

DEPARTMENT OF SMALL BUSINESS SERVICES

Maria Torres-Springer, 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.

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. In April 2014, SBS announced higher wage standards for businesses receiving free recruitment services through Workforce1; it is fundamentally changing the way the agency provides services to immigrant entrepreneurs through the Immigrant Business Initiative, which since launch has doubled the number of non-English business courses being offered; it leads Small Business First, an initiative working across agencies to improve the City's regulatory environment and consolidate information that small businesses need to start, operate and grow; and its Tech Talent Pipeline helps train and connect New Yorkers to well-paid jobs in the City's growing tech sector through a public/private collaboration between businesses, community groups, training providers and government.

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 value of City contracts awarded to Minority and Women-owned Business Enterprises (M/WBEs).

HOW WE PERFORMED

- NYC Business Solutions provides services to small businesses seeking to launch, operate, and expand in the City. In the first four months of Fiscal 2015, 2,820 small businesses received free business services through the NYC Business Solutions Centers. SBS continues to focus on getting business owners the capital they need to manage and increase the size of their business. In Fiscal 2015, NYC Business Solutions helped small businesses obtain 200 financing awards that totaled more than \$9.7 million, representing increases of 40 percent in the number and 10 percent in the value of financing awards to small businesses throughout the City compared to the first four months of Fiscal 2014. NYC Business Solutions served a greater number of small businesses in the Fiscal 2014 period due to provision of services to businesses impacted by Hurricane Sandy. In Fiscal 2015, staff allocated to Hurricane Sandy support returned to regular duties having been replaced by a dedicated Hurricane Sandy team. This enabled SBS to provide more general financing assistance resulting in an increase in financing awards.
- The Energy Cost Savings Program (ECSP) helps eligible City businesses to ease energy costs resulting from moving or construction, particularly in the areas of Manhattan north of 96th Street and the boroughs outside of Manhattan. The Lower Manhattan Energy Program (LMEP) provides property owners and commercial tenants in eligible buildings a reduction in electricity, transportation and delivery costs. The State Law enabling SBS to approve new ECSP and LMEP cases expired temporarily from June 30, 2013 to April 2014. In the first four months of Fiscal 2015, businesses approved for ECSP saved \$208,000 in energy costs and created or retained 619 jobs as a result of the program, compared to no activity for the same time in Fiscal 2014. The LMEP, for which indicators are measured on a cumulative basis, had \$6.5 million in savings for active commercial tenants after four months of Fiscal 2015, compared with \$8.1 million in the same period a year earlier, and 1,059 commercial tenants active, compared to 1,095 tenants a year earlier. These decreases in cumulative LMEP benefits reflect the fact that some buildings finished their 12-year plan tenure since the earlier period, resulting in lower cumulative savings and tenancy for buildings receiving program benefits.
- Workforce1 now requires that businesses hire employees full-time or pay at least \$10 hourly in order to access candidates through Workforce1. In the first four months of Fiscal 2015 SBS registered 21,557 new jobseekers through the Workforce1 Career Center system, a decrease of 37 percent from 33,989 registrants in the comparable period of Fiscal 2014, and periodic walk-in traffic decreased 30 percent for the centers. There were 8,642 Workforce1 job placements during the Fiscal 2015 period, a reduction of 27 percent from the 11,911 placements one year earlier. These reductions in overall customers served, registered and placed are anticipated results of SBS' strategy to ensure job quality and focus on connecting people to jobs with family sustaining wages.
- The Minority and Women-owned Business Enterprise (M/WBE) Program certified and recertified 274 M/WBEs during the first four months of Fiscal 2015; 307 M/WBEs were certified and recertified in the same period of Fiscal 2014. There were 3,802 M/WBEs certified at the end of the Fiscal 2015 four-month period, compared to 3,666 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	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
Unique businesses served by NYC Business Solutions	8,696	11,340	8,344	*	*	3,492	2,820
★ Financing awards to businesses facilitated by NYC Business Solutions	683	1,200	518	540	540	143	200
★ Unique businesses receiving financing awards facilitated by NYC Business Solutions	588	1,053	440	470	470	NA	NA
Value of financing awards facilitated by NYC Business Solutions (\$000)	\$71,484	\$54,101	\$44,811	*	*	\$8,856	\$9,732
★ Businesses awarded NYC Business Solutions training funds	26	27	25	26	26	4	2
Projected number of individuals receiving wage gains or new employment as a result of Training Funds awards	510	590	888	*	*	101	41
★ 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	NA

★ 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.

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
Value of Energy Cost Savings Program savings for businesses (\$000)	\$597	\$760	\$176	*	*	NA	\$208
Jobs created or retained by Energy Cost Savings Program	2,521	4,122	361	*	*	NA	619
Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000)	\$25,032	\$17,418	\$14,546	*	*	\$8,053	\$6,498
Commercial tenants active in Lower Manhattan Energy Program	1,403	1,095	1,059	*	*	1,095	1,059

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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	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ Workforce1 systemwide job placements	30,900	28,166	36,097	25,000	25,000	11,911	8,642
New jobseekers registered through the Workforce1 Career Center system	73,518	84,515	82,619	*	*	33,989	21,557
Walk-in traffic at Workforce1 Centers	312,009	320,273	367,695	*	*	142,777	99,861

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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	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ City block faces receiving supplemental sanitation services through BIDs	1,468	1,468	1,480	3,562	3,562	1,480	3,562
★ Average acceptably clean BID sidewalk ratings (%)	99.0%	98.5%	96.5%	99.0%	99.0%	97.3%	96.8%
Value of AvenueNYC local development corporations funding (\$000,000)	\$1.74	\$1.50	\$1.38	*	*	NA	NA
Newly certified businesses in Locally-Based Enterprise Program	26	24	10	*	*	4	9

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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	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ Minority and Women-owned Business Enterprises certified	3,526	3,700	3,783	3,896	4,013	3,666	3,802
★ Minority and Women-owned Business Enterprises awarded City contracts	633	651	684	691	698	NA	NA
★ - M/WBEs awarded contracts after receiving direct assistance	439	447	472	477	482	NA	NA
★ Annual M/WBE recertification rate	62.5%	59.2%	60.4%	60.0%	60.0%	NA	NA
Newly certified businesses in M/WBE Program	1,022	1,061	923	*	*	307	274

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Goal 4b

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

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ Value of City prime contracts awarded to M/WBEs	\$319,974,778	\$284,775,847	\$424,059,400	↑	↑	NA	NA
★ Value of City subcontracts awarded to M/WBEs	\$48,566,675	\$40,575,265	\$61,194,100	↑	↑	NA	NA

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AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
CORE facility rating	92	93	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	13,257	17,650	23,308	*	*	NA	NA

AGENCY RESOURCES

Resource Statistics	Actual			Sept. 2014 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY12	FY13	FY14	FY15	FY15 ¹	FY16 ¹	FY14	FY15
Expenditures (\$000,000) ²	\$137.6	\$150.3	\$202.3	\$146.7	\$313.7	\$149.7	\$93.8	\$143.6
Revenues (\$000,000)	\$72.8	\$81.3	\$94.8	\$80.0	\$71.4	\$72.7	\$0.1	\$0.1
Personnel	242	273	258	259	316	298	257	256
Overtime paid (\$000)	\$36	\$71	\$59	\$0	\$0	\$0	\$30	\$13
Human services contract budget (\$000,000)	\$24.4	\$25.9	\$27.1	\$21.8	\$28.5	\$21.8	\$4.5	\$5.2

¹February 2015 Financial Plan

²Expenditures include all funds.

"NA" - Not Available in this report

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- SBS has revised its Goal 4b to focus on the value of City contracts won by certified Minority and Women-owned Business Enterprises (M/WBEs), rather than the number of contracts won, to better reflect the goals of the City's M/WBE Program. Two new SBS indicators are introduced with this revision, 'Value of City prime contracts awarded to M/WBEs' and 'Value of City subcontracts awarded to M/WBEs'. Local Law 1 of 2013 made the frequency of the City's M/WBE compliance reports quarterly. Yearly information for these new indicators will be reported in the MMR. To see the current quarterly M/WBE contract value information please visit the [Quarter 1 of FY 2015 M/WBE Compliance Report](#).
- Two indicators will no longer appear, 'City contracts awarded to M/WBEs' and 'Contracts awarded to M/WBEs after receiving direct assistance'. The SBS indicator 'M/WBEs awarded contracts after receiving direct assistance' remains in place in Goal 4a, as a measure of the correlation between receipt of direct assistance and City contracts awarded to M/WBEs.
- As of Fiscal 2015, the unit of measurement for the indicator measuring supplemental sanitation services provided by BIDs has been revised, from "City block" to "City block face". The indicator name has been revised accordingly, to 'City block faces receiving supplemental sanitation services through BIDs'. Revised data was not available for previously published figures at the time of release; it will be provided upon its availability. Fiscal 2015 and Fiscal 2016 annual targets have been revised in accordance with this change.

ADDITIONAL RESOURCES

- For more information and detailed data on City procurement, M/WBEs and the types of contracts that are subject to the M/WBE Program please see [FY 2014 Agency Procurement Indicators](#).

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