

1 [Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of
2 \$93,237,202 and Refund of \$785,531 Plus Statutory Interest]

3 **Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts**
4 **Inc. et al. against the City and County of San Francisco concerning the real property**
5 **located at 542-550 Geary Street, San Francisco, CA (Assessor’s Parcel Block No. 0305,**
6 **Lot No. 008 and Assessor’s Parcel Block No. 0305, Lot No. 009) (the “Subject**
7 **Property”)** for a stipulated assessed value of \$93,237,202 as of September 18, 2019,
8 contingent upon the Assessment Appeals Board’s approval, and a refund of \$785,531
9 plus statutory interest; the first lawsuit was filed on August 18, 2023, in San Francisco
10 Superior Court, Case No. CGC-23-608476; entitled Park Hotels & Resorts Inc., et al. v.
11 City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in
12 San Francisco Superior Court, Case No. CGC-23-607309; entitled Park Hotels & Resorts
13 Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value
14 of the Subject Property for property tax purposes as of the September 18, 2019 change
15 in ownership date and a transfer tax refund.

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

18 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
19 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
20 City and County of San Francisco, San Francisco Superior Court, Case No. CGC-23-608476,
21 for a stipulated assessed value of the real property located at 542-440 Geary Street, San
22 Francisco, CA (APNs 0305-008 and 0305-009) of \$93,237,202 as of September 18, 2019,
23 contingent upon the Assessment Appeals Board’s approval;

24 Section 2. The action in Section 1 was filed in San Francisco Superior Court on
25 August 18, 2023, and the following parties were named in the lawsuit: Park Hotels & Resorts

1 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
2 Company, CHSP Union Square LLC, a Delaware Limited Liability Company, and CHSP TRS
3 Union Square LLC, a Delaware Limited Liability Company, Plaintiffs; and City and County of
4 San Francisco, Defendant.

5 Section 3. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
6 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
7 City and County of San Francisco, et al., San Francisco Superior Court, Case No. CGC-23-
8 607309, for the payment of \$785,531, plus statutory interest. The lawsuit involves a transfer
9 tax refund.

10 Section 4. The action in Section 4 was filed in San Francisco Superior Court on
11 June 27, 2023, and the following parties were named in the lawsuit: Park Hotels and Resorts
12 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
13 Company, and CHSP Union Square LLC, a Delaware Limited Liability Company, Plaintiffs;
14 and City and County of San Francisco, San Francisco Assessor-Recorder, San Francisco
15 Controller, San Francisco Board of Supervisors, San Francisco Treasurer, San Francisco Tax
16 Collector, and Does 1-10, Defendants.

17 APPROVED AS TO FORM AND
18 RECOMMENDED:

19 DAVID CHIU
City Attorney

20 /s/ Scott M. Reiber
21 SCOTT M. REIBER
Chief Tax Attorney

RECOMMENDED:

OFFICE OF THE ASSESSOR-RECORDER

22 /s/
23 JOAQUÍN TORRES
Assessor-Recorder

24 FUNDS AVAILABLE:

25 /s/ Carol Lu for Greg Wagner
GREG WAGNER
Controller