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**MAYOR BLOOMBERG ANNOUNCES MAJOR PROGRESS FOR NEW YORK CITY
ANTI-POVERTY STRATEGY UNDER CENTER FOR ECONOMIC OPPORTUNITY**

Eleven Initiatives Considered Successful or Promising and Six Programs Discontinued

*Mayor Delivers Speech at the Center for American Progress and Meets with White House Officials to
Advocate for a Federal Urban Innovation Fund to Fight Poverty Based on
New York City Model*

Mayor Michael R. Bloomberg today announced, in a speech delivered at the Center for American Progress in Washington, DC, that New York City's Center for Economic Opportunity has made major progress in moving the city's anti-poverty strategy forward. Making good on the promise of transparency and accountability when the Center for Economic Opportunity was created in 2006, the Mayor announced that eleven of the Center's initiatives are considered successful or promising and six programs representing approximately \$3 million annually will no longer be funded by the Center. For the remaining Center for Economic Opportunity programs, evaluation is ongoing and will continue. The Mayor also noted that several successful programs may be expanded with Federal stimulus funds from the American Recovery and Reinvestment Act, and reiterated his call for the creation of an urban innovation fund to fight poverty in large metropolitan areas. The Mayor also met with White House officials today to discuss the Center for Economic Opportunity model and the lessons learned to date. The innovation fund would draw on the Center for Economic Opportunity's success to help support ambitious new anti-poverty programs nationwide; twenty-five mayors from across the nation have also joined the Mayor's call for a federal innovation fund. The Mayor was introduced by the President and Chief Executive Officer of the Center for American Progress John Podesta, and was joined by Deputy Mayor for Health and Human Services Linda I. Gibbs, Center for Economic Opportunity Executive Director Veronica M. White, Special Assistant to President Obama for Urban Affairs Derek Douglas, Brookings Institution Senior Fellow Ron Haskins, and Center for American Progress Senior Fellow Mark Greenberg.

"Poverty is one of the most complicated issues our nation faces and we cannot continue to do the same old things in the same failed ways if we truly want to break cycles of intergenerational poverty over the long term," said Mayor Bloomberg. "We've got to be bold in trying new approaches, unafraid to test them and then discard those that don't do the job. The creation of a Federal urban innovation fund, based on the Center for Economic Opportunity model, would help us to create a sharper strategic vision nationwide for achieving measurable results in reducing poverty."

(more)

“It’s an understatement to say that the Center for Economic Opportunity has been successful,” said President and Chief Executive Officer of the Center for American Progress John Podesta. “In the first year of its existence, the Center for Economic Opportunity launched more than 40 new anti-poverty programs in New York City. And last year, it created a new model for measuring poverty, making New York the nation’s first local government to refigure the Federal government’s heavily-criticized 40-year old poverty measure. By sharing lessons learned and highlighting the initiatives that are, and aren’t working, New York City is helping to create a road map for the nation when it comes to fighting poverty.”

“The creation of the Center for Economic Opportunity back in 2006 and our accomplishments since then have put us in a great position to spend stimulus funding quickly and wisely on program models that work and help to lift families out of poverty,” said Deputy Mayor for Health and Human Services Linda I. Gibbs. “We have found that the Center for Economic Opportunity’s job training, education, and placement programs – particularly for the working poor and at risk youth – are the right strategies, especially in this economy.”

“Center for Economic Opportunity initiatives have moved parents into stable careers and families out of poverty, helped young people get their GEDs and transition into college and have also engaged at-risk youth in community service,” said the Center’s Executive Director Veronica M. White. “We are thrilled that the Center for Economic Opportunity has become a nationally recognized research and development laboratory for testing new anti-poverty strategies.”

“The nation’s social programs would be much more effective if every city and state had shown the foresight and courage of New York City in adopting innovative policies and then subjecting them to gold standard evaluations to learn what works,” said Brookings Institution Senior Fellow Ron Haskins. “New York City is leading the way in the new era of accountability in social policy.”

“Our hope from the very beginning was that the work of the Commission for Economic Opportunity would not just help those living in poverty in New York City, but would serve as a model for poor communities across the country,” said President and Chief Executive Officer of Harlem Children’s Zone and Co-Chair of the Commission for Economic Opportunity Geoffrey Canada. “The Commission’s recommendations were doable, effective ways for local governments to help break the cycle of generational poverty, and the Center for Economic Opportunity is making a powerful impact in this important fight.”

“New York City is a model for the nation when it comes to developing new ways to tackle some of our nation’s most pressing concerns like poverty reduction and education reform,” said Chairman of Citigroup, Inc. and Co-Chair of the Commission for Economic Opportunity Richard D. Parsons. “Much of what the Center for Economic Opportunity is focused on – accountability through evaluation and piloting innovative programs – draws from what we know works well in the business world. The Center for Economic Opportunity’s progress is a real investment in the future of our country, particularly for working poor families.”

“The release of the Center for Economic Opportunity report is a significant milestone for New York City – it encourages a discussion on poverty,” said Community Service Society of New York President and CEO David R. Jones. “The report is a good start and gives New York a unique opportunity to further develop a realistic and attainable framework for New Yorkers and particularly disconnected youth, to create a route out of poverty.”

“In cities and urban centers across this country, too many families have been forced to endure the pain and frustration of a life in poverty. And during today’s economic crisis, too many of our poorest residents have been left without the tools, resources, and safety net to put food on the table and keep a roof over their heads,” said Los Angeles Mayor Antonio Villaraigosa. “The fight to alleviate urban poverty is a national challenge and it must have a national solution, and I am proud to join fellow mayors and local leaders nationwide in calling on President Obama to uphold his commitment to our cities and to create an Innovation Fund dedicated to lifting our neighbors out of poverty and putting them on a path to a brighter future.”

“To break the vicious cycle of poverty in our communities, we must forgo the same ‘business as usual’ tactics in favor of innovative programs and initiatives that will truly get to the core of this national and global epidemic,” said Newark Mayor Cory Booker. “Last July, Newark joined New York City’s call for the Federal government to establish a new alternative poverty measure, and this was a truly great place to start. I commend Mayor Bloomberg and his administration for their efforts on behalf of poverty-prevention, and look forward to a continued partnership in tackling this critical issue.”

“I am pleased to join Mayor Bloomberg in calling for an Urban Innovation Fund to assist cities to remediate poverty and the difficulties faced by low-income families and individuals”, said Miami Mayor Manny Diaz, U.S. Conference of Mayors President. “Concerted poverty reduction efforts via ACCESS Miami, New York’s Center for Economic Opportunity, in Chicago, Los Angeles and many other cities have shown very promising results. Investments such as these strengthen our country’s national prosperity, with American cities being America’s growth opportunity. Rigorous evaluation of investment outcomes determines what works and this serves to assist others nationwide.”

The Center for Economic Opportunity was established by Mayor Bloomberg in 2006 to implement innovative ways to reduce poverty in New York City. Led by Executive Director Veronica White and supported by a combination of public and private funds, the Center for Economic Opportunity works with City agencies to design and implement evidence-based initiatives aimed at poverty reduction. The Center manages an Innovation Fund through which it provides City agencies annual funding to implement such initiatives. The Center for Economic Opportunity also oversees a rigorous system of analyses – including long-term random assignment evaluations in which there is a program group that benefits from the policies and control group that does not – to determine which are successful in demonstrating results towards reducing poverty and increasing self-sufficiency among New Yorkers.

The Innovation Fund includes approximately \$60 million in new City funds, approximately \$42 million for the Child Care Tax Credit, over \$11 million in City education funds, and approximately \$7 million in State and Federal funding. The Mayor’s Fund to Advance New York City and the Center for Economic Opportunity raise \$25 million annually in private grants to fund *Opportunity NYC*, the Center’s conditional cash transfer pilot, and the nation’s first such program.

Eleven Center for Economic Opportunity program models have demonstrated significant participant outcomes, and the Center for Economic Opportunity will continue to evaluate them as many of these promising programs are expanded. For most, including the Conditional Cash Transfer program, it is still too early in the evaluation process to judge whether they will be successful or will no longer be funded by the Center for Economic Opportunity. And six programs will not be continued. Detailed performance data and evaluations for all Center for Economic Opportunity

programs are included in the “*Early Achievements and Lessons Learned*” report that Mayor Bloomberg released today and are also available online at www.nyc.gov.

Early Successes and Promising Initiatives

The following initiatives show successful early outcomes, or are considered promising models. Many have a national impact and are being explored or replicated in other localities. Due to the Center for Economic Opportunity’s strategic investment in closely monitoring program and participant outcomes, the City is identifying the best strategy to direct Federal stimulus dollars to expand some Center for Economic Opportunity programs.

- **Office of Financial Empowerment (OFE).** OFE supports asset building, financial education, and protection from predatory practices for low-income New Yorkers through a wide array of innovative projects. OFE is leading a national coalition, Cities for Financial Empowerment, and members are replicating several of OFE’s research and programmatic initiatives, such as a study of how low-income households use financial services, a network of financial education providers, and new financial services for low-income households. Senator Charles Schumer (D- New York) recently introduced legislation that would establish a similar entity at the Federal level. The City’s first Financial Empowerment Center was opened in the Bronx last summer and by the end of this year, five new centers will open in all five boroughs to help New Yorkers with household budgets by offering free, one-on-one financial counseling and coaching.
- **Pre-Populated EITC Forms.** The NYC Department of Finance took the unprecedented step of analyzing Federal tax information to identify New Yorkers who were eligible for the Earned Income Tax Credit (EITC) in prior years and used that information to fill out and mail amended tax returns so people could claim their credits. The EITC helps low-income families to stabilize – and even grow – their family finances. In two years, the project successfully helped low-income workers successfully claim more than 22,000 credits totaling almost \$14 million. This year New York State will conduct a similar statewide mailing and Maryland, Virginia, and Kansas are also working with the IRS to replicate the program.
- **Community Based Organization Outreach (CBO) Program.** The CBO Outreach program recruits job seekers from high-poverty areas for placement by the City’s Workforce 1 Career Centers. The program has already placed 2,166 people in jobs this year.
- **An Alternative to the Outdated 40-Year-Old Federal Poverty Measure.** The Federal poverty measure is widely criticized for failing to accurately reflect the number of poor Americans. Last summer, the Center for Economic Opportunity developed an alternative poverty measure based on recommendations of the National Academy of Sciences designed to account for geographic variation in cost of living and the real value of government interventions. Federal legislation to revise the poverty measure has since been introduced by Congressman Jim McDermott (D-Washington) and Senator Chris Dodd (D-Connecticut). New York State is in the process of utilizing the new Center for Economic Opportunity poverty measure formula to get a clearer picture of poverty statewide and staffers in Los Angeles, Miami, Washington DC, Seattle, San Francisco and Chicago have also expressed interest in replicating the Center’s measure.

- **City University of New York (CUNY) Prep.** CUNY Prep offers out-of-school youth full-time study focused on GED completion and preparation for college admission. Rigorous academic standards, high-quality instruction, a supportive community, and college orientation distinguish CUNY Prep from other GED programs. The program has served as a model for the New York City Department of Education's new full-time GED programs. A total of 1,462 youth have been admitted to the program since 2003. Of those who have attempted to complete their GEDs since the program began, an average of 76 percent have successfully passed, vastly exceeding the citywide average pass rate of 44 percent. A part-time evening program serves older youth and adults.
- **Child Care Tax Credit (CCTC).** New York City is one of only two local governments to offer a CCTC, which helps to offset the cost of child care for low- to moderate-income families with children under the age of four. When combined with similar Federal and State credits, CCTC provides significant support to working families (up to \$6,143). The local credit is available to New York City parents with an adjusted gross income of \$30,000 or less, and families may receive a credit of up to approximately \$1,700. Participation in the CCTC program in its first year exceeded goals, with over 50,000 households receiving the credit for a total of approximately \$30 million.
- **Healthy Food Policies.** New York City has developed an aggressive food-policy agenda to improve food security and increase the availability of healthy foods in low-income communities. The Food Policy Coordinator, an ombudsman working in the Mayor's Office, is advancing an ambitious citywide agenda, such as implementing healthy nutrition standards for the 225 million snacks and meals served by City agencies each year. The Healthy Bodegas Initiative expands retail access to healthy foods in targeted low-income communities, including a campaign to promote low-fat milk in 1,000 bodegas and fresh fruits and vegetables in over 500 markets. The Green Carts program has allowed for an addition of 1,000 new vending cart permits to sell only fruits and vegetables in high-poverty neighborhoods.
- **City University of New York Accelerated Study in Associate Programs (ASAP).** CUNY ASAP provides academic and economic support to help low-income students complete Associate degrees in an accelerated manner. The program has shown success in retaining participants, improving grade point averages and number of credits earned. Approximately 30 percent of students are anticipated to graduate in just two years - compared to 12.5 percent of the comparison group.
- **Nursing Career Ladders.** The Nursing Career Ladders: Licensed Practical Nurse (LPN) Program is an accelerated program to train and certify students as LPNs in less than a year. When participants begin the program they are earning 130 percent of the poverty line, but by the time they graduate, they earn \$40,300. The program graduates nurses in 11 months (traditional programs take two years) and offers intensive instruction, extensive clinical practice, and personalized support to achieve very high retention and completion rates. In its first year, all 39 participants successfully completed the program and 77 percent passed the New York State licensing exam. The second cohort of 39 students are expected to graduate in May.
- **Sector-Focused Career Centers.** The Sector-Focused initiative creates job-placement and training centers focused on specific industries with excellent salary growth potential and a

need for new employees. The City opened its first transportation sector center in June 2008, and achieved 587 placements and promotions through February 2009. Three-quarters of those seeking new jobs were placed in positions earning \$10 or more per hour.

- **Young Adult Internship Program (YAIP).** YAIP provides disconnected youth ages 16-24 with paid internships, employment and education placement assistance, and follow-up services. In its first year, the program placed approximately 1,350 youth in internships and over 60 percent of participants went on to jobs, education, military placement or advanced training. The first cohort of participants is now reaching its one-year mark and data indicates that approximately half remain connected to school or to work.

Discontinued Programs

The Center for Economic Opportunity's model of evaluation programs fosters experimentation, accountability, and rewards results. As important, it ensures that programs that do not work have a short shelf life. Mayor Bloomberg today announced that the Center is discontinuing approximately \$3 million in funding for programs that failed to demonstrate adequate results due to poor performance, a weak program model or the fact that they were one-time investments or too small of an experiment to begin with. These programs are the first to be discontinued since the Center launched two years ago.

- **The Supportive Basic Skills Program.** This program was one of several education and employment programs developed for court-involved young adults. The initiative included a basic literacy program, GEDs, college, employment services, and mentoring. This is a difficult-to-serve population, with few programs to help their re-entry. The Center for Economic Opportunity is cutting this particular literacy program because the provider failed to serve and improve the reading skills of a sufficient number of participants. The Center is funding a dozen other literacy programs for young adults.
- **The City Hiring Initiative.** The program sought to increase the number of cash assistance recipients placed into entry level positions with City agencies and their contractors. The program model was insufficiently developed, and city hiring practices were negatively impacted by reduced City revenues. As a result, the program attained few additional job placements.
- **Non-Custodial Parent Outreach Programs.** The City's child support enforcement unit developed several new outreach strategies to engage low-income non-custodial parents in the child support enforcement system. The programs had limited impacts and as a result, will no longer be considered part of the Center for Economic Opportunity. The City's Human Resources Administration's Office of Child Support Enforcement (OCSE) will continue to work with this hard-to-reach population as part of its basic mission.
- **ACCESS NYC Marketing and Outreach.** The Center for Economic Opportunity supported several strategies to help launch and promote the City's on-line benefit screening program. The programs included trainings, ad campaigns, staffing, and a computer give away. These programs have generally run their course and some were more successful than others. The staffing models helped people use the screening tool but none were particularly more effective than users self-guided applications. Over 500 computers were distributed to non-profits and City agencies to be used for benefit screening, but there is no reasonable way to measure

benefits. Additionally, benefits could not be readily measured and increased site usage could not be attributed to the marketing program.

- **e311 Marketing Campaign.** The e311 Marketing Campaign was part of other language access initiatives and efforts to promote social services available through the City's 311 phone service. The campaign was successfully implemented and there was an increase in 311 call volume during the campaign. There was also a modest increase in non-English calls. The time-limited, single-year campaign ended. There is little justification for the Center's investment in long-term evaluation.
- **Early Childhood Policy and Planning Positions.** The Center also funded staff positions in two City agencies to work on early childhood planning. Although, these individuals were well-regarded by their agencies and contributed to an expansion of pre-kindergarten slots, a single staff person without authority is clearly not a robust program model that can be measured.

“One of the distinguishing differences between government and business is that while businesses invest in their profitable lines, government agencies tend to pour resources into floundering programs. We operate with a very different mindset. So today, I'm releasing a list of a half-dozen initiatives totaling \$3 million that will no longer be funded by the Center for Economic Opportunity. Most are doing what government programs almost never do: they're riding off into the sunset. But the fact that we're defunding initiatives doesn't mean we're giving up on the groups they serve – quite the opposite! It means we intend to help them – and in ways that are effective, which is the point of trying new things and testing their impact,” said Mayor Bloomberg.

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