

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

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.**

7
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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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 220800

Date Passed: September 20, 2022

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

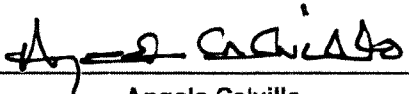
September 15, 2022 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

September 20, 2022 Board of Supervisors - ADOPTED

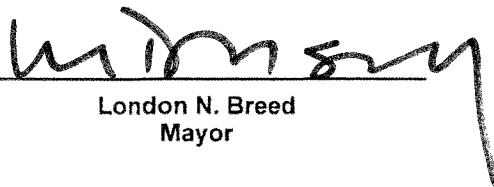
Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 220800

I hereby certify that the foregoing Resolution was ADOPTED on 9/20/2022 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor

9/29/22

Date Approved