Participant Targeting and Opportunity Costs of Opportunity NYC

**Background**

In August 2010, New York City concluded a three-year pilot of Opportunity NYC, one of the first large-scale conditional cash transfer programs to be attempted in the developed world. Opportunity NYC sought improvements in a series of health, education, and employment indicators among New York City’s most marginalized populations. Participants would earn cash rewards for verified medical visits, school attendance and standardized test scores, and participation in employment training. The program targeted families in poverty with school-aged children in Manhattan (in Central and East Harlem), Brooklyn (in Brownsville and East New York), and the Bronx (in East Tremont/Belmont and Morris Heights/Mt. Hope), and was administered through a group of six participating community organizations.

**Purpose**

The functioning of Opportunity NYC relied crucially on identifying the most disadvantaged families who would be most likely to respond to cash rewards for the targeted behaviors. The program experienced many challenges during its demonstration, among them the opportunity costs for participants to navigate its bureaucracy (mandatory training sessions, appointments, paperwork submissions, reward receipts, etc). Much participant interaction with the program occurred in-person through participating community organizations. In some cases these regular visits became excessive for low-income, often single parent participants.

This project first seeks to demonstrate the appropriateness of Opportunity NYC’s population targeting through poverty mapping of participating communities of New York City. In addition, a spatial analysis of targeted communities will illustrate one of the major opportunity costs for program participants. A comparison of the “immediate footprint” of each organization (e.g. a ¼ mile street radius) against the size of the territory it covered would show how many participants were required to travel regularly simply to comply with program administrative requirements.

**Limitations**

This project relied mainly on US Census 2000 and New York City’s Department of City Planning Data. ESRI’s US Census portal has easily obtainable census tract data by county. I then downloaded a US Census 2000 data table of selected household poverty statistics by census tract and created a table, allowing the creation of a series of poverty maps for New York City. As Opportunity NYC specifically targeted households in poverty, as well as with school-aged children, the attribute of percentage of families in poverty with children under 18 offered the closest approximation to the program’s eligibility criteria. Adding a data layer from the Department of City Planning of New York’s community districts made it possible to highlight the two participating communities in each county, illustrating how well Opportunity NYC identified its target population. The Dept. of City Planning also provided tax layers, which include street addresses for all of New York City. After creating these layers, the data editor tool allowed me to pinpoint each Opportunity NYC community organization. A Dept. of City Planning LION file of street data then allowed the creation of a new dataset of street distance buffers of ¼ mile around each community organization (a distance generally recognized in city planning as “walkable”).

**Data and Methods**

These simple spatial analyses suggest several results. The first is that Opportunity NYC did an excellent job targeting the most economically marginal regions of New York City. As the poverty maps make clear, the program not only was successful in identifying high poverty areas, but targeted the community districts with the highest density of households in poverty. Less clear is how accessible the administration of the program was for many of the eligible families. As the spatial analysis of street distances shows, each community organization serviced an extremely large area; many program participants may have lived quite far away from the community organizations which they were required to visit regularly to process paperwork and verify and collect rewards. Preliminary evaluations of Opportunity NYC cited maintaining the engagement of program participants as a central challenge. These maps suggest that future versions of the program should consider using additional community partner organizations, streamlining program administration to minimize required visits by participants to community organizations, and/or improve the outreach capabilities and resources of each organization.

**Discussion**

In January 2011, Opportunity NYC was an experimental pilot, and so by definition was limited in its scope and capacity (the program opened with treatment and control groups of seven thousand each). Were the program to scale operations to the entire city, it would very likely operate through additional community organizations on the ground, and would presumably be more accessible to participants. Yet scaling up operations requires positive results from the pilot program, results that were hampered in part by the opportunity costs illustrated here. As the city contemplates the future of Opportunity NYC, it should continue to rethink the logistics of the ground program administration, and the interactions required between community organizations and program participants.