

Nicola Broderick
Owner, 2107 San Jose Avenue
Alameda, CA 94501

July 7, 2015

Ms. Liz Warmerdam
Interim City Manager, City of Alameda

Dear Ms. Warmerdam:

As a property owner and host on VRBO and other sites offering short term rentals, I am writing to you, the Mayor of Alameda, and the members of the City Council to make known my concerns and Comments relating to this matter currently under consideration by City Council of Alameda.

My husband, Roland Angle, and I own a triplex in Alameda. We restored the building to the tune of \$400,000 over the past several years. We did it the right way with permits and our property taxes have risen as a result; we now pay almost \$1,000 per month property tax.

The property is owner occupied with the exception of one unit, which is a short term rental. The short term rental enables us to “age in place” and helps to pay the high costs of a mortgage, property taxes and other expenses to maintain the 1898 structure. The property was recognized in 2004 by the Alameda Historical Preservation Society after the first phase of the renovation.

We have been on the short term rental market for two years. From day one we have paid 10% TOT to the city and county of Alameda, which is approximately \$8,000.

We encourage you to negotiate with AirBnB which seems to have this city (along with many others) in an uproar over the elimination of rental property for residents. Personally, we don't like AirBnB very much for the reason they make it impossible to include tax in the quote to the guest. It isn't mentioned on their site (at least as far as Alameda listings are concerned) so it puts the property owner in the awkward position of either having to charge the guest upon arrival or absorb the cost or ignore it entirely thereby shorting Alameda. Understandably, the guests very often refuse to pay an additional amount of money upon arrival protesting they have already paid.

Page 2

July 7, 2015

Letter to Liz Warmerdam

It is my understanding that the city of Oakland recently negotiated with AirBnB to collect tax. If that is the case, surely you can negotiate with a local company to do the same in Alameda? For our part, we don't like the idea that property owners are not paying their fair share of TOT.

VRBO and other sites make it very clear to the guest the amount of tax that is due and include it in the quotation to the guest. The guest pays through their sites and after the guest checks in, the funds are credited to the property owner's bank account. It is the responsibility of the property owner to pay 10% TOT each month. We accomplish this through an excellent online service called HotSpot Tax Service. In addition, we have a business license for rental property and we also have business property insurance to protect us and the guests.

While we are sympathetic to the concerns of the local residents about rising rents and the lack of rental units, when I look in the newspaper, I see many properties available in Alameda. Since we are subject to a capitalist economy, I don't see how you can stop owners from charging rents that are at market rates especially as property values have increased with property taxes rising accordingly. I would hazard a guess there are possibly less than 200 properties advertised on AirBnBin Alameda at any given time (unlike San Francisco and Oakland) most of which are to share an apartment or home or are posted when the owners are traveling.

I encourage the city of Alameda to monitor those rentals and ensure the owners are paying TOT. In addition, with the building boom in Alameda, surely some of the new housing stock could be made available to section 8 and at below market rates to accommodate workers?

Lastly, if we cannot rent our unit on the short term rental market, we will most likely be forced to sell our property and move out of Alameda. We would like to stay and be a part of the local community.

Thank you for your consideration,



Nicola Broderick

Via email:

manager@alamedaca.gov

tspencer@alamedaca.gov

fmatarrese@alamedaca.gov

tdaysog@alamedaca.gov

mezzyashcraft@alamedaca.gov

joddie@alamedaca.gov