

MEMO

To: Aaron Peskin, District 6 Supervisor
CC: London N. Breed, Mayor of the City and County of San Francisco
San Francisco Board of Supervisors
From: Chris Corgas; Program Director, OEWD
RE: Tourism Improvement District Renewal and Expansion
Date: May 16, 2022

Dear Supervisor Peskin,

Enclosed for your review and legislative submittal are the materials related to the proposed renewal and expansion of the San Francisco Tourism Improvement District (TID), those materials include:

- Resolution of Intention to renew and expand the TID
- TID Management Plan
- Memo from the Office of the Treasurer and Tax Collector
- Petitions submitted regarding the renewal and expansion of the TID
- Ballot
- Notice of Estimate
- Ballot Affidavit
- Notice of Public Hearing and Assessment Ballot Proceeding

The TID renewal and expansion will levy a multi-year assessment on identified hotels and short-term residential rental businesses in the district and would last for 15 year, beginning on January 1, 2024 and sunseting on December 31, 2038. The TID will fund business-related services, improvements, and activities for the district.

There are four changes to the TID in this renewal and expansion:

- Increasing the current assessment on ratepayers by 0.25%.
- Including short-term residential rentals as ratepayers.
- Allowing for the possibility of an increase in TID assessments of up to 1%, which need approval by a high threshold of the TID Board.
- Modifying the TID Board to better reflect its constituency.

The assessment is estimated to generate approximately \$51,401,000 during the first year, with a maximum total assessment for years 1 through 15, based on initial rates, of \$1,633,151,000.00. The total maximum assessment that could be collected for years 1 through 15 based on increased rates is \$2,749,146,000.00.

If you should have any questions regarding the materials enclosed or the formation process please do not hesitate to contact me. I look forward to the introduction of the Resolution on Tuesday May 17, 2022.