

DEPARTMENT OF SMALL BUSINESS SERVICES

Gregg Bishop, Commissioner



WHAT WE DO

The Department of Small Business Services (SBS) makes it easier for businesses in New York City to start, grow and thrive by providing direct assistance to business owners, fostering neighborhood development in commercial districts and linking employers to a skilled and qualified workforce. SBS runs the City's NYC Business Solutions Centers, Industrial Business Solutions Providers and Workforce1 Career Centers; provides services to support the growth of local economic development organizations throughout the City; and administers the Minority and Women-owned Business Enterprise Program (M/WBE).

FOCUS ON EQUITY

By focusing on three key pillars – good jobs, stronger businesses and a fairer economy – SBS is committed to ensuring economic security for all New Yorkers by providing a wide range of services that help businesses, jobseekers and neighborhoods throughout the five boroughs. For businesses, the agency has fundamentally changed the way it provides services to immigrant entrepreneurs through the Immigrant Business Initiative, doubling the number of non-English business courses being offered. Through Women Entrepreneurs NYC, the agency has committed to providing customized services to 5,000 women entrepreneurs in underserved communities. Additionally, SBS is leading Small Business First, an initiative to improve the City's regulatory environment and consolidate information that small businesses need to start, grow and thrive. The agency also oversees the Minority and Women-Owned Business Enterprises (M/WBE) Program, where it reached a new high in certified M/WBEs in Fiscal 2015.

In order to provide good jobs to New Yorkers, SBS announced in April 2014 higher wage standards for businesses receiving free recruitment services through its Workforce1 Centers. In addition, the Agency's Tech Talent Pipeline continues to train and connect New Yorkers to well-paid jobs in the City's growing tech sector. For neighborhoods, SBS has launched Neighborhood 360° to support community partners in a collaborative effort to identify, develop, and implement customizable programs and services for commercial districts.

OUR SERVICES AND GOALS

SERVICE 1 Help businesses start, operate and expand in New York City.

- Goal 1a Assure that businesses and entrepreneurs have easy access to a variety of high quality support services.
- Goal 1b Retain jobs and businesses in New York City by administering incentive programs for facility renovation and promoting retention of NYC businesses and relocation of businesses to NYC.

SERVICE 2 Match businesses in need of workers with qualified applicants.

- Goal 2a Assure that businesses have timely access to qualified job applicants.

SERVICE 3 Provide financial support and technical assistance for New York City's commercial districts throughout the five boroughs.

- Goal 3a Strengthen and expand New York City's Business Improvement District (BID) program and other local economic development organizations.

SERVICE 4 Help minority and women-owned businesses identify and compete for City contracts.

- Goal 4a Increase the number of Minority and Women-owned Business Enterprises (M/WBEs) that obtain City contracts.

HOW WE PERFORMED

- In the first four months of Fiscal 2016, 3,301 small businesses received free business services through the NYC Business Solutions Centers, an increase of 17 percent from the same period of Fiscal 2015. SBS continues to focus on getting business owners the capital they need to manage and increase the size of their business. In the Fiscal 2016 four-month period, NYC Business Solutions helped small businesses obtain 283 financing awards that totaled more than \$23.2 million, which represented a decrease of two percent in the number and an increase of 23 percent in the value of financing awards to small businesses throughout the City compared to the first four months of Fiscal 2015. NYC Business Solutions continues to serve an increased number of businesses through its strong focus on providing a diverse suite of services to businesses in need of access and support services.
- The Energy Cost Savings Program (ECSP) and the Lower Manhattan Energy Program (LMEP) were set to expire at the close of Fiscal 2015, and a timely renewal was uncertain. With their sunsets imminent, some projects slated for approval or reapproval in Fiscal 2016 were completed in Fiscal 2015. The renewal of the programs did occur, allowing SBS to resume approval of applicants. In the first four months of Fiscal 2016, 11 businesses employing a total of 99 jobs were approved for ECSP. These firms will save \$63,000 in annual energy costs. For the same period in Fiscal 2015, 15 businesses employing a total of 619 jobs were approved for ECSP, saving \$208,000. The lower ECSP numbers in Fiscal 2016 reflect smaller businesses with lower energy costs being approved for benefits compared to the prior year. The LMEP, which measures on a cumulative basis, had \$5.1 million in savings for 1,152 active commercial tenants during the first four months of Fiscal 2016, compared to \$6.5 million and 1,059 commercial tenants, for the same period in Fiscal 2015. The decrease in cumulative LMEP benefits reflects buildings coming off-line after completing their respective 12-year benefit schedule.
- In the first four months of Fiscal 2016, SBS registered 19,427 new jobseekers through the Workforce1 Career Center system, a decrease of 10 percent from 21,557 registrants in the comparable period of Fiscal 2015, as periodic walk-in traffic decreased four percent for the centers. However, SBS made 10,335 job placements with businesses in the City during the period, an increase of 20 percent from the 8,642 hires one year earlier. The decrease in overall jobseeker customers registered and served while hires increased indicates an improvement in the efficiency with which SBS recruits and screens candidates and fills positions that have family sustaining wages.
- SBS certified and recertified 350 M/WBEs during the first four months of Fiscal 2016, an increase of 28 percent compared to the 274 M/WBEs it certified and recertified in the same period of Fiscal 2015. The number of certified M/WBEs in the program rose to 4,221 by the end of the Fiscal 2016 four-month period, compared to 3,802 certified one year earlier.

SERVICE 1 Help businesses start, operate and expand in New York City.

Goal 1a

Assure that businesses and entrepreneurs have easy access to a variety of high quality support services.

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|--|----------|----------|----------|--------|------|----------------|----------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| Unique businesses served by NYC Business Solutions | 11,340 | 8,344 | 7,642 | * | * | 2,820 | 3,301 |
| ★ Financing awards to businesses facilitated by NYC Business Solutions | 1,200 | 518 | 805 | 540 | 540 | 290 | 283 |
| ★ Unique businesses receiving financing awards facilitated by NYC Business Solutions | 1,053 | 440 | 735 | 470 | 470 | NA | NA |
| Value of financing awards facilitated by NYC Business Solutions (\$000) | \$54,101 | \$44,811 | \$64,799 | * | * | \$18,854 | \$23,247 |
| ★ Number of businesses opened by NYC Business Acceleration | 563 | 757 | 854 | ↑ | ↑ | 275 | 320 |
| Number of unique businesses served by NYC Business Acceleration | 4,989 | 6,377 | 5,899 | * | * | 2,236 | 1,857 |
| Projected number of hires by businesses opened by NYC Business Acceleration | 9,280 | 13,090 | 12,037 | * | * | 3,932 | 5,199 |
| Site consultations by NYC Business Acceleration inspectors | 215 | 678 | 1,031 | * | * | 347 | 494 |

★ Critical Indicator "NA" - means Not Available in this report * No Target ↓ ↑ shows desired direction

Goal 1b

Retain jobs and businesses in New York City by administering incentive programs for facility renovation and promoting retention of NYC businesses and relocation of businesses to NYC.

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|--|----------|----------|----------|--------|------|----------------|---------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| Value of Energy Cost Savings Program savings for businesses (\$000) | \$760 | \$176 | \$841 | * | * | \$208 | \$63 |
| Jobs created or retained by Energy Cost Savings Program | 4,122 | 361 | 5,164 | * | * | 619 | 99 |
| Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000) | \$17,418 | \$14,546 | \$12,433 | * | * | \$6,498 | \$5,131 |
| Commercial tenants active in Lower Manhattan Energy Program | 1,095 | 1,059 | 1,152 | * | * | 1,059 | 1,152 |

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SERVICE 2 Match businesses in need of workers with qualified applicants.

Goal 2a

Assure that businesses have timely access to qualified job applicants.

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|---|---------|---------|---------|--------|--------|----------------|--------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| ★ Workforce1 systemwide job placements and promotions | 28,166 | 36,097 | 26,952 | 25,000 | 25,000 | 8,642 | 10,335 |
| New jobseekers registered through the Workforce1 Career Center system | 84,515 | 82,619 | 55,133 | * | * | 21,557 | 19,427 |
| Walk-in traffic at Workforce1 Centers | 320,273 | 367,695 | 266,663 | * | * | 99,861 | 96,024 |
| ★ Customers enrolled in training | NA | NA | NA | ↑ | ↑ | NA | 714 |
| Unique customers served | NA | NA | NA | * | * | NA | 44,496 |
| ★ Businesses awarded funding for employer-based training | NA | NA | NA | * | * | NA | 20 |

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SERVICE 3 Provide financial support and technical assistance for New York City's commercial districts throughout the five boroughs.

Goal 3a Strengthen and expand New York City's Business Improvement District (BID) program and other local economic development organizations.

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|--|--------|--------|--------|--------|-------|----------------|-------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| ★ City block faces receiving supplemental sanitation services through BIDs | 1,468 | 1,480 | 3,562 | 3,800 | 3,800 | 3,562 | 3,562 |
| ★ Average acceptably clean BID sidewalk ratings (%) | 98.5% | 96.5% | 96.1% | 97.0% | 97.0% | 96.8% | 96.2% |
| Value of AvenueNYC local development corporations funding (\$000,000) | \$1.50 | \$1.38 | \$1.38 | * | * | NA | NA |

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SERVICE 4 Help minority and women-owned businesses identify and compete for City contracts.

Goal 4a Increase the number of Minority and Women-owned Business Enterprises (M/WBEs) that obtain City contracts.

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|---|--------|-------|-------|--------|-------|----------------|-------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| ★ Total Minority and Women-owned Business Enterprises certified | 3,700 | 3,783 | 4,115 | 4,238 | 4,238 | 3,802 | 4,221 |
| ★ Minority and Women-owned Business Enterprises awarded City contracts | 651 | 684 | 902 | 698 | 698 | NA | NA |
| ★ - M/WBEs awarded contracts after receiving procurement and capacity building assistance | 447 | 472 | 613 | 482 | 482 | NA | NA |
| ★ Annual M/WBE recertification rate | 59.2% | 60.4% | 60.4% | 60.0% | 60.0% | NA | NA |
| Newly certified and recertified businesses in M/WBE Program. | 1,061 | 923 | 1,003 | * | * | 274 | 350 |

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AGENCY CUSTOMER SERVICE

| Performance Indicators | Actual | | | Target | | 4-Month Actual | |
|--|--------|------|-------|--------|------|----------------|------|
| | FY13 | FY14 | FY15 | FY16 | FY17 | FY15 | FY16 |
| CORE facility rating | 93 | 95 | 95 | * | * | NA | NA |
| Letters responded to in 14 days (%) | 100% | 100% | 100% | * | * | 100% | 100% |
| E-mails responded to in 14 days (%) | 100% | 100% | 100% | * | * | 100% | 100% |
| Completed customer requests for interpretation | NA | NA | 2,351 | * | * | NA | NA |

"NA" - means Not Available in this report * No Target

AGENCY RESOURCES

| Resource Indicators | Actual | | | Sept. 2015 MMR Plan | Updated Plan | Plan | 4-Month Actual | |
|--|---------|---------|---------|------------------------|-------------------|-------------------|----------------|---------|
| | FY13 | FY14 | FY15 | FY16 | FY16 ¹ | FY17 ¹ | FY15 | FY16 |
| Expenditures (\$000,000) ² | \$150.3 | \$202.3 | \$273.5 | \$262.0 | \$397.0 | \$172.1 | \$143.6 | \$161.4 |
| Revenues (\$000,000) | \$81.3 | \$94.8 | \$55.6 | \$72.7 | \$72.7 | \$63.8 | \$0.1 | \$0.2 |
| Personnel | 273 | 258 | 257 | 329 | 333 | 330 | 256 | 265 |
| Overtime paid (\$000) | \$71 | \$59 | \$34 | \$0 | \$0 | \$0 | \$13 | \$3 |
| Human services contract budget (\$000,000) | \$25.9 | \$27.1 | \$28.6 | \$19.2 | \$27.3 | \$19.2 | \$5.2 | \$5.2 |

¹January 2016 Financial Plan ²Expenditures include all funds "NA" - Not Available in this report

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- SBS revised the 4-month Fiscal 2015 value for its indicator, 'Value of financing awards facilitated by NYC Business Solutions (000)' to \$18,854, from \$9,732, after relevant additional funding related to Hurricane Sandy was determined.
- SBS added three new indicators under Service 2, Goal 2a for its Workforce Development Division (WDD):
 - 'Unique customers served' aligns with the common metrics developed by the Mayor's Office of Workforce Development as part of the Career Pathways framework. This indicator supplements 'Walk-in traffic at Workforce1 Centers' and 'New jobseekers registered through the Workforce1 Career Center system', which are also reported under Goal 2a.
 - 'Customers enrolled in training' tracks all training programs managed through WDD. It replaces 'Projected number of individuals trained through NYC Business Solutions training funds', which measured only a component of overall SBS training efforts. An indicator to measure SBS customers completing training will be added in the future.
 - 'Businesses awarded funding for employer-based training' replaces 'Businesses awarded NYC Business Solutions training funds'. The new indicator is broadened to encompass all the current and possible future employer-based training programs overseen by WDD.
- SBS updated the name of its indicator, 'Workforce1 systemwide job placements and promotions' in Goal 2a to show "promotions" and increase its accuracy. The agency also updated this indicator's definition to "Number of jobseekers registered through the Workforce1 System who found employment or obtained promotions during the time period," removing previous references to specific career centers, as these center types change over time. The Workforce1 System encompasses all of SBS' vendor-operated walk-in career centers and associated training programs.
- SBS removed 'Businesses awarded NYC Business Solutions training funds' from Service 1, Goal 1a. The indicator is superseded by 'Businesses awarded funding for employer-based training' and other new agency-wide indicators described above.
- Gregg Bishop was appointed Commissioner of SBS in November 2015, replacing Andrew Schwartz, the Acting Commissioner during the July through October reporting period.

ADDITIONAL RESOURCES

For more information on the agency, please visit: www.nyc.gov/sbs.

