

RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY

TITLE:

RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING A SECOND AMENDMENT TO THE LEASE AGREEMENT BY AND BETWEEN THE MORRIS COUNTY IMPROVEMENT AUTHORITY AND MORRIS VIEW MANAGEMENT CO, LLC D/B/A MORRIS VIEW HEALTHCARE CENTER

WHEREAS, pursuant to a certain Lease Agreement dated as of July 27, 2017 (the “**County Lease**”), by and among the Morris County Improvement Authority (the “**Lessor**” or “**Authority**”) and the County of Morris (the “**County**”), the Authority as Lessor acquired possession of certain Premises, also known as the Facility (hereinafter defined), from the County, and possession of certain other assets including furniture, fixtures, equipment, and inventory, from the County; and

WHEREAS, the Authority issued a Request for Proposals (the “**RFP**”), pursuant to which Morris View Management Co., LLC D/B/A Morris View Healthcare Center (the “**Lessee**” and together with the Authority as Lessor, the “**Parties**”) provided its Response (the “**Response**”) thereto; and

WHEREAS, the Authority accepted the Response from the Lessee, and, pursuant to Authority Resolution No. 17-28, dated June 28, 2017, agreed to sublease the Leased Premises and the Equipment (each as defined in the Original Lease Agreement, hereinafter defined) to the Lessee and transfer the business (all collectively referred to in the Original Lease Agreement as the “**Facility**”) in accordance with the Original Lease Agreement; and

WHEREAS, the Authority, as Lessor, and the Lessee subsequently entered into the Lease Agreement dated as of July 27, 2017 (the “**Original Lease Agreement**”); and

WHEREAS, subsequent thereto, the Parties entered into a First Amendment to the Original Lease Agreement on December 16, 2020 (the “**First Amendment**”), which contemplated certain improvements to the Facility, including a Nurse Call Bell System, an outdoor canopy, construction of tub and shower rooms, made provisions for Lessee Medicaid screening reimbursement shortfalls, the apportionment of utility costs upon the completion of certain HVAC work, deferred Rent given the ongoing COVID-19 pandemic, conveyed certain monetary receivables not addressed in the Original Lease Agreement and addressed the issue of additional Lease optional renewals, all as set forth in the First Amendment; and

WHEREAS, pursuant to the First Amendment, the Lessee agreed to install a canopy outside the Facility (the “**Canopy**”) for fire and safety reasons (the specifications appended to the First Amendment as Exhibit B), and the Lessor agreed to pay up to \$105,000 towards the costs of the Canopy; and

WHEREAS, pursuant to the First Amendment, the Lessee agreed to construct and renovate four (4) tub and shower rooms at the Facility (the “**Tub and Shower Rooms**”) using designated specifications (the specifications appended to the First Amendment as Exhibit C), and the Lessor agreed to reimburse the Lessee up to \$300,000 towards the costs of the Tub and Shower Rooms; and

WHEREAS, due to certain factors outside the control of the Parties, the costs for the construction of the Canopy and Tub and Shower Rooms exceed what was originally contemplated in the First Amendment; and

WHEREAS, in further consideration of the Lessee’s operation of the Facility under the Lease, the Parties have agreed the Lessor will reimburse the Lessee up to a total of \$126,050 towards the costs of the Canopy, in the manner provided for in the Second Amendment (hereinafter defined); and

WHEREAS, in further consideration of the Lessee’s operation of the Facility under the Lease, the Parties have agreed the Lessor will reimburse the Lessee up to a total of \$375,000 towards the costs of the Tub and Shower Rooms in the manner provided for in the Second Amendment; and

WHEREAS, the Parties have agreed that, in lieu of actual payments, the cost of the Canopy and the Tub and Shower Rooms improvements shall be paid to the Lessee from the Lessor in the form of credits against the Rent and/or the Additional Rent due Lessor for the Facility, in the manner set forth in the Second Amendment; and

WHEREAS, pursuant to Section 23.01 of the Original Lease Agreement, the Original Lease Agreement may be amended in writing and signed by the Parties; and

WHEREAS, on the basis of the foregoing Recitals, the Parties are desirous of entering into a Second Amendment to Lease Agreement (the “**Second Amendment**”), in substantially the form appended hereto as Exhibit A, to memorialize the foregoing, and the Authority is desirous of approving this Resolution to approve entry into the Second Amendment.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Authority, as follows:

Section 1. The aforementioned recitals are incorporated herein as though fully set forth at length.

Section 2. The Second Amendment is hereby approved. The Chairperson of the Authority (including such officer’s designees, each an “Authorized Officer”), is hereby authorized and directed, in consultation with counsel to the Authority, to execute and deliver the Second Amendment in the form set forth in Exhibit A attached hereto, with such additions, modifications or deletions recommended by counsel to the Authority and agreed by the Parties. The Authorized Officer’s signature on the Second Amendment, shall conclusively evidence the Authority’s approval of such Second Amendment in the form as executed.

Section 3. The Secretary of the Authority is hereby authorized to attest to the execution of the Second Amendment and affix the Authority seal onto same.

Section 4. Each Authorized Officer of the Authority is hereby authorized to take all action deemed necessary, useful or convenient in connection with the foregoing and in furtherance of the Second Amendment.

Section 5. Subject to the second sentence of this section, this resolution shall take effect immediately. In accordance with N.J.S.A. 40:37A-50, the Secretary of the Authority is hereby authorized and directed to submit to each member of the Board of County Commissioners, by the end of the fifth business day following this meeting, a copy of the minutes of this meeting. The Secretary is hereby further authorized and directed to obtain from the Clerk of the Board of County Commissioners of the County a certification from the Clerk stating that the minutes of this meeting have not been vetoed by the Director of the Board of County Commissioners.

[Remainder of page intentionally left blank.]

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Gallop				
Bauer				
Ramirez				
Sandman				
Leary				

This Resolution was acted upon at the Regular Meeting of the Authority held on January 18, 2023 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 18th day of January, 2023

By: _____
Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of January 18, 2023.

By: _____
Matthew D. Jessup, Member, McManimon, Scotland & Baumann, LLC
Counsel to the Authority
Resolution No. 23-06

Exhibit A

Form of Second Amendment