

Delancey Street wants to build South of Market

By Phil Matier
Examiner staff writer

Delancey Street Foundation, San Francisco's famed non-profit drug rehabilitation program, plans to build a stylish \$20 million rehabilitation-residential-commercial complex in the South Beach area.

According to Delancey's proposal to the Redevelopment Agency, the center would include 177 town-house apartments atop a triangular city block of small shops, offices and restaurants.

The project would allow Delancey

Street to consolidate its San Francisco rehabilitation program, now scattered among four work and residence centers around The City.

The unsolicited proposal, submitted March 27, asked the Redevelopment Agency for the right to enter into exclusive negotiations to lease from The City 2.96 acres of unused railway yard bordered by First and Brannan streets and the Embarcadero. Coincidentally, the site is across the street from the site upon which developer Peter Stocker wants to construct a downtown baseball stadium.

The South Beach area, now a collection derelict piers and warehouses, has been targeted by Redevelopment Agency to be a multimillion dollar complex of homes, apartments, shops, restored buildings and a 700-boat yachting marina.

Acting Redevelopment Director Redmond Kernan said others have voiced interest in the area but only Delancey Street has submitted a proposal.

Kernan said the agency has the Delancey Street proposal under review. A vote by the Redevelopment

Commission would be necessary before negotiations could begin with any developer on leasing the site.

Mimi Silbert, the foundation's co-president, estimated the project would be worth about \$20 million if completed. But she said the group hoped to reduce its building costs by soliciting donations for materials and by using its own work force for construction.

Should the proposal be approved, Silbert said the foundation would begin selling off most of its real estate holdings in The City to help finance

the project. Included would be a converted hotel at Eighth Avenue and Fulton Street that serves as a residence for many of the group's members.

Other sites that Delancey Street leases in San Francisco also would be closed.

Silbert said the foundation plans to retain its Pacific Heights headquarters.

Started by Maher and a handful of self-helpers with a \$1,000 loan in a

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Delancey Street's big plans

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Rush Street apartment, Delancey Street has grown into an internationally respected drug-rehabilitation organization with centers in Southern California, New York and New Mexico that serve as home for an estimated 600 people.

Silbert estimated that Delancey Street has about \$10 million that can be used to help get the new project under way.

Delancey Street gets no federal, state funds or private funding aside from occasional small donations of money and materials. It supports itself through small business ventures ranging from printing and furniture building to running an advertising agency. People undergoing rehabilitation are employees.

Silbert said that although the foundation's work programs have proved successful, they still cover costs only of operating Delancey Street facilities and have not produced the capital needed for the South Beach venture.

The Delancey project

At a glance:

- Estimated value of project: \$20 million
- Size: Four stories tall. A total of 92,000 square feet, spread over 2.96 acres.
- Makeup: 177 townhouse-type apartments built over a ground floor of small shops, restaurants and other retail outlets. Covered parking area in the center of the project.
- Developer: Delancey Street Foundation, a private non-profit drug rehab program, which hopes to use its own workers to do much of the construction.

