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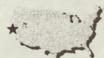
**National Edition** 

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## Where Life's 'Losers' Are Building New Lives

**By JANE GROSS** 

Special to The New York Times



SAN FRANCISCO Feb. 24 — On a triangle of waterfront property here, hundreds of

former convicts and drug addicts are involved in the ultimate sweat equity project — building a complex of apartments and stores where they will live and work and dream.

The project is the most ambitious venture in the 18-year history of the Delancey Street Foundation, a residential treatment center where people who have been hard-core criminals and substance abusers learn to read and write, repair automobiles and program computers, pick out clothing and order from a menu.

Now, with a few professionals to guide them, the residents are framing walls, installing plumbing, crafting cornices and laying tile.

When they are done next fall, they will move into 177 two-bedroom apartments, operate a restaurant with sweeping views of the bay, run a dry-cleaning shop, a grocery and a drugstore and staff a health club and a theater.

The complex, the Embarcadero Triangle, will allow the foundation to double its capacity here to 700 from 350, while exposing residents to an array of new vocational skills.

"Nowhere else in the world would me or anyone like me be given an opportunity like this," said Joel Stephenson, who was referred to Delancey Street by the court after a narcotics arrest. Mr. Stephenson is now the project's purchasing agent, working closely with a licensed contractor who also used to sell drugs and a fore man who learned to pour concrete while building a handball court at San Quentin prison.

"We are out to prove that people everybody thinks are losers are really winners," said Mimi Silbert, a criminologist as well as psychologist who singlehandedly runs Delancey Street and gives new meaning to the word moxie.

On a tour of the site, wearing red high-heeled shoes and a matching hard hat, Ms. Silbert admired each wall that had gone up since her last visit, each wooden window frame and copper gutter.

When construction began, she said, they could not afford concrete molds for the pillars in the garage so the residents made them from scratch. "The smoothest columns you'll ever see," she boasted.

The residents also fabricated their own steel, first building a shop and all the equipment in it, including metal cutters with handles made of steel reinforcing bars. "We not only made the stuff for the building," she said. "We made the stuff!"

Like Delancey Street itself, the Em barcadero Triangle, on land leased from the city's redevelopment agency, is receiving no government money. The project would have cost \$30 million without "homegrown" labor and donated goods and services. Instead, with 90 percent of the work done by residents, and with donations that include bathroom vanities, roofing materials and legal services, the project will cost about \$13 million, Ms. Silbert said.

Of that, \$4 million comes from the sale of other Delancey Street proper-

ties here, where the foundation began before spreading to Los Angeles, New Mexico, upstate New York and North Carolina. In addition, \$3 million comes from the earnings of foundation industries, like the moving company and the Christmas tree lots where residents learn vocational skills and good work habits. The rest of the money is from a \$10 million unsecured loan from the Bank of America.

The interview with bank officials was a vintage performance by Ms. Silbert.

The bank asked all the typical questions, like "What's your budget?" Ms Silbert said. To each she answered, "We don't really do it that way."

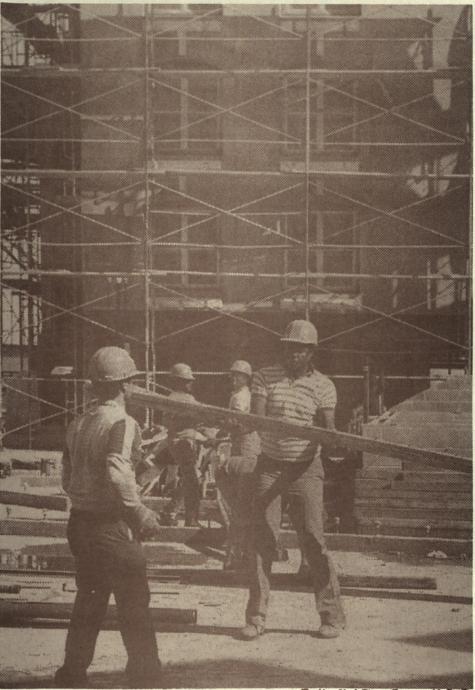
The bank proposed a loan with the project as collateral, but Ms. Silbert declined. "We think like poor people, she said. "The idea of somebody else owning our building is unacceptable."

The bank agreed to do it her way. The Embarcadero Triangle is flanked by two new apartment complexes, where the developers at first objected to their unconventional neighbor. But Ms. Silbert won them over with the reminder that none of her residents has ever been arrested while at Delancey Street. "I guaranteed we'd have a population that didn't abuse drugs," she said. "Can they guarantee the same?"

Recently, a Justice Department official visited the site in negotiations about using Delancey Street as a national model. Ms. Silbert is not sure she wants to collaborate with the Government, but nevertheless she en joyed the man's compliments.

"You might just want to screw up your life," she told him. "Then you could live here."

## Ex-convicts and ex-addicts join in dream project.



The New York Times/Terrence McCarthy

Construction workers at the site of a project in San Francisco being built by residents of the Delancey Street Foundation, a treatment center for hard-core criminals and substance abusers.