

1 [Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of
2 \$220,345,336 and Refund of \$1,716,129, Plus Statutory Interest - Repealing Ordinance No.
3 262-24]

4 **Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts**
5 **Inc. et al. against the City and County of San Francisco concerning the real property**
6 **located at 375 Battery Street, San Francisco, CA (Assessor's Parcel Block No. 0229, Lot**
7 **No. 020) (the "Subject Property") for a stipulated assessed value of the Subject**
8 **Property of \$220,345,336 as of September 18, 2019, contingent upon the Assessment**
9 **Appeals Board's approval, and a refund of \$1,716,129 plus statutory interest; the first**
10 **lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-**
11 **23-608468; entitled Park Hotels & Resorts Inc., et al. v. City and County of San**
12 **Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior**
13 **Court, Case No. CGC-23-607304; entitled Park Hotels & Resorts Inc. v. City and County**
14 **of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property**
15 **for property tax purposes as of the September 18, 2019, change in ownership date and**
16 **a transfer tax refund; and repealing Ordinance No. 262-24, which authorized a prior**
17 **settlement of these lawsuits.**

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19 Be it ordained by the People of the City and County of San Francisco:

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21 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
22 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
23 City and County of San Francisco, San Francisco Superior Court, Case No. CGC-23-608468,
24 for a stipulated assessed value of the real property located at 375 Battery Street, San
25

1 Francisco, CA (APN 0229-020) of \$220,345,336 as of September 18, 2019, contingent upon
2 the Assessment Appeals Board's approval;

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4 Section 2. The action in Section 1 was filed in San Francisco Superior Court on
5 August 18, 2023, and the following parties were named in the lawsuit: Park Hotels & Resorts
6 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
7 Company, CHSP San Francisco LLC, a Delaware Limited Liability Company, and CHSP TRS
8 San Francisco LLC, a Delaware Limited Liability Company, Plaintiffs; and City and County of
9 San Francisco, Defendant.

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11 Section 3. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
12 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
13 City and County of San Francisco, et al., San Francisco Superior Court, Case No. CGC-23-
14 607304, for the payment of \$1,716,129, plus statutory interest. The lawsuit involves a transfer
15 tax refund.

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17 Section 4. The action in Section 3 was filed in San Francisco Superior Court on
18 June 27, 2023, and the following parties were named in the lawsuit: Park Hotels and Resorts
19 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
20 Company, and CHSP San Francisco LLC, a Delaware Limited Liability Company, Plaintiffs;
21 and City and County of San Francisco, San Francisco Assessor-Recorder, San Francisco
22 Controller, San Francisco Board of Supervisors, San Francisco Treasurer, San Francisco Tax
23 Collector, and Does 1-10, Defendants.

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25 Section 5. Ordinance No. 262-24 approved a prior settlement with the same parties
to resolve the actions identified in Sections 1 and 3. Ordinance No. 262-24 became effective

1 on November 14, 2024, but the City has not yet implemented the settlement authorized by
2 that ordinance. The settlement authorized by Sections 1 and 3 of this ordinance supersedes
3 the prior settlement. Accordingly, Ordinance No. 262-24 is hereby repealed.

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5 APPROVED AS TO FORM AND
6 RECOMMENDED:

7 DAVID CHIU
8 City Attorney

9 /s/ Scott M. Reiber
10 SCOTT M. REIBER
11 Chief Tax Attorney

RECOMMENDED:

OFFICE OF THE ASSESSOR-RECORDER

/s/ Joaquín Torres
JOAQUÍN TORRES
Assessor-Recorder

12 FUNDS AVAILABLE:

13 /s/ Michelle Allersma for Greg Wagner
14 GREG WAGNER
15 Controller

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