

# 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, operate and grow 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 grants and services to support the growth of local community and economic development organizations throughout the City, oversees the largest network of Business Improvements Districts (BIDs) in the country; and administers the Minority and Women-owned Business Enterprise (M/WBE) Program.

## FOCUS ON EQUITY

By focusing on three key pillars—good jobs, stronger businesses and thriving neighborhoods—SBS is committed to ensuring economic security for all New Yorkers by providing a wide range of services that help businesses, jobseekers and communities throughout the five boroughs. Through business programs such as Women Entrepreneurs NYC (WENYC), the agency has committed to providing customized services to 5,000 women entrepreneurs in underserved communities. SBS, in partnership with the Mayor's Office of Operations, is also 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 certification and capacity building services for Minority and Women-owned Business Enterprises (M/WBE), reaching a new high in the number of certified M/WBEs in Fiscal 2018.

SBS is investing in the future of New York City's workforce and equipping jobseekers with the skills they need to build careers in the 21st century economy. Supporting the Mayor's Career Pathways plan, SBS trains New Yorkers for good-paying jobs and links jobseekers to employment in fast-growing industries with opportunities for advancement, and has developed targeted services for immigrants, out of school, out of work youth and people formerly acquainted with the criminal justice system.

## OUR SERVICES AND GOALS

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

- Goal 1a Ensure 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 Ensure 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

- The Division of Business Services (DBS) manages the free services that help businesses start, operate, and expand in New York City. In the first four months of Fiscal 2019, DBS increased the number of unique customers across the five boroughs by more than 75 percent; almost doubled the number of unique customers served by programs that help navigate government; and increased the number of financial awards compared to the same period in Fiscal 2018. These increases were due to a more focused approach targeting businesses, new tailored marketing collateral, and proactive outreach to licensed professionals. DBS helped open 114 new businesses in this period, a 62 percent decrease from the same period in Fiscal 2018. Certain cross-agency services that contributed to this indicator were successfully streamlined and are now transitioning back to the Department of Health and Mental Hygiene and the New York City Fire Department. This has caused a decrease in the number of businesses served by SBS, since they are now being directly served by the regulatory agencies.
- In the first four months of Fiscal 2019, the Energy Cost Savings Program (ECSP) approved 19 projects for businesses with a total of 1,213 jobs—an increase of more than 60 percent compared to the same period in Fiscal 2018. This increase is due to the approval of larger businesses compared to the first four months of Fiscal 2018. The savings to businesses participating in ECSP slightly decreased (to \$338,000), compared to the same period in the prior year, due to lower energy usage by the businesses that had been approved. The Lower Manhattan Energy Program (LMEP) is currently in the phase-out period for the majority of buildings receiving benefits. 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 2019 there was a 7 percent increase in average wage compared with the same period in Fiscal 2018, partly due to SBS' increased focus on quality jobs and training opportunities. While placements and promotions at Workforce 1 centers decreased compared to the same period from the previous year, SBS projects it will meet the annual target for Fiscal 2019. Job placements were temporarily impacted by the implementation of new contracts and management arrangements for the Workforce1 Centers that are expected to resume pace and increase job seeker hiring over the course of the year. While the number of customers enrolled in training was almost a third lower than the same period in the previous year, SBS expects to be on pace to achieve its annual targets, based on scheduled and planned trainings.
- The Minority and Women-owned Business Enterprises Program certified and recertified 796 M/WBES during the first four months of Fiscal 2019, an increase of 53 percent compared to the same period in Fiscal 2018. By the end of October 2018, there were 7,312 certified M/WBES in the program, an increase of more than a third from the same time a year ago.

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

**Goal 1a** Ensure that businesses and entrepreneurs have easy access to a variety of high quality support services.

Performance Indicators	Actual			Target		4-Month Actual	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
Unique customers and businesses served	14,128	18,352	19,842	*	*	4,029	7,139
★ Unique businesses receiving financial awards (facilitated or disbursed)	432	593	825	470	470	NA	NA
★ Financial awards to businesses (facilitated or disbursed)	567	658	1,074	540	540	280	378
Value of financial awards to businesses (facilitated or disbursed) (\$000)	\$44,983	\$45,701	\$54,234	*	*	\$18,981	\$17,886
★ Businesses opened with assistance from SBS	915	867	537	↑	↑	294	114
Projected number of hires by businesses opened with assistance from SBS	12,759	10,096	5,204	*	*	2,493	904
Unique customers served by programs that help navigate government	3,861	5,484	5,230	*	*	989	1,960
★ Critical Indicator	"NA" Not Available	↑↓ Directional Target	* None				

**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	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
Value of Energy Cost Savings Program savings for businesses (\$000)	\$878	\$2,003	\$678	*	*	\$386	\$338
Jobs created or retained by Energy Cost Savings Program	1,060	9,753	3,403	*	*	744	1,213
Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000)	\$10,028	\$7,905	\$6,105	*	*	\$3,471	\$2,838
Commercial tenants active in Lower Manhattan Energy Program	1,007	784	463	*	*	727	336
★ Critical Indicator    "NA" Not Available    ⬆️⬇️ Directional Target    * None							

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

**Goal 2a**

Ensure that businesses have timely access to qualified job applicants.

Performance Indicators	Actual			Target		4-Month Actual	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
★ Workforce1 systemwide job placements and promotions	28,455	28,170	25,534	25,000	25,000	7,839	6,570
New jobseekers registered through the Workforce1 Career Center system	55,647	54,816	52,285	*	*	18,685	16,972
Walk-in traffic at Workforce1 Centers	273,753	271,573	275,137	*	*	97,879	85,336
★ Customers enrolled in training	3,649	3,464	3,756	⬆️	⬆️	903	644
Unique customers served	104,715	104,239	102,357	*	*	45,396	40,760
★ Businesses awarded funding for employer-based training	57	54	15	*	*	3	0
★ Critical Indicator    "NA" Not Available    ⬆️⬇️ Directional Target    * None							

**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	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
★ City block faces receiving supplemental sanitation services through BIDs	3,600	4,044	4,065	3,800	3,800	4,044	4,065
★ Average acceptably clean BID sidewalk ratings (%)	96.8%	97.8%	98.4%	97.0%	97.0%	97.1%	100.0%
Value of AvenueNYC local development corporations funding (\$000,000)	\$1.30	\$1.30	\$1.02	*	*	NA	NA
★ Critical Indicator    "NA" Not Available    ⬆️⬇️ Directional Target    * None							

## 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	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
★ Total Minority and Women-owned Business Enterprises certified	4,516	5,122	6,829	9,000	9,000	5,305	7,312
★ Minority and Women-owned Business Enterprises awarded City contracts	1,011	1,131	1,396	1,223	1,223	NA	NA
★ M/WBEs awarded contracts after receiving procurement and capacity building assistance	723	824	976	891	891	NA	NA
★ Annual M/WBE recertification rate	53.4%	61.8%	79.6%	60.0%	60.0%	NA	NA
Newly certified and recertified businesses in M/WBE Program	1,030	1,675	2,770	*	*	520	796
★ Critical Indicator	"NA" Not Available	↑↓ Directional Target	* None				

## AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
	FY16	FY17	FY18	FY19	FY20	FY18	FY19
Customer Experience							
CORE customer experience rating (0-100)	98	96	93	*	*	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	7,327	6,652	7,259	*	*	2,099	2,333
★ Critical Indicator	"NA" Not Available	↑↓ Directional Target	* None				

## AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2018 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY16	FY17	FY18	FY19	FY19 <sup>1</sup>	FY20 <sup>1</sup>	FY18	FY19
Expenditures (\$000,000) <sup>2</sup>	\$282.5	\$260.0	\$267.2	\$284.9	\$322.7	\$174.0	\$141.2	\$103.9
Revenues (\$000,000)	\$54.9	\$0.4	\$0.4	\$0.2	\$0.4	\$0.2	\$0.1	\$0.1
Personnel	302	325	304	418	406	375	314	292
Overtime paid (\$000)	\$30	\$65	\$57	\$65	\$65	\$65	\$24	\$20
Human services contract budget (\$000,000)	\$31.9	\$29.8	\$32.9	\$20.9	\$33.0	\$20.9	\$5.6	\$14.9
<sup>1</sup> February 2019 Financial Plan	<sup>2</sup> Expenditures include all funds			"NA" - Not Available				

## SPENDING AND BUDGET INFORMATION

Where possible, the relationship between an agency's goals and its expenditures and planned resources, by budgetary unit of appropriation (UA), is shown in the 'Applicable MMR Goals' column. Each relationship is not necessarily exhaustive or exclusive. Any one goal may be connected to multiple UAs, and any UA may be connected to multiple goals.

Unit of Appropriation	Expenditures FY18 <sup>1</sup> (\$000,000)	February 2019 Financial Plan FY19 <sup>2</sup> (\$000,000)	Applicable MMR Goals <sup>3</sup>
Personal Services - Total	\$23.6	\$29.7	
001 - Department of Business	\$15.9	\$18.3	All
004 - Contract Compliance and Bus. Opportunity	\$2.8	\$3.5	1a, 1b, 2a, 4a
010 - Workforce Investment Act	\$4.8	\$7.8	1a, 4a
Other Than Personal Services - Total	\$243.5	\$293.1	
002 - Department of Business	\$77.7	\$83.6	All
005 - Contract Compliance and Bus. Opportunity	\$4.7	\$6.0	1a, 1b, 2a, 4a
006 - Economic Development Corporation	\$62.6	\$85.1	Refer to table in EDC chapter
011 - Workforce Investment Act	\$58.7	\$77.9	1a, 4a
012 - Trust for Gov.'s Island and NYC & Co.	\$39.7	\$40.5	1b
Agency Total	\$267.2	\$322.7	

<sup>1</sup>Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2018. Includes all funds.      <sup>2</sup>Includes all funds.  
<sup>3</sup>Refer to agency goals listed at front of chapter.      "NA" Not Available      \* None

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

None.

## ADDITIONAL RESOURCES

For more information on the agency, please visit: [www.nyc.gov/sbs](http://www.nyc.gov/sbs).

