

ROOM AT THE INN
San Jose builds a home for the homeless.

Seven o'clock under a full moon in San Jose, and in a part of town you wouldn't be in unless you took a wrong turn, the homeless at the old Julian Street Inn have just finished up dinner.

Some in the shelter go about their assigned chores, sweeping, collecting up leftover muffins into a large trash bag, washing dishes. But most are already sleeping, blankets wrapped over street-clothes, on the old bunk beds

and sofas that fill the small old warehouse. It is a dingy place.

But just down the street, across from the Housing Authority Building, sits the new Julian Street Inn, interior lights blazing, in all its glory. "It's going to be the difference between night and day," says the director, Keith Schwartz of the San Jose Urban Ministry, which operates the city's shelters. Scheduled to open in February, it's a multi-service center for the mentally ill and the homeless.

It's certainly a high-profile project for the city. Instigated by the Urban Ministry and Housing for Independent

People, it was paid for through redevelopment funding and designed by famed Berkeley architect Christopher Alexander — at no charge. "I feel very strongly about the homeless," he says. "It's something that can happen to any single one of us.

"The building has been made simply as a place where a person can feel their own dignity and self worth, and it's a decent place where you can feel comfortable and potentially happy. That's been the whole philosophy."

Roger Hee has read the stories about the new Inn and about Alexander's involvement. "It doesn't impress me," he says.

Hee has been working at the inn for nine months and looks it. He has a master's in business from UCLA, and started here while working on his graduate studies; he has the degree now, but he's still here. He's sitting in a closet-sized office; a blanket hangs loosely over the window.

"I don't care if, if Frank Lloyd Wright was alive, it wouldn't impress me if he helped," he continues. "They're supposed to help, you know?"

Hee would rather talk about the character and needs of the homeless. "I don't get depressed with people who are just here to ride the shirrtails of the program, and there are a number of those people. I only want to concentrate on the people who want to help themselves."

One of them is Delbert, a black, springy character who's always in motion around the shelter. He likes to talk, and always seems to have a private joke running in the back of his mind. Ask him if he's looking forward to the move to the new Julian, and he finally stops smiling, and looks away. "I don't want to stay in no shelter," he says quietly. "I just want to get back on my feet." — D.C.

THE FUND

If you had \$10 million to invest in Peninsula companies, how would you do it?

We contacted Dorian McKelvy, investment counselor for Shearson Lehman Hutton in Menlo Park, to see what he'd do. He agreed to pick stocks for us — he said he hoped to have it up to \$1 billion in no time.

Shearson Lehman Hutton, he says, is bullish on stocks at the moment, and recommends putting up to 65 percent of your portfolio into stocks (with the other 35 in bonds) these days.

"Stocks are trading at historically low price/earnings ratios; therefore, I believe the downside risk is limited at current stock market levels.

"I have selected six local companies that I believe to be undervalued and provide a good opportunity for appreciation. The portfolio's cash distribution is weighed toward larger capitalized companies; the stocks may be less aggressive choices, but they'll have better long-term stability."

Portfolio	Shares	at	Total Investment
Amgen	30,769	32½	\$ 1 million
Applied Materials	43,478	28	1 million
Conner Peripheral	121,212	8¼	1 million
Franklin Resources	40,000	25	2 million
Intel	108,333	24	2.6 million
Varian	86,956	27⅝	2.4 million

NOTE: This monthly column is based on information two months prior to issue date. We are starting with \$10 million and will compare our local investments with the same amount of money invested in the Dow Jones stocks, and in a savings account that pays 6¾ percent. Dorian McKelvy is an investment counselor for Shearson Lehman Hutton; this column does not necessarily represent the investment strategy of Shearson Lehman Hutton, only its opinion on local companies.