

# FY 2025 Borough Budget Consultations

## Manhattan – Small Business Services

**Meeting Date: Wednesday, September 9 @ 3 PM**

The purpose of holding the Borough Budget Consultations is to provide Community Boards with important information to assist in drafting their statement of District Needs and Budget Priorities for the upcoming fiscal year. Community Board Members do not have expertise about funding sources and the process within agencies regarding funding of various programs and initiatives. However, Community Board members are very knowledgeable about local service needs.

This year’s Manhattan agendas have three sections:

### I. General questions about program funding.

1. What programs will see a significant increase or decrease in funding overall? To what extent, if any, is the increase or decrease in funding related to non-recurring federal funding allocations?

SBS’s FY24 Adopted Budget is \$169.1 million (not including passthroughs). Our previous FY23 budget at \$170.5 million was slightly larger due to temporary emergency funds from the federal government to address COVID-19 impacts.

No programs have been cut, in fact SBS is executing on new initiatives in the Mayor’s Blueprint for Economic Recovery such as the MyCity Business Portal, NYC Business Express Service Team, and doubling down on an aggressive outreach strategy.

2. Which programs will be new or eliminated entirely?

No programs have been eliminated in our budget; instead, the agency will continue expanding our efforts in FY24. New SBS programs include the groundbreaking SBS Lighting Grant program to illuminate commercial corridors with innovative installations, the first-ever NYC BEST Bootcamp education series to empower businesses and collaboration with the Mayor’s Office for People with Disabilities to integrate services at SBS Workforce1 Career Centers, to name a few.

3. What are your benchmarks for new and existing programs and what are your benchmarks/key performance indicators for measuring success?

Due to the variety of services SBS provides there is no one set of overarching benchmarks that we can point to here. Each program maintains their own benchmarks/KPIs.

For example, within our Workforce Development Division (WDD) one branch is responsible for Workforce1 Career Centers where individuals can seek employment while receiving career counseling. Another branch is responsible for providing trainings, apprenticeships, and other opportunities.

In contrast, our Division of Financial and Economic Opportunity Division (DEFO) certifies minority and women-owned businesses and assists them in competing for city contracts. Given these diverse functions, each program has unique measures of success tailored to their respective missions.

4. What are your priorities, operational goals, and capital goals for FY25 and projected priorities, operational goals, and capital goals for FY26?

As per the [Mayor's Blueprint for Economic Recovery](#), SBS has been charged with leading the small business recovery through initiatives in the following three strategies: (1) Support Small Businesses, (2) Drive Inclusive Sector Growth, and (3) Connect New Yorkers to Quality Jobs.

SBS is laser-focused on continuing to execute these priorities and operational goals in the coming years. SBS does not receive capital funding or execute capital projects.

Under Commissioner Kim's leadership, SBS also created an agency-wide outreach team to double-down on reaching New Yorkers where they are, ensuring all programming is accessible to businesses in all five boroughs.

In the last year, SBS reached more than 10,000 New Yorkers citywide in outreach efforts, deployed our Mobile Outreach Unit in over 35 neighborhoods, and organized over 55 Mobile Outreach Unit events with partners across 13 city agencies.

SBS directly met with thousands of small business owners through corridor tours in more than 45 neighborhoods, including several "little" ethnic enclaves, to educate business on how the city can cut red tape and support their growth.

Through our pilot NYS Business Solutions Center (BSC) Crawl, SBS promoted our three Manhattan-based BSCs through door-to-door canvassing, tabling, and our Mobile Outreach Unit and reached over 690 New Yorkers in Washington Heights, East Harlem, and lower Manhattan.

Community boards interested in partnering with SBS on community outreach can fill out the agency's [Mobile Unit Request Form](#). New Yorkers interested in visiting one of SBS's Workforce1 Career Centers, or NYC Business Solutions Centers can use [this online map](#). Business owners and entrepreneurs can call 888-SBS-4NYC for more information on the resources available at SBS.

II. Considering the current migrant crisis in NYC, what do the impacted agencies expect regarding continued influx in FY 25 and what are plans to accommodate this.

We know that new arrivals into New York City are looking to work and gain a foothold in our economy. SBS provides job-seekers with support once they have federal work authorization, and we expect that by FY25, we will be able to serve more asylum seekers.

III. Lastly, the agendas may include Boards' requests on district-specific budget questions that will not be included in district level consultations. We request that the agency respond in writing but have any further discussions on these items with the Community Boards outside of the consultation.

Please provide written responses or even a PowerPoint presentation that we can use to fully and accurately educate our Board Members.

### **AGENDA ITEM [1]: Funding for Mom & Pop Stores**

1. What programs does SBS have in its current FY24 and projected FY 25 budget to support small businesses in high rent environments with professional assistance? What is the projected spend for this program?
2. Does SBS have other programs in FY24 that help small businesses alter business plans to adapt to a changing business environment? What is the projected spend for this program?

## AGENCY RESPONSE:

SBS is proud to provide free legal services and professional assistance to small businesses that need help with commercial leases or engaging with their landlords. Businesses can find more information about our Commercial Lease Assistance Program at [www.nyc.gov/commlease](http://www.nyc.gov/commlease). The city baselined the Commercial Lease Assistance program with \$4.7 million, replacing federal ARPA dollars that previously funded the program.

SBS also provides free one-on-one assistance for small businesses in need of funding. This assistance includes connecting businesses to local lenders and assisting with the application process as needed. We also provide weekly webinars to help business owners understand how and when to apply for loans and grants.

To help businesses navigate a changing business environment, SBS offers hundreds of free courses across a variety of business topics including business planning, business operations, finance, digital marketing, search engine optimization, and more. Find more information at [www.nyc.gov/businesscourses](http://www.nyc.gov/businesscourses).

Community boards interested in partnering with SBS on community outreach can fill out the agency's [Mobile Unit Request Form](#). New Yorkers interested in visiting one of SBS's of NYC Business Solutions Centers can use [this online map](#). Business owners and entrepreneurs can call 888-SBS-4NYC for more information on the resources available at SBS.

## MEETING NOTES:

### NEW INFORMATION:

### FOLLOW-UP COMMITMENTS:

## AGENDA ITEM [2]: Resiliency Initiatives

1. Please share benchmark results from the Business Preparedness and Resiliency Program (Business PREP) and any other resiliency related program that is currently active within SBS.
2. What is the status of the Business PREP funding that comes from the Community Development Block Grant-DR (CDBG-DR)? Is there funding from this source for FY24? From what other sources will funding be available for resiliency programs?

3. Is SBS planning on receiving funds from these same sources in FY25? If not, which funding sources will replace them?

## **AGENCY RESPONSE:**

The Business Preparedness and Resiliency (BPREP) Grant Program was established in 2015 to help small businesses better prepare for emergencies resulting from severe weather and to enhance their resiliency. Only businesses impacted by Hurricane Sandy were eligible to participate in the BPREP Grant Program, with a maximum grant amount of \$3,000.

SBS plans to launch a new BPREP Grant Program in Fiscal Year 2024. SBS has successfully completed the city rulemaking process to allow (1) extended eligibility to businesses and property owners in a larger geographical area, including areas at risk of flooding, as identified in the NYC Flood and Stormwater Resiliency Maps, and (2) increased maximum grant amount for grantees.

SBS already launched the following tools for small businesses:

- [Self-Assessment Tool](#)
- [Digital Library](#)

SBS previously received federal CBDG funding for BPREP programming and currently funds the program through our CTL budget. Future agency budgets are determined by the City Council and the Administration.

## **MEETING NOTES:**

### **NEW INFORMATION:**

### **FOLLOW-UP COMMITMENTS:**

## **AGENDA ITEM [3]: Programs for Under-Employed Communities**

1. What funding does SBS have in FY24 for programs on job retention, bi-lingual assistance, lease negotiations, workforce development, and job-creation focused in under-employed communities? What funding is projected for FY25?

## **AGENCY RESPONSE:**

SBS seeks to unlock economic potential and create economic security for all New Yorkers by connecting New Yorkers to good jobs, creating stronger businesses, and building thriving neighborhoods across the five boroughs. The items listed above, from workforce development, business services, job creation, to bilingual assistance, overlap across SBS divisions and across our entire agency budget of \$169.1 million.

## **MEETING NOTES:**

### **NEW INFORMATION:**

### **FOLLOW-UP COMMITMENTS:**

## **AGENDA ITEM [4]: Small Businesses Outside of Business Improvement Districts**

1. What funding is available for programs/services to help small businesses that are not located in Business Improvement Districts (BIDs) and are not manufacturing or restaurants?
  - a. Will there be more resources available for merchant associations in FY24 or projected for FY 25?
  - b. What are these programs?
2. What are the performance indicators for Chamber on the Go, Avenue NYC, and the Neighborhood Challenge? Does SBS consider these programs successful according to those indicators?
3. How many new merchant associations were formed as a result of these programs in the last fiscal year and how many businesses are represented in that number?
4. What other programs are available in FY23 and will be available in FY24?

## **AGENCY RESPONSE:**

SBS is currently receiving applications for the [FY24 Strategic Impact Grant](#), [Merchant Organizing Grant](#) which provides nonprofit organizations up to \$100,000 per neighborhood to lead merchant organizing efforts. Priority consideration is given to neighborhoods where SBS does not currently have any

place-based investments. View a map of where SBS currently has place-based investments [here](#). Grant applications are due by September 11th, 2023.

Additionally, SBS is currently receiving applications for the [FY24 BID Exploration, BID Formation](#), and [Small BID Grants](#). BID Exploration (max of \$20K per neighborhood) and Formation Grants (max of \$100K per neighborhood) are designed for community-based organization looking to form new BIDs or existing BIDs pursuing expansion. Small BID Grants aim to build capacity for smaller BIDs with assessments less than or equal to \$600K or BIDs located low-to moderate-income (LMI) communities with assessments less than or equal to \$1M. Grant applications are due by September 11th, 2023.

Neighborhood Challenge is not an active SBS grant program and Chamber-on-the Go is a City Council-funded program. The Avenue NYC program funds nonprofit organizations to address challenges and concerns raised in the Commercial District Needs Assessment (CDNA) which evaluates the retail and commercial health of a corridor. Each plan is tailored to meet the needs identified in CDNA and based on an organization's capacity.

In FY23, SBS's place-based investments to revitalize commercial corridors led to fifteen (15) merchant organizations being formed or reactivated, with more than 225 businesses recruited as part of these efforts.

## **MEETING NOTES:**

### **NEW INFORMATION:**

### **FOLLOW-UP COMMITMENTS:**

## **AGENDA ITEM [5]: MWBE Funding**

1. What funding has been provided in FY24 for the Minority and Women-owned Business Enterprise (MWBE) Program? What funding is projected in FY25?
2. What is the year over year increase/decrease in the number of active MWBE since last year?
3. Please list the number of MWBEs that were able to generate income in each community district, both in terms of businesses that are based in each district and businesses that are finding income as a result of work that is taking place in each district.

**AGENCY RESPONSE:**

SBS’s FY24 Adopted Budget provides a total budget of \$8.3 million for the agency’s M/WBE programming. The adopted budget projects \$6.3 million in FY25.

Number of NYC Certified MWBEs:  
FY21: 10,665; Manhattan-based: 2,297  
FY22: 10,768; Manhattan-based: 2,308  
FY23: 10,799; Manhattan-based: 2,199

Number of unique MWBEs awarded a city contract:  
FY21: 1,464; Manhattan-based: 257  
FY22: 1,790; Manhattan-based: 303  
FY23\*: 1,415; Manhattan-based: 221

\*Note that the number of unique M/WBE winners from FY23 is only through Q3 as we do not have total FY end numbers yet.

SBS does not have access to the data requested regarding income generation resulting from work in each community district.

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [6]: Supporting Small Business Near Capital Projects**

1. Last year SBS referenced that it would be expanding the Emergency Response Unit that deals with physical disruptions to a business in response to this question. Has SBS expanded the unit? What funds were allocated in FY 24 for the support of small businesses that are experiencing business disruption as a result of being adjacent to or within the area of a capital project such as a DDC reconstruction project or mass transportation expansion?
2. Does SBS plan on continuing funds in FY 25 for that purpose?

**AGENCY RESPONSE:**



SBS invested additional resources to expand the personnel and capacity of its Emergency Response Unit (ERU); specifically additional staff dedicated to client and commercial corridor engagement. The Unit was also realigned to maximize existing staff, capabilities, and technology to provide greater flexibility/expediency in responding to emergencies and disruptions. We are developing new tools which will allow DDC and ERU to improve the breath and impact of their outreach practices.

Future agency budgets are determined by the City Council and the Administration, we anticipate funding for ERU personnel to be maintained.

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [7]: Workforce Development Funding**

1. What funding has been provided in FY23 for Workforce Development: Training and for the Workforce Investment Board (WIB)?
2. Does this reflect an increase or decrease from FY22? What funding is projected in these areas for FY24?
3. What proportion of the budget for these programs come from federal sources? What is the outlook for the same level of funding for these programs from the federal grants for FY23 and FY24?

**AGENCY RESPONSE:**

SBS budgeted \$60 million in FY23, which includes \$23 million for training and \$37 million for the Workforce1 Career Center system, both of which are overseen by the Workforce Development Board (formerly the WIB).

This represented a 17% increase from FY22. For FY24, SBS Workforce Development Division (WDD) currently has a budget of \$46 million, which includes \$25 million for Training and \$21 million for the Workforce1 Career Center system.

61% of the funding is from federal sources. Future federal funding is determined by Congress and New York State Department of Labor.

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**