

September 21, 2022

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 2021-2022

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, 2021, and June 30, 2022. It demonstrates good faith compliance with the terms of the Development Agreement through June 30, 2022.

In summary, the time frame for this year's annual report saw continued design, planning, and collaboration with Town staff. The second project in the Glen Lennox redevelopment, The Gwendolyn office building, received its Certificate of Occupancy in July 2021.

Demolition and site work for the next apartment community, to be named Link Apartments® Calyx phase I, located on block 9a, began in June 2021, construction began in fall, 2021. Delivery is anticipated in the fall of 2023

Demolition and site work for the third apartment community, to be named Link Apartments® Calyx phase II, located on block 4, will begin in fall of 2022.

Design for the next office building, located on block 9B, is currently underway. The Grubb team is working to prepare the DACP application for 9B, and construction is anticipated to begin in summer of 2023.

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
Senior Associate, Commercial Development

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)

2021-10-06 Phase 2 DACP Approval-Calyx I
2021-10-25 Phase 1 DACP Modification #1 Approval-Calyx I
2022-02-10 Phase 1 DACP Modification #2 Approval-Calyx I
2022-02-10 Phase 2 DACP Modification #1 Approval-Calyx I

Note:

The following DACP applications have been filed but have not yet been approved:

2022-02-21 DACP Submittal #1-Calyx II
2022-04-11 DACP Submittal #2-Calyx II
2022-06-16 DACP Submittal #3-Calyx II

3. Infrastructure installed (Section 4.12)

- a) Link Calyx I – Partial construction of Link Apartments Calyx building & parking garage
- b) Link Calyx I – Partial installation of Private Street A
- c) Link Calyx I – Temporary roadway running parallel to Lanark Road
- d) Link Calyx I – Underground Detention System
- e) Link Calyx I – Partial storm drainage system

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)

In the 7/1/2021 to 6/30/2022 reporting period, the Developer Owners dedicated Glen Lennox Drive and McIntosh Lane to the Town. The town accepted the dedication in October 2021.

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

- f) Certificate of Occupancy for the Gwendolyn, the first office building in the redevelopment, was received in July of 2021.
- g) Road work adjacent to block 9A and block 4 is underway, including the connection between Berkeley and Lanark Roads.
- h) Construction for Link Apartments® Calyx phase I and associated infrastructure is underway and will continue through 2023.
- i) Construction for Link Apartments® Calyx phase II and associated infrastructure is anticipated to begin in November of 2022 and will continue through 2024.
- j) A DACP application for the NC 54 improvements and Hamilton Road work, together with various infrastructure projects will be submitted in October 2022.
- k) A DACP application for the next office building to be located on block 9B and associated infrastructure is anticipated to be submitted in December of 2022. Work on 9B will begin in June of 2023 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	7/1/21 - 6/30/22
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.

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

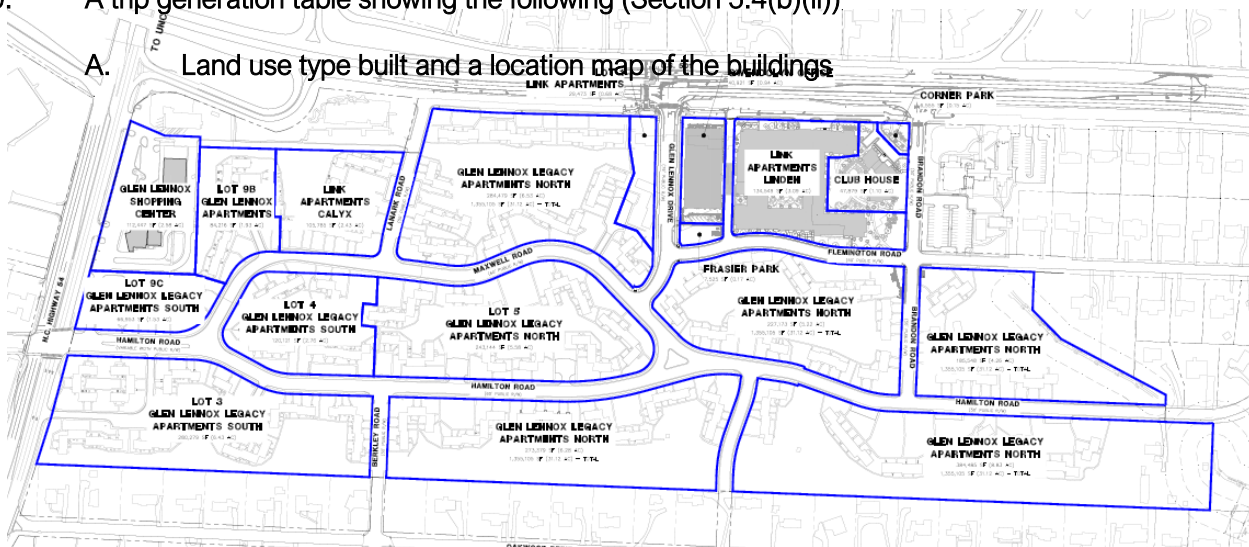
For Rent Affordable Housing	7/1/21 - 6/30/22
Total New Units	0
Demolished Units	17
Cumulative Total	554
Vested Renters	32
% Vested	5.77%
Avg. Vested Renter Rent / Unit	\$1,009

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.

CHT Units	Type	Move-in Date	Market Rent	Rent Charged	CHT Subsidy	Net Resident Rent
96 Hamilton	1 bedroom	4/5/2019	\$831	\$835	\$520	\$315
107 Hamilton	1 bedroom	7/1/2021	\$831	\$835	\$422	\$413
126 Hamilton	2 bedrooms	6/10/2021	\$886	\$910	\$405	\$505
48 Hayes	1 bedroom	5/2/2019	\$903	\$835	\$331	\$504
104 Maxwell	2 bedrooms	3/16/2020	\$914	\$910	\$282	\$628
12 Audley	2 bedrooms	4/12/2019	\$941	\$910	\$228	\$682
28 Audley	2 bedrooms	5/21/2021	\$994	\$910	\$432	\$478
59 Maxwell	2 bedrooms	5/6/2023	\$914	\$910	\$617	\$293

9. 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	6/30/21	Demo	New	Total
Residential – For Sale (units)	-	-	-	-
Residential – For Rent (units)	571	17	-	554
Commercial / Retail (sf)	24,072	-	-	24,072
Office (sf)	111,084	-	1,233	112,317
Medical Office (sf)	-	-	-	-
Hotel (keys)	-	-	-	-
Group Care Facility (beds)	-	-	-	-
Place of Assembly (count)	-	-	-	-

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

Land Use	6/30/21	Demo	New	Total
Residential – For Sale (units)	-	-	-	-
Residential – For Rent (units)	2,045	-88	-	1,957
Commercial / Retail (sf)	1,795	-	-	1,795
Office (sf)	828	-	15	843
Medical Office (sf)	-	-	-	-
Hotel (keys)	-	-	-	-
Group Care Facility (beds)	-	-	-	-
Place of Assembly (count)	-	-	-	-
Total	4,668	-88	15	4,595

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

Land Use	Total
Total New Daily EVT Projected by TIS <i>October 2013 (Table ES-3)</i>	16,557
Max New Daily EVT Allowed by DA	17,557
New Daily EVT Generated 7/1/21 – 6/30/22	-73
Total New Daily EVT Generated by Development	4,595

10. 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.

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

- a) Wayfinding plan: The property-wide wayfinding plan for pedestrians and bicyclists was approved by Town Council at the September 1st, 2021, Council meeting.
- b) A major modification to the Development Agreement to accommodate additional building height was approved at the October 13, 2021, Council meeting.
- c) Minor Modifications to the Development Agreement were approved 8/27/2021, which cover the following:
 - o Setback encroachment at 9a.
 - o Traffic Threshold swap for NC 54 and 15-501 improvements.
 - o Hamilton Road Realignment at Berkeley Road.
- d) Minor Modifications to the Development are currently under review to adjust the residential parking ratio at Calyx I&II, and to increase the ground floor height on Calyx II and 9B in response to grade.
- e) A Minor Modification to the Development Agreement is anticipated in December 2022 to adjust the property boundaries at the NC 54 entrance adjacent to the Glen Lennox Shopping Center.