

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

Hearing on the Fiscal 2015 Preliminary Budget & the Fiscal 2014 Preliminary Mayor's Management Report

Department of Small Business Services

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Small Business Services Overview

The Department of Small Business Services (SBS) 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.

Fiscal 2015 Preliminary Plan Highlights

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Personal Services	\$16,767	\$18,017	\$17,656	\$19,890	\$17,032	(\$624)
Other Than Personal Services	120,866	132,323	95,707	494,998	81,636	(14,071)
Agency Total	\$137,633	\$150,340	\$113,363	\$514,888	\$98,668	(\$14,695)

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan funding.*

SBS' Fiscal 2015 Preliminary Budget of \$98.7 million reflects a \$14.7 million, or 13% decrease when compared to the Fiscal 2014 Adopted Budget of \$113.4 million. There is a decrease of 10 positions in the Fiscal 2015 Preliminary Budget when compared to the Fiscal 2014 Adopted Budget.

Highlights

- NBAT and Business Express:** NYC Business Acceleration is a recently integrated unit at SBS that helps businesses navigate City government and the regulatory environment. SBS staff in cooperation with personnel from other agencies, offer relationship-based services and work to make the process of starting and operating a business in NYC more efficient. Funding is required to move forward and ensure NYC Business Acceleration is able to continue its work into FY 2015 and beyond. The funding is for staff members who are already paid by SBS as well as staff members who previously reported to the Mayor's Office. The current allocation did not extend beyond FY 2014 so the funds indicated in the Preliminary Budget will enable the NYC Business Acceleration to continue its operation. The proposed budget comprised of PS allocation of \$1,090,000 to fund 17 positions and OTPS of \$200,000 to cover operating needs as well as shared costs that SBS will incur. In addition, \$185,000 was added to fill a gap in the Business Express Division, in order to continue programming beyond FY 2014.
- SBS Veteran Procurement Study:** In December 2013, the City Council passed a law regarding procurement opportunities for veteran owned businesses. The law states that by December 1, 2014, the SBS Commissioner in consultation with the City's Chief Procurement Officer must determine whether there is a need for a citywide program to promote opportunities for veterans in city procurements. If opportunities exist, the Commissioner has to make recommendations regarding methods to increase opportunity for veterans, including outreach, certification, participation, goals and reporting. \$200,000 allocated in the Preliminary budget will cover the cost of hiring a consultant to conduct this study.

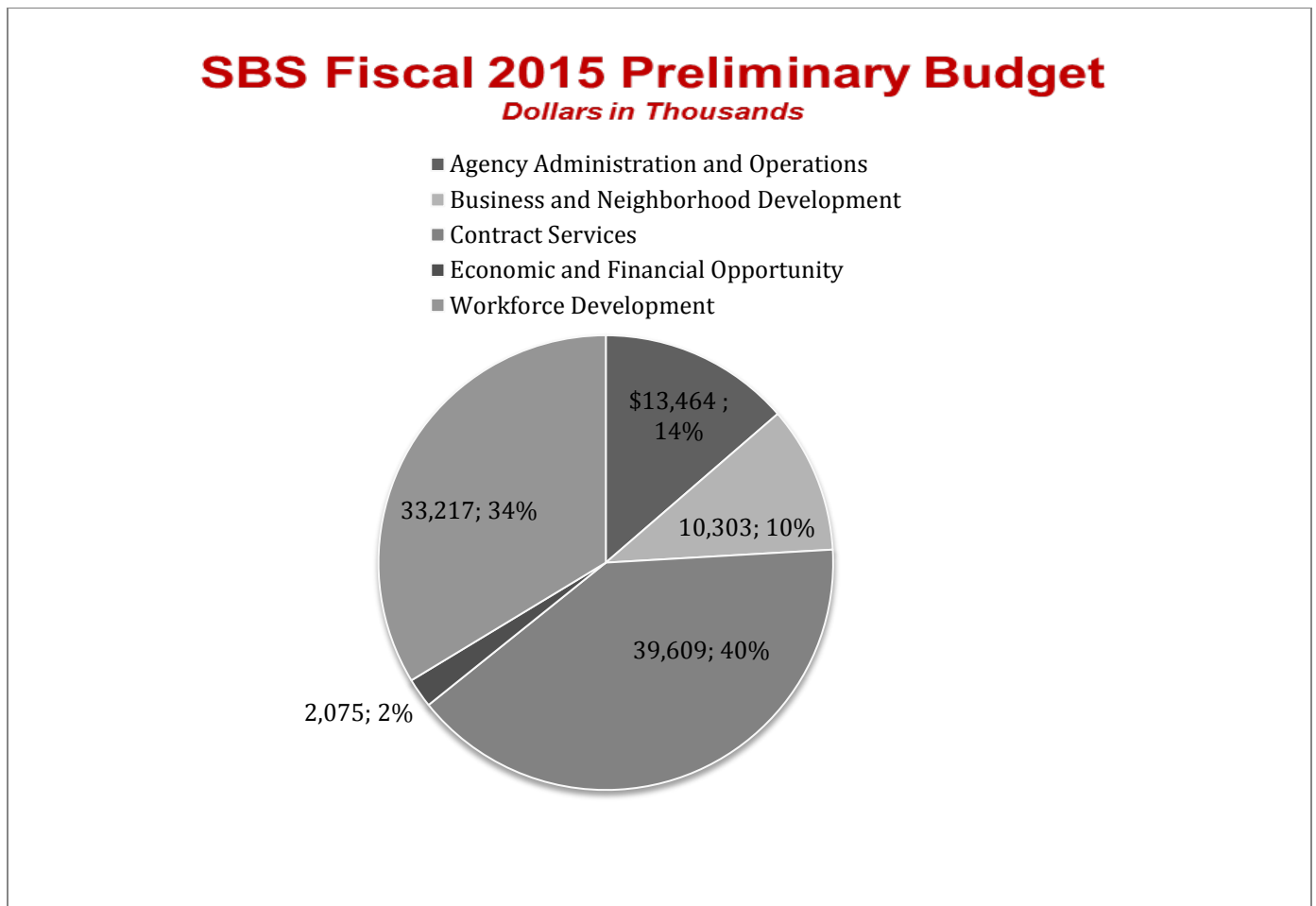
- **SBS Waterfront Unit:** SBS has jurisdiction over all structures on city-owned waterfront property whether devoted to maritime or non-maritime use and all privately-owned waterfront property structures devoted to maritime use such as piers, docks, bulkheads and seawalls. Earlier this year the executive director of the waterfront unit retired. After an extensive search SBS was able to recruit a replacement for the executive director position. The negotiated annual salary was \$10,000 higher than what was budgeted. OMB agreed to make up the difference and the \$10,000 is being reflected in the Preliminary budget.
- **MOER Brownfield Incentive Program:** The NYC Brownfield Incentive Program seeks to spur the cleanup and redevelopment of NYC brownfields by offering grants to property owners and developers for activities throughout the brownfield development process, from the earliest stages of information gathering through environmental investigation and cleanup work. The program helps reduce the cost of cleanup and redevelopment of NYC brownfields. The program has been allocated \$1,750,000 for Fiscal 2015. The program is governed by the New York City Brownfield Incentive Grant Program rule (“BIG rule”). The BIG rule includes the eligibility requirements, defines the different types of grants it can issue and eligible services and activities within each grant type that would be reimbursed. The BIG rule also specifies the grant award limits, describes grant disbursements and administration of the program.
- **Willets Point Business Relocation Assistance:** Since August 2013, NYCEDC has been offering businesses on city-owned land in the Willets Point Phase 1 Development Area the opportunity to take advantage of benefit for which they may qualify – the NYCEDC Supplemental Benefit. Through this benefit, NYCEDC is offering to provide qualifying businesses that relocate from the Willets Point Phase 1 Development Area by either November 30, 2013 for a payment equal to twelve month’s current rent for their leasehold in the Phase 1 Area or between December 1, 2013 and January 31, 2014 for a payment equal to six month’s current rent for their leasehold in the Phase 1 Area. For businesses that become tenants of the city in the future, (and are currently on those sites EDC does not yet own) a comparable benefit will be offered. Funding for the NYCEDC Supplemental Benefit Payment will be distributed on a first-come, first-serve basis. To take advantage of the NYCEDC Supplemental Benefit Payment, tenants need to submit a claim to NYCEDC. This benefit is being administered by NYCEDC. To date, a majority of Willets Point Phase 1 businesses have submitted claims to NYCEDC and those claims are being processed. Unused funds of \$3,770,000 will be re-appropriated to FY15.
- **Industrial Business Zones:** The Mayor’s Office of Industrial and Manufacturing Businesses (IMB) coordinate the City’s industrial policy to retain and promote industrial manufacturing firms and oversees the New York State Empire Zones within the City. The IMB currently manages the City’s 12 Empire Zones and 16 Industrial Business Zones. There is a decrease of \$1.2 million in the Fiscal 2015 Preliminary Budget from the Fiscal 2014 Adopted Budget due to Industrial Business Zone contract savings.
- **Clean Heat Initiative:** This is \$1,350,000 transfer to New York City Department of Environmental Protection for the Clean Heat Initiative which phases out the use of heavy oils and mandates transitioning to cleaner fuels.

SBS Financial Summary

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Budget by Program Area						
Agency Administration and Operations	\$11,907	\$12,003	\$13,480	\$13,472	\$13,464	(\$16)
Business Development	8,468	8,149	7,741	20,836	7,804	63
Contract Svcs: Economic Dev Corp	30,078	36,657	11,070	374,029	15,461	4,391
Contract Svcs: NY&Co/Tourism Support	13,981	13,046	12,262	12,262	12,262	0
Contract Svcs: Other	16,016	12,641	12,705	23,252	11,886	(819)
Economic & Financial Opportunity: M/WBE	2,663	2,516	2,977	3,177	1,295	(1,682)
Economic & financial OPPTY: Labor Svcs	667	666	780	780	780	0
MO Film, Theatre, and Broadcasting	0	500	0	566	0	0
MO Industrial & Manufacturing Businesses	1,242	1,091	1,156	1,156	0	(1,156)
Neighborhood Development	3,857	4,576	5,948	7,376	2,499	(3,449)
Workforce Dev: One Stop Centers	26,463	25,137	22,201	22,354	19,954	(2,247)
Workforce Dev: Program Management	10,803	12,026	7,348	13,408	7,302	(46)
Workforce Dev: Training	10,149	8,760	9,037	9,556	5,488	(3,549)
Workforce Dev: WIB and Other	1,338	12,572	6,655	12,661	473	(6,182)
TOTAL	\$137,632	\$150,340	\$113,363	\$514,886	\$98,668	(\$14,695)
Funding						
City Funds	73,018	47,080	\$71,296	\$80,586	\$46,027	(\$25,269)
Other Categorical	12,329	13,911	56	8,656	56	0
State	1,637	602	0	0	0	0
Federal - Community Development	2,666	13,482	2,481	362,614	13,055	10,574
Federal - Other	43,355	70,229	39,020	60,713	39,020	0
Intra City	4,627	5,036	510	2,317	510	0
TOTAL	\$137,632	\$150,340	\$113,363	\$514,886	\$98,668	(\$14,695)
Positions						
Full-Time Positions - Civilian	193	209	220	248	210	(10)
Full-Time Positions - Uniform	49	64	33	66	33	-
TOTAL	242	273	253	314	243	(10)

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

SBS Fiscal 2015 Preliminary Budget Breakdown by Program Area



SBS’ Fiscal 2015 Preliminary Budget is \$98.7 million. The workforce development program makes up approximately 34 percent, or \$33 million of SBS’ budget and funds the City’s Workforce One Stop Centers, program management, training and the Workforce Investment Board (WIB). The contract services program area makes up 40 percent, or \$39.6 million, of SBS’ budget. The Agency’s administration and operations makes up 14 percent, or \$13.5 million of SBS’ budget and funds the office personnel from the executive, legal, finance, information technology, and administrative offices, and other than personal services such as office supplies, property, and equipment. The Business and Neighborhood Development programs is about 10 percent, or \$10.3 million of the total budget and Economic & Financial Opportunity programs are approximately 2 percent, or \$2.1 million.

City Council Initiatives

FY 2014 Council Initiatives at 2014 Adoption	
<i>Dollars in Thousands</i>	
Small Business and Job Development/Financial Literacy	\$600
WMWBE Leadership Association	600
High Tech Connect	260
Industrial Business Solutions Providers (IBSP) Restoration	1,156
Homecare Workers Materials Translation	110
SCO Family of Services/Center for Family Life Worker Cooperatives	148
SWAN (FCNY)	50
Jobs to Build On	4,100
Consortium for Worker Education (CWE)	1,000
Food Retail and Workforce Training and Placement Program	60
hackNY	100
New Skills/New Jobs	597.5
Hard Hats for Vets	100
Workforce Development - Queens Tech Education	65
TOTAL	\$8,947

Program Areas

Agency Administration and Operations

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$5,682	\$5,916	\$6,197	\$6,177	\$6,207	\$10
Other Salaried	0	0	0	0	0	0
Unsalaries	929	755	736	772	736	0
Additional Gross Pay	265	185	215	217	215	0
Subtotal	\$6,876	\$6,856	\$7,148	\$7,166	\$7,158	\$10
Other Than Personal Services						
Supplies and Materials	\$223	\$122	\$450	\$240	\$424	(\$26)
Fixed and Misc Charges	0	3	0	1	0	0
Property and Equipment	39	21	33	33	33	0
Other Services and Charges	3,624	3,899	4,473	4,733	4,473	0
Contractual Services	1,144	1,101	1,376	1,299	1,376	0
Subtotal	\$5,030	\$5,146	\$6,332	\$6,306	\$6,306	(\$26)
TOTAL	\$11,906	\$12,002	\$13,480	\$13,472	\$13,464	(\$16)
Funding						
City Funds			\$7,552	\$7,537	\$7,536	(\$16)
<i>Federal-CD:</i>						
CDBG-Disaster Recovery				7	0	
<i>Federal-Other:</i>						
W.I.A. Dislocated Workers			1,752	1,752	1,752	0
Workforce Investment Act-Adult			1,768	1,768	1,768	0
Workforce Investment Act Central Adminis			2,398	2,398	2,398	0
<i>Intra City:</i>						
Administrative Services/Fees			10	10	10	0
TOTAL	\$11,906	\$12,002	\$13,480	\$13,472	\$13,464	(\$16)
Positions						
TOTAL			68	68	68	0

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

This program area realized an overall reduction of \$16,000 from the Fiscal 2014 Adopted Plan to the Fiscal 2015 Preliminary Plan. SBS has jurisdiction over all structures on city-owned waterfront property whether devoted to maritime or non-maritime use and all privately-owned waterfront property structures devoted to maritime use, such as piers, docks, bulkheads and seawalls.

Earlier this year the executive director of the Waterfront Unit retired. SBS was able to recruit a replacement for the executive director however the negotiated annual salary was \$10,000 higher

than what was budgeted. OMB agreed to make up the difference and the \$10,000 is being reflected in the Preliminary budget.

Additionally, the decrease of \$26,000 in the OTPS budget is due to a transfer from the SBS to DoITT for overseeing their IT service.

Business Development

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$2,733	\$3,476	\$3,579	\$4,882	\$3,577	(\$2)
Other Salaried	0	0	0	0	\$0	0
Unsalaries	407	256	208	208	208	0
Additional Gross Pay	121	127	48	48	48	0
Subtotal	\$3,261	\$3,859	\$3,835	\$5,138	\$3,833	(\$2)
Other Than Personal Services						
Supplies and Materials	\$22	\$96	\$50	\$130	\$50	\$0
Property and Equipment	9	16	12	22	12	0
Other Services and Charges	15	67	118	166	118	0
Contractual Services	5,160	4,110	3,726	15,379	3,791	65
Fixed & Miscellaneous Charge	0	1	0	0	0	0
Subtotal	\$5,206	\$4,290	\$3,906	\$15,697	\$3,971	\$65
TOTAL	\$8,467	\$8,149	\$7,741	\$20,836	\$7,804	\$63
Funding						
City Funds			\$2,803	\$4,406	\$2,866	\$63
<i>Other Categorical:</i>						
NYC BRAC Security Program			56	56	56	\$0
<i>Federal-CD:</i>						
CDBG-Disaster Recovery				11,506	0	\$0
Community Development Block Grants			478	464	478	\$0
<i>Federal - Other:</i>						
W.I.A. Dislocated Workers			1,878	1,878	1,878	\$0
Workforce Investment Act-Adult			2,428	2,428	2,428	\$0
Workforce Investment Act Central Adminis			98	98	98	\$0
TOTAL	\$8,467	\$8,149	\$7,741	\$20,836	\$7,804	\$63
Positions						
TOTAL			57	85	58	1

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

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.

The increase of \$63,000 for the Business Development program area from the Fiscal 2014 Adopted to Fiscal 2015 Preliminary budget is mainly due to an increase in NBAT's budget. NYC Business Acceleration is a recently integrated unit at SBS that helps businesses navigate City government and the regulatory environment. NYC Business Acceleration provides client management services, an accelerated plan review process, and coordination of necessary

inspections by regulatory agencies. NYC Business Acceleration also engages in research and information dissemination to assist the small business community.

Performance Measures

	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Unique businesses served by NYC Business Solutions	10,247	8,696	11,340	*	*	3,674	3,492
«Financing awards to businesses facilitated by NYC Business Solutions	710	683	1,200	690	700	163	143
«Unique businesses receiving financing awards facilitated by NYC Business Solutions	627	588	1,053	590	600	N/A	N/A
Value of financing awards facilitated by NYC Business Solutions (\$000)	\$39,840	\$71,484	\$54,101	*	*	\$13,371	\$8,856
«Businesses awarded NYC Business Solutions training funds	16	26	27	26	26	6	4

The number of businesses served by NYC Business Solutions decreased by 182 from the first four months of Fiscal 2013 to the same period in Fiscal 2014. The number of businesses that received financing awards decreased 12.3%, from 163 in Fiscal 2013 to 143 in Fiscal 2014.

Contract Services: Economic Development Corporation

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Other Than Personal Services						
Other Services and Charges	\$657	\$453	\$3,797	\$296,298	\$12,574	\$8,777
Contractual Services	18,422	22,358	7,274	77,731	2,888	(4,386)
Fixed & Miscellaneous Charge	11,000	13,847	0	0	0	0
TOTAL	\$30,079	\$36,658	\$11,070	\$374,029	\$15,461	\$4,391
Funding						
City Funds			\$10,570	\$14,339	\$4,388	(\$6,182)
<i>Other Categorical:</i>						
Non-Governmental Grants				8,600	0	
<i>Federal-CD:</i>						
CDBG-Disaster Recovery			0	348,386	10,574	10,574
<i>Federal-Other:</i>						
Community Development Block Grant			0	1,050	0	0
<i>Intra City:</i>						
Other Services/Fees			500	1,655	500	0
TOTAL	\$30,079	\$36,658	\$11,070	\$374,029	\$15,461	\$4,391
Positions						
TOTAL			0	0	0	0

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

The Economic Development Corporation (EDC) is a non-city agency, local development corporation that is under contract with SBS. EDC’s mission is to produce jobs in the City by attracting and retaining businesses and encouraging the creation of capital projects. EDC is funded through a contract with SBS. EDC 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, EDC 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. EDC is also involved in property management and the development of the City’s marine terminals, airports, heliports, rail yards, and industrial parks.

There is a \$4.4 million net increase from the Fiscal 2014 Adopted Budget to the Fiscal 2015 Preliminary Budget. This is attributed to a City Tax Levy decrease of \$6.2 million for proposed savings in contractual payment, utility fees, and project budgets (ex. graffiti removal, high tech connect). Council funds were restored to the FY14 budget for High Tech Connect but were not base-lined to FY15. CDBG-DR increase of \$10.6 million, represents the projected need in FY15 for housing and recovery work.

Contract Services: NYC & Company and Tourism Support

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Other Than Personal Services						
Contractual Services	\$13,981	\$13,046	\$12,262	\$12,262	\$12,262	\$0
TOTAL	\$13,981	\$13,046	\$12,262	\$12,262	\$12,262	\$0
Funding						
City Funds			\$12,262	\$12,262	\$12,262	\$0
TOTAL	\$13,981	\$13,046	\$12,262	\$12,262	\$12,262	\$0
Positions						
TOTAL			0	0	0	0

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

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 convention center.

Contract Services: Other

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Other than Personal Services						
Other Services and Charges	\$0	\$0	\$1,350	\$1,350	\$0	(\$1,350)
Contractual Services	16,016	12,641	11,355	21,902	11,886	531
TOTAL	\$16,016	\$12,641	\$12,705	\$23,252	\$11,886	(\$819)
Funding						
City Funds			\$12,705	\$17,837	\$11,886	(\$819)
<i>Federal-Other:</i>			\$0		\$0	\$0
FEMA Sandy A Debris Removal			0	76	0	0
FEMA Sandy B Emergency Protective Measure			0	5,016	0	0
FEMA Sandy E Buildings and Equipment			0	236	0	0
<i>Intra City:</i>			0		0	0
Other Services/Fees			0	86	0	0
TOTAL	\$16,016	\$12,641	\$12,705	\$23,252	\$11,886	(\$819)
Positions						
Full-Time Positions - Civilian			0	0	0	0
Full-Time Positions - Uniform			0	0	0	0
TOTAL			0	0	0	0

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

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. There is an \$819 thousand decrease in the Fiscal 2015 Preliminary Budget from the Fiscal 2014 Adopted Budget. The decrease in Other Services and Charges is attributable to the money transferred to New York City Department of Environmental Protection for the Clean Heat Initiative which phases out the use of heavy oils and mandates transitioning to cleaner fuels. The \$531,000 is an increase in funding for management of Governor’s Island.

Economic & Financial Opportunity: Minority and Women-Owned Business Enterprise

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$1,030	\$791	\$780	\$780	\$631	(\$149)
Unsalaries	111	125	46	46	46	0
Additional Gross Pay	52	42	17	17	17	0
Subtotal	\$1,193	\$958	\$843	\$843	\$694	(\$149)
Other Than Personal Services						
Supplies and Materials	\$38	\$8	\$45	\$3	\$45	\$0
Property and Equipment	13	3	2	5	2	0
Other Services and Charges	600	114	5	25	5	0
Contractual Services	817	1,433	2,078	2,295	545	(1,533)
Fixed & Miscellaneous Charge	2	0	4	4	4	0
Subtotal	\$1,470	\$1,558	\$2,134	\$2,332	\$601	(\$1,533)
TOTAL	\$2,663	\$2,516	\$2,977	\$3,177	\$1,295	(\$1,682)
Funding						
City Funds			\$2,977	\$3,177	\$1,295	(\$1,682)
TOTAL	\$2,663	\$2,516	\$2,977	\$3,177	\$1,295	(\$1,682)
Positions						
Positions			19	19	17	(2)
TOTAL			19	19	17	(2)

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

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

The decrease of \$1.7 million from the Fiscal 2014 Adopted Budget to the Fiscal 2015 Preliminary Budget mainly reflects the non-baselined City Council funding that is expected to be restored for the Division of Economic and Financial Opportunity (DEFO) Mentoring and Capacity Building Programs. Reductions in personal services are due to decrease in positions.

Performance Measures

	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Minority and Women-owned Business Enterprises certified	3,244	3,526	3,700	3,811	3,963	3,586	3,666
Minority and Women-owned Business Enterprises awarded City contracts	529	633	651	671	691	N/A	N/A
M/WBEs awarded contracts after receiving direct assistance	378	439	447	460	474	N/A	N/A
Annual M/WBE recertification rate	49.4%	62.5%	59.2%	60.0%	62.5%	N/A	N/A
Newly certified businesses in M/WBE Program	549	1,022	1,061	*	*	351	307
City contracts awarded to Minority and Women-owned Business Enterprises	6,564	8,496	7,926	8,085	8,328	2,523	2,818
Contracts awarded to M/WBEs after receiving direct assistance	4,856	5,391	5,297	5,403	5,565	1,561	2,097

SBS has certified 307 new Minority and Women-Owned Business Enterprises during the first four months of Fiscal 2014, compared to 351 over the same period last year. This is a 12.5% decrease. The total number of certified M/WBEs reached was 3,666, which is an increase of 2.2% from the same period last year.

Mayor's Office of Industrial and Manufacturing Businesses and of Film, Theatre and Broadcasting

Mayor's Office of Industrial and Manufacturing Businesses

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$0	\$0	\$0	\$0	\$0	\$0
Additional Gross Pay	0	0	0	0	0	0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0
Other Than Personal Services						
Other Services and Charges	0	0	0	7	0	0
Contractual Services	1,242	1,091	1,156	1,150	0	(1,156)
Subtotal	\$1,242	\$1,091	\$1,156	\$1,157	\$0	(\$1,156)
TOTAL	\$1,242	\$1,091	\$1,156	\$1,156	\$0	(\$1,156)
Funding						
City Funds			\$1,156	\$1,156	\$0	(\$1,156)
TOTAL	\$1,242	\$1,091	\$1,156	\$1,156	\$0	(\$1,156)
Positions						
TOTAL			0	0	0	0

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

Mayor's Office of Film, Theatre and Broadcasting

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$0	\$0	\$0	\$66	\$0	\$0
Additional Gross Pay	0	0	0	1	0	0
Subtotal	\$0	\$0	\$0	\$67	\$0	\$0
Other Than Personal Services						
Contractual Services	\$0	\$500	\$0	\$500	\$0	\$0
Subtotal	\$0	\$500	\$0	\$500	\$0	\$0
TOTAL	\$0	\$500	\$0	\$566	\$0	\$0
Funding						
City Funds			\$0	\$0	\$0	\$0
Intra City			0	0	0	0
Other Services/Fees			0	566	0	0
TOTAL	\$0	\$500	\$0	\$566	\$0	\$0
Positions						
TOTAL			0	0	0	0

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

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. The IMB currently manages the City's 12 Empire Zones and 16 Industrial Business Zones.

The decrease of \$1.2 million in the Fiscal 2015 Preliminary Budget from the Fiscal 2014 Adopted Budget is the result of the Industrial Business Zone contract savings.

Neighborhood Development

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$818	\$800	\$833	\$799	\$833	\$0
Unsalaries	90	27	0	59	0	0
Additional Gross Pay	37	20	4	4	4	0
Subtotal	\$945	\$847	\$837	\$862	\$837	\$0
Other Than Personal Services						
Supplies and Materials	\$4	\$3	\$0	\$2	\$0	\$0
Property and Equipment	0	3	0	2	0	0
Other Services and Charges	1	14	0	10	0	0
Contractual Services	2,908	3,708	5,111	6,499	1,662	(3,449)
Fixed & Miscellaneous Charge	0	0	0	0	0	0
Subtotal	\$2,913	\$3,728	\$5,111	\$6,513	\$1,662	(\$3,449)
TOTAL	\$3,858	\$4,575	\$5,948	\$7,376	\$2,499	(\$3,449)
Funding						
City Funds			\$3,945	\$1,999	\$496	(\$3,449)
<i>Federal-CD:</i>						0
Community Development Block Grants			2,003	2,250	0	(2,003)
<i>Federal-Other:</i>					2,003	2,003
Community Development Block Grants			0	3,127	0	0
TOTAL	\$3,858	\$4,575	\$5,948	\$7,376	\$2,499	(\$3,449)
Positions						
TOTAL			10	10	10	0

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

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.

The decrease of \$3.4 million from the Fiscal 2014 Adopted Budget to the Fiscal 2015 Preliminary Budget is attributed to reduction in contractual services. The Roosevelt Avenue Cleanup was a one year program. The initiative was part of a neighborhood revitalization plan in association with the Business Improvement District’s (BID) expansion efforts and provided supplemental sanitation services to Roosevelt Avenue from 82nd Street to 114th Street in Queens.

Workforce Development: One Stop Centers, Program Management, Training, and Workforce Investment Board (WIB) and Other

Workforce Development: One Stop Centers

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$176	\$89	\$41	\$161	\$0	(\$41)
Unsalariied	0	0	0	37	0	0
Additional Gross Pay	3	0	0	0	0	0
Subtotal	\$179	\$89	\$41	\$198	\$0	(\$41)
Other Than Personal Services						
Supplies and Materials	\$17	\$2	\$0	\$12	\$0	\$0
Property and Equipment	22	21	0	123	0	0
Other Services and Charges	180	69	0	4	0	0
Contractual Services	26,065	24,956	22,160	22,017	19,954	(2,206)
Subtotal	\$26,284	\$25,048	\$22,160	\$22,156	\$19,954	(\$2,206)
TOTAL	\$26,463	\$25,137	\$22,201	\$22,354	\$19,954	(\$2,247)
Funding						
City Funds			\$6,607	\$6,759	\$4,359	(\$2,248)
<i>Federal Other:</i>						0
W.I.A. Dislocated Workers			5,219	5,219	5,219	0
Workforce Investment Act- Adult			10,376	10,376	10,376	0
TOTAL	\$26,463	\$25,137	\$22,201	\$22,354	\$19,954	(\$2,247)
Positions						
TOTAL			3	3	0	(3)

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

Workforce Development: Program Management

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$2,451	\$2,267	\$2,495	\$2,372	\$2,448	(\$47)
Other Salaried	0	0	0	0	0	0
Unsalaries	483	660	716	716	716	0
Additional Gross Pay	76	149	30	30	30	0
Subtotal	\$3,010	\$3,076	\$3,241	\$3,118	\$3,194	(\$47)
Other Than Personal Services						
Supplies and Materials	\$61	\$46	\$40	\$40	\$40	\$0
Property and Equipment	2	9	5	8	5	0
Other Services and Charges	3,493	2,990	297	465	297	0
Contractual Services	4,238	5,904	3,765	9,777	3,765	0
Fixed & Miscellaneous Charge	0	0	0	0	0	0
Subtotal	\$7,794	\$8,949	\$4,107	\$10,290	\$4,107	\$0
TOTAL	\$10,804	\$12,025	\$7,348	\$13,408	\$7,302	(\$46)
Funding						
City Funds			\$334	\$6,394	\$288	(\$46)
Federal-Other						0
W.I.A. Dislocated Workers			2,512	2,512	2,512	0
Workforce Investment Act-Adult			4,367	4,367	4,367	0
Workforce Investment Act Central Adminis			135	135	135	0
TOTAL	\$10,804	\$12,025	\$7,348	\$13,408	\$7,302	(\$46)
Positions						
TOTAL			44	44	44	0

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

Workforce Development: Training

	2012	2013	2014	2014	2015	*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$362	\$476	\$476	\$459	\$81	(\$395)
Unsalaries	0	85	58	41	58	0
Additional Gross Pay	8	15	3	3	3	0
Subtotal	\$370	\$576	\$537	\$503	\$142	(\$395)
Other Than Personal Services						
Supplies and Materials	\$1	\$1	\$0	\$0	\$0	\$0
Other Services and Charges	1,439	114	0	0	0	0
Contractual Services	8,338	8,069	8,500	9,053	5,346	(3,154)
Subtotal	\$9,778	\$8,184	\$8,500	\$9,053	\$5,346	(\$3,154)
TOTAL	\$10,148	\$8,760	\$9,037	\$9,556	\$5,488	(\$3,549)
Funding						
City Funds			\$3,619	\$4,138	\$70	(\$3,549)
<i>Federal Other:</i>						
W.I.A. Dislocated Workers			1,668	1,668	1,668	0
Workforce Investment Act-Adult			3,750	3,750	3,750	0
TOTAL	\$10,148	\$8,760	\$9,037	\$9,556	\$5,488	(\$3,549)
Positions						
TOTAL			6	6	0	(6)

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

Workforce Development: WIB and Other

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 Prelim. Plan	2015 Prelim. Plan	*Difference 2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$189	\$653	\$330	\$330	\$330	\$0
Unsalaries	61	417	61	881	61	0
Additional Gross Pay	13	18	1	1	1	0
Subtotal	\$263	\$1,088	\$392	\$1,212	\$392	\$0
Other Than Personal Services						
Supplies and Materials	\$0	\$3	\$1	\$1	\$1	\$0
Property and Equipment	0	1	0	0	0	0
Other Services and Charges	26	10,514	25	8,104	25	0
Contractual Services	1,048	966	6,239	3,344	56	(6,183)
Subtotal	\$1,074	\$11,484	\$6,265	\$11,449	\$82	(\$6,183)
TOTAL	\$1,337	\$12,572	\$6,655	\$12,661	\$473	(\$6,183)
Funding						
City Funds			\$6,183	\$0	\$0	(\$6,183)
<i>Federal Other:</i>						
Hurricane Sandy Disaster Relief			0	5,174	0	0
Trade Adjustment Assistance Program			0	855	0	0
W.I.A. Dislocated Workers			233	274	233	0
WIA National Emergency			0	6,119	0	0
Workforce Investment Act-Adult			233	233	233	0
Workforce Investment Act Central Adminis			6	6	6	0
TOTAL	\$1,337	\$12,572	\$6,655	\$12,661	\$473	(\$6,183)
Positions						
TOTAL			3	3	3	0

**The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.*

SBS currently operates the City’s 15 Workforce1 Career Centers. The Workforce1 Career Centers provide job placement assistance, career advisement, job search counseling and referrals to skills 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.

The Fiscal 2015 Preliminary Budget for Workforce Development is \$12 million less than the Fiscal 2014 Adopted budget. The \$483,000 decrease in personal services is due to the elimination of 9 positions from Fiscal 2014 Adopted to Fiscal 2015 Preliminary budget. The decrease in the OTPS budget is due to decreasing spending on one stop centers and funds not yet restored for customized training and transitional jobs. There is also a \$6 million decrease in OTPS that is due to council funds not yet restored in FY15 for Workforce Investment Board (WIB).

Performance Measures

	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Workforce1 system wide job placements	32,854	30,900	28,166	30,000	30,000	7,035	11,911
New jobseekers registered through the Workforce1 Career Center system	80,083	73,518	84,515	*	*	27,717	33,989
Walk-in traffic at Workforce1 Centers	252,068	312,009	320,273	*	*	78,990	142,777

Workforce 1 system-wide job placements increased 69.3% from 7,035 in the first four months of Fiscal 2013 to 11,911 for the same period in Fiscal 2014. Additionally, walk-in traffic at Workforce 1 centers increased 80.8%, from 78,990 to 142,777 in the first four months of Fiscal 2013 and Fiscal 2014, respectively.

Economic & Financial Opportunity: Labor Services

<i>Dollars in Thousands</i>	2012	2013	2014	2014	2015	*Difference
	Actual	Actual	Adopted	Prelim. Plan	Prelim. Plan	2014 - 2015
Spending						
Personal Services						
Full-Time Salaried	\$626	\$635	\$762	\$762	\$762	\$0
Other Salaried and Unsalaries	10	0	0	0	0	0
Additional Gross Pay	31	32	18	18	18	0
TOTAL	\$667	\$667	\$780	\$780	\$780	\$0
Funding						
City Funds			\$582	\$582	\$582	\$0
<i>Federal-Other:</i>						
Procurement Technical Assistance			198	198	198	0
TOTAL	\$667	\$667	\$780	\$780	\$780	\$0
Positions						
TOTAL			10	10	10	0

*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Plan Funding.

Appendix A Budget Actions Chart

<i>Dollars in Thousands</i>	FY 2014			FY 2015		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of Fiscal 2014 Adopted Plan	\$71,295	\$42,068	\$113,363	\$40,827	\$42,068	\$82,895
New Needs						
MOER Brownfield Incentive Program	\$0	\$0	\$0	\$1,750	\$0	\$1,750
SBS Dockmaster Unit	10	0	10	0	0	0
Willetts Point Business Relocation Assistance	3,770	0	3,770	0	0	0
NBAT and Business Express				1,475		1,475
SBS Veteran Procurement Study	200		\$200			
SBS Waterfront Unit					10	10
TOTAL, New Needs	\$3,980	\$0	\$3,980	\$3,225	\$10	\$3,235
Other Adjustments						
CD Rollover	\$0	222	222	\$0	\$0	0
CDBG-DR Increase for Loan App	0	10,000	10,000	0	0	0
CDBG-BLGP & Admin	0	1,335	1,335	0	0	0
CITIServ- SBS Transfer	(26)	0	(26)	(26)	0	(26)
Clean Heat Initiative	5,132		5,132			
CPSD-MTA Relocation from 530 Zerega Avenue, Bronx	55					
East River Ferry				2,000		2,000
EDC CDBG-DR Sandy Roll to FY14		283,959	283,959			
FY14 HRO Architectural Scoping		21,072	21,072			
FY14 HRO Preconstruction		10,649	10,649			
FY14 IC to SBS		770	770			
FY14 NEG Rollover		5,721	5,721			
FY14 PS Rapid Response		41	41			
FY14 Vendor Markets Rollover	0	11	11	0	0	0
FY15 HRO Architectural Scoping	0	0	0	0	7,024	7,024
FY15 HRO Preconstruction	0	0	0	0	3,550	3,550
HHS Accelerator Technical Adjustment	(4)	0	(4)	(8)	0	(8)
Member Item Reallocation	210	0	210	0	0	0
OER SPEED Maintenance to DoITT	(57)	0	(57)	0	0	0
Small Firm Assistance Rollover	0	1,837	1,837	0	0	0
TAA Budget Increase	0	342	342	0	0	0
Workforce Development Programs	0	566	566	0	0	0
Acquisition Costs for Development		8,600	8,600			
BCG Contract Amend 1 and 2		6,107	6,107			
BNY Mod for FEMA Reimbursement		2,667	2,667			
BRIP Consultant-PMO Design		626	626			

<i>Dollars in Thousands</i>	FY 2014			FY 2015		
	City	Non-City	Total	City	Non-City	Total
CDBG OTPS		70	70			
CDBG PS Admin		102	102			
CEDAR street payment-NYPD		86	86			
CMS Development Employee		7	7			
Construct Inspect Services 2		9,376	9,376			
Construction Inspect Service 1		11,300	11,300			
FY14 BNYDC Sandy Fema		2,661	2,661			
FY14 HRO Critical Path Matters		5,000	5,000			
FY14 NEGDHS		4	4			
FY14 NEG PY12-22		5,567	5,567			
Pavement Management System		385	385			
RISE Competition Administrator		298	298			
TAA Budget Increase		513	513			
Take the Helm		1,290	1,290			
WTC PAC LMDC Grant		1,050	1,050			
TOTAL, Other Adjustments	\$5,310	\$392,232	\$397,487	\$1,966	\$10,574	\$12,539
TOTAL, All Changes	\$9,290	\$392,232	\$401,467	\$5,190	\$10,584	\$15,774
Agency Budget as of Fiscal 2015 Preliminary Plan	80,585	\$434,300	\$514,885	46,017	\$52,652	\$98,669

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Appendix B

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 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.

Category	Number	Budgeted	Pct. of DEP Total
Contractual Services General	35	\$23,465,825	36.9%
Telecommunications Maintenance	2	10,000	0.0%
Maintenance & Repair, General	1	1,200	0.0%
Office Equipment Maintenance	1	139,075	0.2%
Data Processing Equipment	1	15,000	0.0%
Printing Contracts	2	35,500	0.1%
Temporary services	2	65,500	0.1%
Cleaning Services	1	111	0.0%
Economic Development	4	15,455,189	24.0%
Training Programs for City Employees	5	72,500	0.1%
Payments to Delegate Agencies	10	21,760,056	34.3%
Professional Services: Other	2	1,946,141	3.1%
Professional Services: Computer Services	2	510,000	0.8%
Professional Services: Direct Education Services	1	53,200	0.1%
Fiscal 2015 Preliminary Budget	69	\$63,529,297	100.0%

Appendix C

Fiscal 2014 PMMR Performance Measures

	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Unique businesses served by NYC Business Solutions	10,247	8,696	11,340	*	*	3,674	3,492
«Financing awards to businesses facilitated by NYC Business Solutions	710	683	1,200	690	700	163	143
«Unique businesses receiving financing awards facilitated by NYC Business Solutions	627	588	1,053	590	600	N/A	N/A
Value of financing awards facilitated by NYC Business Solutions (\$000)	39,840	71,484	54,101	*	*	13,371	8,856
«Businesses awarded NYC Business Solutions training funds	16	26	27	26	26	6	4
Projected number of individuals receiving wage gains or new employment as a result of Training Funds awards	270	510	590	*	*	148	101
«Recruit-to-hire ratio for job placements made through accounts managed by NYC Business Solutions Hiring	3:1	3:1	3:1	3:1	3:1	3:1	3:1
Value of Energy Cost Savings Program savings for businesses (\$000)	433	597	760	*	*	96	N/A
Jobs created or retained by Energy Cost Savings Program	1,083	2,521	4,122	*	*	632	N/A
Value of Lower Manhattan Energy Program savings for active commercial tenants (cumulative) (\$000)	24,915	25,032	17,418	*	*	10,543	8,053
Commercial tenants active in Lower Manhattan Energy Program	1,403	1,403	1,095	*	*	1,403	1,095
Workforce1 system wide job placements	32,854	30,900	28,166	30,000	30,000	7,035	11,911
New jobseekers registered through the Workforce1 Career Center system	80,083	73,518	84,515	*	*	27,717	33,989
Walk-in traffic at Workforce1 Centers	252,068	312,009	320,273	*	*	78,990	142,777
City blocks receiving supplemental sanitation services through BIDs	1,262	1,468	1,468	1,480	1,480	1,468	1,480
Average acceptably clean BID sidewalk ratings (%)	99.0%	99.0%	98.5%	99.0%	99.0%	98.1%	97.3%
Value of AvenueNYC local development corporations funding (\$000,000)	1.80	1.74	\$1.50	*	*	N/A	N/A
Customer Experience: E-mails responded to in 14 days (%)	100%	100%	100%	*	*	100%	100%
Customer Experience: Letters responded to in 14 days (%)	100%	100%	100%	*	*	100%	100%

	FY11	Actual		Target		4-Month Actual	
		FY12	FY13	FY14	FY15	FY13	FY14
Newly certified businesses in Locally-Based Enterprise Program	15	26	24	*	*	12	4
Minority and Women-owned Business Enterprises certified	3,244	3,526	3,700	3,811	3,963	3,586	3,666
Minority and Women-owned Business Enterprises awarded City contracts	529	633	651	671	691	N/A	N/A
M/WBEs awarded contracts after receiving direct assistance	378	439	447	460	474	N/A	N/A
Annual M/WBE recertification rate	49.4%	62.5%	59.2%	60.0%	62.5%	N/A	N/A
Newly certified businesses in M/WBE Program	549	1,022	1,061	*	*	351	307
City contracts awarded to Minority and Women-owned Business Enterprises	6,564	8,496	7,926	8,085	8,328	2,523	2,818
Contracts awarded to M/WBEs after receiving direct assistance	4,856	5,391	5,297	5,403	5,565	1,561	2,097

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Appendix D

Reconciliation of Program Areas to Units of Appropriation

<i>Dollars in Thousands</i>	Personal Services			Other Than Personal Services				Grand Total
	001	002	004	005	006	010	011	
Agency Administration and Operations	\$7,159	\$6,305						\$13,464
Business Development	3,833	458					3,513	7,804
Contract Svcs: Economic Development Corp					15,461			15,461
Contract Svcs: NYC&Co / Tourism Support		12,262						12,262
Contract Svcs: Other		11,886						11,886
Economic & Financial Opportunity: M/WBE			695	600				1,295
Economic & Financial Oppty: Labor Services			780					780
MO Film, Theatre and Broadcasting						0	0	0
MO Industrial & Manufacturing Businesses		0						0
Neighborhood Development	838	1,662						2,500
Workforce Development: One Stop Centers						0	19,954	19,954
Workforce Development: Program Management						3,195	4,107	7,302
Workforce Development: Training		0			943	142	4,403	5,488
Workforce Development: WIB and Other						391	82	473
Grand Total	\$11,830	\$32,573	\$1,475	\$600	\$16,404	\$3,728	\$32,059	\$98,669