

Building New Lives

How Delancey Street profits its residents with business acumen.

By Morrison Shafroth

Mimi Silbert positively beams as she walks through the courtyard of Delancey Street Foundation's new home, a \$30 million, Mediterranean-style complex of apartments, shops and restaurants along the Embarcadero waterfront. Everything — from the building's massive reinforced concrete pillars to dozens of handmade flower boxes — was built with sweat and toil by its residents, former convicts and drug addicts.

"It's extraordinary!" Silbert says with contagious enthusiasm. "So many people told us it couldn't be done, but we didn't care. We just built it anyway."

That determined pursuit of impossible dreams has long characterized Delancey Street, the residential drug- and crime-rehabilitation program that was founded in 1971 by Silbert and her partner, the late John Maher. Run by ex-cons for ex-cons, it's a model program that taps business work ethics and traditional values to make winners out of society's "losers."

Nearly 10,000 people have graduated from Delancey Street after an average of four years in the program. They have started successful careers as attorneys and counselors, opened small businesses, even become police officers. The program's success in San Francisco has spread, and new programs have opened in Los Angeles, New Mexico, New York and North Carolina.

Delancey Street's backbone is its self-supporting empire of businesses, all of which are owned and operated by the center's 700 residents. Residents run moving, catering, printing, marketing, and Christmas tree businesses. Dressed in coats and ties, sales teams from Delancey Street are the nation's largest marketers of advertising novelties — selling hats, coffee mugs, T-shirts and banners to



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college bookstores and military-base gift shops across the country. All told, the businesses generate about \$6 million in profits annually, and keep Delancey Street running without government assistance. "People who would be considered patients in other programs are the bosses here," says Silbert, the only Delancey Street resident who hasn't served time in prison or been addicted to drugs or alcohol.

But the businesses serve an even more important role. By giving hands-on experience and teaching discipline, self-respect and service to others, they provide residents with a bridge to a life without crime. "We teach each other to 'act as if' we are executives of a major corporation, and I in a way feel we really are," she says. "It gives them a sense of hope and mobility so they can make their way into the American mainstream. That's really a huge step for most of our residents."

The program's new Embarcadero Triangle headquarters, a three-acre site leased from the city's Redevelopment Agency, is its latest expansion. Called the "ultimate sweat-equity project," the facility — with such amenities as a state-of-the-art movie screening room, Jacuzzi, heated pool and restaurants — was built almost entirely by the resi-

dents, saving nearly \$16 million in labor costs.

Delancey Street got help from unions that trained residents in construction techniques, and from hundreds of businesses that donated funds and products for construction of the building. From hardware store donations of a bag of nails, to a \$10 million loan from the Bank of America, "business response was amazing. We had 3,000 businesses and people come together to make this building happen."

A criminologist and psychologist who studied under philosopher Jean Paul Sartre in Paris, Silbert says she never expected to find herself the developer of a \$30 million property. Happily, she says, the Delancey Street development and its business operations are stronger than ever.

Still, Silbert encourages businesses to get involved in another way. By hiring Delancey Street graduates, business helps complete the cycle of rehabilitation, she says.

"These are people who believe they'll never be accepted," Silbert says, "so if you hire them, you are empowering them. It's the last step in helping people help themselves."