

# FY 2026 Borough Budget Consultations

## Manhattan – Small Business Services

**Meeting Date:** September 9<sup>th</sup>, 2024

The purpose of holding the Borough Budget Consultations is to have a straightforward and frank conversation about each agency’s budget needs and requests. Unlike other venues, such as City Council Hearings, these consultations are not open to the public nor are they recorded. The information provided assists Community Boards in drafting our own Statement of District Needs and Budget Priorities and it facilitates the opportunity to do so in a way that supports the Agency’s goals. Community Board Members often lack expertise about funding sources and the processes within Agencies regarding funding of various programs and initiatives. However, they are very knowledgeable about what local services are needed in their neighborhoods and the effectiveness of Agency programs.

This year’s Manhattan agendas have three sections:

### I. General overview of current and outyear agency budgets

1. What is the overall budget increase or decrease for the Agency in the FY 25 adopted budget? How does that compare to the FY24 budget? Does the Agency anticipate a budget shortfall for FY 25, FY 26 or further out years?

SBS’s FY25 Executive Budget is \$163.6 million (not including passthroughs). Our previous FY24 budget was \$204.7M, which was larger due to several “big-ticket” items in the Mayor’s Blueprint for Economic Recovery, including one-time interventions like:

- Our successful Small Business Opportunity Fund
- Our MyCity Business Site (ongoing and future upgrades will be managed within the OTI budget)
- Investments in our first-ever BID development and small BID support grants

SBS also identified ~\$6M in budget saving and efficiencies. While the budget has been adjusted, SBS is also executing on new programs and initiatives to meet community

needs including the Business Preparedness and Resiliency (B-Prep) Risk Assessment and Grant Program and the NYC Future Funds.

SBS is in constant conversation with the Office of Budget Management regarding the budget for outer years.

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

SBS remains steadfast in its commitment to Mayor Adams’s economic agenda, centered on equity and inclusivity, with small businesses leading our recovery efforts. SBS priorities and operational goals include:

- Supporting the Mayor’s ambitious goal of \$25 billion awarded to M/WBEs by 2026 by getting M/WBEs certified and supported in getting contracts.
- Launching apprenticeship programs such as the ApprenticeNYC and HVAC pre-apprenticeship program, helping to deliver on the Mayor’s moonshot goal of 30,000 apprenticeships by 2030.
- Making public realm improvements and enlivening commercial corridors across all five boroughs, fulfilling components of the New New York Action Plan.
- Delivering on our core agency programming that serve jobseekers, businesses, and neighborhood-based organizations.

3. What, if any, programs are affected by the end of COVID relief funds?

SBS had federal dollars for COVID relief funding which were used, in part, to support the Mayor’s Blueprint for Economic Recovery. The funds were used for one-time investments in post-pandemic recovery, in programs such as the \$85 million-dollar NYC Opportunity Fund.

II. Specific Program Funding.

1. What programs within the Agency will see a significant increase or decrease in funding overall in FY 25 and anticipated FY 26? To what extent, if any, is the increase or decrease in funding related to non-recurring federal funding allocations?

The largest decrease in funding in FY25 was due to one-time investments the City made to support the Mayor's Blueprint for economic recovery such as the historic opportunity fund and the start-up costs for the Small Business Portal.

SBS is in constant conversation with OMB regarding the FY26 budget needs.

2. Which programs will be new? eliminated entirely?

No programs have been eliminated. New initiatives and programs for this fiscal year include:

- **The first-ever Public Realm grant** designed to enhance public space through improved lighting, creative signage for improved navigation in commercial corridors, and public art installations.
- **The NYC Future Fund**, designed to bridge the gap in access to affordable capital faced by small business owners, and the City has provided a \$10 million investment to seed the loan.
- The Cannabis NYC Loan Fund, promoting equitable access to capital during a time of rapid expansion for the Cannabis industry with a \$2 million seed investment.
- **ApprenticeNYC: Advanced Manufacturing**, which help New Yorkers develop in-demand skills in high growth occupations in roles such as CNC Machinist, Welder, and Industrial Mechanics.
- **The HVAC Pre-Apprenticeship Training Program** which provides training for New Yorkers to develop in-demand skills for careers within Heating, Ventilation & Air Conditioning.

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 SBS services, each program maintains their own benchmarks/KPIs.

For example, one side of the Workforce Development Division (WDD) is responsible for our network of Workforce1 Career Centers where individuals can seek out employment

opportunities while receiving career counseling. The other side of this program is responsible for providing trainings, apprenticeships, and other opportunities.

This work is very different from our Division of Financial and Economic Opportunity division (DEFO) which is responsible for certifying minority and women owned businesses so they can access the city contacts. Both programs are providing important services for New Yorkers can be measured very differently.

### III. District-specific budget questions.

We request that the Agency respond in writing, but have any further discussions on these items with the Community Boards outside of the consultation.

## **AGENDA ITEM [1]: [Neighborhoods]**

Can you give a summary of the grants expected for Business Improvement Districts in FY25 and what are your targeted geographic and demographic areas. Is this number expected to increase/decrease or remain the same in FY26.

### **AGENCY RESPONSE:**

SBS recently announced over \$4 million in neighborhood revitalization grants to 25 organizations across the City in FY25. This funding was awarded through the following four categories: AvenueNYC Commercial Revitalization Grants, AvenueNYC Organizational Development Grants, Neighborhood 360, and Public Realm grants. SBS also recently closed applications for FY25 Merchant Organizing Grants, BID Formation Grants, and Small BID (Single District) Support Grant Program.

This year's grants build on the historic investments made by the administration since 2022 to support NYC's economic recovery following the pandemic, and SBS is in constant conversation with OMB regarding next year's budget.

The targeted demographic for all AvenueNYC Commercial Revitalization grants is local organizations that serve low-to moderate-income neighborhoods due to the federal funding requirements. Our BID Grants You can learn more about grant opportunities on the SBS website: [Neighborhoods - SBS \(nyc.gov\)](#).

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [2]: [Workforce]**

Please share the number of contacts and successful job placements made by SBS in FY24 total and specifically for migrants and asylum seekers. Do you have benchmark numbers for FY25 and what is the funding for this work? Is funding the same in FY26? How do CBs connect people with the program?

**AGENCY RESPONSE:**

SBS is still finalizing the FY24 data collection and analysis, but based on numbers we have, we served more than **90,000 people**, including 6,800 asylum seekers and migrants, connecting New Yorkers to more than **21,000 jobs**.

We welcome community boards to refer constituents to the SBS Workforce1 system. Constituents can either walk-in to a Workforce1 Center, connect on [our website](#), or call the SBS hotline (888 SBS-4NYC). SBS Workforce1 locations can be found on [our location finder](#), and the addresses of Manhattan Workforce1 locations are below:

- Upper Manhattan Workforce1 Career Center, 215 West 125th Street New York, NY 11207
- Washington Heights Workforce1 Career Center, 516 West 181st Street 5th Floor New York, NY 10033
- Workforce1 Healthcare Career Center, 14 Wall Street 17th Floor New York NY 10005

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

### AGENDA ITEM [3]: [B-Prep]

[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. Is there funding for FY26? From what sources will funding be available for resiliency programs?

#### AGENCY RESPONSE:

The Business Preparedness and Resiliency Program (BPREP) program provides business continuity workshops, webinars, self-assessment tools, and online resiliency resources to help small businesses prepare for emergencies and enhance the resiliency of their operations, assets, and physical space. In FY24, over 215 people attended one of the BPREP educational events.

Additionally, the BPREP Risk Assessment and Grant Program provides eligible businesses located in flood zones free risk assessments and grants up to \$5,000 to cover the cost of recommended measures. Thus far, SBS has completed 50 on-site risk assessments and is in the process of reimbursing the first group of grantees. Applications for this service are still open and we encourage eligible businesses and commercial properties to apply: Risk Assessment and Grant Program (nyc.gov).

2. The Business Preparedness and Resiliency (BPREP) Risk Assessment and Grant Program is not funded in FY26. Although BPrep is not funded yet for FY26, SBS is in conversation with OMB regarding next year's budget, including any continuing and community needs.

#### MEETING NOTES:

##### NEW INFORMATION:

##### FOLLOW-UP COMMITMENTS:

### AGENDA ITEM [4]: [MWBE]

[What funding has been provided in FY25 for the Minority and Women-owned Business Enterprise (MWBE) Program? What funding is projected in FY26?

2. What is the year over year increase/decrease in the number of active MWBEs since last year?

**AGENCY RESPONSE:**

The Minority and Women-owned Business Enterprise (MWBE) Program expands opportunities for minority and women entrepreneurs to access government contracts and grow their businesses. When eligible businesses are certified with the city they become more visible to prospective buyers, including city agencies and private contractors seeking to purchase goods and services.

The budget for the Minority and Women-owned Business Enterprise (MWBE) Program is \$3.3 million for FY25 and the projected budget for FY26 is \$2.6 million. SBS is having ongoing conversations with OMB regarding next year’s budget.

2. The number of certified M/WBE’s in the city continues to increase year over year. SBS supports all eligible entrepreneurs both get certified as M/WBE and get re-certificated. The year over year breakdown of certified M/WBEs is below.

**Total number of certified M/WBEs**

- FY22: 10,768 M/WBEs certified
- FY23, 10,799 M/WBEs certified
- FY24, 11,115 M/WBEs certified

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [5]: [Outreach]**

[Does SBS expect to maintain its level of direct business outreach in FY25 and FY26? How do CBs request or connect with outreach in their districts?]

**AGENCY RESPONSE:**

SBS will continue to conduct business outreach in FY25 and FY26 through our agency-wide outreach team, doubling down on bridging the gap between New Yorkers and free SBS programs and services.

In the last year, SBS reached more than 18,000 New Yorkers citywide in outreach efforts, deployed our Mobile Outreach Unit in over 40 community districts, and organized over 100

Mobile Outreach Unit events with partners including city agencies, BIDs, merchant organizations, and community based organizations.

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.

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [6]: [Workforce]**

[What funding has been provided in FY25 for Workforce Development: Training and for the Workforce Investment Board (WIB)?

2. Does this reflect an increase or decrease from FY24? What funding is projected in these areas for FY26?

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 FY25 and FY26?

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**AGENCY RESPONSE:**

SBS has nearly \$21 million in Workforce training, similar to last fiscal year. Separately, SBS has \$100,000 for the Workforce Investment Board administration, which is the same as last fiscal year. SBS is in constant conversation with OMB regarding next year's budget, including any community and financial needs for SBS training programs.

3. Approximately 75% of the budget for SBS Workforce training programs comes from federal sources. Since SBS receives a large portion of funding from federal grants, FY26 funding is subject to federal decision-making including potential changes through legislation. SBS does not currently expect a change to workforce federal funding.



**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [7]: [Programming]**

What SBS program or resource do you think is especially valuable to CB’s and their work. How should CB’s better utilize this program or resource?

**AGENCY RESPONSE:**

SBS has an array of resources that can be valuable to Community Boards as SBS provides business, workforce, and neighborhood services. Outlined below is a breakdown of our services. Additionally, we would recommend subscribing to our [newsletters](#) to be up-to-date on all new programs and updates.

**Business Services**

- The SBS Business Solutions Center and Industrial Business Service Providers are located in all five boroughs and offer free resources, webinars and one-on-one assistance to small businesses. SBS connects entrepreneurs to free resources ranging from financing assistance to legal services.
- The [NYC BEST team](#) helps explain government rules and regulations to business owners, which can help them get their licenses and permits faster and avoid/reduce fines and violations.
- SBS also offers [business emergency preparedness and recovery support](#).
- SBS helps [minority and women-owned businesses \(M/WBEs\)](#) get City-certified and compete for contracts

**Workforce Services**

- The [SBS Workforce1 centers](#) provide a wide variety of in-person and remote services. We can help people with mock job interviews, resume prep, workshops, and job referrals.
- SBS offers a variety of [free training programs](#) for local residents to acquire skills in growing fields. SBS offers programs such as NCLEX-RN Preparation for Foreign-Trained Nurses, First Course NYC, and Cable Installation.

**Neighborhood Services**

- SBS offers [training, tools, and one-on-one assistance](#) to local community-based organizations

- SBS administers [grant programs](#) to strengthen and revitalize commercial districts and oversees [Business Improvement Districts \(BIDs\)](#).

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [8]: [Rezoning]**

What active rezoning projects is SBS connected to in Manhattan? What are outstanding commitments that still need to be fulfilled?

**AGENCY RESPONSE:**

SBS has supported the NYC Department of City Planning for the [Midtown South Mixed-Use Plan](#) by connecting local BIDs and CBOs to DCP for community input, information-sharing SBS resources during the plan’s Small Business Roundtables, and joining DCP and key community members in a walkthrough of the study area.

Additionally, the SoHo/NoHo rezoning commitment on activating vacant storefronts in the neighborhood is actively being addressed. The administration is combatting storefront vacancies through efforts such as the historic passage [City of Yes for Economic Opportunity](#) that simplifies outdated zoning rules, expands business uses, and enables vibrant corridors across the city.

Additionally, SBS provides [neighborhood development grants](#) to activate and revitalize commercial corridors, which includes the Small BID grant that the NoHo NY BID received in FY24.

SBS will continue to assess and explore the appropriate resources to deploy in the area.

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [9]: [Neighborhoods]**

What is Manhattan’s most up to date storefront vacancy rate? How has it changed from last quarter and year?

**AGENCY RESPONSE:**

Manhattan’s current vacancy rate is 14.23% and is continuing a downward quarterly trend for the past three quarters. At this point, we only have data for quarterly reports from Q3 of 2023 to Q1 of 2024.

Q3 of calendar year 2023: 15.72%

Q4 of calendar year 2023: 15.26%

Q1 of calendar year 2024: 14.97%

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**

**AGENDA ITEM [10]: [Cannabis NYC]**

[What are successes for Cannabis NYC to date. What is the budget for Cannabis NYC in FY25 and 26. What will the funding be used for in FY25 broken down in PS and OTPS. How can CB’s engage with Cannabis NYC.

**AGENCY RESPONSE:**

The NYC Department of Small Business Services (SBS) launched Cannabis NYC to make our city the global leader for the cannabis industry in education and equity for all New Yorkers interested in the cannabis industry.

Last year, CannabisNYC launched the first-ever cannabis entrepreneurship program, Fast Trac for Cannabis Entrepreneurs, a 10-session educational program that connects cannabis business owners with free, high quality training and advice by leading players in the legal cannabis industry. Our SBS Business Solution Center Account Managers are also trained to assist aspiring cannabis entrepreneurs.

Additionally, SBS and [NYCEDC recently announced](#) Tuatara Capital as the Manager of Cannabis NYC Loan Fund, with \$2 million in initial funding, with the goal of helping licensed cannabis entrepreneurs. will provide affordable and flexible capital to early-stage cannabis businesses.

CannabisNYC also provides licensee support, manages the CannabisNYC 5-Borough Coalition, and has organized the [Lift Off! Cannabis NYC Tour](#) which has already reached over 5,000 New Yorkers.

CannabisNYC is always open to presenting at community boards and educating on questions regarding the industry.

This year's budget for Cannabis NYC is \$5.6 Million with ~\$580K in PS and ~\$5M in OTPS. SBS anticipates the budget for FY26 to be ~\$591K.

## **MEETING NOTES:**

### **NEW INFORMATION:**

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

## **AGENDA ITEM [11]: [Recommended Priorities for Community Board Advocacy]**

What programs, initiatives or budget line items would SBS recommend that Community Boards include in their Statements of District Needs and Budget Priorities for FY 2026?

## **AGENCY RESPONSE:**

Since each neighborhood in the city has unique needs, SBS recommends each community board utilize the data in the neighborhood Commercial District Needs Assessment (CDNA) to support their decision making for the Statement of District Needs and Budget Priorities for FY 2026. Below are links to the CDNA's in Manhattan.

- [East Harlem](#)
- [Inwood](#)
- [Central Harlem](#)
- [Chinatown](#)
- [East Village](#)

**MEETING NOTES:**

**NEW INFORMATION:**

**FOLLOW-UP COMMITMENTS:**