
Department of Small and Local Business Development

<http://dslbd.dc.gov>

Telephone: 202-727-3900

Description	FY 2013 Actual	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$4,115,553	\$8,154,832	\$9,445,947	15.8
FTEs	26.3	40.8	38.0	-6.8

The Department of Small and Local Business Development (DSLBD) supports the development, economic growth, and retention of District-based businesses, and promotes economic development throughout the District's commercial districts.

Summary of Services

The Department of Small and Local Business Development provides assistance and services to District-based businesses by positioning them to compete successfully for local, federal, and global business opportunities; advocating and promoting small business; providing one-on-one technical assistance, workshops, and training; certifying companies to do business in the city; and fostering small business development in commercial districts.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table EN0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table EN0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund						
Local Funds	4,792	4,047	7,464	8,985	1,522	20.4
Total for General Fund	4,792	4,047	7,464	8,985	1,522	20.4
Federal Resources						
Federal Grant Funds	249	69	691	461	-231	-33.4
Total for Federal Resources	249	69	691	461	-231	-33.4
Gross Funds	5,041	4,116	8,155	9,446	1,291	15.8

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Full-Time Equivalents, by Revenue Type

Table EN0-2 contains the proposed FY 2015 FTE level compared to the FY 2014 approved FTE level by revenue type. It also provides FY 2012 and FY 2013 actual data.

Table EN0-2

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change
General Fund						
Local Funds	16.7	25.5	35.0	35.0	0.0	0.0
Total for General Fund	16.7	25.5	35.0	35.0	0.0	0.0
Federal Resources						
Federal Grant Funds	2.5	0.8	5.8	3.0	-2.8	-48.2
Total for Federal Resources	2.5	0.8	5.8	3.0	-2.8	-48.2
Total Proposed FTEs	19.2	26.3	40.8	38.0	-2.8	-6.8

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table EN0-3 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table EN0-3
(dollars in thousands)

	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	1,132	1,624	2,879	2,412	-468	-16.2
12 - Regular Pay - Other	387	350	414	667	253	61.1
13 - Additional Gross Pay	27	36	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	273	361	794	646	-148	-18.6
Subtotal Personal Services (PS)	1,820	2,372	4,087	3,725	-362	-8.9
20 - Supplies and Materials	44	20	35	45	10	28.3
31 - Telephone, Telegraph, Telegram, Etc.	38	33	29	50	21	73.1
40 - Other Services and Charges	74	65	229	181	-48	-20.9
41 - Contractual Services - Other	835	1,053	567	2,612	2,045	360.4
50 - Subsidies and Transfers	2,144	556	3,194	2,808	-387	-12.1
70 - Equipment and Equipment Rental	86	18	13	25	12	93.3
Subtotal Nonpersonal Services (NPS)	3,221	1,744	4,067	5,721	1,654	40.7
Gross Funds	5,041	4,116	8,155	9,446	1,291	15.8

*Percent change is based on whole dollars.

Division Description

The Department of Small and Local Business Development operates through the following 4 divisions:

Certification – processes applicants into the Certified Business Enterprise (CBE) program and monitors, tracks, and reports the activities of District agencies and non-government project partners to ensure compliance with purchasing, participation, and utilization goals with CBEs pursuant to District Law 16-33, the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended.

This division contains the following 2 activities:

- **Certification** – processes and issues certifications designating a District-based business as a CBE, conducts inspections to ensure businesses are compliant with certification regulations, and responds to complaints regarding non-compliant certified companies; and
- **Compliance** – provides oversight of District government agencies and non-government projects to ensure compliance with District regulations regarding CBE utilization and participation pursuant to District Law 16-33.

Business Opportunities and Access to Capital – provides District-based businesses with the knowledge and capacity-building tools necessary to form, develop, grow, and expand by offering classes, training, technical assistance, and advocacy to promote greater participation in local, federal, and private-sector opportunities.

This division contains the following 6 activities:

- **Capital Acquisition** – expands business opportunities for CBEs by increasing the availability of start-up, working equity, and development capital bonding; partners with lending institutions to provide financial tools; and provides targeted technical assistance that will allow for greater preparedness for the lending process;
- **Procurement Technical Assistance Program** – provides District-based small businesses with support to prepare for and gain access to federal government procurement opportunities through the Procurement Technical Assistance Program;
- **Access to Capital** – expands business opportunities for small businesses by increasing the availability of start-up, working equity, and development capital and bonding; partners with lending institutions to provide financial tools; and provides targeted technical assistance that will allow for greater preparedness for the lending process;
- **Business Development** – provides support, resources, and technical assistance to current or prospective business owners by providing one-on-one counseling, monthly training courses, and workshops to address a broad variety of start-up and development issues from establishing a business to building business credit and finding loans; promotes and advocates for small and local businesses headquartered in the District of Columbia; and is responsible for increasing opportunities for small business participation in the procurement process within the public and private sectors and communicating industry-specific business opportunities;
- **Trade and Export** – provides training, targeted services, trade mission support, and business opportunity identification in order to increase the number of District small businesses that export, grow the dollar value of exports from District businesses, and coordinate trade missions for qualified District-based businesses; and
- **Technology and Innovation** – provides support and assistance for technology companies pursuing opportunities in the development of Small Business Innovation and Research (SBIR) and Small Business Technology Transfer (STTR) program applications; develops and delivers training and technical assistance sessions, as well as unique multi-sector events, designed to assist District technology entrepreneurs launch and grow their businesses; and leverages expertise in federal and private commercialization practices to generate competitive grant applications for District-based small business.

Commercial Revitalization – provides technical and funding assistance that supports, promotes, and fosters economic development in commercial districts as well as the retention, recruitment, and enhancement of small businesses throughout the city.

This division contains the following 4 activities:

- **Capacity Building** – provides oversight, funding, and support for the growth and development of neighborhood businesses and manages grants to community-based organizations;
- **Main Streets** – fosters retail investment in the District by providing services and funding to help communities retain and recruit businesses, improve commercial properties and streetscapes, and attract consumers;
- **Commercial Clean Teams** – maintains commercial corridors; enhances litter clean-up efforts through the removal of debris from streets, sidewalks and storefronts; and removes graffiti and illegal sign postings within designated clean team service-delivery areas; and

- **Healthy Food Programs** - facilitates increased supply and demand for healthy foods in accordance with the FEED DC Act by providing of technical assistance with regard to the purchase, marketing, and maintenance of healthy foods in District of Columbia food deserts.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

Division Structure Change

The Department of Small and Local Business Development has no division structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Division and Activity

Table EN0-4 contains the proposed FY 2015 budget by division and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

Table EN0-4
(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Agency Management								
(1010) Personnel	54	18	85	67	0.2	0.2	0.8	0.7
(1015) Training and Education	12	15	43	29	0.2	0.1	0.4	0.3
(1020) Contracting and Procurement	11	15	114	99	0.2	0.1	0.1	0.0
(1030) Property Management	11	18	14	-4	0.2	0.1	0.1	0.0
(1040) Information Technology	11	40	64	24	0.0	0.1	0.1	0.0
(1050) Financial Management	106	112	117	5	0.3	0.2	0.1	0.0
(1055) Risk Management	11	15	14	-1	0.2	0.1	0.1	0.0
(1060) Legal	157	163	282	120	0.0	0.0	0.0	0.0
(1070) Fleet Management	2	6	6	0	0.0	0.0	0.0	0.0
(1080) Communications	52	236	172	-63	1.5	2.1	2.1	0.0
(1085) Customer Service	81	70	73	2	1.8	1.1	1.1	0.0
(1090) Performance Management	230	327	217	-110	1.4	3.2	1.2	-2.0
Subtotal (1000) Agency Management	738	1,034	1,200	166	6.0	7.5	6.5	-1.0
(2000) Certification								
(2010) Certification	653	801	530	-271	5.5	6.3	4.4	-1.9
(2020) Compliance	610	693	640	-53	0.0	7.0	6.4	-0.6
Subtotal (2000) Certification	1,263	1,494	1,170	-324	5.5	13.3	10.8	-2.5

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Table EN0-4 (Continued)

(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(3000) Business Opportunities and Access to Capital								
(3030) Capital Acquisition	74	0	308	308	1.5	0.0	2.5	2.5
(3040) Procurement Technical Assistance Program	54	479	500	21	0.5	4.0	4.0	0.0
(3050) Access to Capital	118	0	1,248	1,248	0.0	0.0	1.0	1.0
(3060) Business Development	413	578	683	105	7.6	5.6	6.5	0.9
(3070) Trade and Export	406	498	251	-247	0.3	4.0	2.0	-2.0
(3080) Technology and Innovation	0	82	130	48	0.0	0.8	0.0	-0.8
Subtotal (3000) Business Opportunities and Access to Capital	1,064	1,637	3,120	1,483	9.8	14.4	15.9	1.6
(4000) Commercial Revitalization								
(4010) Neighborhood Corridor Revitalization	0	245	0	-245	0.0	1.8	0.0	-1.8
(4020) Capacity Building	242	245	349	104	1.7	1.8	2.6	0.8
(4030) Main Streets	303	1,279	1,169	-109	1.7	1.0	1.1	0.1
(4040) Commercial Clean Teams	505	2,020	2,237	217	1.6	0.0	1.1	1.1
(4050) Healthy Food Programs	0	200	200	0	0.0	1.0	0.0	-1.0
Subtotal (4000) Commercial Revitalization	1,051	3,989	3,956	-34	5.0	5.6	4.8	-0.8
Total Proposed Operating Budget	4,116	8,155	9,446	1,291	26.3	40.8	38.0	-2.8

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's divisions, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Department of Small and Local Business Development's (DSLBD) proposed FY 2015 gross budget is \$9,445,947, which represents a 15.8 percent increase over its FY 2014 approved gross budget of \$8,154,832. The budget is comprised of \$8,985,254 in Local funds and \$460,693 in Federal Grants funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DSLBD's FY 2015 CSFL budget is \$7,240,549, which represents a \$223,065, or 3.0 percent, decrease from the FY 2014 approved Local funds budget of \$7,463,614.

CSFL Assumptions

The FY 2015 CSFL calculated for DSLBD included adjustment entries that are not described in detail on table 5. These adjustments include reductions of \$200,000 and \$100,000 to account for the removal of one-time funding appropriated in FY 2014 for the creation of a new Rhode Island Avenue, N.E. Main Street and for a Clean Team on Bladensburg Road, N.E., respectively. Additionally, adjustments were made for increases of \$57,900 in personal services to account for Fringe Benefit costs based on trend and comparative analyses and the impact of cost-of-living adjustments implemented in FY 2013, and \$19,035 in nonpersonal services based on the Consumer Price Index factor of 2.4 percent.

Agency Budget Submission

Increase: The DSLBD proposed Local funds budget reflects an increase of \$195,715 in the budget allocation for personal services to support an additional 2.0 Full-Time Equivalent (FTE) positions, as well as projected salary step and Fringe Benefit costs. This adjustment in DSLBD's budget proposal for personal services is the combination of increases of \$315,241 in the Business Opportunities and Access to Capital program and \$187,212 in the Certification division and reductions of \$98,778 from the Commercial Revitalization division and \$207,960 from Agency Management.

Decrease: The budget proposed in Local funds for nonpersonal services reflects a net reduction of \$195,715 to offset personal services adjustments. This change is comprised of increases of \$184,313 in the Agency Management program and \$101,727 in the Business Opportunities and Access to Capital division, and reductions of \$4,576 from the Certification program and \$477,179 from the Commercial Revitalization division.

In Federal Grant funds, the proposed budget reduces funding by \$230,525 and 2.8 FTEs to account for the expiration of the DC State Trade and Export Promotion (STEP) pilot grant in FY 2014.

Mayor's Proposed Budget

Enhance: The Department of Small and Local Business Development's budget proposal reflects an increase to Local funds in the amount of \$1,094,705 for projects previously funded by Capital. These recurring costs are associated with the process of clarifying the definition of small business enterprise and certified business enterprise (CBE), to classify developers as beneficiaries, and to define what constitutes a government-assisted project that is subject to the requirements of the CBE program. Additionally, the Local funds budget reflects an increase of \$50,000 to support the expansion of the Clean Team Job Training program in Ward 8.

District's Proposed Budget

Enhance: The Local funds budget increased in the Commercial Revitalization division by \$300,000 for Clean Teams in Wards 3, 5 and 7 and by \$200,000 in one-time funding for the H Street corridor Main Street improvement program. The budget in Local funds increased in Agency Management by \$100,000 to reflect one-time funding for a study to consider Lower Georgia Avenue for the Main street program.

Reallocate: DSLBD's Local funds budget reflects a reallocation of \$277,848 in the Commercial Revitalization division to support Clean Teams based on the elimination of 2.0 FTEs.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table EN0-5 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table EN0-5
(dollars in thousands)

DESCRIPTION	DIVISION	BUDGET	FTE
LOCAL FUNDS: FY 2014 Approved Budget and FTE		7,464	35.0
Removal of One-Time Funding	Multiple Programs	-300	0.0
Other CSFL Adjustments	Multiple Programs	77	0.0
LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)		7,241	35.0
Increase: To support additional FTEs	Multiple Programs	196	2.0
Decrease: To offset projected increases in personal services	Multiple Programs	-196	0.0
LOCAL FUNDS: FY 2015 Agency Budget Submission		7,241	37.0
Enhance: Small and Certified Business Enterprise Development and Assistance Amendment Act of 2014	Business Opportunities and Access to Capital	1,095	0.0
Enhance: Provide additional funding for clean teams in ward 8	Commercial Revitalization	50	0.0
LOCAL FUNDS: FY 2015 Mayor's Proposed Budget		8,385	37.0
Enhance: To support Clean Teams	Commercial Revitalization	300	0.0
Enhance: Main Street program - H Street (one-time)	Commercial Revitalization	200	0.0
Enhance: To support Main Street program-Lower Georgia Ave	Multiple Programs	100	0.0
Reallocate: To reallocate funding in support of Clean Teams	Commercial Revitalization	278	0.0
Reallocate: Personal services for Clean Teams	Multiple Programs	-278	-2.0
LOCAL FUNDS: FY 2015 District's Proposed Budget		8,985	35.0
FEDERAL GRANT FUNDS: FY 2014 Approved Budget and FTE		691	5.8
Decrease: To align budget with projected grant awards	Business Opportunities and Access to Capital	-231	-2.8
FEDERAL GRANT FUNDS: FY 2015 Agency Budget Submission		461	3.0
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2015 Mayor's Proposed Budget		461	3.0
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2015 District's Proposed Budget		461	3.0
Gross for EN0 - Department of Small and Local Business Development		9,446	38.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Agency Performance Plan

The agency's performance plan has the following objectives for FY 2015:

Certification, Compliance and Enforcement

Objective 1: Improve the business certification process, increase participation, and strengthen compliance and enforcement of the CBE program (including One City Action Plan Action 1.1.6 and 5-Year Economic Development Strategy 1.17).

KEY PERFORMANCE INDICATORS

Certification, Compliance and Enforcement

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Average number of business days for certification application determinations	30	30	35	30	28	26
Percent of certification applications processed within 45 business days	95%	85%	90%	85%	85%	85%
Number of certification applications processed	1,191	1,150	1,186	1,200	1,250	1,300
Number of spot checks conducted (new in FY 2014)	Not Available	Not Available	Not Available	1,100	1,100	1,100

Business Opportunities and Access to Capital

Objective 1: Assist small businesses with accessing capital, expanding business opportunities, and training and education resources (including 5-Year Economic Development Strategy 1.3 and 5.3).

KEY PERFORMANCE INDICATORS

Business Opportunities and Access to Capital

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Number of small business participants in training and education activities	2,875	3,000	4,054	3,200	3,400	3,400
Number of small businesses participating in international business matching activities (exporting activities) ¹ [One City Action Plan Action 1.1.3]	17	15	17	20	25	30
Number of DSLBD clients obtaining HUB Zone and 8(a) certification [5-Year Economic Development Strategy 1.3] ² (new in FY 2013)	Not Available	Baseline	110	50	75	100
Number of small businesses receiving microloans (new in FY 2014)	Not Available	Not Available	Not Available	Baseline	TBD	TBD
Number of participants in DC Food Incubators (new in FY 2014)	Not Available	Not Available	Not Available	Baseline	TBD	TBD

Commercial Revitalization

Objective 1: Extend economic development to District neighborhoods through commercial revitalization initiatives and programs.

KEY PERFORMANCE INDICATORS

Commercial Revitalization

Measure	FY 2012	FY 2013	FY 2013	FY 2014	FY 2015	FY 2016
	Actual	Target	Actual	Projection	Projection	Projection
Number of graffiti removed in commercial corridors	3,624	2,000	1,664	2,500	3,000	3,500
Number of trash bags collected in commercial corridors	157,011	200,000	97,347	150,000	175,000	200,000
Number of tree boxes maintained in commercial corridors ³	Not Available	20,000	7,463 ⁴	TBD	TBD	TBD

Agency Management

Objective 1: Provide administrative support and the required tools to achieve operational and programmatic effectiveness within DSLBD.

KEY PERFORMANCE INDICATORS

Agency Management

Measure	FY 2012	FY 2013	FY 2013	FY 2014	FY 2015	FY 2016
	Actual	Target	Actual	Projection	Projection	Projection
Number of webpage views (new in FY 2013)	114,689	117,500	193,270	117,500	120,000	122,500

Performance Plan Endnotes:

¹In FY 2012, DSLBD named this indicator “Number of businesses participating in exporting activities.”

²A baseline has to be established in FY 2013.

³In FY 2012, DSLBD could not obtain reliable data to support this indicator, and therefore did not use this indicator in FY 2013.

⁴As of June 30, 2013.