From: <u>Madlen Saddik</u>

To: Marilyn Ezzy Ashcraft; John Knox White; Tony Daysog; Lara Weisiger; Trish Spencer; Malia Vella

 Cc:
 Dhruv Patel; Sima Patel; Kelly Lux; Madlen Saddik; Becca Perata

 Subject:
 [EXTERNAL] Chamber Stance on Agenda Item 7-D for July 5th, 2022

Date: Tuesday, July 5, 2022 4:38:35 PM

Attachments: We sent you safe versions of your files.msg

ACOC Letter Item 7-D .docx.pdf

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

Honorable Mayor and Council Members,

Please find attached a letter regarding the Chamber's stance on agenda item 7-D for the City Council Meeting today, July 5th.

I look forward to speaking with you soon.

Connecting Business and Community,



Madlen Saddik

President & CEO

o:510.522.0414 | m:650.954.0848

w: alamedachamber.com

e: madlen@alamedachamber.com

Click Here to Book a Meeting With Me

"The best way to find yourself is to lose yourself in the service of others."



Alameda Chamber & Economic Alliance 2215-A S Shore Center Alameda, CA 94501 T: (510) 522-0414 madlen@alamedachamber.com

July 5th, 2022

Mayor Marilyn Ezzy Ashcraft Vice Mayor Malia Vella Councilmember Tony Daysog Councilmember Trish Herrera Spencer Councilmember John Knox White

Alameda City Hall 2263 Santa Clara Avenue Alameda, CA 94501

RE: Agenda Item 7-D Adoption of Ordinance Enacting an Increase in the City's Transient Occupancy Tax from Ten Percent (10%) to Fourteen Percent (14%)

Dear City Council,

On behalf of the Alameda Chamber and Economic Alliance, we would like to express our position against Agenda Item 7-D Adoption of Ordinance Enacting an Increase in the City's Transient Occupancy Tax from Ten Percent (10%) to Fourteen Percent (14%) in support of the Hotel and Hospitality Industry of Alameda ahead of the discussion and presentation during the City Council meeting on July 5th, 2022.

We are the President and CEO, Madlen Saddik, and the Board of Directors Chair, Kelly Lux, of the Alameda Chamber & Economic Alliance which is a voice for the business community of Alameda. We are writing to advocate on behalf of Hoteliers and the public of Alameda against the proposed increase in the Transient Occupany Tax. As representatives of the Alameda business community, we are very supportive of business success and growth in Alameda, and this success is reinforced by the services of the Hotels of Alameda which would be severely damaged should this item be adopted.

The Hotel and Hospitality Industry has been drastically damaged in the wake of COVID. Many Hotels across Alameda were closed to non-essential business until March of 2021, and since the start of the pandemic Hotels have experienced very low attendance, which is a serious risk for many Hoteliers. Statistics show the San Francisco Bay Area as having the lowest occupancy and average daily rates nationally, out of any other region, so the Alameda Hotels are distinctly suffering.

In addition to the impact on the Hotels, the proposed tax increase will impact the business groups coming to Alameda. Alameda's positive growth from the arrival of big businesses brings other business groups to the Island, and the tax increase may further induce financial hardship for the Hotels. This situation would create a more difficult space for them to function and be even harder for them to address the impending needs or accommodate visitors as Alameda begins to open and function at pre-pandemic capacity. With this in mind, we feel that this is not the time to move forward with such an increase.

The effects of this resolution being passed will have serious consequences for the Hotels in Alameda, so we request as an alternative to the bill being passed, that this potential Transient Occupany Tax be discussed with the Hoteliers before any decision is made. In order to preserve and reexpand the Alameda Hotel and

Hospitality Industry, the best option would be to avoid sending this to the ballot without input from the Hoteliers. Fostering industry collaboration and community-wide discussion will bring forward a solution that can benefit Alameda and contribute to growth and success rather than potentially risk straining an already disheartening situation.

We are concerned that if this tax increase is pushed through, it will have a ripple effect on all future expansion of tourism across Alameda as the Hotels will be unable to accommodate visitors thus creating conditions where the ability of Alameda to be a good place for businesses and tourism to grow is doubted.

For the reasons stated above, we would like to express the Alameda Chamber and Economic Alliance's stance against Item 7-D Adoption of Ordinance Enacting an Increase in the City's Transient Occupancy Tax from Ten Percent (10%) to Fourteen Percent (14%).

Sincerely,

Madlen Saddik President & CEO

Alameda Chamber & Economic Alliance

KellyLux

Chair

Alameda Chamber & Economic Alliance