

**THE CITYWIDE BUSINESS IMPROVEMENT DISTRICT  
PROGRAM  
FREQUENTLY ASKED QUESTIONS (AND ANSWERS)**

**WHAT IS A BUSINESS IMPROVEMENT DISTRICT?**

A business improvement district is a geographically defined area within the City of Los Angeles, in which services, activities and programs are paid for through a special assessment which is charged to all members within the district in order to equitably distribute the benefits received and the costs incurred to provide the agreed-upon services, activities and programs. The assessment money is collected by the City or by the County through a special contractual arrangement with the city. Because the assessment funds collected in a given district cannot legally be spent outside of that BID, the City creates a trust fund for each BID, with funds periodically released to support operations.