

**RESOLUTION 2024-123**

**RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, APPROVING A REVISION TO THE SECOND AMENDMENT TO THE AFFORDABLE HOUSING AGREEMENT WITH NOUVELLE HOUSING SOLUTIONS, INC. TO ADD A CONTINGENCY**

**WHEREAS**, on September 1, 2020, the Township of Chatham (the “Township”) entered into an affordable housing agreement (the “Affordable Housing Agreement”) with Nouvelle Housing Solutions, Inc. (“**Nouvelle**”) for the development of a total of three (3) group homes for persons with developmental disabilities, two (2) on River Road and one (1) on Hillside Avenue (the “**Project**”), to fulfill a portion of the Township’s Third Round Affordable Housing obligation ending on July 1, 2025; and

**WHEREAS**, the Project is a critical component of the Township’s Affordable Housing Plan; and

**WHEREAS**, on November 12, 2020, the Township Committee adopted Resolution 2020-250 entitled “Resolution of the Township of Chatham, County of Morris, State of New Jersey of Intent to Fund Spending Plan Shortfall” which committed the Township to bond for any shortfall associated with the Project; and

**WHEREAS**, the Affordable Housing Agreement was amended by a First Amendment dated December 9, 2021, to make the reverter clause in Section 3.3. of the Affordable Housing Agreement subordinate to the New Jersey Housing and Mortgage Financing Agency (“HMFA”) loan obtained by Nouvelle to finance the Project; and

**WHEREAS**, as a condition of the HMFA loan obtained by Nouvelle for the Project, HMFA required changes to the Project which created a major subdivision and triggered a major stormwater system, resulting in additional, unanticipated costs that are not attributable to the actions of either party; and

**WHEREAS**, on February 27, 2024, the Township Committee adopted Resolution 2024-078 to incorporate the Condition as well as to address additional changes in the Project related to its costs and set forth in more detail the obligations of the parties (the “Second Amendment”); and

**WHEREAS**, the Second Amendment, although authorized by the Township Committee, was never executed between the Township and Nouvelle; and

**WHEREAS**, subsequent to the adoption of Resolution 2024-078 authorizing the execution of the Second Amendment, Nouvelle requested the Second Amendment be further

amended to incorporate a contingency further obligating the Township to be responsible for any further, unexpected increase in costs incurred in connection with the Project, in an amount not to exceed One Hundred Eighteen Thousand Six Hundred Twenty-Eight Dollars (\$118,628.00) (the “Contingency”); and

**WHEREAS**, the Township desires to approve the Contingency, incorporate the Contingency into the terms of the Second Amendment, and authorize the Township to execute the Second Amendment with the Contingency.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey:

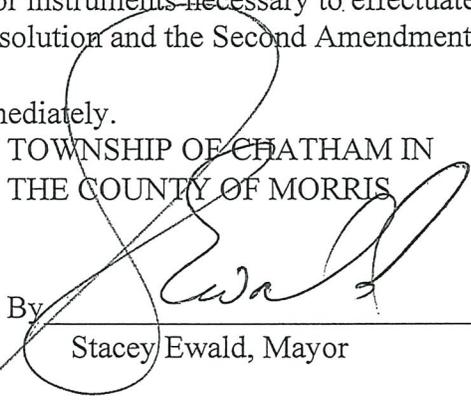
1. The recitals set forth above are incorporated by reference as if set forth at length herein.
2. The Contingency is hereby approved, and the Second Amendment is hereby amended to incorporate the terms of the Contingency as set forth above.
3. Except as stated in the Second Amendment to the Affordable Housing Agreement, all other terms and conditions of the Affordable Housing Agreement shall remain unchanged and in full force and effect.
4. The Mayor is hereby authorized and directed to execute the Second Amendment with the incorporation of the Contingency, with such changes, omissions, or amendments as the Mayor deems appropriate in consultation with the Township Administrator and Township Attorney. The Township Clerk is hereby authorized and direct, upon execution of the same, to attest to the signature of the Mayor and to affix the seal of the Township.
5. The Mayor, Chief Financial Officer and Township Clerk are hereby authorized and directed to take any and all action and execute and deliver any and all documents, certificates, agreements or instruments necessary to effectuate the transactions contemplated by this Resolution and the Second Amendment.
6. This Resolution shall take effect immediately.

Adopted: May 21, 2024

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

  
\_\_\_\_\_  
Gregory J. LaConte, Clerk

By   
\_\_\_\_\_  
Stacey Ewald, Mayor

#### **CERTIFICATION OF THE AVAILABILITY OF FUNDS**

I hereby certify that as of May 21, 2024, contingent upon adoption of Ordinance 2024-14, sufficient funds will be available in account C-04-55-956-901 to carry out the purpose of this Resolution.

  
\_\_\_\_\_  
Debra A. King  
Chief Financial Officer