

DEPARTMENT OF SMALL BUSINESS SERVICES

Kevin D. Kim, 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

Equitable economic development and economic mobility are at the core of SBS' work. We collaborate with New Yorkers focusing on neighborhoods and communities that have been historically underserved to design programs and services that directly address their needs. This work is the foundation for SBS' three 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. To achieve this, SBS is investing in employment and business services tailored to the needs of historically underserved individuals, including BIPOC (Black, Indigenous, and people of color), immigrant, women, or low income New Yorkers. In addition, SBS leads the City's efforts to certify and strengthen more than 10,000 M/WBEs. Finally, SBS provides direct support to the diverse range of commercial corridors in NYC, including those in low and moderate income (LMI) areas, via funding and technical assistance to local economic development organizations and BIDs.

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 Meet businesses' talent demands by connecting New Yorkers to good jobs.

- Goal 2a Match or train New Yorkers to meet the qualifications businesses require.
-

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 M/WBEs that obtain City contracts.

HOW WE PERFORMED

- The Division of Business Services (DBS) offers free services that help businesses start, operate and grow in New York City. In the first four months of Fiscal 2023, SBS nearly tripled the number of services provided to help customers navigate government to 3,252. The increase is due to several factors which included resuming in-person consultations that assist businesses in getting licenses and permits faster and avoiding and reducing common fines and violations. In addition, SBS expanded its Small Business Hotline's scope beyond COVID-19 assistance to connect customers to the full array of SBS resources.
- Due to the expiration of most of SBS's federal pandemic relief funding, the first four months of Fiscal 2023 saw a significant decrease in both the number of financial awards and total dollars disbursed compared to the same period in Fiscal 2022. In addition, the lending market has changed dramatically with higher interest rates which has resulted in fewer small businesses seeking financing. SBS still expects to achieve its Fiscal 2023 targets for 'number of financial awards to businesses' and 'dollar value of financial awards to businesses.'
- In the first four months of Fiscal 2023, businesses seeking Energy Cost Savings Program (ECSP) approval continue to be impacted by pandemic-related challenges. Businesses had more difficulty completing renovation and relocation schedules during the 4 months, which resulted in lower project approvals compared to last year. Notwithstanding, SBS was able to approve 10 projects with over 260 jobs. Although a decrease of 48% in project approvals compared to the same period in Fiscal 2022, the annual energy savings approved increased from \$75,000 to \$104,000.
- In the first four months of Fiscal 2023, the Workforce1 Career Center system served 19 percent more customers overall (38,973 vs 32,682) and registered 39 percent more first-time customers (13,347 vs 9,600) compared to the same time period last Fiscal year. While Workforce1 helped connect New Yorkers to slightly fewer jobs year-over-year (6,165 vs 6,744), SBS is confident it will reach Fiscal 2023's target because of the significant increase in both total customers and new customers. At the same time, customers enrolled in SBS training programs decreased 23.2 percent, from 2,122 in the first four months of Fiscal 2022 down to 1,629 from the same reporting period of Fiscal 2023. This is primarily due to delays in procuring vendors that provide training.
- After reaching over 10,700 Minority and Women-owned Business Enterprises certified at the end of Fiscal 2022, the program certified and recertified 721 M/WBEs during the first four months of Fiscal 2023, bringing the total number of certified M/WBEs in the program to 10,864 by the end of the Fiscal 2023 four-month period, a 1.9 percent increase from the same point in the previous year.

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	
	FY20	FY21	FY22	FY23	FY24	FY22	FY23
Unique customers and businesses served	20,872	18,901	26,688	*	*	4,685	7,688
★ Unique businesses receiving financial awards (facilitated or disbursed)	4,572	1,424	10,627	570	570	NA	98
★ Financial awards to businesses (facilitated or disbursed)	4,881	1,624	10,942	740	740	350	111
Dollar value of financial awards to businesses (facilitated or disbursed) (\$000)	\$122,896	\$83,333	\$261,123	*	*	\$110,653	\$8,957
Unique customers served by programs that help navigate government	2,688	2,711	4,301	*	*	919	2,815
Number of services provided to help businesses navigate government	4,344	4,326	5,876	*	*	1,267	3,252
★ Number of unique businesses opened with assistance from SBS	359	179	164	↑	↑	47	68
★ Critical Indicator ● Equity 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	
	FY20	FY21	FY22	FY23	FY24	FY22	FY23
Value of Energy Cost Savings Program savings for businesses (\$000)	\$1,276	\$822	\$518	*	*	\$75	\$104
Number of jobs retained by Energy Cost Savings Program (ECSP) for approved businesses	3,191	2,118	1,138	*	*	416	259
Number of businesses approved for Energy Cost Savings Program benefits	58	47	48	*	*	19	10
★ Critical Indicator	● Equity Indicator	"NA" Not Available	↔ Directional Target	* None			

SERVICE 2 Meet businesses' talent demands by connecting New Yorkers to good jobs.**Goal 2a**

Match or train New Yorkers to meet the qualifications businesses require.

Performance Indicators	Actual			Target		4-Month Actual	
	FY20	FY21	FY22	FY23	FY24	FY22	FY23
★ Workforce1 systemwide hires and promotions	26,204	18,889	25,098	25,000	25,000	6,744	6,165
Number of jobseekers registered through the Workforce1 Career Center system for the first time	44,208	30,519	33,403	*	*	9,600	13,347
Walk-in traffic at Workforce1 Centers	240,175	250,163	245,605	*	*	76,391	84,849
Customers enrolled in training	2,123	8,764	6,948	*	*	2,122	1,629
Unique customers served	93,944	79,438	81,338	*	*	32,682	38,973
Businesses awarded funding for employer-based training	12	10	15	*	*	6	1
★ Critical Indicator	● Equity 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	
	FY20	FY21	FY22	FY23	FY24	FY22	FY23
Frontage feet receiving supplemental sanitation services through BIDs	1,531,377	1,531,377	1,531,377	*	*	NA	NA
★ Average acceptably clean BID sidewalk ratings (%)	NA	NA	96.3%	↑	↑	NA	NA
Value of all financial awards to community-based development organizations	\$4,506,406	\$4,444,350	\$5,834,796	*	*	NA	NA
Number of unique community-based development organizations receiving financial awards	33	55	62	*	*	NA	NA
★ Critical Indicator	● Equity 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 M/WBEs that obtain City contracts.

Performance Indicators	Actual			Target		4-Month Actual	
	FY20	FY21	FY22	FY23	FY24	FY22	FY23
★ Total M/WBEs certified	10,034	10,665	10,768	10,800	10,800	10,656	10,864
★ ● M/WBEs awarded City contracts	1,539	1,416	1,605	1,223	1,223	NA	NA
★ M/WBEs awarded City contracts after receiving procurement and capacity building assistance	1,056	1,025	1,182	891	891	NA	NA
★ Annual M/WBE recertification rate (%)	62.6%	66.7%	61.3%	60.0%	60.0%	NA	NA
Newly certified and recertified businesses in M/WBE Program	2,436	2,239	2,319	*	*	724	721
★ Critical Indicator	● Equity Indicator	"NA" Not Available	↔ Directional Target	* None			

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
Customer Experience	FY20	FY21	FY22	FY23	FY24	FY22	FY23
CORE customer experience rating (0-100)	97	NA	99	*	*	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	4,133	5,465	8,405	*	*	2,617	2,275

★ Critical Indicator

● Equity Indicator

"NA" Not Available

↑↓ Directional Target

* None

AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2022 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY20	FY21	FY22				FY23 ¹	FY24 ¹
Expenditures (\$000,000) ²	\$340.1	\$227.0	\$513.2	\$303.4	\$440.4	\$164.3	\$173.5	\$149.6
Revenues (\$000,000)	\$0.2	\$0.2	\$0.4	\$0.2	\$0.2	\$0.2	\$0.1	\$0.1
Personnel	309	277	253	370	354	351	270	238
Overtime paid (\$000)	\$205	\$80	\$96	\$65	\$66	\$65	\$35	\$23
Human services contract budget (\$000,000)	\$33.5	\$36.6	\$35.5	\$26.2	\$50.5	\$26.2	\$0.4	\$1.7

¹January 2023 Financial Plan.

²Expenditures 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 FY22 ¹ (\$000,000)	January 2023 Financial Plan FY23 ² (\$000,000)	Applicable MMR Goals ³
Personal Services - Total	\$24.3	\$30.2	
001 - Department of Business	\$15.7	\$18.6	All
004 - Contract Compliance and Bus. Opportunity	\$3.3	\$3.7	1a, 1b, 2a, 4a
010 - Workforce Investment Act	\$5.3	\$7.9	1a, 4a
Other Than Personal Services - Total	\$488.9	\$410.2	
002 - Department of Business	\$139.9	\$88.1	All
005 - Contract Compliance and Bus. Opportunity	\$2.9	\$6.4	1a, 1b, 2a, 4a
006 - Economic Development Corporation	\$212.8	\$176.1	Refer to table in EDC chapter
011 - Workforce Investment Act	\$67.2	\$90.1	1a, 4a
012 - Trust for Gov.'s Island and NYC & Co.	\$66.1	\$49.4	1b
Agency Total	\$513.2	\$440.4	

¹Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2022. Includes all funds. ²Includes all funds. ³Refer to agency goals listed at front of chapter. "NA" Not Available * None

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- Previously published preliminary Fiscal 2022 data for an indicator in Goal 2a (Workforce1 systemwide hires and promotions) was revised to reflect corrected data.

ADDITIONAL RESOURCES

For additional information on items referenced in the narrative, go to:

- The Social Indicators and Equity Report, EquityNYC
<http://equity.nyc.gov/>
- Avenue NYC:
<https://www1.nyc.gov/site/sbs/neighborhoods/avenue-nyc.page>
- Neighborhood 360°:
<https://www1.nyc.gov/site/sbs/neighborhoods/neighborhood-360.page>
- Leadership Development Programs:
<https://www1.nyc.gov/site/sbs/neighborhoods/leadership-development.page>

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