



GRUBB PROPERTIES

People who care. Places that matter.

August 31, 2021

Mr. Maurice Jones
Town Manager
Town of Chapel Hill
405 Martin Luther King, Jr. Blvd.
Chapel Hill, NC 27514
919-969-2063 (fax)
manager@townofchapelhill.org

Re: Glen Lennox Development Agreement Annual Report for 2020-2021

Dear Mr. Jones,

Please find attached the annual report for Glen Lennox as stipulated by Sections 4.12 and 5.20 of the Glen Lennox Development Agreement. This report presents data on activities that occurred between July 1, 2020, and June 30, 2021. It demonstrates good faith compliance with the terms of the Development Agreement through June 30, 2021.

In summary, the time frame for this year's annual report saw continued design, planning, and collaboration with Town staff. Our first permitted apartment community, Link Apartments® Linden, completed construction in February, 2021.

The second project in the Glen Lennox redevelopment progressed this past year as well. The Gwendolyn office building completed construction in the second quarter of 2021, but did not receive its Certificate of Occupancy during the 2020-2021 reporting period.

The next apartment community, to be named Link Apartments® Calyx, submitted a DACP application in the 3rd quarter of 2020. This community will be located on block 9a, as the first project in the mixed-use district, envisioned as the heart of the Glen Lennox redevelopment. Demolition and site work for Link Apartments® Calyx began in June 2021, and construction is anticipated to begin in fall, 2021.

The third apartment community, to be named Link Apartments® Tekka, will be located on block 4, as the second project in the Village Center. The Grubb team is working to prepare the DACP application for Link Apartments® Tekka, and construction is anticipated to begin in June 2022.

Both Grubb and Town staff team members continue to work together to ensure that both the Development Agreement and the vision for Glen Lennox are realized.

Sincerely,

Whitney St Charles
Associate, Commercial Development



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Glen Lennox Development Agreement 2020-2021 Annual Report

1. One time change in floor area of 1,000 square feet or fewer to approved DACP (Section 4.9(b)(9))

There have been no changes of 1,000 SF or less to the floor area of the approved DACP plans.

2. Individual Development Agreement Compliance Permits issued (Section 4.12)

A third DACP administrative modification was submitted in June 2020 for the DACP issued for the first apartment building, Link Apartments® Linden. This DACP modification was focused on the bus stops on Brandon Road. The modification upgraded the bus stops per the new Glen Lennox standard and added bike shelters. The modification was approved in October 2020.

A fourth DACP administrative modification was submitted in November 2020 for the DACP issued for Link Apartments® Linden. This DACP modification added a new Phase 1B-3 to cover the final lift of asphalt and striping on 15-501, allowing occupancy of up to 44 Linden units prior to the full completion of the 15-501 improvements. This modification was approved in December 2020.

An initial DACP application for Link Apartments® Calyx project was submitted on 2/15/2021. The phase I DACP application for Link Apartments® Calyx was approved 6/18/2021.

Note:

A DACP modification for the Link Apartments® Calyx project was submitted 8/18/2021. The phase I DACP modification will be reported in the 2021-2022 reporting period.

A second DACP application for the Link Apartments® Calyx project will be submitted 9/1/2021. The phase II DACP will be reported in the 2021-2022 reporting period.

3. Infrastructure installed (Section 4.12)

Infrastructure improvements in 2020 and 2021 focused on the intersection of 15-501 and Glen Lennox Drive, with associated work to widen lanes and install new traffic signals. 15-501 opened to traffic on 3/19/2021.

4. Status of participation by the Town, Developer Owners, Representative and the Parcel Owners in the provision of or financing of public infrastructure for the Development (Section 4.12)

The provision of the public infrastructure installed for the Development outlined above was financed by the Developer Owner and Parcel Owners.

5. Dedications and acquisitions of infrastructure by the Town, Developer Owners, Representative and Parcel Owners (Section 4.12)

There were no new dedications and acquisitions of infrastructure by the Town, Developer Owners, Representatives, or Parcel Owners between 7/1/2020 and 6/30/2021.



6. The projected schedule for Development of the Property in the forthcoming year (Section 4.12)

- Certificate of Occupancy for the Gwendolyn, the first office building in the redevelopment, is anticipated in September of 2021.
- Road work adjacent to block 9A is anticipated to begin in the first quarter of 2022, including the connection between Berkeley and Lanark Roads.
- Construction for Link Apartments® Calyx and associated infrastructure is anticipated to begin in November of 2021 and will continue through 2023.
- A DACP application for Link Apartments® Tekka and associated infrastructure is anticipated to be submitted in November of 2021. Work on Link Apartments® Tekka will begin in June of 2022, and will continue through 2024.

7. For-sale affordable housing monitoring system, income levels, and new units built (Section 5.2.d)

For-Sale Affordable Housing	7/1/20-6/30/21
Total New Units	0
Cumulative Total	0
Affordable Units	0
% Affordable	0%

No for-sale affordable housing has been developed this past year. When for-sale housing is planned, a monitoring system will be created for the affordable units.

2. For-rent affordable housing monitoring system, income levels, and new units built (Section 5.2.d)

For-Rent Affordable Housing	7/1/20-6/30/21
Total New Units	215
Demolished Units	40
Cumulative Total	571
Vested Renters	30
% Vested	5.3%
Avg. Vested Renter Rent / Unit	\$854.20

All apartment resident lease information is entered into Yardi Software. The move-in dates and the rental amounts are tracked. A notice is automatically sent out to every resident 90 days before their lease renewal notifying them of their upcoming rent renewal rate. Residents who have lived in Glen Lennox for more than 5 years are only allowed a rent increase equal to the Consumer Price Index with a floor of 2% and a ceiling of 5%. On a monthly basis, management uses Yardi Software to verify the current number of long-term residents. Current residents' income data will be gathered as allowed for future rental housing development. A postcard notification from the Town reminds residents of the Vested Renter program and benefits.



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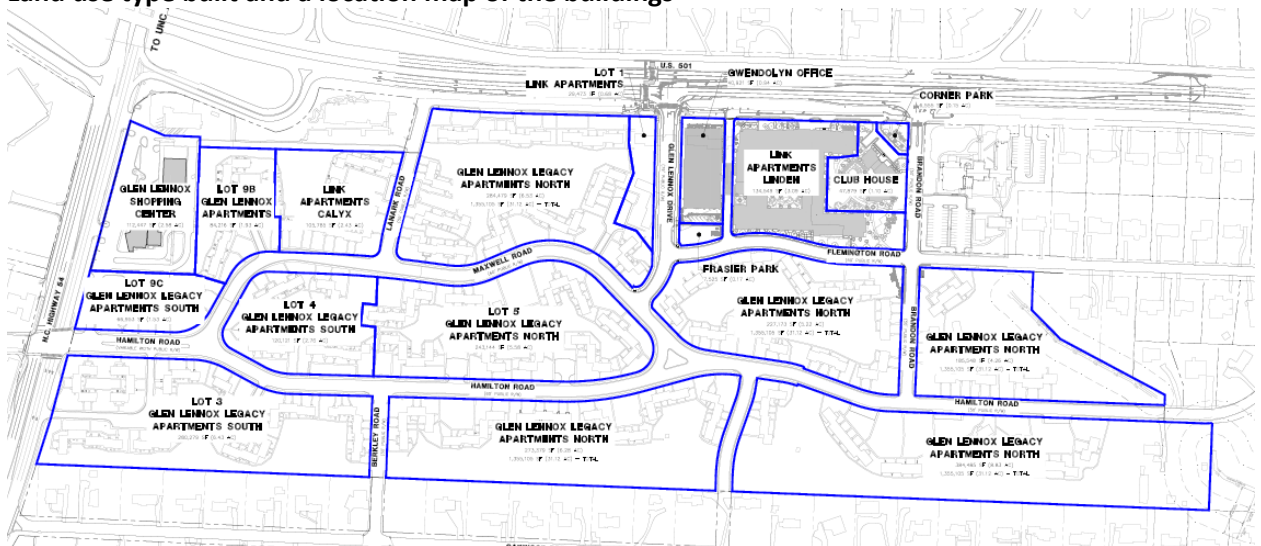
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Community Home Trust Units:

CHT Units	Type	Move-in Date	Market Rent	Rent Charged	CHT Subsidy	Net Resident Rent
96 Hamilton	1 bedroom	4/5/2019	\$807	\$805	\$520	\$285
107 Hamilton	1 bedroom	7/1/2021	\$807	\$805	\$360	\$445
126 Hamilton	2 bedroom	6/10/2021	\$887	\$880	\$405	\$475
139 Hamilton	2 bedroom	6/24/2021	\$887	\$880	\$400	\$480
48 Hayes	1 bedroom	5/2/2019	\$877	\$805	\$331	\$474
104 Maxwell	2 bedroom	3/16/2020	\$887	\$880	\$282	\$598
12 Audley Lane	2 bedroom	4/12/2019	\$887	\$880	\$228	\$652
28 Audley Lane	2 bedroom	5/21/2021	\$887	\$880	\$432	\$448

3. A trip generation table showing the following (Section 5.4(b)(ii))

A. Land use type built and a location map of the buildings



Land Use	6/30/20	Demo	New	Total
Residential -For Sale (units)	-	-	-	-
Residential - For Rent (units)	396	40	215	531
Commercial/Retail (sf)	21,276	-	-	24,072
Office (sf)	5,084	-	106,000	111,084
Medical Office (sf)	-	-	-	-
Hotel (rooms)	-	-	-	-
Group Care Facility (beds)	-	-	-	-
Place of Assembly (count)	-	-	-	-

**B. Number of Daily External trips generated for each land use type**

Land Use	6/30/20	Demo	New	Total
Residential -For Sale	-		-	-
Residential - For Rent	1,676	-300	669	2,045
Commercial/Retail	1,795		-	1,795
Office	111		717	828
Medical Office	-		-	-
Hotel (rooms)	-		-	-
Group Care Facility (beds)	-		-	-
Place of Assembly (count)	-		-	-
Total	3,282	-300	1,386	4,668

C. Comparison of trip generation table with the vehicle trips generated in the October 2013 TIS

Total External Daily Vehicle Trips (EVT) Added to Adjacent Streets	
Total New Daily EVT Projected by TIS Oct 2013 (Table ES-3)	16,557
Max New Daily EVT Allowed by DA	17,557
New Daily EVT Generated 7/1/20-6/30/21	1,386
Total New Daily EVT Generated by Development	4,668

4. Tax status of any Development or change in tax status of any property in the prior year (Sec 5.5)

There has been no change in tax status for any portion of the property. No buildings are tax-exempt.

5. Related Information of Note (Section 5.20(c))

- a) Wayfinding plan: The Development Agreement contemplates a property-wide wayfinding plan for pedestrians and bicyclists. Grubb team members met with staff in 2019 to begin drafting this document, which will require Council approval. Grubb has submitted a wayfinding package for approval by Town Council at the September 1st Council meeting.
- b) Major Modification to the Development Agreement:
 - a. Grubb has applied for a major modification to the Development Agreement to accommodate additional building height. This will progress in the 2021 fiscal year.
- c) Minor Modifications to the Development Agreement
 - a. Grubb has applied for minor modifications to the Development Agreement which will progress in the 2021 fiscal year. The minor modifications cover the following:
 - i. Setback encroachment at 9a.
 - ii. Traffic Threshold swap for NC 54 and 15-501 improvements.
 - iii. Hamilton Road Realignment at Berkeley Road.