

**BOROUGH OF MENDHAM**

**RESOLUTION #118-2026**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE BOROUGH OF MENDHAM, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY AUTHORIZING A LOAN TO THE MENDHAM AREA SENIOR HOUSING CORP., FROM THE BOROUGH'S AFFORDABLE HOUSING TRUST FUND FOR THE REHABILITATION/HABITABILITY AND ONGOING PRESERVATION OF AFFORDABLE UNITS IN ACCORDANCE WITH N.J.A.C. 5:80-26.12 AND N.J.A.C. 5:99-1 ET SEQ.**

**WHEREAS**, on February 18, 2026, the Borough Council of the Borough of Mendham approved the Borough's Fourth Round Affordable Housing Trust Fund Spending Plan by adoption of Resolution 56-2026 in accordance with the amended provisions of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq. ("Amended FHA"), the Housing and Mortgage Finance Agency's Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. ("UHAC") and the Division of Local Planning Services' ("DLPS") Fair Housing Act Regulations, N.J.A.C. 5:99-1 et seq.;

**WHEREAS**, the Borough's affordable housing trust funds are not derived from real property taxes collected from resident taxpayers, rather the source of such funds are through the Borough's collection of residential and non-residential development fees and must be expended by the Borough within four years of collection in accordance with N.J.S.A. 52:27D-329.2 of the Amended FHA and the DLPS' Fair Housing Act Regulations;

**WHEREAS**, pursuant to the DLPS' Fair Housing Act Regulations, the Borough's Fourth Round Affordable Housing Trust Fund Spending Plan includes an allotment of trust fund expenditures for the purpose of "affordability assistance" which refers to the expenditure of affordable housing trust funds "to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, ... security deposit assistance, low interest loans, rental assistance, assistance with homeowner's association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code ..."; and

**WHEREAS**, N.J.S.A. 52:27D-311k(7) of the Amended FHA and N.J.A.C. 5:80-26.12 of the UHAC further authorize municipalities to expend trust funds for the ongoing preservation and habitability of affordable rental units when a municipality extends the affordability controls for same; and

**WHEREAS**, Mendham Area Senior Housing Corporation ("MASH") is the owner/operator of forty (40) affordable rental units restricted to senior citizens age sixty-two (62) and older and is situated on land leased from the Borough at 1 Heritage Manor Drive, known as Block 801, Lot 25 on the Borough's Tax Maps (hereinafter the "MASH Affordable Units"); and

**WHEREAS**, use and occupancy of the MASH Affordable Units is restricted to qualifying persons with incomes that do not exceed the very-low income, low-income, and moderate-income levels set forth in the Amended FHA; and

**WHEREAS**, in 2020, the Borough extended the affordability controls on all of the MASH Affordable Units in accordance with the UHAC; and

**WHEREAS**, the Borough has been advised that the MASH Affordable Units are in need of repairs and upgrades to the kitchens, bathrooms, and balconies in order to abate certain safety conditions and bring the MASH Affordable units into habitable condition and is in need of back-up generators to support the needs of its senior citizen occupants in the event of loss of power; and

**WHEREAS**, MASH has applied for and has been approved for Community Development Block Grants (CDBG) from Morris County for the purpose of addressing the necessary upgrades and repairs to the MASH Affordable Units, however, delays in funding have created the need for immediate funding to support the residents; and

**WHEREAS**, MASH has since sought the Borough's assistance to provide a loan to MASH in the amount of \$122,000 in order to facilitate the completion of the necessary repairs/upgrades, and purchase and installation of generators in order to promptly resolve the safety concerns and support the ongoing preservation of the MASH Affordable Units and has agreed to repay/reimburse the Borough for such loan once payment is received from the approved CDBG grants

**WHEREAS**, the Borough's Municipal Attorney and Planner have advised that such loan is reasonable and appropriate and qualifies as "affordability assistance" to support the ongoing habitability and preservation of the MASH Affordable Units in accordance with the Borough's Affordable Housing Trust Fund, N.J.A.C. 5:80-26.12 of the UHAC and the DLPS's Fair Housing Act Regulations, N.J.A.C. 5:99-1 et seq; and

**WHEREAS**, the Borough's Chief Financial Officer has reviewed the Borough's Affordable Housing Trust Fund and has confirmed that sufficient funds exist in the amount of \$122,000 for this purpose.

**NOW THEREFORE, BE IT RESOLVED**, by the Governing Body of the Borough of Mendham, Morris County, New Jersey, that the Borough of Mendham hereby approves a loan in the amount of \$122,000 without interest to the Mendham Area Senior Housing Corp.; and

**BE IT FURTHER RESOLVED**, Mendham Area Senior Housing Corp., shall be obligated to repay and reimburse the Borough in the amount of \$122,000 to be deposited into the Borough's Affordable Housing Trust Fund within 90 days of receipt of payment of same through the CDBG grant funds.

**BE IT FURTHER RESOLVED**, that the Borough Administrator are hereby authorized and directed to memorialize the terms and conditions of this resolution in a formal loan agreement Mendham Area Senior Housing Corp., in accordance with applicable law.

This Resolution shall take effect immediately.

I hereby certify that the foregoing is a true copy of a resolution duly adopted by the Borough of Mendham Governing Body at a meeting held on June 3 2026.

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Lauren McBride, Municipal Clerk

ATTEST

BOROUGH OF MENDHAM

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Lauren McBride, Borough Clerk

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James R. Kelly, Mayor