

1 [Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of
2 \$220,345,336 and Refund of \$1,716,129, Plus Statutory Interest - Repealing Ordinance No.
3 262-24]

4 **Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts**
5 **Inc. et al. against the City and County of San Francisco concerning the real property**
6 **located at 375 Battery Street, San Francisco, CA (Assessor's Parcel Block No. 0229, Lot**
7 **No. 020) (the "Subject Property") for a stipulated assessed value of the Subject**
8 **Property of \$220,345,336 as of September 18, 2019, contingent upon the Assessment**
9 **Appeals Board's approval, and a refund of \$1,716,129 plus statutory interest; the first**
10 **lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-**
11 **23-608468; entitled Park Hotels & Resorts Inc., et al. v. City and County of San**
12 **Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior**
13 **Court, Case No. CGC-23-607304; entitled Park Hotels & Resorts Inc. v. City and County**
14 **of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property**
15 **for property tax purposes as of the September 18, 2019, change in ownership date and**
16 **a transfer tax refund; and repealing Ordinance No. 262-24, which authorized a prior**
17 **settlement of these lawsuits.**

18
19 Be it ordained by the People of the City and County of San Francisco:

20
21 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
22 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
23 City and County of San Francisco, San Francisco Superior Court, Case No. CGC-23-608468,
24 for a stipulated assessed value of the real property located at 375 Battery Street, San
25

1 Francisco, CA (APN 0229-020) of \$220,345,336 as of September 18, 2019, contingent upon
2 the Assessment Appeals Board's approval;

3
4 Section 2. The action in Section 1 was filed in San Francisco Superior Court on
5 August 18, 2023, and the following parties were named in the lawsuit: Park Hotels & Resorts
6 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
7 Company, CHSP San Francisco LLC, a Delaware Limited Liability Company, and CHSP TRS
8 San Francisco LLC, a Delaware Limited Liability Company, Plaintiffs; and City and County of
9 San Francisco, Defendant.

10
11 Section 3. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
12 authorizes the City Attorney to settle the action entitled Park Hotels & Resorts Inc., et al. v.
13 City and County of San Francisco, et al., San Francisco Superior Court, Case No. CGC-23-
14 607304, for the payment of \$1,716,129, plus statutory interest. The lawsuit involves a transfer
15 tax refund.

16
17 Section 4. The action in Section 3 was filed in San Francisco Superior Court on
18 June 27, 2023, and the following parties were named in the lawsuit: Park Hotels and Resorts
19 Inc., a Delaware Corporation, PK Domestic Property LLC, a Delaware Limited Liability
20 Company, and CHSP San Francisco LLC, a Delaware Limited Liability Company, Plaintiffs;
21 and City and County of San Francisco, San Francisco Assessor-Recorder, San Francisco
22 Controller, San Francisco Board of Supervisors, San Francisco Treasurer, San Francisco Tax
23 Collector, and Does 1-10, Defendants.

24
25 Section 5. Ordinance No. 262-24 approved a prior settlement with the same parties
to resolve the actions identified in Sections 1 and 3. Ordinance No. 262-24 became effective

1 on November 14, 2024, but the City has not yet implemented the settlement authorized by
2 that ordinance. The settlement authorized by Sections 1 and 3 of this ordinance supersedes
3 the prior settlement. Accordingly, Ordinance No. 262-24 is hereby repealed.

4
5 APPROVED AS TO FORM AND
6 RECOMMENDED:

RECOMMENDED:

7 DAVID CHIU
8 City Attorney

OFFICE OF THE ASSESSOR-RECORDER

9 /s/ Scott M. Reiber
10 SCOTT M. REIBER
11 Chief Tax Attorney

/s/ Joaquín Torres
12 JOAQUÍN TORRES
13 Assessor-Recorder

14 FUNDS AVAILABLE:

15 /s/ Michelle Allersma for Greg Wagner
16 GREG WAGNER
17 Controller

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City and County of San Francisco
Tails
Ordinance

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

File Number: 241115

Date Passed: December 17, 2024

Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 375 Battery Street, San Francisco, CA (Assessor's Parcel Block No. 0229, Lot No. 020) (the "Subject Property") for a stipulated assessed value of the Subject Property of \$220,345,336 as of September 18, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$1,716,129 plus statutory interest; the first lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-23-608468; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607304; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 18, 2019, change in ownership date and a transfer tax refund; and repealing Ordinance No. 262-24, which authorized a prior settlement of these lawsuits.

December 05, 2024 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

December 10, 2024 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai and Walton


December 17, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 9 - Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai and Walton

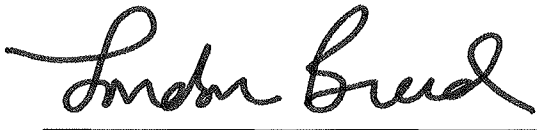
Excused: 1 - Chan

File No. 241115

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 12/17/2024 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor

12/19/24

Date Approved