weeks 6–7): Insights & Recommendations**
 - Analyze data, validate findings, prepare recommendations

Total Duration: 7 weeks.

2. (Workstream # 2) AI proof-of-concept:

Methodology:

- **Phase 1 (Weeks 1-2):** Kickoff & Design
 - Discovery workshops
 - Requirement specific documentation
 - Initial system architecture
- **Phase 2 (Weeks 3-5):** Technical Development & Implementation
 - Cloud Environment Setup
 - Functional AI-driven proof-of-concept
 - Basic User Interface for Authorized users
 - Initial process flow and documentation
 - Test plans and issue logs
- **Phase 3 (Weeks 6):** Knowledge Transfer
 - User feedback
 - End-user training sessions
 - Technical knowledge transfer

Total Duration: 6 weeks.

Limitations on scope

EY will not, in connection with the performance of the services described in this Appendix A (the “Services”), (i) act as a broker for the sale of any securities, (ii) solicit any potential buyer or seller (including City) to engage in any transaction, or (iii) act as a negotiator of a transaction.

As used herein “Reports” means any written documents on EY letterhead or otherwise identifiable as prepared by EY. City may incorporate the information, advice, recommendations or other content from EY’s Reports provided to City on a white paper/unbranded basis into any memorandum, report, summary or compilation, whether oral or written, produced by City or on City’s behalf (“Client Documents”) and provide such Client Documents to third parties without EY’s further consent or obtaining an access letter from such third parties, provided that City (a) assumes sole responsibility for all such Client Documents as if they had been prepared solely by City and (b) does not name or refer to EY in connection with, or otherwise associate EY, any other EY Entity or any personnel thereof directly or indirectly with any such Client Documents. EY may agree at City’s request to discuss EY’s Reports provided to City on a white paper/unbranded basis with such third parties, provided City has obtained EY’s consent and an access letter from each such third party in the form provided by EY.

City shall assign a qualified person to oversee the Services. City is responsible for all management decisions relating to the Services and for determining whether the Services are appropriate for its purposes.

City will not, and City will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (“Securities Laws”) are applicable, or (ii) periodic reporting obligations under Securities Laws. City will not contend that any provisions of Securities Laws could invalidate any provision of this Agreement.

The Services are advisory in nature. None of the Services or any Reports will constitute any legal opinion or legal advice.

EY will not provide any advice or recommendations on any regulations, policies or procedures, including but not limited to any tax regulations, policies or procedures.

EY will not provide any interpretations of permitting rules or regulations.

Any findings, interpretations, or analyses from the deliverable are provided for informational purposes only. EY will not give policy recommendations; it will provide fact-based options for the City's consideration. It is up to the City to consider the data-informed options provided by EY for policy development if they choose to do so.

Any information or data provided to EY by the City, a 3rd party on behalf of the City or factual representations made in City-provided documents are the responsibility of the City. For avoidance of doubt, EY will not opine on the accuracy of information or data included in any tool, model or technology.

In addition to the scope limitations specified herein, EY reserves the right to limit the scope of any of our services or deliverables as we deem necessary in order to comply with any applicable legal or professional standard or limitation. EY will communicate any potential scope limitations or conflicts with the City in a timely manner.

Notwithstanding anything to the contrary in the Agreement, EY does not assume any responsibility for any third-party products, programs or services selected by the City, their performance or compliance with the City's specifications or otherwise.

As used herein, "EY Firms" means any member firm operating under the global network of Ernst & Young member firms, each of which is a separate legal entity. EY and other EY Firms may render professional services to other clients in the City's industry. The City agrees that any EY Firm may render services to such other clients; provided, that except with the City's prior consent, no member of the EY team performing Services under this Agreement (the "EY Team") discloses to any other such EY team any confidential information relating to the City, including without limitation the City Data (except as required by applicable law, regulation or professional obligation).

The Services may involve EY's review of, or advice relating to, agreements to which the City is a party with, or products produced by, a third party (an "EY Client") for which EY (or another EY Firm) performs, or has performed, services unrelated to the agreements or products. On behalf of the City and the City's affiliates, the City acknowledges and consents to EY's performance of such services for any EY Client, and agree that neither the City nor the City's affiliates will make a claim that these circumstances present a conflict of interest, real or perceived, for EY or any other EY Firm. If, however, EY's services for an EY Client directly relate or related to the agreements or products, EY will seek the consent of both the City and the EY Client to the continued performance of the Services. In any event, EY confirms that, except as the City and the EY Client otherwise agree in writing, the City's and EY Client's respective confidential or privileged information will remain confidential to that client in accordance with applicable professional standards.