

SWEET ALICE AND THE REFUND CHECK

For all the years I had known Kelley, he would drive in from California, stay a few hours, have dinner with me, and leave. That was the consistent pattern of his visits, so to have Kelley present in Georgetown for the condemnation trial from August 16 through August 27, 1988, was a real coup. Unfortunately, because of the trial, I didn't get to spend as much time with Kelley as I would have liked. But I always had a list of things I wanted Kelley to do although Kelley never wanted to deal with any of them.

One of the most pressing matters, however, was the complication which arose because Mr. Kelley filed his own tax return for the year 1987. He had been filing his individual tax return every year of his life since the day he started working so for Mr. Kelley 1987 was no different. But that was the year he received \$4.4 million from the City of Round for the condemnation of the Palm estate. I had told Mr. Kelley that we would file his tax return for him for this year. He just needed to give us the information regarding his personal income. Unfortunately, Mr. Kelley did not remember this and he filed his own income tax return. At approximately the same time, we filed an extension and paid approximately \$331,000.00 in taxes.

When the IRS received Mr. Kelley's tax return, properly filled out with the check written for the tax that was due on his regular income, they accepted the tax return. When they received the extension that I had prepared, along with the check for \$331,000.00, they immediately refunded the check to Mr. Kelley at his home address in Altadena, California.

Unfortunately Mr. Kelley had failed to tell me that he was no longer living at 628 Wapello Street, Altadena, California. In fact, it wasn't until after his death that I found out that Kelley's house at 628 Wapello Street, Altadena, California, had been posted for demolition by the County of Los Angeles on March 31, 1988. I don't know when Kelley actually moved out, but it must have been some time later that year. The petition that was filed by Riverside County said that the house was uninhabitable and in substandard condition. So here was a refund check for \$331,000.00 mailed to a house in Altadena, California that was being condemned.

Mr. Kelley's friend, Sweet Alice Harris, was picking up his mail from time to time. Sweet Alice saw the refund check from the IRS and held on to it. Kelley had told me about Sweet Alice and after some investigation, I was able to get an address for her and contact her. However, she wasn't about to give me the check until she heard from Mr. Kelley.

When Mr. Kelley was in Georgetown for the condemnation trial I discussed the whole matter of the refund check and I told him that he needed to get the refund check from Sweet Alice and send it back to me so that we could retender the check to the IRS to pay part of the taxes on the \$4.4 million condemnation award.

In September 1988, several days after the condemnation trial was over, Kelley left my office for California. He had approximately \$500.00 cash in his pocket. I had asked him if he wanted to take more money with him but Kelley was a stubborn man and when he decided on something, there was not much you could do about it. So here was Kelley, \$4.4 million in the bank, departing in a car that desperately needed new tires, wearing shoes that were about to fall apart, with \$500 cash in the front pocket of his Hawaiian shirt; no credit card and no bank along the way to cash his check if he needed more money.

But Kelley just didn't worry about these small things. He once told me, "Dale, I watched my dad worry and I saw him get ulcers and he continued to worry and the ulcers turned into cancer and he died. I decided right then and there that I was never going to worry because it wasn't going to do any good. It was just going to kill me if I worried."

Here we were with Sweet Alice in the Watts area of Los Angeles, with Kelley's refund check in the amount of \$331,000.00 and Kelley nowhere to be found with no telephone and no mail delivery. And even his friends didn't know where he was. Kelley wasn't worried, but I certainly was!

After many months of haggling with the IRS we finally got the IRS to stop payment on the check. During the time when we were trying to find the refund check, my wife was reading an issue of MS Magazine and she came across an article about a woman named Sweet Alice who lived in the Watts area of L.A. There really was a person named Sweet Alice and here she was pictured along with Barbara Bush and other well-known personalities. Kelley eventually told me that he had given his house in Altadena to Sweet Alice. I presume it ultimately went to some charitable organization, although I never found out.

Because I didn't have any contact with Kelley for several months, I kept wondering if we would get a telephone call from the Highway Patrol telling us that they had found Kelley dead in his car. We never knew when that telephone call was going to come but we always felt sure that Kelley would end up lying dead somewhere on a lonely road in the middle of nowhere. Unfortunately, when you don't hear from someone for a long period of time and you know they don't have any money or they don't have a credit card and they have old tires on their vehicle, and despite Kelley's admonition not to worry, I just couldn't help but worry about Kelley.

After paying almost \$300,000.00 in income tax to the State of California and hearing that Kelley was living out of his car, I decided that it was high time for Kelley to become a Texas resident. The next time I saw Kelley, which was about April, 1989, I discussed with him the matter of his becoming a Texas resident to avoid California income tax. Kelley seemed to like the idea. He no longer owned a home in California and had no real ties to California except for two bank accounts in Altadena. In order to prove that he was a Texas resident I told Kelley he needed to set up a personal bank account in Georgetown and he needed to get a Texas driver's license and some Texas plates for his car. I suggested the best way to do that was for him to buy a new car in

Georgetown; that way he would have Texas plates and new tires. He would have to take the driver's test to get his Texas license, but Mr. Kelley said he could do that. So we were on the road to making Kelley a Texas resident. Kelley decided that he would call Martha Cannon's home in College Station his permanent address until further notice and that he would have all of his business correspondence sent in care of me at my law office in Georgetown, Texas, but his real place of residence was his car. We set up a bank account at Georgetown National Bank. My good friend, Jack Buchanan, was President of the Georgetown National Bank and was a good friend of Kelley's. When Kelley would visit the bank Jack would invite him into his office for a chat.

Slowly Kelley was giving up California for Texas but he was still a traveler and would rarely tell us where he was going. But he always seemed to gravitate back to my law office and to Martha's home in College Station. Those were his two watering holes that he would continue to visit. I was still worried about Kelley when he traveled, worried whether he would make it back to Georgetown. When he did return, his car was still full of fishing gear and old papers and half-eaten lunches and he still wore the same clothes.

The next time I saw Kelley was in June, 1989. He had come from College Station where he had stayed with Martha Cannon. Martha liked to have him there and College Station wasn't that far from Georgetown, at least in Kelley's mind since he loved to spend time in his car anyway. When Kelley arrived, we went to the Café on the Square to eat lunch. Jack Buchanan was with us. Mr. Kelley had his usual catfish dinner with mashed potatoes and iced tea. We always had a lively conversation but none of it was about any of the matters which I so desperately needed to talk to him about. It was always about the affairs of the world—none of the matters which pertained to Mr. Kelley: his car, his money, etc.

When Mr. Kelley got back to the office, I did get him to talk about some of the things he wanted to do and he made it clear to me that he wanted to give Martha Cannon all the stock that he had inherited from Marguerite and Mary and he wanted to give it to her this year. He also instructed me to be sure to pay the taxes on the Riverside County property and the Oregon property that he owned. I told Kelley that it would be a good idea to transfer these properties into the Trust, but he didn't want to do that at this time. Kelley was not a person who rushed into things and there was no particular reason in his mind that it needed to be in the Trust. He didn't seem to worry about the fact that if he died in a car accident that the property would go to his unknown heirs and they were definitely unknown to me and they were unknown to Kelley. We had no idea who would inherit from Mr. Kelley if he died without a Will or trust.

My father, Carl Illig, was a retired corporate attorney who really enjoyed helping me when I came to Houston. He loved to hear about Kelley and would right copious memoranda to me regarding all of the things I needed to do to take care of Kelley. My father had a buttoned-down mind. He loved everything to be orderly and in place and he just couldn't understand how someone like Kelley could just leave things unsettled. My father would dictate check lists and letters for me to give to Kelley which instructed

him of all the things that he needed to do to take care of his affairs, such as write a Will. I am quite confident that Kelley never read any of these letters and they all ended up in the back seat of his car with half-eaten sandwiches and fishing poles. Maybe they didn't even get that far. But I know for sure that Kelley was not into sitting around reading detailed memoranda on what he should do. Kelley was going to do whatever he wanted to do and no one was going to get him to do anything until he was ready.

By November 1989 we had lost Kelley again; we had no idea where he was. He had been gone for several months and we had no word from him. We decided to start calling around and see if we could find traces of him. Finally my secretary, Donna, buzzed me and said, "I have found traces of where Mr. Kelley has been." He had left Vera's house in Oregon on November 5. He had been there for four weeks. Vera said when he first got to her house, he had gone out and bought new clothes and he wore them the entire time and when Vera asked for his dirty clothes, he told her he didn't have any. But he didn't tell Vera where he was going so all we knew was that for four weeks he had stayed with her.

When Kelley showed up in January, 1990, the first thing I had him do was execute an Affidavit of Homestead. Then I also took him over to see Ron Draeger, who along with his brother James owned the Ford Dealership in Georgetown. I had ordered a new red 1990 Mustang GT for Kelley and the car was ready to be purchased if he liked it. A new car, even for Kelley, was hard to refuse, so he now had a new Mustang with Texas plates and, of course, new tires. I breathed a sigh of relief. It had only taken me a year and a half.