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January 10, 2018

Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council Districts 4

REGARDING:

THE VILLAGE AT SHERMAN OAKS (PROPERTY BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2018 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Village at Sherman Oaks Business Improvement District's ("District") 2018 fiscal year (CF 14-1311). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, an Annual Planning Report for the District must be submitted for approval by the City Council. The Village at Sherman Oaks Business Improvement District's Annual Planning Report for the 2018 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Village at Sherman Oaks Business Improvement District was established on February 18, 2015 by and through the City Council's adoption of Ordinance No. 183458 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the

boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of an contributions to be made from sources other than assessments levied.

The attached Annual Planning Report, which was approved by the District's Board at their meeting on November 7, 2017, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

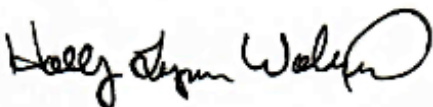
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Village at Sherman Oaks Business Improvement District's 2018 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2018 budget concurs with the intentions of the Village at Sherman Oaks Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the Village at Sherman Oaks Business Improvement District's 2018 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
City Clerk

Attachment:

Village at Sherman Oaks Business Improvement District's 2018 Fiscal Year Annual Planning Report

January 8, 2018

Holly L. Wolcott, City Clerk
Office of the City Clerk
200 North Spring Street, Room 395
Los Angeles, CA. 90012

Subject: Village at Sherman Oaks PBID 2018 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Village at Sherman Oaks Business Improvement District has caused this Village at Sherman Oaks Business Improvement District Annual Planning Report to be prepared at its meeting on November 7, 2017.

This report covers proposed activities of the Village at Sherman Oaks BID from January 1, 2018 through December 31, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Leslie Elkan".

Leslie Elkan
President
Village at Sherman Oaks, Inc.

Village at Sherman Oaks
Business Improvement District

2018 Annual Planning Report

District Name

This report is for the Village at Sherman Oaks Business Improvement District (District). The District is operated by the Village at Sherman Oaks Incorporated, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2018 Fiscal Year. The District Board of Directors approved the 2018 Annual Planning Report at the November 7, 2017 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2018.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2018.

2018 IMPROVEMENTS, ACTIVITIES AND SERVICES

Image Enhancement / Special Projects: \$107,109.00 (48.01%)

The Image Enhancement/Special Projects category includes streetscape improvements, banner/holiday decor and landscaping projects, marketing and economic development. Other Special Projects including pedestrian or tree and median lighting, tree well grates and private security may be implemented if there are sufficient funds available.

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We have much higher spending in 2018 for Image Enhancement/Special Projects because we had a large rollover in 2016 for two special projects: two new parklets in the BID through Mayor Garcetti's People Street Program and a median lighting project. The median lighting project was complete but the parklets are taking longer to implement than anticipated. We plan to have these completed in 2018. In addition, we have also added Ambassadors to our BID five days a week. These expenses are making our Image Enhancements/Special projects expenditures higher than in our MDP.

Landscaping, Sanitation and Beautification: \$76,077.86 (34.10%)

Landscaping, Sanitation and Beautification services include watering, weeding, tree trimming, sidewalk sweeping, pressure washing, trash removal, hanging basket watering and graffiti removal.

Administration/Uncollected Assessment: \$39,924.50 (17.89%)

The purpose of the Administration/Uncollected Assessments budget item is to fund the various administrative costs associated with providing the District's services. Administrative funds will be used to cover the cost for an Executive Director, office expenses, legal fees, accounting fees, consulting fees, annual financial review, banking charges, recovery fees, Directors & Officers insurance and General Liability insurance. Funds from this category are also used for City/County collection fees, uncollected assessments, consulting fees and BID renewal fees.

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The percentage for Administration is lower than our MDP because we are spending the 2017 rollover money in Image Enhancement/Special Projects and in Landscaping, Sanitation and Beautification but we are not increasing the dollars for Administration. The dollars are based on the MDP. However, this makes the percentage lower.

Total Estimate of Cost for 2018

A breakdown of the total estimated 2018 budget is attached to this report as **Appendix A**.

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2018 assessment remains the same as listed in the Management District Plan and is based on a combination of Lot size (sq. footage) and Linear front footage on Ventura Blvd. and Van Nuys Blvd. The Management District Plan allows for maximum annual assessment increase of 3%. The Board voted a 3% CPI increase for 2018.

Sherman Oaks 2018 assessment rates:

Frontage \$11.668

Lot \$0.033

(There is a 3.0% CPI increase for 2018)

Surplus Revenues: \$102,000.00

We have two parklets approved with the People Street Program and they are still in progress. This is the funding for these.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2018.

Contribution from Sources other than assessments: \$3,224.50

This is 2018 General Benefit Funding

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Village at Sherman Oaks BID- FY 2018

2018 Assessments	\$117,886.86	
Estimated Carryover from 2017	\$102,000.00	
Other Income	\$3,224.50	
Total Estimated Revenues	\$223,111.36	
2018 Estimated Expenditures		Pct.
Image Enhancement / Special Projects	\$107,109.00	48.01%
Landscaping, Sanitation and Beautification	\$76,077.86	34.10%
Administration/Uncollected Assessment	\$39,924.50	17.89%
Total Estimated Expenditures	\$223,111.36	100%

** Non-regular budget item, not calculated as part of budget percentage.