

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

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Chair, Committee on Small Business Services



Report on the Fiscal 2017 Preliminary Budget and the Fiscal 2016 Preliminary Mayor's Management Report Department of Small Business Services

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Department of Small Business Services Overview

The Department of Small Business Services (SBS or the Department) supports the formation and growth of the City's small businesses and promotes neighborhood development, as well as oversees the City's adult workforce development program. SBS enhances services offered to the business community by working with other governmental agencies and public utilities.

This report provides a review of the Department of Small Business Services' Preliminary Budget for Fiscal 2017. In the first section, the highlights of the agency's \$172.1 million Fiscal 2017 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 2016. 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.

A significant portion of SBS' budget represents funds for the New York City Economic Development Corporation (NYCEDC) whose non-capital related expenses flow through the contract budget of SBS. Greater detail about NYCEDC's budget can be found in the NYCEDC budget report.

Fiscal 2017 Preliminary Budget Highlights

The City's Fiscal 2017 Preliminary Budget is \$82.1 billion, 4.6 percent more than the Fiscal 2016 Adopted Budget of \$78.5 billion. SBS' Fiscal 2017 Preliminary Budget is \$172.1 million (including City and non-City funds), 34 percent less than the Fiscal 2016 Adopted Budget of \$262 million. This \$89.9 million decrease in the Fiscal 2017 Preliminary Budget is largely due to a decline in contracts with NYCEDC. Excluding that change, SBS' budget would see a net increase of \$1.3 million.

SBS Expense Budget						
	2014	2015	2016	Preliminary Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2016	2017	2016 - 2017
Personal Services	\$18,498	\$19,626	\$23,345	\$24,063	\$23,806	\$461
Other Than Personal Services	183,812	253,833	238,678	372,938	148,341	(90,337)
TOTAL	\$202,310	\$273,458	\$262,023	\$397,002	\$172,147	(\$89,876)

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

Although it represents an overall decline from the level forecast in the Fiscal 2016 Adopted Budget, the Fiscal 2017 Preliminary Budget includes a net increase of \$38.7 million in budget action in Fiscal 2017 when comparing the two. This includes \$27.2 million in new needs and \$11.5 million in other adjustments¹.

Beyond the shift in NYCEDC contracts, the biggest change in SBS' budget came from the addition of \$20 million to establish the MWBE Bond Surety Fund and Loan Program.

¹ See Appendix A for a list of all changes to the Fiscal 2016 and 2017 Budgets since Fiscal 2016 Budget Adoption.

Certified MWBE firms have repeatedly cited access to capital and difficulty obtaining bonding as barriers to entry that prevent them from obtaining contracts. In order to address these barriers, the Mayor decided to establish the Bond Surety Fund, and Loan program to help MWBEs to compete for City contracts.

The Fiscal 2017 Preliminary Plan includes \$100,000 in Fiscal 2016 and \$9.9 million in Fiscal 2017 for the MWBE Bond Surety Fund. The Bond Surety Fund will assist certified MWBEs secure bonding in order to be able to bid on and take up City projects, in accordance with New York State laws which require MWBEs to secure surety bonds before they are awarded contracts via City procurement or development. The Fund will be used to provide a percentage of the collateral required by sureties when firms apply for bonding, likely capped at 25 percent collateral.

The Fiscal 2017 Preliminary Plan also includes \$100,000 in Fiscal 2016 and \$9.9 million in Fiscal 2017 for the MWBE Loan Program. The Loan Program will provide low-interest loans to all City-certified MWBEs, who otherwise are unable to obtain such financing. Funds from this program will serve as working capital, whether it is related to contracts or developments, which will enable firms to make necessary up-front investments.

SBS will release Request for Proposals (RFPs) for both the Bond Surety Fund and the Loan Program to obtain consultants for their design and administration. Both programs will be established as revolving funds which will require a return of funds so that other firms can also take advantage. The City will explore whether it is feasible for the funds from both programs to also support private projects that meet City policy objectives.

The following are some of the other key budget changes included in the Fiscal 2017 Preliminary Plan:

- **School Bus Program.** The school bus program supports the employment of experienced school bus workers who were impacted by changes in the Department of Education's contracts for school bus transportation. The program, as established by Local Law 44 of 2014, provides grants to certain contracted or subcontracted transportation companies if they employ school bus drivers, attendants, dispatchers and mechanics in the 2014-2015 school year who were also employed as of June 30, 2014 and who: 1) were paid an hourly rate in the 2014-2015 school year that is less than what they were paid in the 2013-2014 school year; or 2) were on, or were eligible to be on, the master seniority lists as of June 30, 2014 and were paid a lower hourly rate in the 2014-2015 school year than they were paid dating to their placement on master seniority lists. Funds from this program are used to cover the difference in wages paid and other benefits provided by the bus companies that hire such employees. For the 2015-2016 school year, SBS disbursed a total \$27 million in Fiscal 2015 towards the grant program. To continue with the program in the 2015-2016 school year, the Administration included \$28.8 million in Fiscal 2016 and \$113,000 in Fiscal 2017 in the Fiscal 2017 Preliminary Plan.
- **NYC & Company Funding.** The Fiscal 2017 Preliminary Plan includes \$6 million in Fiscal 2017 through Fiscal 2020 to fund NYC & Company, the City's quasi-public tourism arm. These funds will enable the group to maintain its current levels of services, in line with its Fiscal 2016 budget.

- **Small Business First Portal.** Small Business First is an inter-agency collaboration that launched 30 initiatives to reduce the burden of regulation on small businesses and cut government bureaucracy to make it easier for New York City small businesses to start, operate, and thrive. The Fiscal 2017 Preliminary Plan includes \$140,000 in Fiscal 2016, \$630,000 in Fiscal 2017, and \$180,000 annually in the outyears to fund an online business portal for the Small Business First Program. The portal will give business owners easy access to city information and other resources.
- **Governor's Island (TGI) Operating Funding.** The Fiscal 2017 Preliminary Plan includes \$2.5 million in Fiscal 2016, \$84,000 in Fiscal 2017, \$144,000 in Fiscal 2018, \$206,000 in Fiscal 2019, and \$268,000 in Fiscal 2020 for operation expenses at Governor's Island. In Fiscal 2016, the funds will cover extraordinary maintenance costs incurred during the year, such as electrical outage costs (incurred through generators, fuel, overtime, etc.), repairs to the ferry terminal lift bridges/docks, and contract cost increases for the main ferry service operator and other employees. In Fiscal 2017 and the outyears, the additional funds will cover increases in minor Personal Service (PS) expenses for staff of the trust, and a minor increase in utility expenses at the Battery Maritime Building.

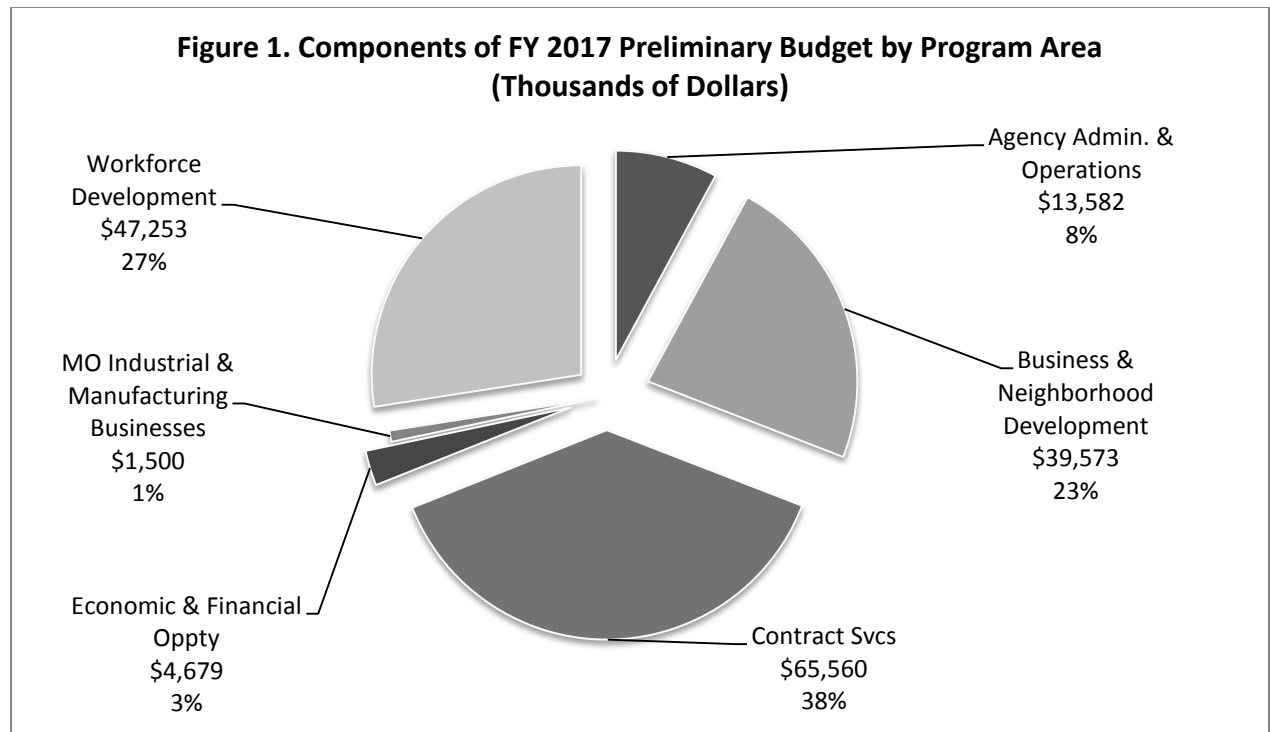
Other big changes in the Fiscal 2017 Preliminary Plan for SBS include increases of \$2.1 million in Fiscal 2016 for economic development studies, \$2.8 million in Fiscal 2016 to fund three One City projects, \$13.1 million in Fiscal 2016 for the NYC Housing Recovery Office, and \$10.3 million in Fiscal 2016 for Dewberry (HRO). See the NYCEDC budget report for more on these changes.

Financial Summary

SBS Financial Summary						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services	\$18,498	\$19,626	\$23,345	\$24,063	\$23,806	\$461
Other Than Personal Services	183,812	253,833	238,678	372,938	148,341	(90,337)
TOTAL	\$202,310	\$273,458	\$262,023	\$397,002	\$172,147	(\$89,876)
Budget by Program Area						
Agency Administration and Operations	\$11,459	\$11,974	\$13,415	\$13,510	\$13,582	\$167
Business Development	12,440	61,403	12,983	64,107	32,659	19,676
Contract Svcs:Economic Development Corp	82,888	104,002	126,145	207,279	34,921	(91,223)
Contract Svcs: NYC&Co / Tourism Support	12,262	13,774	17,750	17,750	18,262	512
Contract Svcs:Other	17,222	14,063	12,076	15,983	12,377	301
Economic & Financial Opportunity: M/WBE	3,551	3,385	6,721	6,701	4,438	(2,283)
Economic & Financial Oppty: Labor Svcs	296	330	199	228	241	42
MO Film, Theatre, and Broadcasting	566	6,023	0	975	0	0
MO Industrial & Manufacturing Businesses	1,155	1,397	1,500	1,623	1,500	0
Neighborhood Development	4,040	4,238	15,163	10,856	6,914	(8,250)
Workforce Development: One Stop Centers	26,764	23,763	26,323	29,117	26,906	584
Workforce Development: Program Management	11,609	12,768	11,907	18,996	11,485	(422)
Workforce Development: Training	9,508	11,278	8,534	9,879	8,861	327
Workforce Development: WIB and Other	8,550	5,061	9,309	0	0	(9,309)
TOTAL	\$202,310	\$273,458	\$262,023	\$397,002	\$172,147	(\$89,876)
Funding						
City Funds			\$107,983	\$142,325	\$102,723	(\$5,261)
Other Categorical			56	56	56	0
State			125	2,280	28	(97)
Federal - Community Development			109,109	179,490	17,838	(91,271)
Federal - Other			38,889	48,465	38,889	0
Intra City			5,861	24,384	12,613	6,752
TOTAL	\$202,310	\$273,458	\$262,023	\$397,002	\$172,147	(\$89,876)
Budgeted Headcount						
Full-Time Positions - Civilian	215	217	294	298	295	1
Full-Time Equivalent Positions	43	40	35	35	35	0
TOTAL	258	257	329	333	330	1

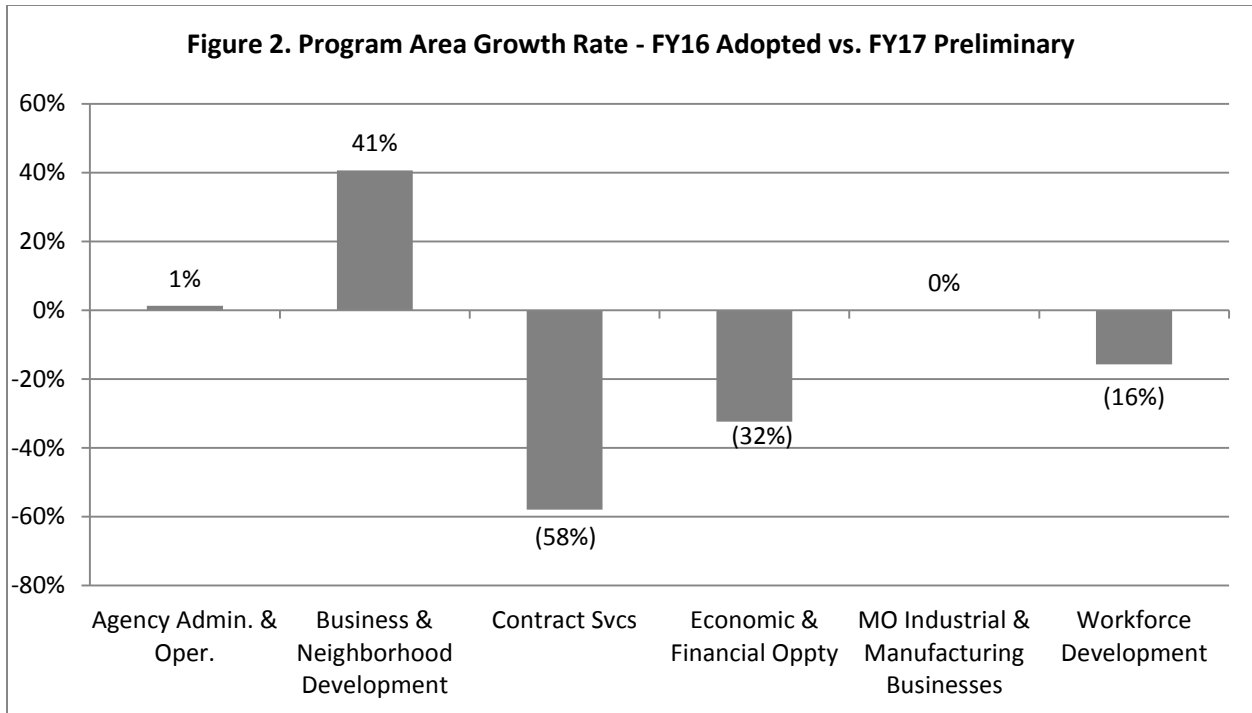
**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

As shown in the chart below, SBS' budget is largely focused in three general program areas: Contract Services, which funds contracts with the Economic Development Corporation, NYC & Company, and other not-for-profit and non-City agencies; Workforce Development; and Business & Neighborhood Development. Together, these program areas comprise approximately 88.5 percent of the agency's budget.



The \$65.6 million budgeted for Contract Services is \$90.4 million, or 58 percent less than its Fiscal 2016 Adopted Budget of \$156 million. This huge decline is due to a 72 percent drop in Contract Services with the New York City Economic Development Corporation, partially offset by three percent and two percent increases in contract services with NYC & Company, and other not-for-profit and non-City agencies respectively. The Fiscal 2017 Preliminary Budget for Economic & Financial Opportunity represents a 32 percent decline from the Fiscal 2016 Adopted Budget of \$6.9 million. The decline is due to a 34 percent decline in the budget for Minority and Women-Owned Business Enterprise (MWBE), offset by a 21 percent increase in Labor Services. The Fiscal 2017 Preliminary Budget for Workforce Development is \$8.8 million or 16 percent less than the Fiscal 2016 Adopted Budget of \$56.1 million. The Business and Neighborhood Development programs together have increased 41 percent or \$11.4 million in the Fiscal 2017 Preliminary Budget when compared to the Fiscal 2016 Adopted Budget². See Figure 2 on the next page for more on the growth rate of SBS' program area budgets from the Fiscal 2016 Adopted Budget to the Fiscal 2017 Preliminary Budget.

² See discussion on individual program areas for more information on the changes in the budget



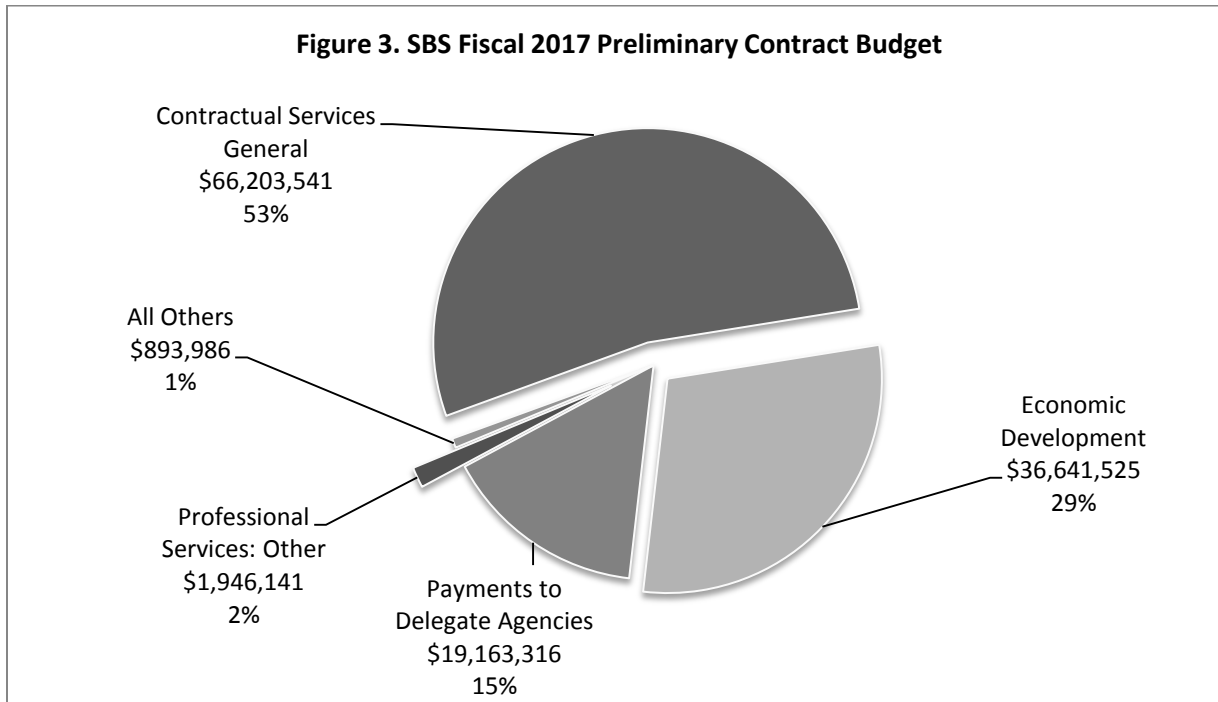
Contract Budget

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 \$13.16 billion in Fiscal 2017, a decrease of 0.5 percent when compared to the Fiscal 2016 Adopted Budget of \$13.2 billion. By comparison, SBS' \$124.8 million contract budget for Fiscal 2017 is 27 percent less than the Department's Fiscal 2016 Adopted Contract Budget. However, despite this decline, the total number of contracts for Fiscal 2017 remains at 68, the same figure for the current fiscal year.

SBS Fiscal 2017 Preliminary Contract Budget				
Category	Fiscal 2016 Adopted	Number of Contracts	Fiscal 2017 Preliminary	Number of Contracts
Contractual Services General	\$65,287,522	34	\$66,203,541	34
Telecommunications Maintenance	10,000	2	11,200	2
Maintenance & Repair, General	1,200	1	1,200	1
Office Equipment Maintenance	139,075	1	139,075	1
Data Processing Equipment	15,000	1	15,000	1
Printing Contracts	36,500	2	36,200	2
Temporary Services	65,500	2	65,500	2
Cleaning Services	111	1	111	1
Economic Development	83,922,684	4	36,641,525	4
Training Programs for City Employees	72,500	5	72,500	5
Payments to Delegate Agencies	19,163,316	10	19,163,316	10
Professional Services: Computer Services	510,000	2	510,000	2
Professional Services: Direct Education Services	53,200	1	43,200	1
Professional Services: Other	1,946,141	2	1,946,141	2
TOTAL	\$171,222,749	68	\$124,848,509	68

Figure 3 shows a breakdown of the Department’s Fiscal 2017 Preliminary Contract Budget.



The \$46.4 million difference in SBS’ Contract Budget between the Fiscal 2017 Preliminary Budget and Fiscal 2016 Adopted Budget is due to the following:

Contract Variance	
SBS Contracts:	
Ave NYC Alignment	(\$75,000)
Business Basics	(10,000)
Career Pathways CTL	580,550
CDBG-DR	355,702
Center for Economic Opportunity	324,500
Cool Roofs - Green Building	78,078
Disparity Study	(1,500,000)
Governor's Island	274,150
Industrial Business Study	(60,000)
Legacy Business Support	(267,023)
MWBE Bond & Loan	19,800,000
MWBE Local Law 1	(150,000)
MWBE Tech Assistance	705,000
Neighborhood Investment	213,500
NYC & Co	512,259
NYC Business Acceleration	(961,958)
OTPS Adjustment	(3,000)
Women Entrepreneurs Support	(5,500)
Subtotal	19,811,258
Other Contracts:	
City Council One-year Funded Initiatives	(18,392,080)
NYC Economic Development Corporation	(47,793,418)
TOTAL	(\$46,374,240)

The most outstanding change in SBS' Fiscal 2017 Preliminary Contract Budget is the \$47.8 million, or 56 percent decline in economic development contracts. This huge decrease in economic development contracts results from federal community development funds which are not yet reflected in the Fiscal 2017 Budget. SBS expects to receive additional federal funding in the course of Fiscal 2017, which will cover some, if not all, of the decrease contracts for NYCEDC.

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 2016 Adoption, the City Council added \$15.3 million to SBS' Fiscal 2016 Budget for Council Initiatives. This amount represented six percent of the Department's Fiscal 2016 Adopted Budget. The chart below shows a breakdown of the funds by initiative.

Fiscal 2016 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Council Initiatives	
Chamber on the Go (Small Business Mobile Outreach Unit)	\$589
Consortium for Worker Education	2,200
Day Laborer Workforce Initiative	500
Food Retail and Workforce Training and Placement Program	60
hackNY	100
Job Placement for Veterans	150
Jobs to Build On	5,636
Made in NYC	750
MWBE Leadership Associations	600
Neighborhood Development Grant Initiative	1,275
New Skills/New Jobs	598
SCO Family of Services/Center for Family Life Worker Cooperatives	148
Small Business/Job Development / Financial Literacy	600
Worker Cooperative Business Development Initiative*	2,006
Workforce Development - Queens Tech Education	65
TOTAL	\$15,277

*The Council gave another \$94,000 to CUNY through this initiative, bringing its total designation to \$2.1 million.

- **Chamber on the Go (Small Business Mobile Outreach Unit).** This initiative is a mobile service unit to carry out outreach efforts that increases the access of businesses to a variety of services right at their storefront. Services include pro-bono legal assistance, financing assistance, referrals to other government resources and support, and assistance with affordable healthcare enrollment opportunities.
- **Consortium for Worker Education (CWE).** CWE provides job training to union workers to improve their employment skills and also provides citizenship classes, ESL, GED, computer literacy and work readiness preparation to immigrant, minority and long-term unemployed workers.
- **Day Laborer Workforce Initiative.** Funds from this initiative are used for the expansion and development of day laborer centers. These services include dignified physical space for day laborers to meet, referral to jobs or support services, legal services to address issues such as wage theft, as well as workforce training and development.

- **Food Retail and Workforce Training and Placement Program.** The HOPE Program, Inc. trains under-employed people for food retail careers such as healthy food sourcing, merchandising, and basic professional skills.
- **HackNY.** This initiative connects jobseekers with opportunities at local technology companies and serves as an important bridge between the City's colleges and universities and the technology industry.
- **Job Placement for Veterans.** Funds for this initiative are used to facilitate the transition of veterans, National Guard and Reservists into quality job training and careers within the construction industry.
- **Jobs to Build On.** This initiative focuses on low-skilled, long-term unemployed and under-employed individuals, preparing them for entry-level union and non-union jobs, helping job seekers attain credentials that enable them to meet general employer standards, and placing participants in real jobs and career prospects at a living wage.
- **Made in NYC.** This initiative gives companies branding and marketing assistance to increase sales and create jobs. Through the Made in NYC website, manufacturers will 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 a sourcing assistance program, marketing and advertising assistance to the manufacturing sector, to increase public awareness of NYC's manufacturing sector through a targeted public relations strategy and to strengthen Made In NYC's organizational capacity to achieve its mission.
- **MWBE Leadership Associations.** In this initiative, funding provides for a range of services, 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 provided for any one of five purposes: Business Attraction and Retention, Merchant Organizing/Business Improvement District Formation, District Marketing/Local Tourism Initiatives, Placemaking/Plaza/Public Space, Activation/Public Art and Organizational Development/Project Management Support.
- **New Skills/New Jobs.** This initiative provides funding for an on-the-job training program that trains New Yorkers who are long-term unemployed, veterans, veteran spouses, Hurricane Sandy-impacted residents or recent school graduates.
- **SCO Family of Services/Center for Family Life Worker Cooperatives.** The SCO Family of Services/Center for Family Life provides incubation support for cooperatives that were established prior to or in Fiscal 2015, capacity –building training for NYC community-based organizations to develop cooperative incubator

programs and technical assistance, and engages cooperative entrepreneurs in trainings and workshops.

- **Small Business/Job Development/Financial Literacy.** This initiative provides technical and financial assistance, business counseling and financial literacy education to entrepreneurs and small businesses.
- **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.
- **Workforce Development – Queens Tech Education.** This is a pilot workforce development program which brings tech education courses to City University of New York (CUNY) campuses in Queens to train residents in skills that helps secure jobs in the City's tech sector.

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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$404	\$289	\$218	\$218	\$218	\$0
Amounts to be Scheduled	0	0	95	0	0	(95)
Full-Time Salaried - Civilian	5,537	5,992	6,245	6,473	6,625	380
Full-Time Salaried - Holding Code	0	0	120	0	0	(120)
Other Salaried	22	12	0	0	0	0
Overtime - Civilian	20	29	0	0	0	0
Unsalaries	561	623	661	664	664	3
Subtotal	\$6,546	\$7,014	\$7,338	\$7,354	\$7,507	\$169
Other Than Personal Services						
Contractual Services	1,089	1,115	1,382	1,341	1,380	(2)
Contractual Services - Prof Svcs	14	1	11	82	11	0
Fixed & Misc. Charges	1	2	2	2	2	0
Other Services & Charges	3,699	3,736	4,227	4,449	4,227	0
Property & Equipment	23	43	33	82	33	0
Supplies & Materials	87	62	423	199	423	0
Subtotal	\$4,913	\$4,959	\$6,077	\$6,155	\$6,075	(\$2)
TOTAL	\$11,459	\$11,974	\$13,415	\$13,510	\$13,582	\$167
Funding						
City Funds			\$8,095	\$8,115	\$8,263	\$167
Federal - Other			5,309	5,309	5,309	0
Intra City			10	10	10	0
State			0	75	0	0
TOTAL	\$11,459	\$11,974	\$13,415	\$13,510	\$13,582	\$167
Budgeted Headcount						
Full-Time Positions - Civilian	72	79	93	93	93	0
TOTAL	72	79	93	93	93	0

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

SBS' Fiscal 2017 Preliminary Budget includes \$13.6 million for Agency Administration and Operations, which is \$167,000, or one percent more than the Fiscal 2016 Adopted Budget. The increase can be attributed to increases in collective bargaining costs. The proposed budget for this program area represents eight percent of SBS' total proposed budget for Fiscal 2017.

Performance Measures

The Fiscal 2016 Preliminary Mayor's Management Report shows that in the first four months of Fiscal 2015 and Fiscal 2016, SBS responded to all letters and emails within 14 days of receiving them. The PMMR also shows a 42 percent drop in the number of emails sent to SBS in the first four months of Fiscal 2016 when compared to the same four-month

period last fiscal year. The number of letters sent to the agency increased by more than 70 percent from 88 in the first four months of Fiscal 2015 to 150 in the first four months of Fiscal 2015.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
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	NA	2,351	*	*	NA	NA
Number of emails sent to an agency (through NYC.gov or a publicized agency email address)	4,840	2,113	2,602	*	*	869	502
Number of letters sent to an agency	335	308	381	*	*	88	150
Agency customers surveyed for overall customer satisfaction - Total	16,129	3,100	2,615	*	*	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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$140	\$151	\$46	\$61	\$61	\$15
Amounts to be Scheduled	0	0	51	51	78	27
Full-Time Salaried - Civilian	3,627	4,128	5,163	5,280	5,186	24
Overtime - Civilian	33	5	0	0	0	0
Unsalaries	267	244	208	208	208	0
Subtotal	\$4,092	\$4,596	\$5,468	\$5,600	\$5,534	\$66
Other Than Personal Services						
Contractual Services	\$8,007	\$56,193	\$7,312	\$57,457	\$26,772	\$19,459
Contractual Services - Prof Svcs	119	276	53	522	43	(10)
Fixed & Misc. Charges	1	1	0	2	0	0
Other Services & Charges	104	209	116	401	275	159
Property & Equipment	9	98	3	89	3	0
Supplies & Materials	106	30	30	36	32	2
Subtotal	\$8,348	\$56,808	\$7,515	\$58,507	\$27,126	\$19,610
TOTAL	\$12,440	\$61,403	\$12,983	\$64,107	\$32,659	\$19,676
Funding						
City Funds			\$7,409	\$40,126	\$25,964	\$18,555
Federal - Community Development			1,115	19,521	2,236	1,121
Federal - Other			4,404	4,404	4,404	0
Other Categorical			56	56	56	0
TOTAL	\$12,440	\$61,403	\$12,983	\$64,107	\$32,659	\$19,676
Budgeted Headcount						
Full-Time Positions - Civilian	63	59	85	89	86	1
TOTAL	63	59	85	89	86	1

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

SBS' Fiscal 2017 Preliminary Budget includes \$32.7 million for Business Development, which is \$19.7 million more than the Fiscal 2016 Adopted Budget of \$13 million. This increase is mainly driven by the \$19.8 million funding for the MWBE Bond Surety and Loan Program, offset by other minor decreases in the budget for other programs administered through the Business Division. The budget for this program area represents 19 percent of SBS' total proposed budget for Fiscal 2017.

Performance Measures

The Fiscal 2016 Preliminary Mayor's Management Report shows that the number of unique businesses served by NYC Business Solution increased 17 percent from 2,820 in the first four months of Fiscal 2015 to 3,301 in the first four months of Fiscal 2016. SBS continues to focus on getting business owners the capital they need to manage and grow their businesses. In the first four months of Fiscal 2016, NYC Business Solutions helped small businesses obtain 283 financing awards that totaled \$23.2 million, which represents a two

percent decrease in the number of financing awards but 23 percent increase in the value of financing awards to small businesses when compared to the same four-month period last fiscal year. In the first four months of Fiscal 2016, NYC Business Acceleration assisted in the opening of 16 percent or 45 more businesses, resulting in a 32 percent increase in the projected number of hires related to these businesses when compared to the first four months of Fiscal 2015. However, the number of unique businesses served by NYC Business Acceleration decreased by 17 percent from 2,236 in the first four months of Fiscal 2015 to 1,857 in the same four-month period of Fiscal 2016.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Unique businesses served by NYC Business Solutions	11,340	8,344	7,642	*	*	2,820	3,301
New businesses served by NYC Business Solutions	9,361	6,072	5,836	*	*	1,903	NA
Financing awards to businesses facilitated by NYC Business Solutions	1,200	518	805	540	540	290	283
Unique businesses receiving financing awards facilitated by NYC Business Solutions	1,053	440	735	470	470	NA	NA
Value of financing awards facilitated by NYC Business Solutions (\$000)	54,101	44,811	64,799	*	*	18,854	23,247
Number of businesses opened by NYC Business Acceleration	563	757	854	↑	↑	275	320
Number of unique businesses served by NYC Business Acceleration	4,989	6,377	5,899	*	*	2,236	1,857
Projected number of hires by businesses opened by NYC Business Acceleration	9,280	13,090	12,037	*	*	3,932	5,199
Site consultations by NYC Business Acceleration inspectors	215	678	1,031	*	*	347	494

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 Services: Economic Development Corporation						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Other Than Personal Services						
Contractual Services	\$78,933	\$75,706	\$65,230	\$146,363	\$17,436	(\$47,793)
Fixed & Misc. Charges	3,710	21,023	0	0	0	0
Other Services & Charges	245	7,273	60,915	60,915	17,485	(43,430)
TOTAL	\$82,888	\$104,002	\$126,145	\$207,279	\$34,921	(\$91,223)
Funding						
City Funds			\$20,964	\$25,759	\$14,957	(\$6,007)
Federal - Community Development			104,324	154,627	12,453	(91,871)
Federal - Other			0	6408	0	0
Intra City			731	18,280	7,483	6,752
State			125	2,205	28	(97)
TOTAL	\$82,888	\$104,002	\$126,145	\$207,279	\$34,921	(\$91,223)

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Fiscal 2017 Preliminary Budget for Contract Services with NYCEDC is \$34.9 million, representing a decrease of \$91.2 million, or 72 percent from the Fiscal 2016 Adopted Budget. The proposed budget for this program area makes up 20 percent of SBS' total proposed spending for Fiscal 2017. The decrease in funding since Fiscal 2016 Adoption is driven mainly by \$91.9 million Federal Community Development Block Grants which are not yet reflected in the Department's budget, and comprises a large portion of this program area's funding stream. There is also a \$6.1 million decline in City and State funds, offset by a \$6.8 million increase in intra-city transfers to other agencies.

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 Services: NYC&Co / Tourism Support						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Other Than Personal Services						
Contractual Services	\$12,262	\$13,774	\$17,750	\$17,750	\$18,262	\$512
TOTAL	\$12,262	\$13,774	\$17,750	\$17,750	\$18,262	\$512
Funding						
City Funds	\$12,262	\$13,774	\$17,750	\$17,750	\$18,262	\$512
TOTAL	\$12,262	\$13,774	\$17,750	\$17,750	\$18,262	\$512

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget for Contract Services with NYC & Co Tourism Support is \$18.3 million, which is \$512,000 or three percent more than the Fiscal 2016 Adopted Budget. The budget for this program area represents 11 percent of the Department's total Fiscal 2017 Budget. The increase in funding for this program area since Fiscal 2016 Adoption is driven by a \$6 million increase in the Fiscal 2017 Budget for NYC & Company, offset by an adjustment of funds between Fiscal 2016 and Fiscal 2017 which reduced the budget by \$5.48 million.

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 Services: Other						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Other Than Personal Services						
Contractual Services	\$15,872	\$13,445	\$11,400	\$15,307	\$11,674	\$274
Other Services & Charges	1,350	618	676	676	703	27
TOTAL	\$17,222	\$14,063	\$12,076	\$15,983	\$12,377	\$301
Funding						
City Funds			\$12,076	\$14,441	\$12,377	\$301
Federal - Community Development			0	433	0	0
Federal - Other			0	1109	0	0
TOTAL	\$17,222	\$14,063	\$12,076	\$15,983	\$12,377	\$301

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget for the Contract Services: Other program area is \$12.4 million, which is \$301,000, or two percent more than the Fiscal 2016 Adopted Budget. The budget for this program area represents seven percent of the Department's total Fiscal 2017 Budget. The increase in funding for this program area since Fiscal 2016 Adoption results from a total of \$301,000 increase in various contracts at Governor's Island.

Economic & Financial Opportunity: MWBE

New York City's Minority and Women-Owned Business Enterprise (MWBE) 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: M/WBE						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$54	\$78	\$35	\$35	\$35	\$0
Additional Gross Pay - Labor Reserve	0	16	0	0	0	0
Amounts to be Scheduled	0	0	0	0	0	(0)
Full-Time Salaried - Civilian	1189	1401	2322	2317	2318	(3)
Full-Time Salaried - Holding Code	0	0	14	0	0	(14)
Unsalariated	61	112	46	46	46	0
Subtotal	\$1,304	\$1,607	\$2,417	\$2,398	\$2,399	(\$18)
Other Than Personal Services						
Contractual Services	\$1,897	\$1,382	\$3,533	\$3,974	\$1,988	(\$1,545)
Contractual Services - Prof Services	220	331	0	177	0	0
Fixed & Misc. Charges	0	1	0	1	0	0
Other Services & Charges	111	34	725	97	5	(720)
Property & Equipment	14	5	1	8	1	0
Supplies & Materials	5	25	45	45	45	0
Subtotal	\$2,247	\$1,778	\$4,303	\$4,303	\$2,038	(\$2,265)
TOTAL	\$3,551	\$3,385	\$6,721	\$6,701	\$4,438	(\$2,283)
Funding						
City Funds	\$3,551	\$3,385	\$6,721	\$6,701	\$4,438	(\$2,283)
TOTAL	\$3,551	\$3,385	\$6,721	\$6,701	\$4,438	(\$2,283)
Budgeted Headcount						
Full-Time Positions - Civilian	16	24	35	35	35	0
TOTAL	16	24	35	35	35	0

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget for the Economic & Financial Opportunity: MWBE is \$4.4 million, which is \$2.3 million, or 34 percent less than the Fiscal 2016 Adopted Budget. The budget for this program area makes up three percent of the Department's total Fiscal 2017 Budget. The decrease in funding for this program area since Fiscal 2016 Adoption is driven by two non-baselined items: the MWBE Disparity Study and City Council funds. The MWBE Disparity Study, for which \$1.5 million was budgeted in Fiscal 2016, is not in the Fiscal 2017 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, do not appear in subsequent years.

Performance Measures

The Fiscal 2016 Preliminary Mayor's Management Report shows a 28 percent increase in the number of newly certified and recertified businesses in the MWBE Program in the first four months of Fiscal 2016 when compared to the first four months of Fiscal 2015. The total number of businesses certified with the MWBE program increased 11 percent from 3,802 in the first four months of Fiscal 2015 to 4,221 in the same four-month period of Fiscal 2016.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Minority and Women-owned Business Enterprises certified	3,700	3,783	4,115	4,238	4,238	3,802	4,221
Minority and Women-owned Business Enterprises awarded City contracts	651	684	902	698	698	NA	NA
M/WBEs awarded contracts after receiving procurement and capacity building assistance	447	472	613	482	482	NA	NA
Annual M/WBE recertification rate	59.2%	60.4%	60.4%	60.0%	60.0%	NA	NA
Newly certified businesses in M/WBE Program	1,061	923	1,003	*	*	274	350
Instances of firms receiving procurement and capacity building assistance.	2,595	1,963	2,521	*	*	358	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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$14	\$21	\$1	\$1	\$1	\$0
Additional Gross Pay - Labor Reserve	0	4	0	0	0	0
Full-Time Salaried - Civilian	282	305	198	227	240	42
TOTAL	\$296	\$330	\$199	\$228	\$241	\$42
Funding						
City Funds			\$1	\$30	\$43	\$42
Other Categorical			198	198	198	0
TOTAL	\$296	\$330	\$199	\$228	\$241	\$42
Budgeted Headcount						
Full-Time Positions - Civilian	4	4	4	4	4	0
TOTAL	4	4	4	4	4	0

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

The Department's Fiscal 2017 Preliminary Budget includes \$241,000 for Economic & Financial Opportunity: Labor Services, which is \$42,000, or 21 percent more than the Fiscal 2016 Adopted Budget of \$199,000. The budget for this program area makes up less than one percent of the Department's total Fiscal 2017 Budget.

Mayor's Office of Industrial & Manufacturing Businesses

The Mayor's Office of Industrial and Manufacturing Businesses (IMB) coordinates the City's industrial policy to retain and promote industrial manufacturing firms and oversees the New York State Empire Zones within the City.

MO Industrial & Manufacturing Businesses						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Unsalariated	\$0	\$0	\$0	\$40	\$60	\$60
Subtotal	\$0	\$0	\$0	\$40	\$60	\$60
Other Than Personal Services						
Contractual Services	\$1,155	\$1,383	\$1,500	\$1,583	\$1,440	(\$60)
Other Services & Charges	0	14	0	0	0	0
Subtotal	\$1,155	\$1,397	\$1,500	\$1,583	\$1,440	(\$60)
TOTAL	\$1,155	\$1,397	\$1,500	\$1,623	\$1,500	\$0
Funding						
City Funds	\$1,155	\$1,397	\$1,500	\$1,623	\$1,500	0
TOTAL	\$1,155	\$1,397	\$1,500	\$1,623	\$1,500	\$0

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget includes \$1.5 million in City funds for the MO Industrial & Manufacturing Businesses program, which is the same as the Fiscal 2016 Adopted Budget. The budget for this program area represents less than one percent of the Department's total proposed budget for Fiscal 2017.

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 program also works to improve the physical conditions of neighborhoods.

Neighborhood Development						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$45	\$36	\$4	\$4	\$4	\$0
Full-Time Salaried - Civilian	905	1,059	1,660	2,104	1,701	41
Unsalariated	52	12	2	66	58	56
Subtotal	\$1,005	\$1,118	\$1,666	\$2,175	\$1,763	\$97
Other Than Personal Services						
Contractual Services	\$2,839	\$3,036	\$13,477	\$7,890	\$5,131	(\$8,346)
Contractual Services - Prof Svcs	166	59	0	713	0	0
Fixed & Misc. Charges	0	0	0	1	0	0
Other Services & Charges	24	14	2	64	2	0
Property & Equipment	2	0	9	2	9	0
Supplies & Materials	2	10	10	11	10	0
Subtotal	\$3,034	\$3,120	\$13,497	\$8,681	\$5,151	(\$8,346)
TOTAL	\$4,040	\$4,238	\$15,163	\$10,856	\$6,914	(\$8,250)
Funding						
City Funds			\$12,979	\$6,287	\$4,711	(\$8,269)
Federal - Community Development			2,184	2,895	2,203	19
Federal - Other			0	1,674	0	0
TOTAL	\$4,040	\$4,238	\$15,163	\$10,856	\$6,914	(\$8,250)
Budgeted Headcount						
Full-Time Positions - Civilian	12	13	21	21	21	0
TOTAL	12	13	21	21	21	0

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

The Fiscal 2017 Preliminary Budget for Neighborhood Development is \$6.9 million, representing a decrease of \$8.3 million, or 54 percent from the Fiscal 2016 Adopted Budget. The budget for the Neighborhood Development program area comprises four percent of SBS' total proposed budget for Fiscal 2017. The decrease in funding since Fiscal 2016 Adoption is driven mainly by non-baselined City Council funding of \$8.5 million added at adoption, which is not reflected in the budget for Fiscal 2017, and a \$75,000 decline in contractual services through Avenue NYC. This is offset by minor increases in other programs such as Neighborhood Investment and Avenue NYC. The City currently has 72 BIDs which are served through this program area.

Performance Measures

The Fiscal 2016 Preliminary Mayor's Management Report shows that in the first four months of Fiscal 2016, a total number of 3,562 City block faces were provided supplemental sanitation services through BIDs, which is the same as the actual for Fiscal 2015 and the first four months of Fiscal 2015.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
City blocks receiving supplemental sanitation services through BIDs	1,468	1,480	3,562	3,800	3,800	3,562	3,562
Average acceptably clean BID sidewalk ratings (%)	98.5%	96.5%	96.1%	97.0%	97.0%	96.8%	96.2%
Value of AvenueNYC local development corporations funding (\$000,000)	1.50	1.38	1.38	*	*	NA	NA
Business Improvement Districts formed	0	2	2	*	*	1	NA
Business Improvement Districts in planning	10	10	10	*	*	10	NA
Total Business Improvement District funds spent on sanitation/maintenance (\$)	26,232,894	28,207,004	26,839,909	*	*	NA	NA
Average acceptably clean BID street ratings (%)	97.5%	95.2%	93.5%	*	*	96.0%	96.9%
Local Development Corporations receiving AvenueNYC grants	43	39	40	*	*	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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$12	\$0	\$0	\$0	\$0	\$0
Full-Time Salaried - Civilian	122	0	1,205	1,207	1,208	3
Unsalariated	34	0	0	0	0	0
Subtotal	\$167	\$0	\$1,205	\$1,207	\$1,208	\$3
Other Than Personal Services						
Contractual Services	\$24,825	\$21,583	\$25,118	\$26,132	\$25,699	\$581
Other Services & Charges	1,614	2,180	0	1,778	0	0
Subtotal	\$26,597	\$23,763	\$25,118	\$27,910	\$25,699	\$581
TOTAL	\$26,764	\$23,763	\$26,323	\$29,117	\$26,906	\$584
Funding						
City Funds			\$1,205	\$1,207	\$1,788	\$584
Federal - Other			19,998	22,790	19,998	0
Intra City			5,120	5,120	5,120	0
TOTAL	\$26,764	\$23,763	\$26,323	\$29,117	\$26,906	\$584
Budgeted Headcount						
Full-Time Positions - Civilian	4	0	13	13	13	0
TOTAL	4	0	13	13	13	0

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

The Fiscal 2017 Preliminary Budget for the Workforce Development: One Stop Centers program area is \$26.9 million, which is \$584,000, or two percent more than the Fiscal 2016 Adopted Budget. The budget for this program area represents 16 percent of SBS' total proposed budget for Fiscal 2017. The increase in funding since the Fiscal 2016 Adopted Budget is all due to an increase in City funding for Career Pathways. Federal funds comprises majority, 74 percent, of the funding stream 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 2016, the number of customer visits to Workforce1 Centers dropped by four percent when compared to the number from the same four-month period of Fiscal 2015. The decline in the number of customer visits led to a 10 percent drop in the number of unique first-time jobseekers registered through the Workforce1 System to 19,427 in the first four months of Fiscal 2016 when compared to the 21,557 registered in the same period a year prior. However, the number of job placements through the Workforce1 System increased 20 percent from 8,642 in the first four months of Fiscal 2015 to 10,335 in the same four-month period of Fiscal 2016. According to the Fiscal 2016

PMMR “the decrease in overall jobseeker customers registered and served while hires increased indicates an improvement in the efficiency with which SBS recruits and screens candidates and fills positions that have family sustaining wages.”

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Workforce1 system-wide job placements	28,166	36,097	26,952	25,000	25,000	8,642	10,335
New jobseekers registered through the Workforce1 Career Center system	84,515	82,619	55,133	*	*	21,557	19,427
Walk-in traffic at Workforce1 Centers	320,273	367,695	266,663	*	*	99,861	96,024
Unique customers served	NA	NA	NA	*	*	NA	44,496

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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$104	\$277	\$34	\$34	\$34	\$0
Full-Time Salaried - Civilian	3,099	3,106	3,646	3,696	3,728	82
Full-Time Salaried - Holding Code	0	0	42	0	0	(42)
Unsalaries	918	883	910	910	910	0
Subtotal	\$4,121	\$4,316	\$4,633	\$4,640	\$4,672	\$39
Other Than Personal Services						
Contractual Services	\$6,869	\$7,990	\$4,590	\$13,344	\$4,130	(\$460)
Contractual Services - Prof Services	138	255	2,445	556	2,445	0
Other Services & Charges	447	183	192	336	192	(1)
Property & Equipment	24	11	5	107	5	0
Supplies & Materials	9	12	42	13	42	(1)
Subtotal	\$7,488	\$8,452	\$7,274	\$14,357	\$6,813	(\$461)
TOTAL	\$11,609	\$12,768	\$11,907	\$18,996	\$11,485	(\$422)
Funding						
City Funds			\$2,384	\$11,350	\$2,502	\$118
Federal - Community Development			1,486	2,014	947	(539)
Federal - Other			8,037	5,632	8,037	0
TOTAL	\$11,609	\$12,768	\$11,907	\$18,996	\$11,485	(\$422)
Budgeted Headcount						
Full-Time Positions - Civilian	37	33	37	37	37	0
TOTAL	37	33	37	37	37	0

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Department's Fiscal 2017 Preliminary Budget includes \$11.5 million for Workforce Development: Program Management, which is \$422,000, or four percent less than the Fiscal 2016 Adopted Budget of \$12.8 million. The budget for this program area represents seven percent of SBS' total proposed budget for Fiscal 2017. The decrease in spending since Fiscal 2016 Adoption is due to a \$539,000 decrease in federal funds, offset by a \$118,000 increase in City funds.

Performance Measures

Performance in this program area was affected by the Fiscal 2015 expiration of the Lower Manhattan Energy Program (LMEP) and Energy Cost Savings Program (ECSP). Projects scheduled to be approved or reapproved in Fiscal 2016 were forced to completion in Fiscal 2015 because of the then looming expiration. The programs were however renewed, allowing SBS to resume approval of applicants. As a result, the Fiscal 2016 PMMR shows a 27 percent decline in the number of businesses approved for the ECSP benefits, from 15 businesses with 619 full-time employees in the first four months of Fiscal 2015 to 11 businesses with 99 full-time employees in the same four-month period of Fiscal 2016. It is

estimated that the ECSP Program would save the 11 businesses approved for benefits in the first four months of Fiscal 2016 a total of \$63,000.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Value of Energy Cost Savings Program savings for businesses (\$000)	760	176	841	*	*	208	63
Jobs created or retained by Energy Cost Savings Program	4,122	361	5,164	*	*	619	99
Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000)	17,418	14,546	12,433	*	*	6,498	5,131
Commercial tenants active in Lower Manhattan Energy Program	1,095	1,059	1,152	*	*	1,059	1,152
Number of jobs affected by businesses receiving Lower Manhattan Energy Program benefits (cumulative)	59,000	52,735	57,273	*	*	52,735	57,273
Number of businesses approved for Energy Cost Savings Program benefits	51	20	62	*	*	15	11
Total private dollars invested by companies benefiting from Energy Cost Savings Program (\$)	71,090,694	30,903,261	81,701,952	*	*	NA	NA
Total private dollars invested by companies benefiting from Lower Manhattan Energy Program (\$) (cumulative)	1,354,867	0	21,691,951	*	*	0	0

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>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Additional Gross Pay	\$6	\$31	\$0	\$0	\$0	\$0
Full-Time Salaried - Civilian	400	403	420	422	423	3
Subtotal	\$405	\$438	\$420	\$422	\$423	\$3
Other Than Personal Services						
Contractual Services	\$9,103	\$10,736	\$8,114	\$9,455	\$8,438	\$325
Other Services & Charges	0	104	0	1	0	0
Property & Equipment	0	0	0	1	0	0
Subtotal	\$9,103	\$10,840	\$8,114	\$9,456	\$8,438	\$325
TOTAL	\$9,508	\$11,278	\$8,534	\$9,879	\$8,861	\$327
Funding						
City Funds			\$7,591	\$8,936	\$7,918	\$327
Federal - Other			943	943	943	0
TOTAL	\$9,508	\$11,278	\$8,534	\$9,879	\$8,861	\$327
Budgeted Headcount						
Full-Time Positions - Civilian	6	5	6	6	6	0
TOTAL	6	5	6	6	6	0

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

The Fiscal 2017 Preliminary Budget for Workforce Development: Training is \$8.9 million, which is \$327,000, or four percent more than the Fiscal 2016 Adopted Budget of \$8.5 million. The budget represents five percent of the Department's total proposed budget for Fiscal 2017. Of the budget increase for this program area, \$325,000 is for adjustments in funding for the Center for Economic Opportunity (CEO) program at SBS.

Performance Measures

The Fiscal 2016 Preliminary Mayor's Management Report has only two performance indicators relevant to the Workforce Development: Training program area. The two indicators, shown in the table below, are new and therefore have no data for Fiscal 2013 through Fiscal 2015.

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Customers enrolled in training	NA	NA	NA	↑	↑	NA	714
Business awarded funding for employer-based training	NA	NA	NA	*	*	NA	20

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

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
SBS Budget as of the Adopted 2016 Budget	\$107,984	\$154,040	\$262,024	\$72,401	\$61,065	\$133,466
New Needs						
Bus Program	\$28,770	\$0	\$28,770	\$113	\$0	\$113
Economic Development Studies	2,071	0	2,071	0	0	0
MWBE Bond Surety Fund	100	0	100	9,900	0	9,900
MWBE Loan Program	100	0	100	9,900	0	9,900
NYC and Co Funding	0	0	0	6,000	0	6,000
OER EPIC	35	0	35	50	0	50
OER Grant Writing	10	0	10	9	0	9
OER Training	20	0	20	20	0	20
Reallocation of One City Programs	2,815	0	2,815	0	0	0
Small Business First Portal Expenses	140	0	140	630	0	630
TGI Hills Maintenance	0	0	0	485	0	485
TGI Operating Funding	2,513	0	2,513	84	0	84
Subtotal, New Needs	\$36,573	\$0	\$36,573	\$27,190	\$0	\$27,190
Other Adjustments						
City Service Corp (SBS)	(\$53)	\$0	(\$53)	(\$14)	\$0	(\$14)
Collective Bargaining - Organization of Staff Analysts	39	0	39	48	0	48
Connect NYC FY 16 Transfer	0	1,636	1,636	0	0	0
CSX FY 16 Transfer	0	1,000	1,000	0	0	0
Dewberry FY16	0	10,318	10,318	0	0	0
FEMA FY 16 Cat E PW3289	0	2,094	2,094	0	0	0
FY15 to FY16 LMDC Rollover	0	1,674	1,674	0	0	0
FY15-16 Budget Rollover	0	17,856	17,856	0	0	0
FY16 AveNYC Rollover Mod	0	671	671	0	0	0
FY16 BC 0331 Increase	0	20	20	0	0	0
FY16 BC 0333 Increase	0	33	33	0	0	0
FY16 BNY DR Local Match FEMA	0	433	433	0	0	0
FY16 BNY FEMA Grant	0	1,109	1,109	0	0	0
FY16 EDC	0	1	1	0	0	0
FY16-17 CDBG-DR Resiliency Prg	0	1,742	1,742	0	1,742	1,742
FY16-EDC/MOME for Media Center	0	448	448	0	0	0
FY16-MOME/SBS Internship Prog	0	975	975	0	0	0
HRO Increase 2016	0	23,575	23,575	0	0	0
HRO-BCG 16	0	287	287	0	0	0
IC W/ EDC-FQHC	0	6,000	6,000	0	0	0
IC W/SBS-FRESH COORDINATOR	0	20	20	0	0	0
LGRMIG Grant	0	75	75	0	0	0
McKinsey Consulting Services	0	3,279	3,279	0	0	0
Member Item Reallocation	153	0	153	0	0	0
NYC EDC -The Inspection of Wat	0	620	620	0	0	0
One Stop FY16 Transfer	0	38	38	0	0	0
Randall's Island Connector	0	412	412	0	0	0
Red Hook	0	100	100	0	0	0
Red Hook FY16	0	1,768	1,768	0	0	0
RETROFIT PROGRAM NYC DEP	0	7,025	7,025	0	6,702	6,702
TAA FY15 to FY16 Rollover	0	286	286	0	0	0
BAT Rent - Base inc FY16-20	0	50	50	0	50	50

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
BDD Legacy Business Support	(\$160)	\$0	(\$160)	\$0	\$0	\$0
CDBG-DR Resiliency Program	0	(1,212)	(1,212)	0	(246)	(246)
CEO Funding Adjustment	0	0	0	3,549	0	3,549
City Council Member Item Reallocation	(15)	0	(15)	0	0	0
Collective Bargaining Adjustment	0	7	7	0	10	10
EAS FY16	0	1,500	1,500	0	0	0
EDC CDBG Staff Time FY15	0	1,398	1,398	0	0	0
EDC - Uncubed Career Fair	0	5	5	0	0	0
FY16 CDBG Workforce Increase	0	528	528	0	0	0
FY16 TAA Budget Increase	0	101	101	0	0	0
HRO FY 16	0	13,124	13,124	0	0	0
IC W/ SBS-FRESH COORDINATOR	0	3	3	0	0	0
MOER BF - EPA CW Haz Sub Asses	0	137	137	0	0	0
MOER BF - EPA CW Haz Petrol	0	121	121	0	0	0
MOER Brownfields - NYS BOA	0	406	406	0	0	0
NDD Neighborhood Initiative	(1,000)	0	(1,000)	0	0	0
NYCHA Small Business First Center Lease	(442)	0	(442)	0	0	0
OER - BF EPA Revolving Loan	0	776	776	0	0	0
OER Efficiency Savings	(156)	0	(156)	(156)	0	(156)
Rent For 130 Cedar Street	0	98	98	0	0	0
Saw Mill Creek Staff Time	0	102	102	0	102	102
Small Business First PS	(100)	0	(100)	0	0	0
TGI Efficiency Savings	(147)	0	(147)	(295)	0	(295)
WDD Cool Roofs Support Center	(350)	0	(350)	0	0	0
Subtotal, Other Adjustments	(\$2,231)	\$100,636	\$98,406	\$3,132	\$8,360	\$11,492
TOTAL, All Changes	\$34,342	\$100,636	\$134,978	\$30,322	\$8,360	\$38,682
Agency Budget as of the Preliminary 2017 Budget	\$142,326	\$254,676	\$397,002	\$102,723	\$69,425	\$172,147

*Continuation from previous page

Appendix B: 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	
Agency Administration and Operations	\$7,507	\$0	\$0	\$6,075	\$0	\$0	\$0	\$13,582
Business Development	5,534	0	0	23,613	0	0	3,513	32,659
Contract Services: Economic Development Corp	0	0	0	0	0	34,921	0	34,921
Contract Services: NYC & Co / Tourism Support	0	0	0	18,262	0	0	0	18,262
Contract Services: Other	0	0	0	12,377	0	0	0	12,377
Economic & Financial Opportunity: M/WBE	0	2,399	0	0	2,038	0	0	4,438
Economic & Financial Opportunity: Labor Services	0	241	0	0	0	0	0	241
MO Film, Theatre, and Broadcasting	0	0	0	0	0	0	0	0
MO Industrial & Manufacturing Businesses	60	0	0	1,440	0	0	0	1,500
Neighborhood Development	1,763	0	0	5,151	0	0	0	6,914
Workforce Development: One Stop Centers	0	0	1,208	0	0	0	25,699	26,906
Workforce Development: Program Management	643	0	4,029	0	0	0	6,813	11,485
Workforce Development: Training	0	0	423	0	0	943	7,495	8,861
Workforce Development: WIB and Other	0	0	0	0	0	0	0	0
Grand Total	\$15,506	\$2,640	\$5,660	\$66,918	\$2,038	\$35,864	\$43,520	\$172,147

U/A 001 – Department of Business (PS)

U/A 002 – Department of Business (OTPS)

U/A 004 – Contract Compliance and Business Opportunity (PS)

U/A 005 – Contract Compliance and Business Opportunity (OTPS)

U/A 006 – Economic Development Corporation (OTPS)

U/A 010 – Workforce Investment Act (PS)

U/A 011 – Workforce Investment Act (OTPS)