

Confusion over state tax rebate – Burton helps some tenants get renter refund

by Marjorie Beggs

First you get it, then you don't, then you do — maybe.

The "it": Renter Assistance refunds from the state. The folks caught in the middle: Tenants at three TNDC-owned hotels, the Alexander Residence, Maria Manor and Antonia Manor.

The story starts in late summer when Antonia Manor resident John Nulty was visiting his brother, Michael, at the Alexander and heard tenants grumbling about losing their Renter Assistance — a once-a-year payout of \$15 to \$347, depending on income — because the building is owned by a tax-exempt organization.

Some people who had filed for the rebate had heard from the Franchise Tax Board asking them for more information about their landlord's 2001 property tax payments before they could be paid.

In the 34-year-old renter rebate program, tenants are eligible for the payment if they are over 62, blind or disabled, and if they pay more than \$50 a month in rent; have a household income of \$37,119 or less; and are U.S. citizens or documented immigrants. If they file their claims — Form 9000R —

in July, they usually get checks by the fall.

The basis for the reimbursement is that a tenant's rent indirectly pays a portion of the building owner's property taxes. An eligible tenant with an annual income of about \$9,000 gets the maximum \$357; an income of \$37,119 will generate the lowest refund, \$15. If the landlord is a nonprofit corporation and pays no taxes, tenants get zip.

Reggie Meadows, vice president of the Alexander's tenant association, remembers that in August, people in his building were upset because "management had put up posters saying there would be no Renter Assistance for 2001."

Gaiety Jacobs, an elected tenant representative on the Alexander management board, remembers that "notices went up that said, 'Hey, don't even bother to file — we're tax-exempt.'"

Meadows and Jacobs both moved to the Alexander in the late 1980s, when the building was under private ownership, and have been getting the state refunds since they moved in.

John Nulty, one of the founders of Manor Advocates, formed in 1997 when TNDC was negotiating to lease "the

manors" from the Redevelopment Agency, which owns the land rights, knew his claim was in jeopardy, too.

"I expected I'd get a letter soon," Nulty said. When the letter came on Aug. 22, he made a beeline for the tax collector's office.

"I pulled up the records for Antonia and discovered that, in fact, property taxes had been paid for 2001," Nulty said. So, too, had taxes for the Alexander and for Maria Manor. The owners of all three properties were listed as "Preservation LP" [limited partnership].

"My tax board letter was my ticket to Sen. John Burton's office," Nulty said. That's where he headed on Aug. 29, letter and copies of the tax payments in hand, and accompanied by Roy Bouse, president of Marlton's tenants' association, who is disabled and in a wheelchair.

Johnnie L. Carter Jr., Burton's educational liaison, listened to Nulty and Bouse, looked at Nulty's sheaf of papers and got on the case. By Sept. 19, Carter had a response from the Franchise Tax Board:

"The buildings at 174 Ellis [Maria Manor], 180 Turk Street [Antonia] [and] 230 Eddy Street [Alexander] . . . are not tax-exempt. . . . The refunds [to ten-

ants] are currently being processed."

At Nulty's request, Burton's office also had asked the Franchise Tax Board to investigate two other buildings, TNDC's Dalt at 34 Turk, owned by "Dalt Hotel LP," according to the tax roll, and Mercy Properties'

"I bought myself a new futon and seven really good meals for a change."

— Gaiety Jacobs, telling how she spent her refund

Marlton Manor at 240 Jones. The word that came back that the properties are tax-exempt, so the residents don't qualify for the refund.

TNDC did not return the *Extra's* calls asking for help in untangling the tax foul-up. Nulty speculated that because TNDC didn't take over the lease of the buildings until December 2000, the assessor hadn't registered information about the new limited partnership's nonprofit tax-exempt status and assumed continued tax liability for 2001.

Adding to the confusion was an article in the September 2002 edition of *The Alexander Times*, a management publica-

tion, that told tenants "taxes were indeed paid for the year 2001, but that this money was expected to be reimbursed. . . . All tenants of the Alexander Residence will be denied their claim. . . [and] will no longer qualify for Renter Assistance."

In late September, Nulty, not trusting the wheels of bureaucracy to turn smoothly, said he'd wait a few weeks. If his rebate check doesn't materialize, he'll file an appeal with the state Board of Equalization.

"People ought to know about this," Nulty says. "I'm sure the denials are bigger than just the three hotels. Also, a lot of people who are eligible don't even know about Renter Assistance."

Jacobs has already received her check. "What did I do with it?" she laughed. "I bought myself a new futon and seven really good meals for a change."

Nulty, who's lived at the Antonia for nine years, looks at the refund as "extra money — I've already used it to balance my budget because I knew it was coming."

And Meadows didn't know what he'd do if his check doesn't come. "But if I get it, I'll hold on to it as long as possible. I see it as an extra blessing," he said. ■

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ROGER GORDON knows the City Center block by block — the Tenderloin, Civic Center, Sixth Street, South of Market. He's a renter. He doesn't own a car. He rides MUNI every day. Rescue MUNI and the Transport Workers support Roger. As the Executive Director of the nonprofit agency Urban Solutions on Mission near 7th, he's helped struggling family-owned neighborhood businesses get low-cost loans to survive and expand.

He's helped homeless people get into supportive housing, off welfare and into jobs. He's worked with the Health, Public Works, Building Inspection, Planning, Police and Human Services Departments to make our neglected neighborhoods cleaner and safer. He's made his mark in Downtown corporate boardrooms, City Hall, and on the corner of Sixth and Mission. He has friends in the Four Seasons Hotel and in the Rose Hotel. Now he wants to do more as your Supervisor.

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- Worked his way through MIT and Boston Univ.; MBA, Kellogg/Northwestern Univ.
- Urban Solutions, Executive Director
- SOMA Project Area Committee Member
- Big Brothers/Big Sisters Board Member
- Minority Law Journal Founder — "Good counsel for minority lawyers," Wall Street Jour-

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- N. Calif. Advisory Board, Human Rights Watch
- Complaint Mediator, Consumer Protection Division, Mass. Attorney General's Office
- Marketing Director, Alexander Millner & McGee, largest African-American owned law firm in Western U.S.

ROGER GORDON'S ACTION PLAN

- Support the Affordable Housing Bond, Prop B, to provide more and better housing
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- Hold shelter operators accountable for

keeping shelters clean, safe and drug-free

- Provide specialized shelters for women, the elderly, couples and others with special needs
- Open mini drop in centers attached to SRO hotels so people have places to be together
- Make sure that no funds are cut under Care Not Cash unless adequate and appro-



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