Mayor Michael Bloomberg held a press conference on Tuesday, March 30, at Bronx Works, located 1030 Grand Concourse, to release a preliminary study results for a cash incentive pilot program designed to decrease poverty throughout New York City.

The Opportunity NYC-Family Rewards Program was launched in 2007, through NYC’s Center for Economic Opportunity, in six of the highest-poverty communities in the city. Through the program, cash incentives are rewarded to low-income families for their efforts to improve components and decisions in their life that will lead to a decrease in their poverty level.

“The program began three years ago in an effort to answer one question,” said Bloomberg, “how can the government help people break out of the poverty cycle?”

Within its first two years, the Opportunity NYC Conditional Cash Transfer (CCT) initiative disbursed more than $14 million amongst 2,400 families, with an average annual payment of $3,000 per family. All funding for the project was private, at no cost to taxpayers.

“The CCTs start with the premise that people have to make hard choices, passing on the opportunity to attend job training courses or missing a doctor appointment,” Bloomberg said. “We thought, what if people get cash grants for making the right decisions.”

According to data, collected through MDRC, a non-profit research organization, Family Rewards reduced the number of participating families in poverty by 11 percent.

The study analyzed the effect the incentives had on children’s education achievements, family health, and parents’ employment. In order to conduct the study, participating families were compared with a control group of low-income families that did not receive benefits.

The study showed improvements in areas such as high school attendance for proficient students, medical treatment, employment and work training. Other targets, such as middle school and elementary school attendance remain unaffected by the program.

According to Bloomberg the next steps in increasing effectiveness of the program will to alter the components that seem to have no effect.

“We saw some things that did not work, but this is not the be all end all,” Bloomberg said. “The responsibility we have is to fine tune the program to take away the things that aren’t working and add to those that are.”

Roughly 800 families from the Bronx were selected through the assistance of Bronx Works.

“I want to congratulate and thank Mayor Bloomberg. We are pleased to partner with the city on this,” said Carolyn McLaughlin, executive director of Bronx Works. “We all know the south Bronx is one of the worst areas in the county in terms of poverty, and we have worked with the city in the past on many programs that are anti-poverty. We applaud the city and the mayor for caring so much as to what happens to the low-income families in the city and in the south Bronx.”

Bronx participant, Marilexis Guillen, accompanied by her family, was on hand to explain how the program has improved her life.

“Before the program I was on public assistance. When I began the program I was able to enroll in community college,” Guillen said I am very thankful for this opportunity and to Mayor Bloomberg. After the program I will continue to work more hours and keep up my studies.”

A series of evaluations will continue to be released throughout the end of the study, which will be two years after the three-year pilot program reaches completion.

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