

# Orange homeless shelter closes doors

*By Drew Jackson / Media General News Service  
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ORANGE — Sheltering Arms homeless shelter now sits dark and empty after closing its doors at the beginning of November. A total of \$22,000 from the Orange County Board of Supervisors subsidized the shelter's final month, enough time for the 24 residents to find another temporary housing solution.

The embattled shelter was plagued with funding struggles for much of its 13-year existence and was ultimately done in by a crumbling physical structure and vanishing federal grant money.

Despite the apparent end of the temporary housing option in the county, shelter director Ed Childress said the success of finding current housing for the last month's residents offers some degree of silver lining.

“Not a single one had to go to another shelter,” he said. “We were able to find affordable housing options for many of the residents and many of the single men went to live with extended family.”

Childress said that while staying at the shelter, residents were required to find work and to save two-thirds of their income in escrow accounts, with the goal to eventually move out on their own.

“Many had been with us for a good while and saved a fair amount,” said Childress. “Everyone who found private rental arrangements had their security deposit and first month's rent paid for. That's the way the system is supposed to work, anyway. We're not here to house them indefinitely, just offer them help while they get back on their feet.”

At the end, Sheltering Arms owes approximately \$80,000 from a loan related to the Rising Son transitional housing on Main Street and \$25,000 in cash flow loans. Childress said the figures were not insurmountable to a healthy organization, but that Sheltering Arms was not that.

“We did not close because of insurmountable debt,” said Childress. “[An amount of] \$100,000 is not a large amount of debt to a relatively healthy agency, but we were not a relatively healthy agency. We didn't borrow ourselves into oblivion, but there were significant cash flow problems and the federal government is changing how it funds housing services.”

The transitional housing is owned by the Greater Orange Community Development Organization, which is the organization responsible for running Sheltering Arms and Rising Son. Childress said that the transitional housing would be placed on the real estate market any day now and that its eventual sale would hopefully cover the organization's outstanding

debt. As Orange County owns the Sheltering Arms building, Childress said he has no knowledge as to what will become of it.

Meeting payroll for the shelter's staff was one of the main challenges from the cash flow struggles. Childress said in his five months at the helm of the agency, payroll was only met on time two or three times. It took approximately \$20,000 to \$25,000 to operate the shelter each month.

More than anything though, the director said the drying up of federal funding is what ultimately doomed the shelter. Childress said federal funding is being focused on programs to place the homeless in private housing, rather than regional shelters, thus cutting off the main source of income to Sheltering Arms.

"Federal funding was cut in half in the past two years and looking ahead to July 1, 2012 when most of the funds would be gone completely, it was clear we weren't going to be able to stay afloat," said Childress, who also cited the physical condition of the shelter itself as another contributing factor in the decision to close. "The building was unsustainable. It was deteriorating to the point that it would have been uninhabitable in a few years."

Orange County Department of Social Services Director Bob Lingo worries that the transition away from funding brick and mortar shelters will leave gaps for certain individuals who won't be ready for private housing.

"The homeless are not homogenous," said Lingo. "Some are excellent candidates for rehousing, but some are not. The government is looking at a one size fits all solution, which might not work for some areas of the state. What do we do with the folks that fall in the cracks?"

Moving forward, Lingo is uncertain what will become of the shelter and Sheltering Arms as an organization, but he's hopeful based on the reaction from the community.

"I've heard a lot of concern in the community," said Lingo. "Right now we're pursuing our options, but it's premature at this point to say what they are."

Childress said that at a final fundraising sale held this past weekend, \$1,200 was raised to offset some of the shelter's debt.

"I'd just like to credit the shelter's staff and the board for keeping it going as long as they did," he said.

Jackson reports for the Orange County Review.