

November 6, 2013

Members of the Board of Supervisors c/o Angela Cavillo Clerk of the Board of Supervisors City of San Francisco 1 Dr. Carlton B. Goodlet Place San Francisco, CA 94102-4689

> Re: Request to Modify Management Plans of San Francisco Tourism Improvement District and Moscone Center Expansion District

Hon. Members of the Board of Supervisors:

San Francisco Tourism Improvement District Management Corporation, a California nonprofit corporation (the Corporation), serves as the "owners' association" for the San Francisco Tourism Improvement District (TID) and the Moscone Center Expansion District (MED). We understand that the Board of Supervisors has adopted Ordinance No. 206-13 (File No. 130748) that amends Article 6 of the San Francisco Business and Tax Regulation Code to authorize the Treasurer & Tax Collector's Office of the City and County of San Francisco (TTX) to collect the City's Transient Occupancy Tax (TOT) on a monthly, rather than a quarterly basis, beginning effective January 1, 2014. We also understand that the Ordinance amends Article 6 of the Business & Tax Regulations Code, which among other things, through the management plan for the MED governs the collection and enforcement of the MED assessments, and by amendment to the management plan for the TID would govern the collection and enforcement of the TID assessments. In connection with those proposed changes, and to provide for greater efficiencies, TTX has asked the Corporation to request that the Board of Supervisors modify the TID and MED Management Plans to (1) allow for the TID and MED assessments to be collected and disbursed on a monthly, rather than a quarterly basis, and (2) clarify that the TID and MED assessments will be collected and enforced pursuant to Article 6 of the Business & Tax Regulations Code, as it may be amended from time to time.

Attached as Exhibits A and B to this letter, respectively, are proposed amendments to the TID Management Plan and the MED Management Plan, which make the changes summarized in the prior paragraph. Based on the Corporation's understanding set forth in this letter, pursuant to sections 36635 and 36636 of the California Streets & Highways Code, Corporation, in its capacity as owners' association of the TID and MED, hereby requests that the TID Management Plan and the MED Management Plan be amended as set forth in Exhibits A and B, hereto. Corporation makes this request on condition that the proposed modifications would become effective only if and when the City begins collection of the TOT on a monthly basis, and upon enactment of the proposed changes to Article 6. Except as expressly set forth Members of the Board of Supervisors c/o Angela Cavillo Clerk of the Board of Supervisors November 6, 2013 Page 2

in Exhibits A and B, Corporation requests no other modifications to either management plan, and expressly objects to any modifications of those plans other than as set forth in Exhibits A and B.

Thank you for your continued support of the San Francisco Tourism Improvement District and the Mosone Center Expansion District.

Very truly yours,

Linda Palermo/

Vice-Chair, San Francisco Tourism Improvement District Management Corporation

Enclosures

- Exhibit A Proposed Amendment to TID Management Plan
- Exhibit B Proposed Amendment to MED Management Plan