

1 [Tolling Agreement - A-N SFD Owner, LLC - Sir Francis Drake Hotel - Real Property Transfer  
2 Tax Dispute]

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3 **Resolution approving a Tolling Agreement to extend the statute of limitations for A-N**  
4 **SFD Owner, LLC for the former Sir Francis Drake Hotel to bring potential litigation**  
5 **against the City and County of San Francisco for a refund of real property transfer tax**  
6 **to allow for possible resolution of the matter without litigation.**

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8 WHEREAS, SPL Express, Inc., on behalf of A-N SFD Owner, LLC, paid \$9,130,170 in  
9 transfer taxes for the April 1, 2021 change in ownership of the former Sir Francis Drake Hotel,  
10 based on a declared sales price of the real property of \$152,169,259; and

11 WHEREAS, A-N SFD Owner, LLC filed a claim for refund for \$1,780,158 plus interest  
12 on June 21, 2021 (the "Claim"), alleging that the declared amount erroneously included  
13 nontaxable assets; and

14 WHEREAS, The value of the Sir Francis Drake Hotel real property as of the  
15 April 1, 2021 change in ownership is currently the subject of an assessment appeal before the  
16 San Francisco Assessment Appeals Board, the outcome of which may permit the City and  
17 County of San Francisco (the "City") and A-N SFD Owner, LLC to resolve the Claim without  
18 litigation; and

19 WHEREAS, To avoid the need for potentially unnecessary litigation, the City and A-N  
20 SFD Owner, LLC have agreed that the limitations period for any potential litigation related to  
21 the Claim shall be extended under the terms set forth in the Tolling Agreement on file with the  
22 Clerk of the Board of Supervisors in File No. 221232; now, therefore, be it

23 RESOLVED, That the Board of Supervisors authorizes the City to agree that the  
24 statute of limitations for A-N SFD Owner, LLC to file an action against the City with respect to

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1 the Claim shall be extended to and including December 31, 2023, under the terms set forth in  
2 the Tolling Agreement.

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