

1 [Agreement - Owners' Association for Administration/Management of San Francisco Tourism
2 Improvement District]

3 **Resolution approving an agreement with the nonprofit Owners' Association for**
4 **administration/management of the established business-based business improvement**
5 **district known as the "San Francisco Tourism Improvement District," pursuant to the**
6 **California Streets and Highways Code, Section 36651, for a period effective upon**
7 **approval of this Resolution through December 31, 2038.**

8
9 WHEREAS, On December 16, 2008, the Board of Supervisors ("Board"), acting
10 pursuant to the Property and Business Improvement District Law of 1994 (Part 7 of Division
11 18 of the California Streets and Highways Code, commencing with Section 36600), as
12 augmented by Article 15 of the San Francisco Business and Tax Regulations Code, and other
13 relevant legal authorities, established the business-based business improvement district
14 designated as the "San Francisco Tourism Improvement District" (the "District") and levied
15 multi-year special assessments on hotels included within the District (the "Assessments"), to
16 fund certain programs in the District for a 15-year term that expired on December 31, 2023
17 (Board Resolution No. 504-08); and

18 WHEREAS, On August 6, 2009, the Board approved an agreement with the San
19 Francisco Tourism Improvement District Management Corporation ("SFTIDMC") to act as the
20 Owners' Association for the District, in accordance with California Streets and Highways
21 Code, Sections 36612 and 36650, which generally provide that an Owners' Association is a
22 private nonprofit entity that must hold in trust all funds derived from the levy and collection of
23 assessments and use such funds solely for the purposes of administering the approved
24 district programs (Board Resolution No. 323-09); and

1 WHEREAS, Throughout the initial 15-year term, the District served as a sustainable
2 revenue model, benefiting assessed businesses funding San Francisco Travel Association
3 programs that drew conventions, meetings, events, and leisure travelers to the City, and
4 contributed to San Francisco's post-pandemic economic recovery through active selling,
5 marketing, and promotion of the City as a visitor destination; and

6 WHEREAS, On September 22, 2022, the Board renewed and expanded the District,
7 levied assessments against defined hotel and short-term residential rental business located
8 the District to fund certain District Programs for 15 years commencing January 1, 2024, in
9 accordance with the updated Management District Plan for the District which is incorporated
10 herein by reference, and authorized the Office of Economic and Workforce Development
11 ("OEWD") to contract with a private Owners' Association to administer the District Programs
12 (Board Resolution No. 381-22, the "Resolution To Establish"); and

13 WHEREAS, OEWD has negotiated an agreement with the SFTIDMC, the same
14 nonprofit entity that served as the Owners' Association for the District previously, for the
15 SFTIDMC to hold the Assessments in trust and use them to develop, implement, direct,
16 manage, administer, operate and ensure the timely provision of the District Programs
17 ("Management Agreement"), through the full term of the District (December 31, 2038); a copy
18 of the Management Agreement is on file with the Clerk of the Board of Supervisors in File No.
19 240096, and is incorporated herein by reference; and

20 WHEREAS, Pursuant to the Property and Business Improvement District Law of 1994,
21 the Resolution to Establish and the express terms of the Management Agreement, the
22 Agreement shall not be binding unless approved by the Board; and

23 WHEREAS, It is in the best interest of the City and the businesses paying the
24 Assessments for the City to enter into the Management Agreement according to the terms
25 and conditions set forth therein; now, therefore, be it

1 RESOLVED, That the Board of Supervisors declares as follows:

2 Section 1. AUTHORIZATION TO EXECUTE CONTRACT. The Office of Economic
3 and Workforce Development is duly authorized to execute the Management Agreement on
4 behalf of the City and County of San Francisco.

5 Section 2. APPROVAL OF AGREEMENT. The Board of Supervisors hereby
6 approves the Management Agreement on file with the Clerk of the Board of Supervisors in
7 File No. 240096, which is hereby declared to be a part of this Resolution as if set forth fully
8 herein.

9 Section 3. AUTHORIZATION FOR ACTIONS CONTEMPLATED IN AGREEMENT.
10 The Office of Economic and Workforce Development, Controller and all other Departments,
11 City Officers and Employees are authorized to take all actions, make determinations, exercise
12 discretion, grant or deny approval, and otherwise take all reasonable steps necessary for full
13 performance of the Management Agreement on behalf of the City and County of San
14 Francisco according to its terms.

15 Section 4. AUTHORIZATION FOR AMENDMENTS TO AGREEMENT. Subject to
16 disapproval by the Board of Supervisors within 30 days of submission to the Clerk of the
17 Board, the Office of Economic and Workforce Development may execute amendments to the
18 Agreement on behalf of the City and County of San Francisco that are consistent with the
19 Management District Plan, Resolution to Establish, official City policies and applicable law.
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City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240096

Date Passed: February 27, 2024

Resolution approving an agreement with the nonprofit Owners' Association for administration/management of the established business-based business improvement district known as the "San Francisco Tourism Improvement District," pursuant to the California Streets and Highways Code, Section 36651, for a period effective upon approval of this Resolution through December 31, 2038.


February 15, 2024 Government Audit and Oversight Committee - RECOMMENDED

February 27, 2024 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240096

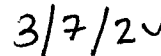
I hereby certify that the foregoing
Resolution was ADOPTED on 2/27/2024 by
the Board of Supervisors of the City and
County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor



Date Approved