

**NOTICE OF PUBLIC HEARING BEFORE THE
HAMPTON REDEVELOPMENT AND HOUSING AUTHORITY
ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR
LRC-DERBY RUN 1, LP**

Notice is hereby given that the Hampton Redevelopment and Housing Authority (the "Authority"), whose address is 1 Franklin Street, Suite 603, Hampton, Virginia 23669, will hold a public hearing on the request of LRC-Derby Run 1, LP, a Virginia limited partnership (the "Borrower"), whose address is 105 Tallapoosa Street, Suite 300, Montgomery, Alabama 36104, for the issuance by the Authority of a maximum stated principal amount of \$12,000,000 of its revenue bonds (the "Bonds") to finance or refinance a portion of (a) the cost of acquiring, rehabilitating and equipping a multifamily residential rental housing project consisting of fourteen garden style buildings containing approximately 160 units representing approximately 176,800 net rentable square feet (of which an area of approximately 142,700 square feet is expected to be eligible for low income housing tax credits) and related parking spaces and other amenities to be known as Derby Run Apartments (the "Project") located on approximately 8.73 acres of land at 300 Floyd Thompson Boulevard in the City of Hampton, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project is expected to be owned and used by the Borrower or a party related to the Borrower. The public hearing, which may be continued or adjourned, will be held at 8:30 a.m. on September 25, 2019 before the Authority in the IDA Conference Room, 6th Floor, Ruppert L. Sargent Building, 1 Franklin Street, Hampton, Virginia.

The Bonds will not pledge the credit or the taxing power of the Authority or the City of Hampton, Virginia but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the Bonds.

HAMPTON REDEVELOPMENT AND HOUSING AUTHORITY

Advertised: September 11 and September 18, 2019

September 25, 2019

City Council
City of Hampton
Hampton, Virginia

**Hampton Redevelopment and Housing Authority
Proposed Financing for Derby Run Apartments**

LRC–Derby Run 1, LP, a Virginia limited partnership (the “Borrower”), has requested that the Hampton Redevelopment and Housing Authority (the “Authority”), issue up to \$12,000,000 of its revenue bonds (the “Bonds”) to assist the Borrower in financing the acquisition, rehabilitation and equipping of an approximately 160-unit multifamily residential rental housing project known as Derby Run Apartments (the “Project”) located at 300 Floyd Thompson Boulevard in the City of Hampton, Virginia.

As set forth in the resolution of the Authority attached hereto (the “Resolution”), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the “Public Hearing”) on the proposed financing of the Project and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the “Virginia Code”) and, to the extent applicable, Section 36-19(9) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution, (b) a summary of the comments expressed at the Public Hearing and (c) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities; and (2) the form of resolution suggested by counsel to evidence your approval.

Secretary, Hampton Redevelopment and
Housing Authority

CERTIFICATE

The undersigned Secretary of the Hampton Redevelopment and Housing Authority (the “Authority”) certifies as follows:

1. A meeting of the Authority was duly called and held at 8:30 a.m. on September 25, 2019 before the Authority in the IDA Conference Room, 6th Floor, Ruppert L. Sargent Building located at 1 Franklin Street, Hampton, Virginia, pursuant to proper notice given to each Commissioner of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. The Chairman announced the commencement of a public hearing on the application of LRC-Derby Run 1, LP and a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Hampton, Virginia (the “Notice”), with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the records of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution adopted at a meeting of the Authority held on September 25, 2019 by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

5. Attached as Exhibit D is the applicant’s Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 25th day of September, 2019.

Secretary, Hampton Redevelopment and
Housing Authority

[SEAL]

Exhibits:

A – Copy of Certified Notice

B – Summary of Statements

C – Resolution

D – Fiscal Impact Statement

EXHIBIT A

CERTIFIED NOTICE OF PUBLIC HEARING

[To be attached]

EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of LRC–Derby Run 1, LP and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

EXHIBIT C

RESOLUTION

[To be attached]

FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

Date: September 25, 2019

To the Mayor and City Council
of the City of Hampton, Virginia

Applicant: LRC-Derby Run 1, LP

Facility: Multifamily Housing Facility known as Derby Run Apartments

1.	Maximum amount of financing sought.	\$	12,000,000.00
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$	10,145,000.00
3.	Estimated real property tax per year using present tax rates.	\$	131,000.00
4.	Estimated personal property tax per year using present tax rates.	\$	N/A
5.	Estimated merchants' capital tax per year using present tax rates.	\$	N/A
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$	100,000.00
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$	0.00
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$	225,000.00
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$	0.00
7.	Estimated number of regular employees on year round basis.		5
8.	Average annual salary per employee.	\$	\$45,000.00

Chairman, Hampton Redevelopment and Housing
Authority