

## RESOLUTION 2025-154

### RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AUTHORIZING THE TOWNSHIP TO ENTER INTO A FIRST AMENDMENT TO A SETTLEMENT AGREEMENT WITH VERNON GROVE CONDOMINIUM ASSOCIATION, INC.

**WHEREAS**, the Township of Chatham (the “**Township**”) and the Vernon Grove Condominium Association, Inc. (the “**Association**”) entered into a Settlement Agreement in May 2017 (the “**Settlement Agreement**”) wherein the Township agreed to provide financial assistance to the Association in order to assist the Association in meeting a portion of its capital and/or deferred maintenance expenditures and the Association agreed to facilitate a membership vote approving an amendment to the Master Deed in order to extend the affordability controls in order to meet with the Township’s Third Round Affordable Housing obligations; and

**WHEREAS**, the Settlement Agreement provides the Township will make an annual contribution of \$29,000 (the “**Annual Contribution**”) to the Association to assist with meeting a portion of its capital and/or deferred maintenance expenses for the period that the affordability controls are in place, or until 2046; and

**WHEREAS**, pursuant to the Settlement Agreement, the Annual Contribution has been placed in an escrow account, which is in the name of the Township and the Association, for the Association’s benefit (the “**Escrow Account**”); and

**WHEREAS**, Paragraph 6 of the Settlement Agreement provided for a one (1) time capital contribution of \$60,000 (the “**Capital Contribution**”, collectively with the Annual Contribution, the “**Escrow Funds**”) to be paid to the Association for repaving the Association’s parking lot; and

**WHEREAS**, the Capital Contribution was deposited into the Escrow Account and has not yet been requested or paid to the Association; and

**WHEREAS**, the Settlement Agreement contains certain procedures which must be followed in order for the Association to access the Escrow Funds; and

**WHEREAS**, pursuant to the Settlement Agreement, in order to access the Escrow Funds, the Association must provide the Township with a proposal for work to be completed and request the funds be paid out in accordance with the proposal; and

**WHEREAS**, the Association has an immediate need for the Escrow Funds to address planned projects to maintain, repair, and replace common elements in the Community; and

**WHEREAS**, the Settlement Agreement provides it may be modified, amended, or altered by a writing signed by each of the Parties; and

**WHEREAS**, the Parties now wish to modify the Settlement Agreement in order to permit the Association to immediately draw upon and receive payment of the Escrow Funds (the “**First Amendment to the Settlement Agreement**”, attached hereto as Exhibit A); and

**WHEREAS**, the Township desires to adopt this Resolution to authorize entry of the First Amendment to the Settlement Agreement, setting forth the terms, conditions, responsibilities, and obligations of the Parties,

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

**Section 1.** The recitals hereto are hereby incorporated by reference as if set forth at length.

**Section 2.** The First Amendment to the Settlement Agreement is hereby approved in substantially the form attached hereto as Exhibit A, together with such additions, deletions, and modifications as may be necessary or desirable to the Township, in consultation with counsel.

**Section 3.** The Mayor, Township Administrator, Township Clerk and other necessary Township Officials are authorized to execute and deliver the First Amendment to the Settlement Agreement, and sign other documents and take other actions, or refrain from taking action as reasonably required to effectuate the purpose and intent of this Resolution and the First Amendment to the Settlement Agreement, and any actions taken heretofore in furtherance of the First Amendment to the Settlement Agreement and the purpose and intent of this Resolution are hereby ratified and confirmed.

**Section 4.** If any section, paragraph, subparagraph, clause or provision of this Resolution shall be adjudged invalid, such adjudication shall apply only to the specific section, paragraph, subparagraph, clause or provision so adjudged and the remainder of the Resolution shall be deemed valid and effective.

**Section 5.** This Resolution shall take effect immediately.

Adopted: June 24, 2025

TOWNSHIP OF CHATHAM IN  
THE COUNTY OF MORRIS

Attest:

  
Gregory J. LaCente, Clerk

By   
Michael Choi, Mayor