

**SUPPORT AGREEMENT  
ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY  
AND CITY OF CHARLOTTESVILLE**

**(VRA FINANCING)**

This **SUPPORT AGREEMENT** is made as of June \_\_, 2025, between the **CITY COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA** ("City Council"), acting as the governing body of the City of Charlottesville, Virginia (the "City"), **ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL AUTHORITY** ("ACRJA"), and the **VIRGINIA RESOURCES AUTHORITY** ("VRA"), as purchaser of the Local Bond, as hereinafter defined, pursuant to a Financing Agreement, as hereinafter defined.

**RECITALS**

**WHEREAS**, ACRJA is a regional jail authority pursuant to Section 53.1-95.2 et seq of the Code of Virginia, as amended, and a public instrumentality of the Commonwealth of Virginia established by resolutions duly adopted by the governing bodies of the County of Albemarle, Virginia ("Albemarle County"), the County of Nelson, Virginia ("Nelson County") and the City (collectively, the "Member Jurisdictions") for the purpose of developing a regional jail (the "Facility") to be operated on behalf of the Member Jurisdictions by the Jail Authority; and

**WHEREAS**, ACRJA has determined that it is in its best interest to issue and sell its Revenue Bond, Series 2025, in the original principal amount of \$41,000,000 (the "Local Bond") to VRA pursuant to the terms of a Local Bond Sale and Financing Agreement dated as of June \_\_, 2025 (the "Financing Agreement"), between ACRJA and VRA to finance and refinance the costs of the renovation and equipping of the Facility together with associated financing costs of issuance (collectively, the "Project"); and

**WHEREAS**, City Council adopted on June \_\_, 2025, a resolution authorizing, among other things, the execution of an agreement providing for a non-binding obligation of City Council to consider certain appropriations in support of the Local Bond and the Project; and

**AGREEMENT**

**NOW, THEREFORE**, for and in consideration of the issuance of the Local Bond by the ACRJA, the purchase of the Local Bond by VRA and of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Unless otherwise defined, each capitalized term used in this Support Agreement (this "Agreement") shall have the meaning given it in the Financing Agreement.
2. ACRJA shall use its best efforts to issue the Local Bond and to use the proceeds thereof to finance the costs of the Project.
3. No later than February 15 of each year, beginning February 15, 2026, ACRJA shall notify City Council of the amount, if any (the "Annual Deficiency Amount") by which ACRJA reasonably expects the Revenues to be insufficient to pay (i) the debt service obligations

under the Financing Agreement, the Local Bond and the Existing Parity Bonds, (ii) the Operation and Maintenance Expenses, and (iii) any other payments due and owing by ACRJA under the Financing Agreement (**the “Additional Payments”**) in full as and when due during the City's fiscal year beginning the following July 1.

4. The City Manager of the City (**the “City Manager”**) shall include the Annual Deficiency Amount in his budget submitted to City Council for the following fiscal year as an amount to be appropriated to or on behalf of ACRJA. The City Manager shall deliver to VRA within 10 days after the adoption of the City's budget for each fiscal year, but not later than July 15 of each year, a certificate stating whether City Council has appropriated to or on behalf of ACRJA an amount equal to the Annual Deficiency Amount.

5. If at any time Revenues shall be insufficient to make any of the payments referred to in paragraph 3 hereof, ACRJA shall notify the City Manager and VRA of the amount of such insufficiency and the City Manager shall request a supplemental appropriation from City Council in the amount necessary to make such payment.

6. The City Manager shall present each request for appropriation pursuant to paragraph 5 above to City Council, and City Council shall consider such request at City Council's next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Promptly after such meeting, the City Manager shall notify VRA as to whether the amount so requested was appropriated. If City Council shall fail to make any such appropriation, the City Manager shall add the amount of such requested appropriation to the Annual Deficiency Amount reported to the City by the City Manager for the City's next fiscal year.

7. City Council hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time pursuant to paragraphs 4 and 5 above, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. City Council, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future City Councils do likewise.

8. City Council and ACRJA acknowledge that (i) the Local Bond may be payable from and will be secured by amounts derived pursuant to this Agreement, (ii) VRA would not purchase the Local Bond without the security and credit enhancement provided by this Agreement, and (iii) VRA is treating this Agreement as a “local obligation” within the meaning of Section 62.1-199 of the Code of Virginia of 1950, as amended (**the “Virginia Code”**), which in the event of a nonpayment hereunder authorizes VRA or the Trustee to file an affidavit with the Governor that such nonpayment has occurred pursuant to Section 62.1-216.1 of the Virginia Code. In purchasing the Local Bond, VRA is further relying on Section 62.1-216.1 of the Virginia Code, which provides that if the Governor is satisfied that the nonpayment has occurred, the Governor will immediately make an order directing the Comptroller to withhold all further payment to the City of all funds, or of any part of them, appropriated and payable by the Commonwealth of Virginia to the City for any and all purposes, and the Governor will, while the nonpayment continues, direct in writing the payment of all sums withheld by the Comptroller, or

as much of them as is necessary, to VRA, so as to cure, or cure insofar as possible, such nonpayment.

9. Nothing herein contained is or shall be deemed to be a lending of the credit of the City to ACRJA, VRA or to any holder of the Local Bond or to any other person, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the City, nor shall anything herein contained legally bind or obligate City Council to appropriate funds for the purposes described herein.

10. Any notices or requests required to be given hereunder shall be deemed given if sent by registered or certified mail, postage prepaid, addressed (i) if to the City, to P.O. Box 911, Charlottesville, VA 22902, Attention: City Manager, (ii) if to ACRJA, to 160 Peregory Lane, Charlottesville, VA 22902, Attention: Superintendent, and (iii) if to VRA, to 1111 East Main Street, Suite 1920, Richmond, Virginia 23219, Attention: Executive Director. Any party may designate any other address for notices or requests by giving notice.

11. It is the intent of the parties hereto that this Agreement shall be governed by the laws of the Commonwealth of Virginia.

12. This Agreement shall remain in full force and effect until the Local Bond and all other amounts payable by ACRJA under the Financing Agreement have been paid in full.

13. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

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**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed in their respective names as of the date first above written.

**CITY COUNCIL OF THE CITY OF  
CHARLOTTESVILLE, VIRGINIA**

By: \_\_\_\_\_  
Mayor

DRAFT

**ALBEMARLE-CHARLOTTESVILLE  
REGIONAL JAIL AUTHORITY**

By: \_\_\_\_\_  
Chair

DRAFT

**VIRGINIA RESOURCES AUTHORITY**

By: \_\_\_\_\_  
Shawn B. Crumlish, Executive Director

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