

RESOLUTION NO. 5091

A RESOLUTION AUTHORIZING A LOAN NOT TO EXCEED \$77,000 FROM THE COMMUNITY DEVELOPMENT FUND FOR ALBANY HELPING HANDS HOMELESS SHELTER.

WHEREAS, Albany Helping Hands Homeless Shelter provides shelter and services to Albany's homeless individuals and has been serving our community for more than 16 years; and

WHEREAS, Albany Helping Hands served 90,000 meals and provided 28,000 bed nights in 2003 and has outgrown its present rented facility, which is licensed to sleep only 35 people; and

WHEREAS, Albany Helping Hands purchased a site for \$350,000 with two existing buildings in August 2003 for a larger facility and is rehabilitating and converting the existing buildings into a dormitory and a day center with a rehabilitation budget of approximately \$800,000; and

WHEREAS, Albany Helping Hands led a successful capital campaign raising \$575,000 in local donations and received a \$75,000 grant from the state (OHCDD) for the kitchen; and

WHEREAS, Albany Helping Hands has applied for \$215,000 in additional grants from OHCDD and \$150,000 from Meyer Memorial Trust and hopes to receive these funds this spring; and

WHEREAS, Albany Helping Hands still needs over \$100,000 to finish the project and needs a short-term loan now to pay contractors in February and March 2005;

WHEREAS, the use of the City's Community Development Fund (13-013-68511) has been limited by Council policy to assisting housing and historic preservation projects; and

WHEREAS, the City has shown interest in serving as a partner in the development of affordable housing units for low- and moderate-income residents and recognizes the need for a larger homeless shelter.

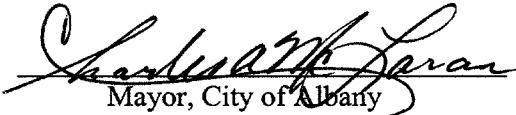
NOW, THEREFORE, BE IT RESOLVED THAT the City of Albany agrees to provide an interest-free loan from the Community Development Fund to Albany Helping Hands Homeless Shelter for \$75,000, plus insurance and closing costs, with the total loan not to exceed \$77,000.

BE IT FURTHER RESOLVED that Albany Helping Hands Homeless Shelter must repay the loan by December 31, 2005. In the event of default, interest on the loan shall accrue thereafter at the statutory rate of nine percent per annum until paid.

BE IT FURTHER RESOLVED that the loan will be secured with the property, including both the dormitory and day center buildings, currently estimated to be \$700,000.

BE IT FURTHER RESOLVED that the above referenced loan terms will be spelled out in an agreement between the City and Helping Hands before City funds are dispersed.

DATED AND EFFECTIVE THIS 9th DAY OF FEBRUARY 2005.

  
Mayor, City of Albany

ATTEST:

  
City Clerk