

RESOLUTION NO. 5462

A RESOLUTION AUTHORIZING A LOAN NOT TO EXCEED \$50,000 FROM THE GENERAL FUND HOUSING PROGRAM (100-40-1606-67011) TO CONSTRUCT A SECOND DORMITORY AT THE 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 18 years; and

WHEREAS, Albany Helping Hands served roughly 84,000 meals and provided 34,500 bed nights in 2006; and

WHEREAS, Albany Helping Hands purchased a new site and successfully raised over \$1,000,000 in donations and grant funds to convert the two existing buildings into a dormitory and day center between 2003 and 2005; and

WHEREAS, the project budget for the new dormitory for women and children is \$300,000; and

WHEREAS, Albany Helping Hands has received a \$154,000 in grant funds from the State of Oregon Housing and Community Development Department (OHCCDD), \$100,000 from Meyer Memorial Trust for the new dormitory, and plans to raise an additional \$46,000 in donations and fund-raising activities; and

WHEREAS, Albany Helping Hands needs a short-term loan of approximately \$50,000 to pay contractors between August and October 2007, in order to complete the dormitory in October, 2007; and

WHEREAS, the use of the City's Housing Fund (100-40-1606) 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 Housing Fund to Albany Helping Hands Homeless Shelter for construction of a second dormitory, with the total loan not to exceed \$50,000.

BE IT FURTHER RESOLVED that Albany Helping Hands Homeless Shelter must repay the loan by July 31, 2008. 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 over \$1,000,000.

DATED AND EFFECTIVE THIS 25th DAY OF JULY 2007.


Council President

ATTEST:


City Clerk