

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Robert E. Cornegy Jr.
Chair, Committee on Small Business Services



Report of the Finance Division on the
Fiscal 2018 Preliminary Budget and the
Fiscal 2017 Preliminary Mayor's Management Report for the
Department of Small Business Services

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Finance Division

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director
Nathan Toth, Deputy Director

Paul Scimone, Deputy Director
William Kyeremateng, Economist
Crilhien Francisco, Unit Head

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Department of Small Business Services Overview

The Department of Small Business Services (SBS or the Department) makes it easier for businesses in New York City to start, grow and thrive 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 community and economic development organizations throughout the City; and administers the Minority and Women-owned Business Enterprise Program (MWBE).

This report provides a review of the Department of Small Business Services' Preliminary Budget for Fiscal 2018. In the first section, the highlights of the agency's \$159.5 million Fiscal 2018 expense budget are presented, including initiatives funded by the Council.

The report then presents the Department's budget by program area and provides analysis of significant program areas, discusses initiatives included in the November and Preliminary Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2017. Finally, the appendices are included to highlight the Budget Actions in the November and Preliminary Plans and the Reconciliation of SBS' program area to units of appropriation.

Fiscal 2018 Preliminary Budget Highlights

The City's Fiscal 2018 Preliminary Budget is \$84.7 billion, which includes \$61.6 billion in City tax-levy funding and \$23.1 billion in non-City funds. The Fiscal 2018 Preliminary Budget is \$2.6 billion more than the Fiscal 2017 Adopted Budget of \$82.1 billion.

SBS Expense Budget						
	2015	2016	2017	Preliminary Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2017	2018	2017 - 2018
Personal Services	\$19,626	\$20,581	\$25,032	\$25,965	\$25,889	\$857
Other Than Personal Services	253,833	261,885	211,335	307,754	133,621	(77,714)
TOTAL	\$273,458	\$282,466	\$236,367	\$333,719	\$159,509	(\$76,857)

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department of Small Business Services' Fiscal 2018 Preliminary Budget totals \$159.5 million (including City and non-City funds), representing less than half a percent of the City's total Budget. The Department's Fiscal 2018 Preliminary Budget is \$76.9 million, or 33 percent less than the Fiscal 2017 Adopted Budget of \$236.4 million. This huge decrease in SBS' budget reflects the \$77.7 million decline in its Other than Personal Services (OTPS) budget, offset by an \$857,000 increase in the Personal Service (PS) budget. Compared to the Department's current Fiscal 2017 budget, the Fiscal 2018 Preliminary Budget has declined \$174.2 million, or 52 percent.

The Department's Fiscal 2018 Preliminary Budget includes a net decrease of \$53.3 million in budget actions when compared to the Fiscal 2017 Adopted Budget. This results from a \$56.6 million decrease in other adjustments, offset by a \$3.3 million increase in new needs.

The following are some of the key actions, since Adoption, affecting the Department's proposed budget:

- **Faith Center OTPS.** Earlier this year, the Mayor announced the creation of the Center for Faith and Community Partnerships (CFCP or the Center).¹ The Center, according to the Mayor, would help enhance faith and other community organizations' access to City services. CFCP will be a subsidiary of the Mayor's Community Affairs Unit (CAU), charged with consolidating the Administration's outreach to and partnerships with faith-based and mission-driven community-based organizations.

The Fiscal 2018 Preliminary Plan includes \$350,000 in Fiscal 2017 and \$500,000 annually in Fiscal 2018 through Fiscal 2021 for SBS to assist with the Mayor's launch of CFCP. The funding will enable SBS to provide a capacity building helpdesk for community-based organizations. The helpdesk will provide various training programs for over 200 community-based groups on how to fully access the City's non-profit contracting and MWBE certification process, as well as provide technical support to participating businesses.

Of the total funding added in the Fiscal 2018 Preliminary Plan for CFCP, \$150,000 in Fiscal 2017 and \$300,000 annually in Fiscal 2018 through Fiscal 2021 will be used to cover PS expenditures associated with six new positions. The six new positions include one central coordinator and five liaisons (one liaison per borough).

- **MWBE New Need.** The Fiscal 2018 Preliminary Plan includes \$1.8 million in Fiscal 2017 and \$1.7 million annually in Fiscal 2018 through Fiscal 2021 to expand the City's Minority and Women Owned Business Enterprise (MWBE) program. The funding will be used to provide citywide marketing and outreach campaign, increase provision of MWBE services, and updates to the online application portal. The funding will also add additional capacity building and technical assistance staff, as well as create a new unit with staff dedicated to outreach to existing MWBEs and assist in the recertification process.

This budget action adds 15 new positions to SBS' total headcount, with a total PS budget of \$451,500 in Fiscal 2017 and \$903,000 annually in Fiscal 2018 through Fiscal 2021. The 15 new staff include two certification outreach associates, four certification analysts, two ICAP compliance analysts, two buyer services associates, two vendor service associates, a technical assistance contract manager, a capacity building contract manager, and a program coordinator.

- **MWBE Consulting Services.** The November Plan includes \$750,000 annually in Fiscal 2017 and Fiscal 2018 for consulting services related to the City's MWBE program. The Mayor's Office of Minority and Women Owned Business Enterprises will use this funding to hire a consultant who will conduct a comprehensive review and examination of the current MWBE engagements and initiatives, and to develop plans for improvements and external communications.
- **Waterfront Permitting.** A waterfront construction permit is required when building or renovating a structure on city-owned waterfront properties, as well as building or renovating piers, bulkheads, seawalls or docks on private-owned property. The City Charter charges SBS with the responsibility of issuing such permits. To enable the Waterfront Permitting Unit at SBS to handle the increase in waterfront permits, the Administration has included in the Preliminary Plan a total of \$117,000 in Fiscal 2017 and

¹ See <http://www1.nyc.gov/office-of-the-mayor/news/015-17/mayor-de-blasio-new-center-faith-community-partnerships#/0>

\$179,000 annually in Fiscal 2018 through Fiscal 2021. Majority of the funding – \$100,000 in Fiscal 2017 and \$145,000 annually in Fiscal 2018 through Fiscal 2021 – will be used to cover the cost of technological resources and other professional services required by the Waterfront Permitting Unit. The remainder of the funding will cover additional PS costs for upgrading and expanding the responsibilities of three existing staff.

- **Trust for Governor’s Island (TGI) Ferry Inspection and Repair.** The Fiscal 2018 Preliminary Plan includes \$176,000 in Fiscal 2017 to cover the inspection and repair cost for TGI’s Sundance ferry, which has a capacity for 49 passengers. The ferry needs to go into dry dock for inspection and repairs, as per US Coast Guard inspection requirements. The funding will also cover the cost involved in transporting the ferry from Governor’s Island to the shipyard and back.
- **Bus Program.** The November Plan includes \$1.5 million in City funds for Fiscal 2017 to support the employment of bus workers who were impacted by changes in DOE’s contracts for school bus transportation. The whole amount will support the salaries of the said workers for the 2015-2016 school year.
- **Allocation of TGI Expense Project Worksheets.** The Fiscal 2018 Preliminary Plan includes \$1.2 million in Federal FEMA grants for on-going Super Storm Sandy related repair work at TGI. This funding will reimburse TGI for expenses incurred in response to Sandy

Financial Plan Summary

In addition to City tax-levy funds, the Department of Small Business Services receive federal and state categorical grants. The Department's Fiscal 2018 Preliminary budget is spread across 14 programs areas – nine of the 14 program areas are directly related to services that SBS provide. The remaining five program areas represent the expense budget of some Mayoral Office and non-City agencies, including the Mayor's Office of Film, Theatre and Broadcasting; the Mayor's Office of Industrial and Manufacturing Businesses; the New York City Economic Development Corporation (NYCEDC); New York City and Company (NYC & Co.); the Center for Economic Opportunity (CEO); and the Trust for Governor's Island (TGI). The expense budget and funding for these mayoral offices and non-City agencies flow through the contract budget of SBS.

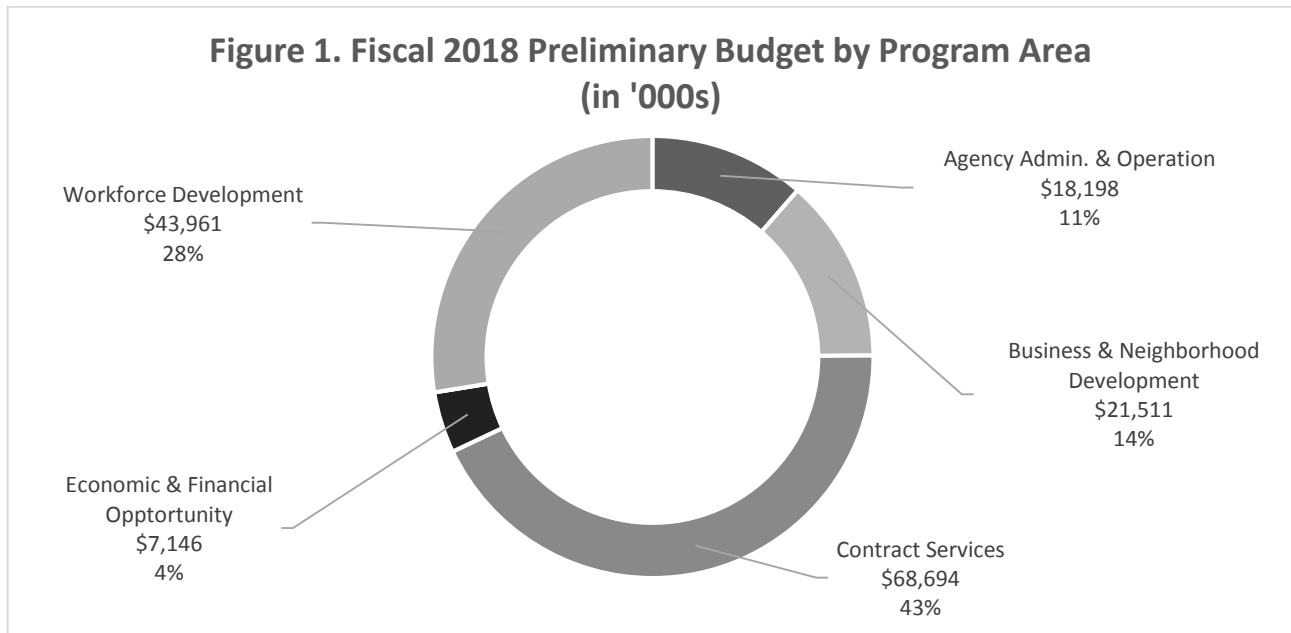
SBS Financial Summary						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services	\$19,626	\$20,581	\$25,032	\$25,965	\$25,889	\$857
Other Than Personal Services	253,833	261,885	211,335	307,754	133,621	(77,714)
TOTAL	\$273,458	\$282,466	\$236,367	\$333,719	\$159,509	(\$76,857)
Budget by Program Area						
Agency Administration and Operations	\$11,974	\$12,093	\$16,411	\$16,032	\$18,198	\$1,786
Business Development	61,403	73,601	35,957	46,209	14,776	(21,181)
Economic Development Corp	104,002	96,873	63,974	151,765	31,927	(32,047)
NYC&Co / Tourism Support	13,774	17,750	21,162	21,162	21,162	0
Contract Svcs: Other	14,063	15,159	18,095	19,410	15,606	(2,489)
Economic & Financial Opportunity: M/WBE	3,385	4,299	6,718	9,179	6,901	183
Economic & Financial Oppty: Labor Svcs	330	270	241	241	245	4
MO Film, Theatre, and Broadcasting	6,023	975	0	0	0	0
MO Industrial & Manufacturing Businesses	1,397	(3)	0	0	0	0
Neighborhood Development	4,238	7,568	15,556	12,327	6,735	(8,821)
Workforce Development: One Stop Ctr	23,763	29,043	28,147	32,018	28,358	\$211
Workforce Development: Program Mgmt	12,768	15,923	12,849	16,668	10,750	(\$2,099)
Workforce Development: Training	11,278	8,916	8,541	8,708	4,852	(\$3,689)
Workforce Development: WIB/Other	5,061	0	8,716	0	0	(\$8,716)
TOTAL	\$273,458	\$282,466	\$236,367	\$333,719	\$159,509	(\$76,857)
Funding						
City Funds			\$140,120	\$142,990	\$93,657	(\$46,463)
Other Categorical			0	1,202	0	0
State			28	2,226	2,015	1,987
Federal - Community Development			41,467	118,180	12,443	(29,023)
Federal - Other			38,889	48,774	38,889	0
Intra City			15,863	20,347	12,505	(3,358)
TOTAL	\$273,458	\$282,466	\$236,367	\$333,719	\$159,509	(\$76,857)
Budgeted Headcount						
Full-Time Positions - Civilian	217	242	307	328	322	15
Full-Time Equivalent Positions	40	60	41	55	41	0
TOTAL	257	302	348	383	363	15

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget is decreasing \$76.9 million across all program areas, when compared to the Fiscal 2017 Adopted Budget. This decrease is largely driven by a decrease in federal funding for economic development contract services, as well as the absence of one-time City Council discretionary funding and one-time City funding for the MWBE Bond Surety and Loan Program. The Department's Fiscal 2018 Preliminary Budget includes a net increase of 15 full-time positions when compared to the Fiscal 2017 Adopted Budget. The

increase in budgeted headcount is due to the addition of 21 new positions, offset by a decrease of 6 positions due to technical adjustments.²

As shown in Figure 1 below, SBS’ budget is largely focused on two general program areas: (1) Contract Services (which funds contracts with the Economic Development Corporation, NYC & Company, and other not-for-profit and non-City agencies); and (2) Workforce Development (which funds the City’s Workforce One Stop Centers, program management, training and the Workforce Investment Board). Together, these program areas comprise approximately 71 percent of the agency’s budget.



The \$68.7 million allocated to Contract Services in the Fiscal 2018 Preliminary Budget is \$34.5 million, or 33 percent less than its Fiscal 2017 Adopted Budget of \$103.2 million. This decline is mainly due to a 50 percent and 14 percent reduction in the budget for the Contract Services: Economic Development Corporation; and the Contracts Services: Other program areas, respectively.

The Fiscal 2018 Preliminary Budget of \$7.1 million for Economic & Financial Opportunity represents a three percent increase from the Fiscal 2017 Adopted Budget of \$6.9 million. The increase is due to a three percent and two percent increase in the budget for the City’s Minority and Women-Owned Business Enterprise (MWBE) program and labor services, respectively.

The Fiscal 2018 Preliminary Budget for Workforce Development is \$14.3 million or 25 percent less than the Fiscal 2017 Adopted Budget of \$58.3 million. The Business and Neighborhood Development programs together have decreased \$30 million, or 58 percent, in the Fiscal 2018 Preliminary Budget when compared to the Fiscal 2017 Adopted Budget.³

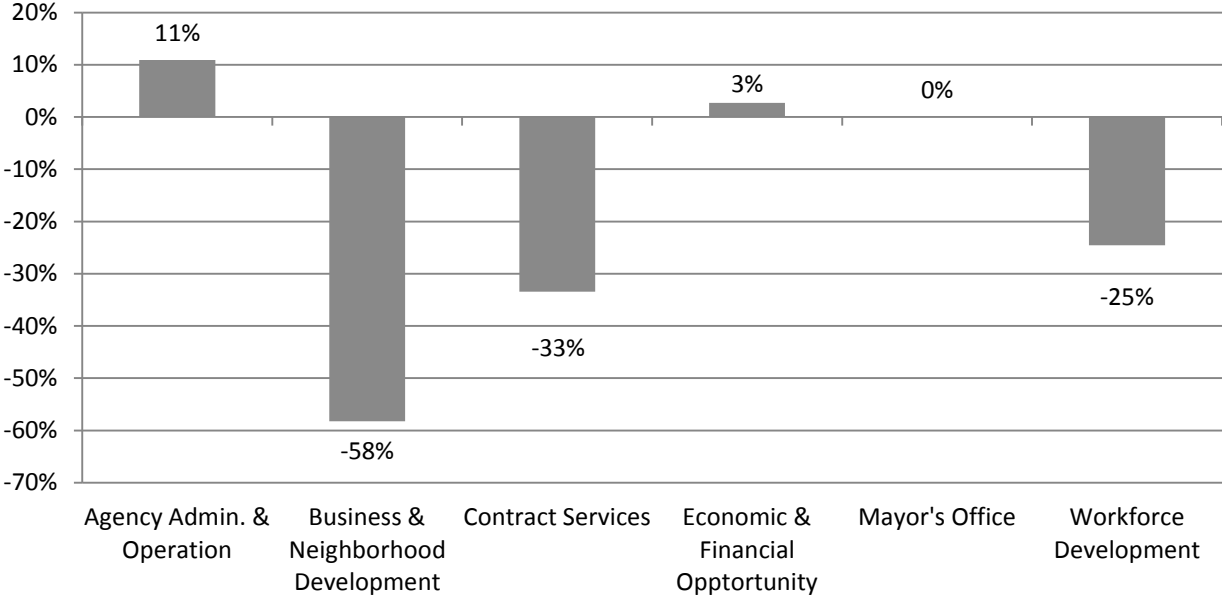
See Figure 2 for more on the growth rate of SBS’ program area budgets from the Fiscal 2017 Adopted Budget to the Fiscal 2018 Preliminary Budget.

² See Page 3, under MWBE New Need and Faith Center, for details on the 21 new positions.

³ See discussion on individual program areas for more information on the changes in the budget

Figure 2: Growth from Adoption to Prelim

Percent Change in Program Area Budget - from Fiscal 2017 Adoption to Fiscal 2018 Preliminary



Council Initiatives

The Council's Small Business Services and Workforce Development initiatives support the formation and growth of the City's small businesses and promote neighborhood development, as well as workforce development. These initiatives build on the services offered to the business community to reach a wider and more diverse range of small businesses and workers, particularly in emerging employment areas such as worker run cooperatives and green and technology jobs.

At Fiscal 2017 adoption, the City Council added \$14.6 million to SBS' Fiscal 2017 budget for the Council's Small Business Services and Workforce Development initiatives. This amount represented six percent of the Department's Fiscal 2017 Adopted Budget. The chart below shows a breakdown of the funds by initiative.

Fiscal 2017 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Council Initiatives	
Chamber on the Go and Small Business Assistance	\$1,289
Day Laborer Workforce Initiative	570
hackNY	100
Job Training and Placement Initiative	7,896
Made in NYC	750
MWBE Leadership Associations	600
Neighborhood Development Grant Initiative	1,275
Worker Cooperative Business Development Initiative*	2,154
TOTAL	\$14,634

**The Council gave another \$94,000 to CUNY through this initiative, bringing its total allocation to \$2.2 million*

- Chamber on the Go and Small Business Assistance.** This initiative provides various levels of assistance to entrepreneurs and small businesses in all five boroughs. The initiative funds outreach efforts that help increase businesses access to a variety of services inside and outside of their workplace. The services provided through this initiative include but not be limited to pro-bono legal assistance, technical and financing assistance, business counseling, financial literacy, referrals to other governmental resources and support, and assistance with affordable healthcare enrollment opportunities.
- Day Laborer Workforce Initiative.** Funds for this initiative are used for the expansion and development of day laborer centers to provide citywide services to day laborers across the five boroughs. These services include dignified physical space for day laborers to meet, referrals to jobs or support services, legal services to address issues such as wage theft, as well as workforce training and development.
- hackNY.** This initiative connects jobseekers with opportunities at local technology companies and will serve as an important bridge between the colleges and universities in the City and the technology industry.
- Job Training and Placement Initiative.** Service providers in this initiative provide a mix of job training and/or placement services to union workers, under-employed and long-term unemployed individuals, immigrant and minority populations, and/or low-income individuals in general. These services are focused on improving participants' career prospects through a mix of trainings, job placement, and small business technical

assistance. Other programs provided through the initiative include ESOL classes, GED preparation, computer literacy, and general work readiness preparation and may be focused on specific industries such as food retail and childcare provision.

- **Made in NYC.** This initiative gives companies branding and marketing assistance to increase sales and create jobs. Through the Made in NYC website, manufacturers get a platform to advertise their products, expand their markets to reach more customers, find local suppliers and contractors, extend into new supply chains, and educate consumers. Funding is used for sourcing assistance program, marketing and advertising assistance to the manufacturing sector, increase public awareness of NYC's manufacturing sector through targeted PR strategy and to strengthen Made in NYC's organizational capacity to achieve its mission.
- **MWBE Leadership Association.** This funding for this initiative provides for a range of services to increase the capacity of MWBEs, including guidance on government contracting for potential or City-certified MWBEs; assistance in connecting MWBEs to potential customers; aid in the development of bids and proposals; assistance in securing project financing and bonding; and the promotion and marketing of the City's MWBE program.
- **Neighborhood Development Grant Initiative.** This initiative helps meet the need for neighborhood-level economic development, job creation and retention and community investment. Funds can be used for any one of five purposes: (1) Business Attraction and Retention; (2) Merchant Organizing/Business Improvement District Formation; (3) District Marketing/Local Tourism Initiatives; (4) Placemaking/Plaza/Public Space, Activation/Public Art; and (5) Organizational Development/Project Management Support.
- **Worker Cooperative Business Development Initiative.** This initiative supports the creation of jobs in worker cooperatives by coordinating education and training resources and by providing technical, legal, and financial assistance. The initiative funds a comprehensive citywide effort to reach cooperative entrepreneurs, provide for the start-up of new worker cooperative small businesses, and assist existing cooperatives. The initiative offers workforce development and concrete skills for unemployed, underemployed and discouraged workers in high-needs neighborhoods.

Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant, or personal service provided to the City by means of a contract. The Contract Budget is actually a subset of the Other than Personal Services (OTPS) portion of the City's expense budget. The Administration prepares a contract budget twice each fiscal year. In January, it is prepared with the Departmental Estimates and in late April it is submitted to the Council with the Executive Budget.

The City's Contract Budget, as proposed, totals \$14.39 billion in Fiscal 2018, a decrease of 0.4 percent when compared to the Fiscal 2017 Adopted Budget of \$14.99 billion. By comparison, SBS' \$108.6 million contract budget for Fiscal 2018 is \$67.9 million, or 38.5 percent less than its Fiscal 2017 Adopted Contract Budget. The total number of contracts has also decreased from 71 in Fiscal 2017 to 69 in Fiscal 2018.

SBS Fiscal 2018 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	Fiscal 2017 Adopted	Number of Contracts	Fiscal 2018 Preliminary	Number of Contracts
Contractual Services General	\$91,350	37	\$49,118	35
Telecommunications Maintenance	14	2	12	2
Maintenance & Repair, General	1	1	1	1
Office Equipment Maintenance	139	1	139	1
Data Processing Equipment	15	1	15	1
Printing Contracts	36	2	36	2
Temporary Services	66	2	66	2
Cleaning Services	0	1	0	1
Economic Development	63,079	4	38,412	4
Training Programs for City Employees	73	5	67	5
Payments to Delegate Agencies	19,163	10	18,254	10
Professional Services: Computer Services	510	2	510	2
Professional Services: Direct Education Services	43	1	43	1
Professional Services: Other	2,060	2	1,949	2
TOTAL	\$176,550	71	\$108,621	69

The most significant changes in SBS' Fiscal 2018 Preliminary Contract Budget is the \$22.7 million decline in economic development contracts. This decrease results from federal community development funds which are not yet reflected in the Fiscal 2018 Budget. SBS expects to receive additional federal funding in the course of Fiscal 2018, which will cover some, if not all, of the decrease in contracts for NYCEDC. The remainder of the decrease in the Department's contract budget reflects the absence of funding for City Council initiatives and contracts for the MWBE Bond and Loan Programs.

The \$67.9 million difference in SBS' Contract Budget between the Fiscal 2018 Preliminary Budget and the Fiscal 2017 Adopted Budget is due to the following:

Contract Variance	Amount
SBS Contracts:	
Ave NYC Alignment	\$55,000
Legacy Business Support	(\$174,891)
Career Pathways CTL	\$209,850
CDBG-DR	(\$1,689,071)
Center for Economic Opportunity	(\$3,269,753)
Cool Roofs - Green Building	(\$191,894)
Disparity Study	(\$1,680,000)
BDD Program Management	(\$5,000)
Hire NYC in ReZoned Areas	\$800,000
Wage Adjustment	\$487,000
MWBE Tech Assistance	(\$750)
Operating Expense Alignment	(\$2,000)
Waterfront Permitting	\$145,000
General Operating	(\$9,000)
Neighborhood Development	(\$345,846)
Workforce Development Program	\$48,130
MWBE Bond & Loan	(\$19,700,000)
Food Pathway	\$130,000
WIA Business Solutions Centers	(\$909,130)
WIA Business Growth	\$130,000
WIA WE NYC	\$160,000
WIA FastTrac	\$440,000
NYC Business Acceleration	(\$284,973)
Women Entrepreneurs Support	(\$500)
Subtotal	(\$25,657,828)
Other Contracts:	
City Council (One-year funded Initiatives)	(\$17,743,519)
NYC Economic Development Corporation	(\$22,667,400)
TGI Operations	(\$1,859,407)
TOTAL	(\$67,928,154)

Program Areas

Agency Administration and Operations

The Administration and Operations program area includes executive and administrative personnel across all program areas, who provide capacity for the Department to function.

Agency Administration and Operations						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$289	\$237	\$218	\$218	\$218	\$0
Additional Gross Pay - Labor Reserve	68	7	0	0	0	0
Amounts to be Scheduled	0	0	0	165	300	300
Fringe Benefits	0	0	0	3	0	0
Full-Time Salaried - Civilian	5,992	6,296	6,929	6,671	7,153	224
Full-Time Salaried - Holding Code	0	0	0	17	34	34
Other Salaried	12	0	0	0	0	0
Overtime - Civilian	29	27	0	0	0	0
Unsalaries	623	626	664	717	666	1
Subtotal	\$7,014	\$7,193	\$7,811	\$7,791	\$8,370	\$559
Other Than Personal Services						
Contractual Services	\$1,115	\$1,074	\$1,470	\$1,355	\$1,650	\$180
Contractual Services - Professional Services	1	20	11	90	11	0
Fixed & Misc. Charges	2	1	2	4	4	2
Other Services & Charges	3,736	3,675	6,655	6,440	7,700	1,045
Property & Equipment	43	66	33	46	33	0
Supplies & Materials	62	64	430	307	430	0
Subtotal	\$4,959	\$4,900	\$8,601	\$8,241	\$9,827	\$1,227
TOTAL	\$11,974	\$12,093	\$16,411	\$16,032	\$18,198	\$1,786
Funding						
City Funds			\$11,026	\$10,571	\$12,812	\$1,786
Federal - Other			\$5,376	\$5,376	\$5,376	0
Intra City			\$10	\$10	\$10	0
State			\$0	\$75	\$0	0
TOTAL	\$11,974	\$12,093	\$16,411	\$16,032	\$18,198	\$1,786
Budgeted Headcount						
Full-Time Positions - Civilian	79	77	99	105	108	9

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget includes \$18.2 million for Agency Administration and Operations, which is \$1.8 million, or 11 percent more than the Fiscal 2017 Adopted Budget. The proposed budget for this program area represents 11 percent of SBS' total proposed budget for Fiscal 2018. The funding increase for this program area is mainly due to an increase in the Department's OTPS budget to cover general expenses for various initiatives. Notable budget actions that impacted the Agency Administration and Operations program area include \$500,000 for 'faith center OTPS' and \$1.7 million for 'waterfront permitting' (see pages 3 and 4 for details on the two budget actions).

Performance Measures

The Fiscal 2017 Preliminary Mayor's Management Report (PMMR) shows that in the first four months of Fiscal 2016 and Fiscal 2017, SBS responded to all letters and emails within 14 days of receiving them. The PMMR also shows a 46 percent drop in the number of letters sent to SBS in the first four months of Fiscal 2017 when compared to the same four-month period last fiscal year. However, the number of emails sent to the agency increased by more than 25 percent over the same period.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
CORE customer experience rating (0 - 100)	95	95	98	*	*	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	NA	2,351	7,281	*	*	NA	NA
Number of emails sent to an agency (through NYC.gov or a publicized agency email address)	2,113	2,602	1,289	*	*	502	628
Number of letters sent to an agency	308	381	381	*	*	150	81
Agency customers surveyed for overall customer satisfaction - Total	3,100	2,615	3,598	*	*	NA	NA

Business Development

SBS administers a variety of business development services, including the NYC Business Solutions Centers, Business Solutions Hiring & Training, Business Express, Microenterprise programs, and other direct business assistance services.

Business Development						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$151	\$148	\$61	\$61	\$61	\$0
Additional Gross Pay - Labor Reserve	67	0	0	0	0	0
Full-Time Salaried - Civilian	4,128	4,142	5,525	5,401	5,463	(62)
Overtime - Civilian	5	3	0	0	0	0
Unsalaries	244	255	268	268	268	0
Subtotal	\$4,596	\$4,548	\$5,854	\$5,731	\$5,792	(\$62)
Other Than Personal Services						
Contractual Services	\$56,193	\$67,887	\$29,375	\$39,142	\$8,451	(\$20,924)
Contractual Services - Professional Services	276	449	157	420	46	(111)
Fixed & Misc. Charges	1	10	0	11	10	10
Other Services & Charges	209	530	531	876	457	(74)
Property & Equipment	98	149	3	12	3	0
Supplies & Materials	30	29	36	18	16	(20)
Subtotal	\$56,808	\$69,054	\$30,102	\$40,478	\$8,983	(\$21,119)
TOTAL	\$61,403	\$73,601	\$35,957	\$46,209	\$14,776	(\$21,181)
Funding						
City Funds			\$27,132	\$34,195	\$7,126	(\$20,006)
Federal - Community Development			4,603	7,842	3,478	(1,126)
Federal - Other			4,221	4,172	4,172	(49)
TOTAL	\$61,403	\$73,601	\$35,957	\$46,209	\$14,776	(\$21,181)
Budgeted Headcount						
Full-Time Positions - Civilian	59	64	89	89	87	(2)

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget includes \$14.8 million for the Business Development program area, which is \$21.2 million or 59 percent less than the Fiscal 2017 Adopted Budget. The budget for this program area represents nine percent of SBS' total proposed budget for Fiscal 2018. The huge decline in funding for this program area reflects the absence of one-time City funding of \$19.7 million included in the Fiscal 2017 Adopted Budget for the MWBE Bond Surety and Loan Programs. Other minor decreases in the budget for other programs administered through this program area also contribute to the decline in the budget.

Performance Measures

The Fiscal 2017 Preliminary Mayor's Management Report shows a three percent drop in the number of unique businesses served by NYC Business Solution, down from 3,295 in the first four months of Fiscal 2016 to 3,201 in the first four months of Fiscal 2017. In the first four months of Fiscal 2017, NYC Business Solutions helped small businesses obtain 129 financing awards that totaled \$10.5 million. This represents a 55 percent decrease in the number of financing awards and a 57 percent decrease in the value of financing awards to small businesses when compared to the same four-month period last fiscal year. The Department attributes the sharp decline in the number and value of financing awards to disaster relief funding from the Hurricane Sandy Loan and Grant Program (HSBLG) that has been distributed to businesses in need. As result, SBS is now awarding funding at rates similar to before the start of HSBLG program.

In the first four months of Fiscal 2017, NYC Business Acceleration assisted in the opening of 25 percent or 86 fewer businesses, resulting in a 39 percent decline in the projected number of hires related to these businesses when compared to the first four months of Fiscal 2016. Also, the number of unique businesses served by NYC Business Acceleration decreased over six percent, from 1,803 in the first four months of Fiscal 2016 to 1,687 in the same four-month period of Fiscal 2017.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Unique businesses served by NYC Business Solutions	8,344	7,642	9,812	*	*	3,295	3,201
New businesses served by NYC Business Solutions	6,072	5,836	7,651	*	*	2,614	3,192
★ Financing awards to businesses facilitated by NYC Business Solutions	518	805	567	540	540	284	129
★ Unique businesses receiving financing awards facilitated by NYC Business Solutions	440	735	432	470	470	NA	NA
Value of financing awards facilitated by NYC Business Solutions (\$000)	\$44,811	\$64,799	\$44,983	*	*	\$24,036	\$10,450
Participants in business classes	6,309	6,494	5,201	*	*	2,042	2,279
★ Number of businesses opened by NYC Business Acceleration	757	854	915	↑	↑	339	253
Number of unique businesses served by NYC Business Acceleration	6,377	5,899	5,122	*	*	1,803	1,687
Projected number of hires by businesses opened by NYC Business Acceleration	13,090	12,037	12,759	*	*	5,428	3,319
Site consultations by NYC Business Acceleration inspectors	678	1,031	1,052	*	*	407	578

Contract Services: Economic Development Corporation

The New York City Economic Development Corporation (NYCEDC) is a non-city agency, local development corporation that is under contract with SBS. NYCEDC's mission is to produce jobs in the City by attracting and retaining businesses and encouraging the creation of capital projects. NYCEDC is funded through a contract with SBS. NYCEDC works with the private and public sectors on economic development initiatives that revitalize businesses, create jobs, and generate revenues for the City. In addition to corporate attraction and retention efforts, NYCEDC markets, sells, and leases city-owned commercial and industrial properties; plans and prepares sites for development through infrastructure improvement; carries out capital improvements in

neighborhood shopping districts and public spaces; and provides technical assistance to guide projects through the necessary public approval process. NYCEDC is also involved in property management and the development of the City's marine terminals, airports, heliports, rail yards, and industrial parks.

Contract Svcs: Economic Development Corp						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Other Than Personal Services						
Contractual Services	\$75,706	\$81,433	\$40,974	\$141,365	\$18,307	(\$22,667)
Fixed & Misc. Charges	21,023	9,208	0	0	0	0
Other Services & Charges	7,273	6,232	23,000	10,400	13,620	(9,380)
TOTAL	\$104,002	\$96,873	\$63,974	\$151,765	\$31,927	(\$32,047)
Funding						
City Funds			\$19,500	\$20,450	\$15,777	(\$3,723)
Federal - Community Development			33,712	106,196	6,759	(26,953)
Federal - Other			0	6,548	0	0
Intra City			10,733	15,217	7,375	(3,358)
Other Categorical			0	1,202	0	0
State			28	2,151	2,015	1,987
TOTAL	\$104,002	\$96,873	\$63,974	\$151,765	\$31,927	(\$32,047)

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Fiscal 2018 Preliminary Budget for Contract Services with NYCEDC is \$31.9 million, representing a decrease of \$32 million, or 50 percent from the Fiscal 2017 Adopted Budget. The proposed budget for this program area comprises 20 percent of SBS' total proposed spending for Fiscal 2018. The decrease in funding since Fiscal 2017 Adoption is driven mainly by \$26.9 million Federal Community Development Block Grants, which are not yet reflected in the Department's budget, and comprises a huge portion of this program area's funding stream. In addition to the decline in Federal Community Development Block Grants, there is also a \$3.7 million decline in City funds for this program area.

Contract Services: NYC&Co/Tourism Support

NYC & Company is the City's official tourism marketing organization dedicated to building NYC's economy and positive image through tourism and convention development, major events, and the marketing of NYC on a worldwide basis. SBS contracts with NYC & Company to support its work in promoting NYC as a premier tourist destination and its convention center.

Contract Svcs: NYC & Co/Tourism Support						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Other Than Personal Services						
Contractual Services	\$13,774	\$17,750	\$21,162	\$21,162	\$21,162	\$0
TOTAL	\$13,774	\$17,750	\$21,162	\$21,162	\$21,162	\$0
Funding						
City Funds			\$21,162	\$21,162	\$21,162	\$0
TOTAL	\$13,774	\$17,750	\$21,162	\$21,162	\$21,162	\$0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget includes \$21.2 million in City funds for Contract Services with NYC & Co Tourism Support, which is the same as the Fiscal 2017 Adopted Budget. The budget for this program area represents 13 percent of the Department's total Fiscal 2018 Preliminary Budget.

Contract Services: Other

This program area contains funding for services and programs administered by not-for-profit and other non-city agencies that are under contract with SBS and generally provide services citywide or for large scale projects.

Contract Svcs: Other						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Other Than Personal Services						
Contractual Services	\$13,445	\$14,685	\$16,789	\$18,240	\$14,930	(\$1,859)
Other Services & Charges	618	474	1,306	1,171	676	(630)
TOTAL	\$14,063	\$15,159	\$18,095	\$19,410	\$15,606	(\$2,489)
Funding						
City Funds			\$18,095	\$18,095	\$15,606	(\$2,489)
Federal - Other			0	1,316	0	0
TOTAL	\$14,063	\$15,159	\$18,095	\$19,410	\$15,606	(\$2,489)

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget include \$15.6 million for the contract services: other program area, which is \$2.5 million, or 14 percent below the Fiscal 2017 Adopted Budget. The budget for this program area represents ten percent of the Department's total Fiscal 2018 Preliminary Budget. The decrease in funding for this program area since the Fiscal 2017 Adopted Budget is mainly driven by a \$1.9 million decrease in City funds for TGI contracts.

Economic & Financial Opportunity: MWBE

New York City's Minority and Women-Owned Business Enterprise (MWBE) program fosters the growth of the minority and women-owned businesses in the City. The program certifies and recertifies businesses as MWBEs and provides procurement and technical assistance to better prepare MWBEs to win City contracts.

Economic & Financial Opportunity: MWBE						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$78	\$78	\$35	\$35	\$35	\$0
Additional Gross Pay - Labor Reserve	16	5	0	0	0	0
Full-Time Salaried - Civilian	1,401	1,965	2,318	2,770	3,224	906
Unsalaries	112	112	46	46	46	0
Subtotal	\$1,607	\$2,160	\$2,399	\$2,851	\$3,305	\$906
Other Than Personal Services						
Contractual Services	\$1,382	\$1,697	\$4,268	\$4,029	\$1,981	(\$2,287)
Contractual Services - Professional Services	331	162	0	87	0	0
Fixed & Misc. Charges	1	4	0	7	7	7
Other Services & Charges	34	224	5	2,190	1,562	1,558
<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference

	Actual	Actual	Adopted	2017	2018	2017 - 2018
Property & Equipment	\$5	\$14	\$1	\$2	\$1	\$0
Supplies & Materials	25	38	45	13	45	0
Subtotal	\$1,778	\$2,139	\$4,318	\$6,328	\$3,596	(\$722)
TOTAL	\$3,385	\$4,299	\$6,718	\$9,179	\$6,901	\$183
Funding						
City Funds			\$6,718	\$9,179	\$6,901	\$183
TOTAL	\$3,385	\$4,299	\$6,718	\$9,179	\$6,901	\$183
Budgeted Headcount						
Full-Time Positions - Civilian	24	30	35	50	50	15
TOTAL	24	30	35	50	50	15

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Department's Fiscal 2018 Preliminary Budget for the Economic & Financial Opportunity: MWBE program area is \$6.9 million, which is \$183,000, or three percent more than the Fiscal 2017 Adopted Budget. The budget for this program area comprises four percent of the Department's total Fiscal 2018 Budget. The increase in funding for this program area since the Fiscal 2017 Adopted Budget reflects increases of \$1.7 million for MWBE New Needs and \$750,000 for MWBE Consulting Services (see page 3 for details on these budget actions). These increases are largely offset by the absence of two non-baselined items – the MWBE Disparity Study and City Council funds. The MWBE Disparity Study, for which \$1.7 million was budgeted in Fiscal 2017, is not in the Fiscal 2018 budget because it is a one-time study. A total of \$600,000 in City Council discretionary funds were designated through the MWBE Leadership Initiative at adoption and like all Council discretionary funding, does not appear in subsequent years. The headcount for this program area has increases by 15 positions since the Fiscal 2017 Adopted Budget (See page 3, under 'MWBE New Needs,' for details on the new 15 positions).

Performance Measures

The Fiscal 2017 Preliminary Mayor's Management Report shows a 35 percent increase in the number of newly certified and recertified businesses with the MWBE Program in the first four months of Fiscal 2017 when compared to the first four months of Fiscal 2016. This resulted in a 12 percent increase in the total number of businesses certified with the MWBE program – from 4,221 in the first four months of Fiscal 2016 to 4,722 in the same four-month period of Fiscal 2017.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
★ Total Minority and Women-owned Business Enterprises certified	3,783	4,115	4,516	4,651	4,651	4,221	4,722
★ Minority and Women-owned Business Enterprises awarded City contracts	684	902	1,011	920	920	NA	NA
★ M/WBEs awarded contracts after receiving procurement and capacity building assistance	472	613	723	625	625	NA	NA
★ Annual M/WBE recertification rate	60.4%	60.4%	53.4%	60.0%	60.0%	NA	NA
Newly certified businesses in M/WBE Program	923	1,003	1,030	*	*	350	473
Instance of firms receiving procurement and capacity building assistance	1,963	2,521	4,136	*	*	NA	NA

Economic & Financial Opportunity: Labor Services

Funding for this program area is used to monitor Equal Employment Opportunity compliance and workforce diversity requirements within specific business sectors.

Economic & Financial Opportunity: Labor Services						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$21	\$15	\$1	\$1	\$1	\$0
Additional Gross Pay - Labor Reserve	4	0	0	0	0	0
Full-Time Salaried - Civilian	305	254	240	240	244	4
TOTAL	\$330	\$270	\$241	\$241	\$245	\$4
Funding						
City Funds			\$43	\$43	\$46	\$4
Federal - Other			198	198	198	0
TOTAL	\$330	\$270	\$241	\$241	\$245	\$4
Budgeted Headcount						
Full-Time Positions - Civilian	4	2	4	4	4	0
TOTAL	4	2	4	4	4	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget includes \$245,000 for the Economic & Financial Opportunity: Labor Services program area, which is \$4,000, or two percent more than the Fiscal 2017 Adopted Budget of \$241,000. The budget for this program area comprises less than one percent of the Department's total Fiscal 2018 Budget.

Neighborhood Development

The Neighborhood Development program works to develop the City's business districts by encouraging the creation of Business Improvement Districts (BIDs) and other neighborhood organizations – the City's existing 72 BIDS are served through this program area. The program also works to improve the physical conditions of neighborhoods.

Neighborhood Development						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$36	\$22	\$4	\$4	\$4	\$0
Additional Gross Pay - Labor Reserve	11	1	0	0	0	0
Full-Time Salaried - Civilian	1059	1549	1916	1916	1919	3
Unsalaries	12	298	393	1018	323	(70)
Subtotal	\$1,118	\$1,871	\$2,313	\$2,938	\$2,246	(\$67)
Other Than Personal Services						
Contractual Services	\$3,036	\$4,641	\$13,223	\$8,958	\$4,465	(\$8,758)
Contractual Services - Professional Services	59	538	0	293	0	0
Fixed & Misc. Charges	0	4	0	4	4	4
Other Services & Charges	14	59	2	84	2	0
Property & Equipment	0	427	9	32	9	0
Supplies & Materials	10	29	10	18	10	0
Subtotal	\$3,120	\$5,697	\$13,244	\$9,389	\$4,489	(\$8,755)
TOTAL	\$4,238	\$7,568	\$15,556	\$12,327	\$6,735	(\$8,821)

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Funding						
City Funds			\$13,353	\$7,711	\$4,529	(\$8,824)
Federal - Community Development			2203	2972	2206	3
Federal - Other			0	1644	0	0
TOTAL	\$4,238	\$7,568	\$15,556	\$12,327	\$6,735	(\$8,821)
Budgeted Headcount						
Full-Time Positions - Civilian	13	22	24	24	24	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Fiscal 2018 Preliminary Budget for Neighborhood Development is \$6.7 million, representing a decrease of \$8.8 million, or 57 percent from the Fiscal 2017 Adopted Budget. The budget for the Neighborhood Development program area comprises four percent of SBS' total proposed budget for Fiscal 2018. The decrease in funding since the Fiscal 2017 Adopted Budget reflect the absence of \$8.4 million in City Council funding for initiatives. It also reflects minor decreases in the budget for other programs administered by the Department's Neighborhood Development Division.

Performance Measures

The Fiscal 2017 Preliminary Mayor's Management Report shows a 14 percent increase in the number of City block faces that were provided supplemental sanitation services through BIDs – from 3,562 in the first four months of Fiscal 2016 to 4,044 in the first four months of Fiscal 2017.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
★ City blocks receiving supplemental sanitation services through BIDs	1,480	3,562	3,600	3,800	3,800	3,562	4,044
★ Average acceptably clean BID sidewalk ratings (%)	96.5%	96.1%	96.8%	97.0%	97.0%	96.2%	97.9%
Value of AvenueNYC local development corporations funding (\$000,000)	\$1.38	\$1.38	\$1.30	*	*	NA	NA
Business Improvement Districts formed	2	2	1	*	*	NA	NA
Business Improvement Districts in planning	10	10	25	*	*	NA	NA
Total Business Improvement District funds spent on sanitation/maintenance (\$ '000)	\$28,207	\$26,840	\$31,313	*	*	NA	NA
Average acceptably clean BID street ratings (%)	95.2%	93.5%	97.1%	*	*	96.9%	95.7%
Local Development Corporations receiving AvenueNYC grants	39	40	36	*	*	NA	NA

Workforce Development: One Stop Centers

The Workforce Development: One Stop Centers program area covers the City's Workforce1 Career Centers operated by SBS through contracts with providers. The Workforce1 Career Centers provide job placement assistance, career advisement, job search counseling, and referrals to skills training.

Workforce Development: One Stop Centers						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$0	\$24	\$0	\$0	\$0	\$0
Additional Gross Pay - Labor Reserve	0	1	0	0	0	0
Full-Time Salaried - Civilian	0	908	2,449	2,449	2,450	1
Unsalaries	0	277	0	0	0	0
Subtotal	\$0	\$1,209	\$2,449	\$2,449	\$2,450	\$1

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Other Than Personal Services						
Contractual Services	\$21,583	\$24,447	\$25,699	\$26,391	\$25,908	\$210
Contractual Services - Professional Services	0	8	0	13	0	0
Other Services & Charges	2,180	3,379	0	3,166	0	0
Subtotal	\$23,763	\$27,833	\$25,699	\$29,569	\$25,908	\$210
TOTAL	\$23,763	\$29,043	\$28,147	\$32,018	\$28,358	\$211
Funding						
City Funds			\$1,788	\$1,788	\$2,000	\$211
Federal - Other			21,239	25,109	21,239	0
Intra City			5,120	5,120	5,120	0
TOTAL	\$23,763	\$29,043	\$28,147	\$32,018	\$28,358	\$211
Budgeted Headcount						
Full-Time Positions - Civilian	0	14	13	13	13	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Fiscal 2018 Preliminary Budget for the Workforce Development: One Stop Centers program area is \$28.4 million, which is \$211,000, or one percent more than the Fiscal 2017 Adopted Budget. The budget for this program area represents 18 percent of SBS’ total proposed budget for Fiscal 2018. The increase in funding since the Fiscal 2017 Adopted Budget reflect increases in City funding for the Career Pathways initiative. Federal funding comprises the majority (75 percent) of the funding for this program area.

Performance Measures

The following performance measures are highlighted in the Preliminary Mayor’s Management Report (PMMR) for the Workforce Development: One Stop Centers Division. In the first four months of Fiscal 2017, the number of customer visits to Workforce1 Centers dropped by close to five percent when compared to the number for the same four-month period of Fiscal 2016. The decline in the number of customer visits led to a three percent drop in the number of unique first-time jobseekers registered through the Workforce1 System, down from 19,427 in the first four months of Fiscal 2016 to 18,893 in the same four-month period of Fiscal 2017. Also, the number of job placements and promotions through the Workforce1 System decreased eight percent from 8,947 in the first four months of Fiscal 2016 to 8,253 in the same four-month period of Fiscal 2017.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
★ Workforce1 systemwide job placements	36,097	26,952	28,455	25,000	25,000	8,947	8,253
New jobseekers registered through the Workforce1 Career Center system	82,619	55,133	55,647	*	*	19,427	18,893
Walk-in traffic at Workforce1 Centers	367,695	266,663	273,753	*	*	96,024	91,647
Established job placement targets met by vendors in the Workforce1 System (%)	42%	46%	41%	*	*	NA	NA
Unique customers served	NA	NA	57	*	*	20	13

Workforce Development: Program Management

The Workforce Development: Program Management program area covers the administration, management and design of Workforce Development Services.

Workforce Development: Program Management						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$277	\$110	\$34	\$34	\$34	\$0
Additional Gross Pay - Labor Reserve	50	3	0	0	0	0
Full-Time Salaried - Civilian	3,106	2,177	2,599	2,599	2,533	(66)
Unsalaries	883	695	910	910	910	0
Subtotal	\$4,316	\$2,985	\$3,543	\$3,543	\$3,477	(\$66)
Other Than Personal Services						
Contractual Services	\$7,990	\$12,300	\$4,143	\$11,651	\$4,418	\$275
Contractual Services - Professional Services	255	165	2,445	248	2,445	0
Fixed & Misc. Charges	2	1	0	1	1	1
Other Services & Charges	183	318	2,671	1,173	364	(2,307)
Property & Equipment	11	151	5	43	5	0
Supplies & Materials	12	3	42	9	41	(1)
Subtotal	\$8,452	\$12,938	\$9,306	\$13,125	\$7,274	(\$2,032)
TOTAL	\$12,768	\$15,923	\$12,849	\$16,668	\$10,750	(\$2,099)
Funding						
City Funds			\$4,989	\$12,030	\$3,789	(\$1,200)
Federal - Community Development			948	1,170	0	(948)
Federal - Other			6,912	3,467	6,961	49
TOTAL	\$12,768	\$15,923	\$12,849	\$16,668	\$10,750	(\$2,099)
Budgeted Headcount						
Full-Time Positions - Civilian	33	28	37	37	36	(1)

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Department's Fiscal 2018 Preliminary Budget includes \$10.8 million for the Workforce Development: Program Management program area, which is \$2.1 million, or 16 percent less than the Fiscal 2017 Adopted Budget of \$12.8 million. The budget for this program area represents seven percent of SBS' total proposed budget for Fiscal 2018. The decrease in this program area's budget reflects \$2.3 million in OTPS savings relating to this program area and a \$870,000 decrease in CDBG funding for the Sandy Recovery Voucher Program and Workforce1 Centers. These decreases are offset by a reallocation of \$800,000 HireNYC funds from Fiscal 2017 to Fiscal 2018, and a \$487,000 increase resulting from wage adjustments.

Workforce Development: Training

SBS offers a range of training programs for adult jobseekers and dislocated workers, including services obtained through individual training grants. Trainees acquire new skills that both increase their compensation in their current jobs and their employability and earning power over the long term.

Workforce Development: Training						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Additional Gross Pay	\$31	\$5	\$0	\$0	\$0	\$0
Additional Gross Pay - Labor Reserve	4	1	0	0	\$0	0
Full-Time Salaried - Civilian	403	339	423	423	\$4	(419)
Subtotal	\$438	\$345	\$423	\$423	\$4	(\$419)
Other Than Personal Services						
Contractual Services	\$10,736	\$8,502	\$8,118	\$8,286	\$4,849	(\$3,270)
Other Services & Charges	104	68	0	0	0	0
Property & Equipment	0	1	0	0	0	0
Subtotal	\$10,840	\$8,571	\$8,118	\$8,286	\$4,849	(\$3,270)
TOTAL	\$11,278	\$8,916	\$8,541	\$8,708	\$4,852	(\$3,689)
Funding						
City Funds			\$7,598	\$7,766	\$3,909	(\$3,689)
Federal - Other			943	943	943	0
TOTAL	\$11,278	\$8,916	\$8,541	\$8,708	\$4,852	(\$3,689)
Budgeted Headcount						
Full-Time Positions - Civilian	5	5	6	6	0	(6)

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Fiscal 2018 Preliminary Budget for Workforce Development: Training is \$4.9 million, which is \$3.7 million, or 43 percent less than the Fiscal 2017 Adopted Budget of \$8.5 million. The budget represents three percent of the Department's total proposed budget for Fiscal 2018. The \$8.5 million decrease in the budget for this program area results from decreases in City funds for various programs administered by the Center for Economic Opportunity (CEO).

Performance Measures

The Fiscal 2017 Preliminary Mayor's Management Report shows that in the first-four months of Fiscal 2017, approximately 889 Workforce1 registered customers enrolled in training programs – a 23 percent increase from 726 customers the prior year. Compared to the prior year, the number of businesses that received funding to provide employer-based training programs to employees in the first four months of Fiscal 2017 dropped by seven, or 35 percent.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
★ Customers enrolled in training	NA	NA	3,649	↑	↑	726	889
★ Businesses awarded funding for employer-based training	NA	NA	57	*	*	20	13

Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
SBS Budget as of the Adopted 2017 Budget	\$140,120	\$96,247	\$236,367	\$89,718	\$123,042	\$212,760
New Needs						
Bus Program	\$1,473	\$0	\$1,473	\$0	\$0	\$0
MWBE Consulting Services for MOCS	750	0	750	750	0	750
OER - Clean Soil Bank New Needs	240	0	240	245	0	245
Faith Center OTPS	350	0	350	500	0	500
MWBE New Needs	1,782	0	1,782	1,711	0	1,711
TGI Ferry Inspection and Repair	176	0	176	0	0	0
Waterfront Permitting	117	0	117	179	0	179
Subtotal, New Needs	\$4,888	\$0	\$4,888	\$3,385	\$0	\$3,385
Other Adjustments						
Allocation of TGI Expense PWs	-	\$1,215	\$1,215	-	-	-
Bus PREP Rollover	-	(18)	(18)	-	(65)	(65)
CDBG FY16 Roll	-	8,778	8,778	-	-	-
Continues Flood MOU Funding	-	1,000	1,000	-	-	-
Cool Roofs Green Bldg Savings	(192)	-	(192)	(192)	-	(192)
Division of Business Services - Support	(217)	-	(217)	(100)	-	(100)
DOITT/EDC MOU for Media Center	-	530	530	-	-	-
EDC Design Study	3,000	10	3,010	3,000	-	3,000
FEMA 428 - Homeport Demolition	-	2,521	2,521	-	-	-
Funds Flood Protection MOU	-	1,000	1,000	-	-	-
FY17 Increase over count	-	26,458	26,458	-	-	-
Hire NYC Reallocation	(1,600)	-	(1,600)	800	-	800
HRO	-	(8,021)	(8,021)	-	-	-
HRO FY16 Roll	-	43,596	43,596	-	-	-
Hunts Point	-	(2,463)	(2,463)	-	-	-
Jamaica Hotel	-	1,202	1,202	-	-	-
Legacy Business Support Savings	-	-	-	(80)	-	(80)
Lower Manhattan Coastal Study	-	3,850	3,850	-	-	-
Member Item Reallocation	307	-	307	-	-	-
NDD - Neighborhood Investment	(285)	-	(285)	(248)	-	(248)
Neighborhood Dev. Div. Savings	(177)	-	(177)	(112)	-	(112)
NYBDC Budget Rollover	-	3,259	3,259	-	-	-
OER Brownfield Fund B/C Z031	(180)	-	(180)	-	-	-
OER Clean Soil Bank (CSB) Web-based Dashboard Reallocation	(90)	-	(90)	90	-	90
OER Staff Development Reallocation (DEP)	(20)	-	(20)	(20)	-	(20)
Other Adjustments	(57)	6,517	6,460	186	(35)	151
PS Vacancy Savings	(200)	-	(200)	-	-	-
RAISE	-	-	-	-	-	-
Raise the Shoreline	-	(1,125)	(1,125)	-	(58,000)	(58,000)
Realizing	(2,000)	2,000	-	(2,000)	2,000	-
Red Hook Resiliency	-	2,142	2,142	-	-	-
RISE	-	1,489	1,489	-	(1,090)	(1,090)
Rockaway Ferries	-	620	620	-	-	-
Saw Mill Creek	-	(78)	(78)	-	-	-
Subtotal, Other Adjustments	(\$2,017)	\$94,482	\$92,465	\$554	(\$57,190)	(\$56,636)
TOTAL, All Changes	\$2,871	\$94,482	\$97,353	\$3,939	(\$57,190)	(\$53,251)
SBS Budget, Preliminary 2018 Budget	\$142,991	\$190,729	\$333,719	\$93,657	\$65,852	\$159,509

Appendix C: SBS Reconciliation of Program Areas to Units of Appropriation

<i>Dollars in Thousands</i>	Personal Services			Other Than Personal Services					Grand Total
	001	004	010	002	005	006	011	012	
Agency Administration and Operations	\$8,370	\$0	\$0	\$9,827	\$0	\$0	\$0	\$0	\$18,198
Business Development	5,792	0	0	5,519	0	0	3,464	0	14,776
Contract Svcs: Economic Development Corp	0	0	0	0	0	31,927	0	0	31,927
Contract Svcs: NYC&Co / Tourism Support	0	0	0	0	0	0	0	21,162	21,162
Contract Svcs: Other	0	0	0	0	0	0	0	15,606	15,606
Economic & Financial Opportunity: M/WBE	0	3,305	0	0	3,596	0	0	0	6,901
Economic & Financial Oppty: Labor Svcs	0	245	0	0	0	0	0	0	245
MO Film, Theatre, and Broadcasting	0	0	0	0	0	0	0	0	0
MO Industrial & Manufacturing Businesses	0	0	0	0	0	0	0	0	0
Neighborhood Development	2,246	0	0	4,489	0	0	0	0	6,735
Workforce Development: One Stop Centers	0	0	2,450	0	0	0	25,908	0	28,358
Workforce Development: Program Management	337	0	3,140	0	0	0	7,274	0	10,750
Workforce Development: Training	0	0	4	0	0	943	3,906	0	4,852
Workforce Development: WIB and Other	0	0	0	0	0	0	0	0	0
Grand Total	\$16,745	\$3,550	\$5,594	\$19,836	\$3,596	\$32,870	\$40,552	\$36,767	\$159,509