

VSM 12/31/91 1B

Hotels may become havens for homeless

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The homeless of Santa Cruz County might be able to rest their weary bones in luxurious beachfront condos at the edge of Monterey Bay or to check into nicely appointed hotel rooms just a three iron away from the fairways of a famous local golf course.

That is, if an idea being floated by county Supervisor Gary Patton has any takers.

The idea, proposed to Patton by a constituent upset at learning that some hotels and inns were failing to pay their room taxes, would require the hotels to provide shelter for the homeless in lieu of paying the tax into county coffers.

Transient-occupancy taxes are

collected by hotels and motels from guests when they pay for their rooms. Amounting to 9½ percent of the room rate in the unincorporated portion of the county, the taxes go to the county general fund.

But three major hotel operations are behind in turning over those dollars, plus late penalties, to the county tax collector. As of Monday, the Inn at Pasatiempo was in arrears to the tune of \$133,662.66; Seacliff Inn owed \$21,317.64; and Pajaro Dunes — which rents out condos on behalf of their individual owners — was behind by more than \$52,000.

Calling the situation "really out-
See HOTEL, Page 2B

2B Tuesday, December 31, 1991 ■ San Jose Mercury News

Hotels may face swap: shelters for back taxes

■ HOTEL

from Page 1B

rageous," Patton noted Monday that the hotel operators weren't even being asked to pay their own money to the county.

"The money they get is at no time their own," he said. "They get it from their guests and hold it until they turn it over to the county. But if they want to use the public's money, then maybe the public ought to use their rooms."

Patton has asked Susan Mauriello, the county administrative officer, to look into the homeless idea, although he admitted that "obviously, this has some practical problems."

County Treasurer-Tax Collector Bill Murphy agreed it would be difficult to administer a housing program in lieu of taxes.

A two-night package in a one-bedroom condo at Pajaro Dunes goes for anywhere from \$280 and \$320. Five-bedroom units rent for as much as \$965 on a two-day package.

At the Inn at Pasatiempo, accommodations can be had for \$84 a night — and that includes a continental breakfast.

At the Seacliff Inn, rooms rent for \$59 to \$79 a night.

Ryland Kelley, whose Palo Alto firm Hare, Brewer & Kelley built Pajaro Dunes and still acts as the rental agent for owners of units at the seaside development west of Watsonville, noted that the part of his business that operates the facility is in bankruptcy.

"However," he said, "it expects to find its way out of bankruptcy and pay back its debts within a reasonable time frame. All current payments of transient-occupancy

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— Gary Patton,
county supervisor

taxes are now being made, according to my understanding, and the back taxes should be amortized rather quickly.”

Kelley was unenthusiastic about Patton's proposal.

"It sounds like a dysfunctional plan to me," he said.

"It doesn't sound too good to me," agreed Jackie Nicoli, manager of the Seacliff Inn.

Nicoli said her establishment "has occasionally been delinquent" in payment of transient-occupancy taxes, "but has never had a problem" in eventually making payment.

Tim Lynch, manager of the Inn at Pasatiempo, could not be reached for comment.

A Santa Cruz homeless advocate, saying local shelters now provide about 300 beds a night while as many as 2,000 people have no place to live, called the suggestion "a wonderful idea — if it's legal."

Karen Gillette said the placement of homeless families in "nice hotels" would be "almost like transitional housing" for people trying to get off the streets.