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FOR IMMEDIATE RELEASE: May 30, 2018

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\$1.8 BILLION AHEAD OF PROJECTIONS, MAYOR DE BLASIO ANNOUNCES NEW GOAL TO AWARD \$20 BILLION TO M/WBES BY FY 2025

Mayor also increases the maximum amount of key City loan program for M/WBEs and small businesses from \$500,000 to \$1 million per business

NEW YORK—Mayor Bill de Blasio today announced that the City is two years ahead of schedule to meet his OneNYC goal, which aims to award \$16 billion to minority- and women-owned business enterprises (M/WBEs) by the end of Fiscal Year (FY) 2025. The City has awarded approximately \$7.8 billion to M/WBEs since the goal was established in 2015 – \$1.8 billion more than initial projections. As a result, the Mayor will increase his OneNYC goal to award \$20 billion to M/WBEs by the end of FY 2025.

Today the Mayor also announced an increase in the loan cap on the City’s Contract Financing Loan Fund, a program that allows M/WBEs and small businesses to access affordable loans. Currently, M/WBEs and small businesses have access to loans totaling \$500,000. Beginning this summer, M/WBEs and small businesses will be able to access loans totaling up to \$1 million per year at a low three-percent interest rate.

These two announcements come on the heels of the 2018 Disparity Study which analyzed the disparity between the availability of firms owned by minorities and women in the market area where the City does business and the utilization of those firms for procurements by City agencies.

“I have said this before, and I’ll say it again: this city works best when all New Yorkers – regardless of race, gender or ethnicity – have the resources they need to contribute in our economy,” said **Mayor Bill de Blasio**. “We are reaching historic highs when it comes to awarding contracts to M/WBEs, and with our new OneNYC goal, we are reminding all available M/WBEs interested in doing business with the City that we are in fact open for business.”

“When we invest in minority and women entrepreneurs across New York City, we reinvest directly in our communities,” said **J. Phillip Thompson, Deputy Mayor for Strategic Policy Initiatives**. “Bringing people of color and women into City contracting improves our work and empowers our communities.”

“M/WBEs are an essential part of the City’s economy, and I thank Mayor de Blasio and Deputy Mayor Thompson for their leadership in the making the M/WBE Program a priority,” said **Jonnell Doris, Senior Advisor and Director of the Mayor’s Office of M/WBEs**. “We are glad to report that we are ahead of schedule on our OneNYC goal by \$1.8 billion, and we look forward to continuing this work in partnership with the M/WBEs, who have been champions for the Program, to create an economy that works for all.”

“Under Mayor Bill de Blasio’s leadership, we are committed to building a more inclusive local economy,” said **Gregg Bishop, Commissioner of the Department of Small Business Services**. “Our new goal for leveraging the City’s purchasing power will help even more M/WBEs succeed, which will go a long way toward promoting equity of opportunity here in New York City.”

Since the launch of the Contract Financing Loan Fund in March of 2017, the City has loaned more than \$6 million to over 30 businesses, allowing these businesses to perform on over \$37 million worth of work. Approximately 90-percent of these businesses are City-certified M/WBEs.

Increasing access to affordable loans for M/WBEs supports the Mayor’s \$20 billion M/WBE OneNYC goal, which is part of the City’s broader OneNYC plan to become the most resilient, equitable, and sustainable city in the world. The increased loan limit will allow M/WBEs to perform on more City contracts, improving their ability to hire more workers and purchase materials as they ramp up to work on City projects.

These two announcements come on the heels of the 2018 Disparity Study which found a higher percentage of M/WBEs among businesses available to work with the City of New York compared to the 2012 Study. In 2012, when the previous Study was completed, the City found a 37-percent availability rate of M/WBEs within the City’s market area. The 2018 Study has found an M/WBE availability rate of approximately 50-percent in the City’s market area.

In a change from the previous Study, the 2018 Disparity Study supports the setting of participation goals for Asian-American businesses in Professional Services – one of the four industry classifications – and for Native-American businesses in all industry classifications, including professional services, construction services, standard services, and goods.

As of the end of quarter two of FY 2018, the City reached a 20-percent utilization of M/WBEs, meaning that M/WBEs were awarded 20-percent of the value of City contracts from July 1 2017-December 31, 2017. The City currently has a goal to award 30 percent of the value of City contracts to M/WBEs by end of FY2021, a goal the Disparity Study supports.

The City is continuing to certify available firms as per the Mayor’s goal of City-certifying 9,000 M/WBEs by end of FY 2019. Currently, the City boasts nearly 6,000 certified M/WBEs in its Program, a roughly 50-percent increase since the beginning of the Administration.

The Administration is reviewing all findings and recommendations of the Study as it relates to the current City-wide M/WBE program.

The full Study and Executive Summary can be found [here](#).

State Senator James Sanders Jr. said, “I think the Mayor’s efforts are admirable, but there is much more to be done in order to create an even playing field for M/WBEs when it comes to obtaining City contracts. I think hitting these initial goals signifies positive first steps, and I’m glad the City plans to forge ahead to do even better.”

"I applaud Mayor de Blasio's increased goal to help city M/WBE's. When I led the Banking Committee in the Senate, I learned the struggles that M/WBE's across the City and State face when trying to obtain finances to grow in capacity. Anything we can do to assist the growth of these important businesses is welcomed," said **State Senator Diane J. Savino**.

State Senator Jesse Hamilton said, “I welcome today’s announcements that our City is ahead of time in reaching important milestones in M/WBE contracting and will extend its goals even further. A healthy small business ecosystem grants the opportunity for all our communities to succeed. Breaking down barriers like loan affordability creates lifelines for entrepreneurs ready to provide needed goods and services. We must continue step up our efforts to nurture small business opportunities across all our neighborhoods.”

"Small businesses are the backbone to our City's economy and expanding opportunities for minority- and women-owned businesses to unleash their full potential will help all New Yorkers prosper," said **State Senator Gustavo Rivera**. "I commend Mayor de Blasio for investing in our city's M/WBEs. Increasing the OneNYC goal and the cap on key loan programs will empower small businesses to flourish while strengthening our local economy.”

“I was overjoyed to learn that the City is increasing the Mayor’s OneNYC goal which originally aimed to award \$16 billion to minority- and women-owned business enterprises. The new \$20 billion goal indicates that this Mayor is more than willing to walk the walk on this issue,” said **Assembly Member Rodneyse Bichotte, Chair of the Oversight of Minority and Women-Owned Business Enterprises Subcommittee**. “I am even more excited that the Disparity Study reveals that New York City is making critical progress towards a more equitable economy. The fact that this Administration managed to increase the total number of City-certified M/WBEs by 50 percent since its start, indicates that this Mayor is more than willing to walk the walk on this issue.”

"As a City, we must make investments to support minority- and women-owned business enterprises as they create jobs and equity within our communities as far too many are under-represented, under-resourced and significantly challenged by a lack of financial resources,” said **Assembly Member Michael Blake**. "In The Bronx, we are committed to closing disparities between M/WBEs and other firms by focusing on the nuanced challenges M/WBEs face, providing them with greater access to capital, contracting opportunities, and counseling along with more efficient payment systems with local government. We’re pleased to find the study underscored the growth of Asian-owned businesses and that M/WBEs were awarded 20 percent

of contracts, but much more needs to be done to increase the amount of companies that are awarded and the sizes of the awards. Investing in M/WBEs will spur business growth, continue #BuildingABetterBronx, and will put the people first."

"M/WBEs are an integral part of our city's economy. I am pleased with the progress that the City has made towards its OneNYC goal as well as its expansion of affordable loans available to small businesses. Through this year's Disparity Study, we can also evaluate the work that still needs to be done so that all New Yorkers have access to economic and business opportunities. Prior to this year, on the City level, Asian Americans as a minority were limited from qualifying for the M/WBE program. Since this was not the case on the State level, there was a disconnect between the City's Disparity Studies and those conducted by the State. It is critical that we paint a clear picture of where resources are needed, and this wouldn't have been possible if Asian-Americans were continued to be left out. I commend the City for listening to these concerns over many discussions with my office, and I look forward to the implementation of these programs," **said Assembly Member Yuh-Line Niou.**

"Finding new and better ways to give more New Yorkers the opportunity to benefit from the vast resources the City spends on contracting is critical to making New York the fairest big city in America. Both facets of today's announcement are important steps in exactly that direction," said **Council Member Robert Cornegy, Chair of the Task Force on M/WBEs and Chair of the Committee on Housing and Buildings.**

"It's encouraging to see that the City is making strides towards meeting its projected M/WBE award goals," said **Council Member I. Daneek Miller, co-Chair of the Black, Latino/a and Asian Caucus.** "All of the efforts undertaken by the Administration to improve M/WBE certification, access to capital, and contract utilization would not have been possible without the tireless advocacy of the City Council's BLA Caucus and its community partners, as well as Mayor de Blasio's own keen interest in promoting economic opportunity to neglected businesses and firms of color in the City's procurement of goods and services, including the management of its wealth. Much has been achieved, but we cannot rest on our laurels. Our work must continue with vigor."

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