

1 [Tolling Agreement - PK Domestic Property LLC - Le Meridien Hotel - Real Property Transfer  
2 Tax Dispute]

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3 **Resolution approving a Tolling Agreement to extend the statute of limitations for**  
4 **PK Domestic Property LLC for the Le Meridien Hotel to bring potential litigation against**  
5 **the City and County of San Francisco for a refund of real property transfer tax to allow**  
6 **for possible resolution of the matter without litigation.**

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8 WHEREAS, The City and County of San Francisco (the “City”) imposed real property  
9 transfer taxes, penalties, and interest for the September 18, 2019 change in ownership of the  
10 Le Meridien Hotel, based on a consideration or value of the real property of \$259,260,000  
11 rather than the declared consideration or value of the real property of \$181,000,000; and

12 WHEREAS, PK Domestic Property LLC paid the transfer taxes, penalties, and interest  
13 on October 5, 2020, and filed a claim for refund on November 16, 2020 (the “Claim”); and

14 WHEREAS, The value of the Le Meridien Hotel real property as of the  
15 September 18, 2019 change in ownership is currently the subject of an assessment appeal  
16 before the San Francisco Assessment Appeals Board, the outcome of which may permit the  
17 City and PK Domestic Property LLC to resolve the Claim without litigation; and

18 WHEREAS, To avoid the need for potentially unnecessary litigation, the City and  
19 PK Domestic Property LLC have agreed that the limitations period for any potential litigation  
20 related to the Claim shall be extended under the terms set forth in the Tolling Agreement on  
21 file with the Clerk of the Board of Supervisors in File No 220800; now, therefore, be it

22 RESOLVED, That the Board of Supervisors authorizes the City to agree that the  
23 statute of limitations for PK Domestic Property LLC to file an action against the City with

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respect to the Claim shall be extended to and including June 30, 2023, under the terms set forth in the Tolling Agreement.

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