



DEPARTMENT OF SMALL BUSINESS SERVICES

Robert W. Walsh, Commissioner

What We Do

The Department of Small Business Services (SBS) makes it easier for businesses in New York City to form, do business, 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 services to support the growth of local economic development organizations throughout the City, and administers the Minority and Women-owned Business Enterprise Program.

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.
- Goal 4b: Increase the number and value of City contracts awarded to Minority and Women-owned Business Enterprises (M/WBEs).

How We Performed in Fiscal 2013

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.

In Fiscal 2013, NYC Business Solutions achieved growth in the number of businesses it helped obtain financing assistance, which was 1,053, an increase of 79 percent from Fiscal 2012 and the most in a 5-year upward trend in this service. However, the total amount of the financing awards facilitated in Fiscal 2013 was 24 percent less than in Fiscal 2012, at \$54.1 million. SBS attributes these moves in the opposite direction to the fact that, for most of the year, NYC Business Solutions focused its efforts on helping small businesses in the City that were impacted by Hurricane Sandy to access emergency recovery capital, which tend to be smaller grants than those that are sought normally by businesses.

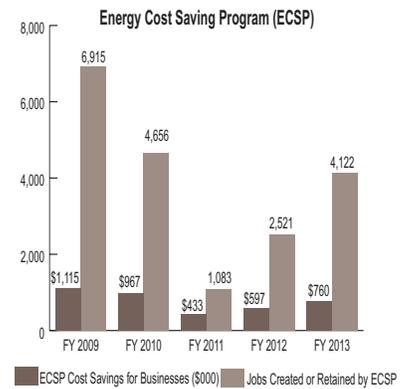
NYC Business Solutions also provides overall services to small businesses seeking to launch, continue operating, and expand in the City. The number of businesses served by this division of SBS increased by 30 percent to 11,340 in Fiscal 2013, from 8,696 in Fiscal 2012. As with financing, the main reason for this pronounced volume increase in businesses receiving more general services from NYC Business Solutions was the shift that SBS made to targeting services to small businesses that were impacted by Hurricane Sandy in late October.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
Unique businesses served by NYC Business Solutions	8,999	8,957	10,247	8,696	11,340	*	*	Up	Up
★ Financing awards to businesses facilitated by NYC Business Solutions	264	575	710	683	1,200	683	690	Up	Up
★ Unique businesses receiving financing awards facilitated by NYC Business Solutions	252	514	627	588	1,053	588	590	Up	Up
Value of financing awards facilitated by NYC Business Solutions (\$000)	\$24,837	\$29,528	\$39,840	\$71,484	\$54,101	*	*	Up	Up
★ Businesses awarded NYC Business Solutions training funds	34	42	16	26	27	26	26	Neutral	Down
Projected number of individuals receiving wage gains or new employment as a result of Training Funds awards	1,856	1,308	270	510	590	*	*	Up	Down
★ Recruit-to-hire ratio for job placements made through accounts managed by NYC Business Solutions Hiring	3:1	3:1	3:1	3:1	3:1	3:1	3:1	Down	Neutral

★ Critical Indicator *NA* - means Not Available in this report ↕ ↗ 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.

The Energy Cost Savings Program (ECSP) helps the City retain and promote eligible businesses through reducing energy costs associated with relocation or capital improvements. Lower energy costs are a significant incentive to businesses considering relocation or modernizing/expanding current space. Businesses approved for the ECSP saved an estimated \$760,000 in energy costs in Fiscal 2013, an increase of 27 percent from Fiscal 2012, and the number of jobs created or retained by the ECSP increased 64 percent from Fiscal 2012. These increases resulted from the 34 percent increase in the number of businesses approved for ECSP benefits in Fiscal 2013, and the increase in private investment dollars by companies approved for the ECSP undertaking relocation or capital improvements in the City.



Despite these increases in the ECSP in Fiscal 2013, and in Fiscal 2012, the program shows a five year downward trend, primarily due to the reduction in businesses applying for benefits after the fiscal crisis in the late 2000s. The indicators for the Lower Manhattan Energy Program (LMEP), another successful program, also show a five year downward trend. This is because businesses that entered the LMEP at its peak, from the late 1990s to early 2000s, are completing their 12-year benefit schedules during this five year period, and are no longer included in the indicators showing the active LMEP beneficiaries and the value of benefits accrued by those beneficiaries. SBS has approved 56 buildings under the LMEP since its inception, exceeding the original projection of 50 buildings and representing over 35 million square feet in renovated and modernized downtown commercial office space.

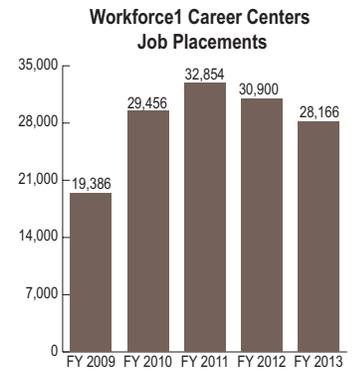
Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
Value of Energy Cost Savings Program savings for businesses (\$000)	\$1,115	\$967	\$433	\$597	\$760	*	*	Up	Down
Jobs created or retained by Energy Cost Savings Program	6,915	4,656	1,083	2,521	4,122	*	*	Up	Down
Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000)	\$32,313	\$31,938	\$24,915	\$25,032	\$17,418	*	*	Up	Down
Commercial tenants active in Lower Manhattan Energy Program	1,496	1,458	1,403	1,403	1,095	*	*	Up	Down

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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.

In Fiscal 2013, 84,515 new jobseekers were registered through the Workforce1 Career Center system, 15 percent more than the 73,518 registered in Fiscal 2012. This increase resulted from strengthened SBS outreach and marketing efforts to connect more New Yorkers to its Workforce1 recruitment services.

Workforce1 systemwide job placements were 28,166 in Fiscal 2013, nine percent fewer than Fiscal 2012. This decrease in job placements was primarily due to slow new-vendor adjustment to connecting job seekers with employers, and meeting job verification requirements, in two large Workforce1 job centers, the Bronx and Upper Manhattan.



In Fiscal 2013, 27 businesses were awarded grants through NYC Business Solutions Training Funds, a program that enables grantees to develop customized training programs to increase the skills and salaries of their employees. While the number of businesses receiving training grants was consistent with Fiscal 2012, the number of customized training grants SBS awarded increased 23 percent in Fiscal 2013, and the number of expected trainees increased 16 percent.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
★ Workforce1 systemwide job placements	19,386	29,456	32,854	30,900	28,166	30,900	30,000	Up	Up
New jobseekers registered through the Workforce1 Career Center system	94,382	97,755	80,083	73,518	84,515	*	*	Up	Down
Walk-in traffic at Workforce1 Centers	308,895	319,736	252,068	312,009	320,273	*	*	Neutral	Neutral

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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.

In Fiscal 2013, SBS continued to strengthen and expand NYC’s BID program by assisting more than 25 local organizations and merchants associations interested in creating a BID with the planning, outreach and legislative phases of BID formation. SBS also continued to provide technical assistance training, capacity building workshops, BID challenge grants, support and oversight to the City’s network of 67 existing BIDs, the most comprehensive system of its kind in the country.

In Fiscal 2013, the agency’s Avenue NYC Program, which provided \$1.5 million to 43 local development corporations throughout the City for grants and technical assistance to attract new businesses and promote revitalization of commercial corridors in the neighborhoods.

SBS strengthened its capacity building in Fiscal 2013 with the Neighborhood Leadership Program, which trained and graduated 18 more members of local non-profit organizations in the skills needed to lead change in their economic organizations and communities; the Neighborhood Retail Recruitment Program, which provided four more local organizations with 10 months of one-on-one technical assistance in business attraction and retention; and with numerous workshops, roundtable discussions and training sessions to increase the capacity and effectiveness of operators of local economic development organizations across the City.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
★ City blocks receiving supplemental sanitation services through BIDs	1,262	1,262	1,262	1,468	1,468	1,468	1,480	Up	Up
★ Average acceptably clean BID sidewalk ratings (%)	99.2%	99.1%	99.0%	99.0%	98.5%	99.0%	99.0%	Up	Neutral
Value of AvenueNYC local development corporations funding (\$000,000)	\$3.27	\$2.21	\$1.80	\$1.74	\$1.50	*	*	Neutral	Down
Newly certified businesses in Locally-Based Enterprise Program	20	14	15	26	24	*	*	Up	Up

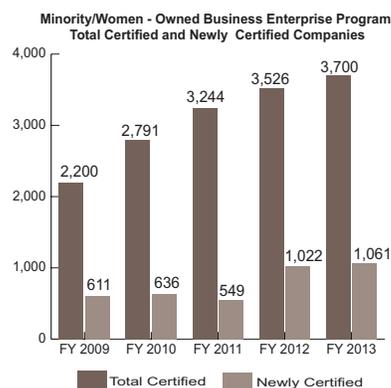
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Service 4: Help minority and women-owned businesses identify and compete for City contracts.

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

The Minority and Women-owned Business Enterprise (M/WBE) Program certified 1,061 new M/WBEs in Fiscal 2013, the most in a five year upward trend. The total of certified M/WBEs rose to 3,700 by the close of Fiscal 2013, up from 3,526 for Fiscal 2012, and also the highest at in a five year upward trend. Despite the ongoing outreach efforts by SBS, the M/WBE recertification rate decreased slightly in Fiscal 2013 to 59 percent, from 62 percent in Fiscal 2012.

The number of M/WBEs that won City contracts increased to 651 in Fiscal 2013, up from 633 in Fiscal 2012. And the number of M/WBEs that were awarded City contracts after receiving direct assistance from SBS increased from 439 in Fiscal 2012 to 447 in Fiscal 2013. Each of these figures for the number of M/WBEs awarded City contracts in Fiscal 2013 was the highest in an unbroken five year upward trend.



Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
★ Minority and Women-owned Business Enterprises certified	2,200	2,791	3,244	3,526	3,700	3,526	3,879	Up	Up
★ Minority and Women-owned Business Enterprises awarded City contracts	427	485	529	633	651	633	665	Up	Up
★ - M/WBEs awarded contracts after receiving direct assistance	318	356	378	439	447	439	461	Up	Up
★ Annual M/WBE recertification rate	78.2%	70.2%	49.4%	62.5%	59.2%	62.5%	65.0%	Up	Down
Newly certified businesses in M/WBE Program	611	636	549	1,022	1,061	*	*	Up	Up

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Goal 4b: Increase the number and value of City contracts awarded to Minority and Women-owned Business Enterprises (M/WBEs).

The overall number of City contracts awarded to M/WBEs decreased to 7,926 in Fiscal 2013, down seven percent from 8,496 in Fiscal 2012. The number of City contracts awarded to M/WBEs after receiving direct assistance declined, on a smaller scale, to 5,297 in Fiscal 2013 from 5,391 in Fiscal 2012. Each of the Fiscal 2013 figures for the number of contracts awarded to M/WBEs continues a five year upward trend. SBS continues to promote the awareness of M/WBEs with the availability of City contracts and how to obtain them by conducting workshops and training, and making relevant information available online.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14		
★ City contracts awarded to Minority and Women-owned Business Enterprises	5,892	6,173	6,564	8,496	7,926	8,496	8,921	Up	Up
★ - Contracts awarded to M/WBEs after receiving direct assistance	3,949	4,707	4,856	5,391	5,297	5,391	5,661	Up	Up

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Agency Customer Service

SBS met its Fiscal 2012 levels and Fiscal 2013 targets by responding to all of its e-mails and letters within 14 days. It increased the number of requests for interpretation it completed by 33 percent in Fiscal 2013. SBS also improved its CORE customer experience rating from Fiscal 2012 and achieved its target for Fiscal 2013.

Performance Indicators	Actual					Target		5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14	
Customer Experience								
E-mails responded to in 14 days (%)	NA	100	100	100	100	100	100	NA
Letters responded to in 14 days (%)	NA	100	100	100	100	100	100	NA
Completed customer requests for interpretation	NA	4,857	16,631	13,257	17,650	NA	NA	NA
CORE customer experience rating (0-100)	NA	90	96	92	93	92	92	NA

Agency Resources

Resource Indicators	Actual					Plan ¹		5yr Trend
	FY09	FY10	FY11	FY12	FY13	FY13	FY14	
Expenditures (\$000,000) ²	\$153.5	\$159.6	\$148.7	\$137.6	\$456.3	\$145.3	\$113.4	Up
Revenues (\$000,000)	\$29.0	\$29.5	\$53.2	\$72.8	\$82.7	130.1	90.1	Up
Personnel	312	306	238	242	273	245	253	Down
Overtime paid (\$000)	\$27	\$36	\$30	\$36	\$15	\$15	\$0	Down
Human services contract budget (\$000,000)	\$39.9	\$50.2	\$36.0	\$24.4	\$32.9	\$35.5	\$22.1	Down

¹Authorized Budget Level ²Expenditures include all funds. "NA" - Not Available in this report

Noteworthy Changes, Additions or Deletions

None.

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

