

# HOMELESS Shelter plan is dead; 3-26-80 scramble for new site

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SANTA CRUZ — Supporters of a shelter for the homeless were scrambling today to find an alternative site now that plans have fallen apart to locate a shelter in a row of warehouses in the Potrero commercial district.

Just as the City Council Tuesday was poised to consider releasing funds to establish the proposed shelter in the warehouses at 250 Potrero Street, it was learned the site had been purchased by a private group, including one of the shelter's opponents, Potrero-district property owner Leland Zeidler.

In a move that upset those that had been working to pull private and public funds together to buy a section of the warehouse for \$337,000,

the owners of existing businesses adjacent to the shelter site joined with Zeidler and a real-estate investor to buy the whole warehouse for \$1.35 million, including a \$400,000 down payment, said the owner of the warehouse, Stewart Davis.

Shelter organizers Page Smith and Paul Lee of the non-profit William James Association said they would continue working with a community group called the Citizens Committee For the Homeless to find another site.

In light of the news of the warehouse sale, council members delayed a discussion of shelter funding until a meeting Tuesday night.

Shelter supporters had been hoping to participate in purchasing the warehouse in cooperation with other tenants who wanted to buy the warehouse as a cooperative venture.

But Davis said the package fell apart, partly because some of the tenants were afraid opposition to the shelter would turn their purchase into a risky real estate deal.

Warehouse tenant Bob Rudolph "had been working very hard" to pull together a purchase package that would include the shelter, but some of those involved started to think the venture too risky, particularly when a series of newspaper ads appeared this week in opposition to the shelter at the Potrero site, said Davis.

The ads were paid for by a group calling itself Citizens for Better Shelter, including Zeidler. He owns properties across the street from the warehouse.

"I don't think anybody really believed the ads, but they scared off

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the tenants who were going to buy the building," said Davis. "They began to think maybe the community would hate them if they purchased the building (with the shelter organizers) and that their real estate investment would not be protected."

Davis said an agreement to purchase the warehouse was signed Monday afternoon by Rudolph, Zeidler, two other tenants and a real estate investor to buy the warehouse for a total price of \$1.35 million with a \$400,000 down payment.

The buyers are to pay up to \$25,000 by Monday, said Davis.

Noting Zeidler had been opposed to the shelter at that location, Davis commented, "Zeidler got his way."

In an interview this morning, Zeidler said he was a "minor" party in the purchase and would probably use the warehouse for storage space.

If his portion of the space were leased, he said, he would give priority to existing tenants interested in renting space.

Despite the adversiting campaign against the shelter, Zeidler maintained he was not against a shelter per se.

Davis, who had been supporting the shelter proposal, was upset by the breakdown in the plan.

He also found it upsetting that shelter opponents had chosen the name, "Committee for a Better Shelter" for the advertising campaign. "Give me a break," was his comment on the name.

Added Davis, "I am really disgusted the shelter won't go in there."

As late as Monday afternoon, the owners of some businesses in a building owned by Zeidler had met with other shelter opponents to organize strategy to oppose the shelter at Tuesday's council meeting.

The political maneuvering turned into an academic exercise, however, when City Manager Richard Wilson announced the option was no longer available.