

FY 2018 Borough Budget Consultations

Manhattan - Small Business Services

Meeting Date 9/19/2016

AGENDA ITEM 1 : Support for Mom and Pops

What programs / funding is in place or planned to stem the loss of mom and pop stores and promote retail diversity?

AGENCY RESPONSE:

At SBS, we're seeking to address the variety of challenges a business faces, including access to capital, market changes, online competition, and increases in rent. SBS operates seven NYC Business Solutions Centers throughout the city, providing a variety of free services to help businesses in NYC start, operate, and grow. As there is a real need for many businesses to better understand and negotiate commercial leases, SBS offers commercial leasing workshops in all five boroughs to teach New York City entrepreneurs about the components of a commercial lease and the implications of signing a lease. Furthermore, through Small Business First, we are working to reduce the added financial burden of fines and violations on small businesses. SBS also supports the underlying infrastructure of strong commercial corridors by building the capacity of non-profit community-based organizations like business improvement districts (BIDs), merchants associations and local development corporations (LDCs) to enhance commercial corridors and better connect businesses to City services and resources. Through SBS grant programs such as Avenue NYC and Neighborhood Challenge, we are able to fund these organizations in commercial revitalization activities like placemaking, façade improvement, business attraction and retention, merchant organizing and capacity building to further strengthen commercial corridors and support businesses.

MEETING NOTES:

COMMENTS:

SBS also has "Chamber on the Go" door-to-door visiting initiative to offer assessments to small businesses on-the-spot and connect businesses to services. Mechanism to support prospective business owners include Ten-Step workshops and other free courses. SBS is ramping up marketing and hopes to partner with CBs and other CBOs to reach those communities with less exposure to SBS support services.

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AGENDA ITEM 2 : Resiliency Funding

Is SBS currently working on resiliency initiatives and will SBS have resiliency funding for the coming years?

AGENCY RESPONSE:

In October 2015, SBS launched the Business Preparedness and Resiliency Program (PREP.) Business PREP provides opportunities and resources for small business owners to better prepare for future emergencies. SBS has hosted a citywide series of workshops where small businesses can receive in-person expert advice to create a basic business continuity plan. Upcoming workshops can be found at nyc.gov/businessprep. This year, SBS will begin providing resiliency assessments conducted directly on site at businesses and provide grants to implement specific recommendations. And in the event of a storm or emergency, SBS' Emergency Response Services team responds to disasters that impact small businesses and provides business recovery services to ensure business continuity on impacted commercial corridors.

MEETING NOTES:

COMMENTS:

PREP will launch Phase II this winter to go into Hurricane Sandy-affected areas and offer grants up to \$300,000.

NOTES:**AGENDA ITEM 3 : Avenue NYC Grant Program**

What funding has been provided for The Avenue NYC Grant Program Community Based Development Organizations (CBDOs) in low- to moderate-income communities in FY17? What funding is projected for this program in FY18? Please provide a list, by community district, of all the CBDOs that SBS funded through this program during FY2016. Did the total number of CBDOs in Manhattan funded through this program increase or decrease from FY15?

AGENCY RESPONSE:

For FY17, SBS awarded 36 recipients a total of almost \$1.3M in Avenue NYC funding towards innovative projects designed to strengthen retail corridors and strategically address commercial needs in low and moderate-income communities across the five boroughs. Funding fluctuates annually, but for FY18 SBS anticipates having between \$1.2M and \$1.5M available, depending on the amount of project proposals and group submissions. From FY15 to FY16, the total amount awarded to Manhattan organizations increased from \$250,000 for 9 organizations to \$290,000 for 10 organizations. Please note that that the distribution of grant agreements is contingent upon a number of factors such as the continued availability of funds, group performance, and the demonstrated need on the respective corridors.

MEETING NOTES:**COMMENTS:****NOTES:****AGENDA ITEM 4 : Job Retention**

What funding does SBS have in FY17 for programs on job retention, bi-lingual assistance, lease negotiations and job-creation focused in under-employed communities? What funding is projected for FY18?

AGENCY RESPONSE:

SBS provides lease assistance through the legal services offered at the NYC Business Solutions Centers throughout the city. These services include courses providing key information business owners need to know before signing a lease and one-on-one lease review assistance. SBS has also partnered with the city library system and community partners to provide services in multiple languages, including Spanish, Chinese, Russian, Korean, Haitian Creole, French, Bengali, Urdu, and Arabic. These offerings are embedded within the NYC Business Solutions budget and we anticipate continued future funding.

To help unemployed and under-employed New Yorkers, the Mayor's Career Pathways strategic plan guides our agency to train New Yorkers for good-paying jobs and connects jobseekers to employment opportunities in fast-growing industries with real opportunities for advancement. These services are offered through our network of 18 Workforce1 Career Centers, located in all five boroughs.

MEETING NOTES:**COMMENTS:**

City has seven NYC Business Solution Centers.

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AGENDA ITEM 5 : Agency Job Creation

What programs are planned and funded in FY17 to increase collaboration with other agencies that directly affect job creation?

AGENCY RESPONSE:

SBS works closely with partner agencies to ensure our services are delivered holistically. We are currently working with a number of agencies to develop and deliver services at our Workforce1 Career Centers, including the Human Resources Administration.

MEETING NOTES:

COMMENTS:

Workforce1 Centers--one newly opened in Washington Heights. Many are in immigrant and foreign-born communities. Launched program with MOME to boost film/TV diversity,

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AGENDA ITEM 6 : Workforce Development: Training

What funding has been provided in FY17 for Workforce Development: Training and for the Workforce Investment Board (WIB)? Does this reflect an increase or decrease from FY16? What funding is projected in these areas for FY18?

AGENCY RESPONSE:

SBS plans to invest at least \$12.2 million in training in FY17 in the Career Pathways sectors which include healthcare, tech, construction, industrial and transportation, food service, retail, and media and entertainment, utilizing federal, city, and private funding. While the full portfolio of training is still in development, this represents at least the same planned investment as FY16. SBS intends to increase investments, including the number of individuals trained, in partnership with the City's Industry Partnerships. In FY17, \$50,000 and two full-time staff positions were allocated to the Workforce Development Board which was an increase from FY16. We currently do not have projections available for FY18.

MEETING NOTES:

COMMENTS:

Program will build effective pipeline toward employers offering quality jobs.

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AGENDA ITEM 7 : Workforce Development: One Stop Centers

What funding has been provided in FY17 for Workforce Development: One Stop Centers? Is this an increase or decrease from FY16? What funding is projected for FY18?

AGENCY RESPONSE:

In FY17, over \$20 million was allocated to run our network of 18 Workforce1 Centers. This funding comes from multiple sources including the Workforce Innovation Opportunity Act, Tax Levy, and Center for Economic

Opportunity. The total amount spent on our Workforce1 Career Centers increased from FY 16. We currently do not have projections available for FY18.

MEETING NOTES:

COMMENTS:

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AGENDA ITEM 8 : Non-BID Small Services

What funding is available for programs/services to help small businesses that are not located in Business Improvement Districts and are not manufacturing or restaurants?

AGENCY RESPONSE:

SBS network of seven NYC Business Solutions Centers and eight Industrial Business Service Providers serve all industries and geographies within New York City. The NYC Business Solutions Center system provides the following services: business courses, legal assistance, financing assistance, incentives, navigating government, recruitment, training, selling to government, and M/WBE certification. Additionally, SBS manages Chamber On-the-Go, a mobile business support program which deploys trained business specialists to connect with small business owners on-site in neighborhoods across the five boroughs, regardless of BID-status or sector. SBS assists commercial corridors across the city by building the capacity of non-profit community-based organizations like BIDs, merchants associations and local development corporations to enhance commercial corridors and better connect merchants to City services and programs. Through SBS grant programs like Avenue NYC and Neighborhood Challenge, we are able to fund these organizations in commercial revitalization activities like placemaking, façade improvement program management, business attraction and retention, merchant organizing and capacity building. These grants apply to organizations across the city, whether or not they operate in a neighborhood with a BID.

MEETING NOTES:

COMMENTS:

"Chamber on the Go" focuses on areas not part of any BID, also with grant funding for areas less well organized. NYC Business Solution Centers serve all businesses.

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AGENDA ITEM 9 : MWBE

What funding has been provided in FY17 for the Minority and Women-owned Business Enterprise (MWBE) Program? What funding is projected in FY18? Please provide a list, by community district, of all the MIWBEs in Manhattan that were certified and/or recertified during FY2016. Did the total number of MIWBE's in Manhattan increase or decrease from FY2015?

AGENCY RESPONSE:

The de Blasio Administration has committed unprecedented investments to increase M/WBE utilization, including additional funding for SBS' technical assistance and capacity building services to vendors. SBS has expanded the menu of Technical Assistance workshops and added more one-on-one sessions for bidding assistance to businesses. In addition to the current capacity building services for construction firms, SBS will be launching a new mentorship program for services and goods companies. Out of the 4,516 M/WBEs certified at the end of FY16, there are 1,189 M/WBEs located in Manhattan, a 7% increase from the end of FY15. Of those 244 M/WBEs were certified and/or

recertified during FY16. The City's M/WBE program is a citywide initiative that is funded through multiple sources. While SBS' Division of Economic and Financial Opportunity oversees M/WBE certification, capacity building, and technical assistance supportive services for M/WBEs at a budget exceeding \$6 million; there are efforts to increase M/WBE contracting underway at City Hall and other agencies. For example, the Administration has budgeted a combined \$20 million for two new financial resource initiatives- an M/WBE contract financing and M/WBE bond fund program- in addition to ongoing commitments made within both mayoral and non-mayoral agencies across the City.

MEETING NOTES:

COMMENTS:

Funding for M/WBEs are also under other agencies' budget lines. On track toward \$16 billion in M/WBE contracts. Also with top-level staff hired.

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AGENDA ITEM 10 : Agency Priorities

What budget priorities would SBS want community boards to support?

AGENCY RESPONSE:

MEETING NOTES:

COMMENTS:

With CBOs for neighborhood revitalization. "Chamber on the Go" expansion sought. Would like to expand with CB and CBO help. Representative indicates that money is welcome but getting the word out is really the more important as of now for a small agency like SBS.

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AGENDA ITEM 11 : Budgeting Process

Please explain any particular features of your budgeting process that CB's should take into account when formulating their requests.

AGENCY RESPONSE:

MEETING NOTES:

COMMENTS:

What one sees on SBS budget is not the total--other lines via EDC and other agencies.

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ADDITIONAL NOTES:

Stetzer (CB): Would increased funding on "Chamber on the Go" lead to increase in staffing level? Please provide a list of contractors conducting outreach. Can SBS seek increased funding to expand marketing? How does SBS monitor Avenue

NYC? How can the public see the numbers? Is SBS considering increase in funding and contracts with non-profits to expand workforce development?

Gardner (SBS): Program goes through local chambers of commerce to identify commercial corridors. Additional funding will increase some staffing and engagement capabilities. More funding can lead to more marketing and more workshops or training programs. Agency has staff monitoring Avenue NYC full-time and can share numbers. Workforce development can go up with additional funding and expanded publicity.

Perez (CB): Does agency have resources to put workshops and seminars online, shift them to webinars or tape the sessions?

Carrillo(CB): Are SBS programs organized by district?

Bodine (CB): CB 4 had a street fair where organizer is partnering with SBS to bring incubator-started businesses to the fair. Is it new program?

Singh (SBS): All programs are in collaboration with other agencies. For example, Washington Heights program is in conjunction with HRA. Food Business Pathways program is ongoing; can return with more information.

Notaro (CB): With Lower Manhattan revitalization, Lower Manhattan businesses face tremendous rent increases. Is there a program to help them? Is there anything CB 1 can do to help SBS?

Gardner (SBS): SBS works with pro bono attorneys to work on lease with tenants. We find that majority of small businesses do not have a lease, but only simple month-to-month agreements to pay rent on time. Getting a fixed-term lease is the goal for many. Businesses should reach out to SBS to get one-on-one services, available at NYC Business Solutions Center at 110 William Street.

Perez (CB) : Does SBS have partnership with DHS for its programs?

Singh (SBS): Lots of programs at DHS are getting clients up to a readiness level. SBS usually only works with those fully ready for its services, hence mostly with HRA clients already set up to proceed.

Stetzer (CB): Is there anyone representing small businesses in the run-up to the proposed elimination of the street fair moratorium?

Singh (SBS): SBS mostly relies on merchant associations and BIDs.