

**Ballot on Assessment for the renewal and expansion of the  
business-based business improvement district known as the  
“Tourism Improvement District”**

**«Barcode»**

Business Name: \_\_\_\_\_ Address of Business: \_\_\_\_\_

Business Owner’s Name: \_\_\_\_\_

Benefit Zone Where Businesses is Located: \_\_\_\_\_

Proposed Assessment Formula:

The renewed and expanded business-based assessment district to be known as the Tourism Improvement District (TID) will have a duration of 15 years, commencing January 1, 2024. The term of the district is 15 years after the Commencement Date. The District shall include all tourist hotels and short-term residential rentals (STRs) operating in the City & County of San Francisco, and which are located in the following geographic areas:

Zone 1: Tourist hotels and short-term residential rentals with addresses:

- On or east of Van Ness Avenue
- On or east of South Van Ness Avenue, and
- On or north of 16th Street from South Van Ness to the Bay, including all tourist hotels and short-term residential rentals east of Van Ness Avenue as if it continued north to the Bay, and north of 16th Street as if it continued east to the Bay.

Zone 2: Tourist hotels and short-term residential rentals with addresses:

- West of Van Ness Avenue and South Van Ness Avenue, and
- South of 16th Street.

Assessments will be based on the estimated amount that each tourist hotel or STR will benefit from the District. Tourist hotels and STRs in Zone 1 will pay a higher assessment than those in Zone 2 because it is expected that assessed businesses in Zone 1 will benefit from a greater positive impact on revenue per available room. A map of the District and a list of existing tourist hotels and short-term residential rentals (with the latter identified by registration number of each short-term rental) within the District are set forth in the Management District Plan. The list of tourist hotels and short-term residential rentals will be updated each year to ensure the list is accurate.

Assessments will be calculated as 1.125% of gross revenue for tourist hotels and STRs in Zone 1, and 1% of gross revenue for those in Zone 2. **The estimated TID assessment for your hotel or short-term residential rental (based on 2019 data) is listed on the attached confidential *Notice of Estimated Assessment* prepared by the City and County of San Francisco’s Office of the Treasurer and Tax Collector. Further detail is available in the Management District Plan. DO NOT return this confidential *Notice of Estimated Assessment* with your Ballot.**

The San Francisco Tourism Improvement District Management Corporation (SFTIDMC) oversees the District and will have the authority to alter the assessment rates, subject to the following: (i) assessment rates shall not be increased by more than 1% in either zone (i.e., a cap of 2.25% in Zone 1 and of 2% in Zone 2), and shall not be reduced below the renewed District’s initial rates (i.e., a floor of 1.25% in Zone 1 and 1% in Zone 2); (ii) assessment rates may, but need not be changed in both Zones, but rates in Zone 1 must be at least 0.25% greater than rates in Zone 2; (iii) any changes in assessment rates shall be subject to approval by a supermajority of the TID Board, based on TID Board determination that additional assessment funds are needed to meet unforeseen or critical needs and costs of business attraction and retention for the specific benefit of the assessed business; and (iv) the TID Board must reevaluate annually the basis of a decision to increase assessment rates. “Supermajority” for these purposes means 2/3 of the TID Board, including not less than a majority of the hotel representatives on the TID Board.

For purposes of calculating the TID assessment, “gross revenue from tourist rooms” means: the consideration received for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property of any kind or nature, without any deduction therefrom whatsoever. Gross revenue from tourist rooms will include only the following charges, regardless of how such charges are characterized:

- a) Charges for a guest room (including non-refundable deposits) regardless of whether the guest uses the room;
- b) Charges for additional guests to occupy the room;
- c) Charges for guaranteeing the availability of a room (sometimes referred to as guaranteed “no-show” charges), regardless of whether the guest uses the room (excluding event attrition fees and event cancellation fees paid by event organizers)

The following charges and revenues shall be exempt from payment of the assessments:

- a) Charges for guest rooms occupied by permanent residents, defined as: “Any occupant as of a given date who has or shall have occupied, or has or shall have the right of occupancy, of any guest room in a hotel for at least 30 consecutive days next preceding such date;”
- b) Revenue from the lodging of airline crews, *i.e.*, lodging provided to airline cockpit and/or cabin crews pursuant to an agreement between a hotel and an airline, which is furtherance of or to facilitate such crews’ performance of their jobs for the airline, including layovers between flights; or
- c) The City’s Transient Occupancy Tax collected on the room rent and remitted to the City;
- d) Revenue from the San Francisco Moscone Expansion District assessment established in 2013, including any renewals or extensions thereof;
- e) Charges for guest rooms located in youth hostels that are owned and operated exclusively by and for non-profit entities;
- f) Charges for guest rooms that are subject to the room rate exemption for the San Francisco Transient Occupancy Tax under Article 7, section 506(c) of the San Francisco Business and Tax Regulations code, as amended from time to time; and
- g) Charges for guest rooms located in non-profit, purely private social clubs that make guest rooms available only for the use of their members. The term “purely private social clubs” means nonprofit, private membership clubs, whose primary purpose is social, which are owned by a limited membership, and which do not advertise or promote the use of their facilities by the public. Further, entities that allow guest rooms to be occupied by non-members, including via reciprocal arrangements with other clubs or organizations or upon referral of a member, shall not constitute “purely private social clubs” as defined herein.

Annual revenues generated from assessments will fluctuate over the life of the District based on actual gross revenues from tourist hotel rooms and short-term residential rentals, subject to the maximum assessments set forth in the Management District Plan.



**Instructions for Completing and Delivering this Ballot**

\*To express your view on the proposed assessment and the proposed range adjustment process, check above the line before the word "YES" or "NO" below, then sign and date the ballot.

\_\_\_\_\_ Yes, I approve the proposed annual assessment described above on the parcel identified in this ballot, and I understand that my assessment could be subject to the inflation adjustment formula described above.

\_\_\_\_\_ No, I do not approve the proposed annual assessment, on the parcel identified in this ballot, nor the inflation adjustment formula described above.

I hereby declare by penalty of perjury that I am a record owner or authorized agent for the record owner of the parcel listed above.

Business Name: \_\_\_\_\_ Address of Business: \_\_\_\_\_

\_\_\_\_\_  
Signature of Record Owner or Authorized Agent \_\_\_\_\_ Date

\_\_\_\_\_  
Print Name of Signatory

**\*After completing your ballot, please mail to:**  
**Director**  
**Department of Elections**  
**P.O. Box \_\_\_\_\_**  
**San Francisco, CA 94142-2189**

**To hand deliver, please use the following address:**  
**Director**  
**Department of Elections**  
**City Hall**  
**1 Dr. Carlton B. Goodlett Place, Room 48**  
**San Francisco, CA 94102**

Ballots may also be delivered to the Director at the Public Hearing prior to the close of public testimony.

\*Ballots may be sent or delivered to the Director at any time, but MUST be received in the mail not later than 12 P.M. (noontime) on the day of the public hearing or in person before the conclusion of the public testimony portion of the public hearing on the proposed assessment and assessment range. That hearing is set for 3:00 p.m. on September 13, 2022. Ballots received after that time will only be counted if the Board elects to continue public comment until a later date.

**DO NOT RETURN the confidential *Notice of Estimated Assessment* with your hotel's or short term residential rental's completed Ballot and Affidavit of Identification.**