

**Examining the Say Yes to Education Program's Initial Impacts on  
Family Choices and Economic Development in Syracuse**

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### I. Introduction

This paper offers a first descriptive look at the effects of the Say Yes to Education Program (Say Yes) in Syracuse, New York on family decisions as revealed through enrollment patterns and changes in the Syracuse residential housing market. The Say Yes to Education Program is an ambitious initiative that combines “place-based” college scholarships with intensive student supports during elementary and secondary school. The program has been hailed by United States Secretary of Education Arne Duncan, among others, as a potential model for reviving public schools and spurring economic development in the nation’s declining central cities (Mariani, 2009). Evaluation of the program’s effects on family decisions as revealed through enrollment patterns and changes in the Syracuse residential housing market is crucial for assessing that potential.

The Say Yes program is a partnership between the Say Yes to Education Foundation, the Syracuse City School District (SCSD) and Syracuse University that began in 2008. The initiative provides extensive supports for children and families in the school district, starting in kindergarten and continuing through high school, including, but not limited to, after school and summer school programs, family social services, and legal clinics. A crucial component of the program is the Higher Education Compact that provides free college tuition at over 100 public and private colleges and universities for students who attend Syracuse public schools for at least

three years and graduate from the SCSD.<sup>1</sup> The scholarship component is the most well-publicized aspect of the program, and the component most likely to have immediate impacts on residential housing patterns and school enrollment decisions. By providing a large monetary benefit, the scholarship program provides a strong incentive for families in the metropolitan area to live in Syracuse and send their children to Syracuse public schools.

An explicit program goal is to use education reform as a catalyst to spur economic development and revitalize the metropolitan area's central city. The initiative has recently been renamed "The Say Yes Citywide Turnaround Strategy" to reflect this overarching mission. Examining Say Yes's influence on enrollments in Syracuse public schools and housing prices in the city of Syracuse is an important first step in evaluating the program's effectiveness at achieving these goals.

The effect of Say Yes on enrollment trends is important for several reasons. First, an enrollment increase in response to Say Yes is an indicator that the program is helping to make the Syracuse public schools more attractive to students and parents. Second, increased enrollments may provide fiscal benefits. Aid from New York State is provided on a per pupil basis, and thus each additional student retained in or attracted to Syracuse public schools generates additional state revenue for the district. Also, if more families within the district send their children to district schools, support for local tax levies may increase. If the marginal costs of serving additional students are less than the additional revenues generated, increased enrollments would serve to free up additional funding for extra services. Third, if Say Yes were to affect school ethnic composition by stemming "white flight" from the city's schools, it would help to promote racial and ethnic integration of the area's schools.

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<sup>1</sup> Eligibility requirements are further described below. Most private universities have recently instituted an income cap of \$75,000 for full tuition eligibility.

Say Yes can influence enrollment in two ways—by attracting students who otherwise would reside in Syracuse but attend private schools and by attracting families that might otherwise locate in suburban areas. If the latter occurs, we would expect increased demand for housing in the city of Syracuse, and assuming that the supply of housing is relatively fixed in the short-run, an increase in housing prices. Because the location of families within the metropolitan area can influence the location of retail and service business, attracting families to Syracuse may help to spur economic growth within the city. In sum, enrollment trends in the public schools and housing prices in the city may be “leading indicators” of the program’s progress toward revitalizing Syracuse’s urban core.

Preliminary evidence suggests that after a decade of steady decline, enrollments in the Syracuse City School District increased following the announcement of Say Yes. These increases were primarily the result of a reduction in the decline of white student enrollments and a sharp increase in the number of Asian students. Moreover, while Syracuse experienced similar trends in housing prices as the rest of Onondaga County prior to Say Yes, the city saw stronger growth in housing prices than the rest of the county following Say Yes. Although the simple, descriptive analysis presented here do not allow us to draw conclusions about the causal impacts of Say Yes on enrollment and housing prices in Syracuse, they do provide motivation for more detailed investigation of the program’s effects.

## II. Previous Research: Educational Benefits, Family Choices and Local Economic Development

Previous research has largely confirmed that access to educational benefits influences enrollment choices, residential location decisions, and property values. Studies have consistently found that school factors, such as perceived quality (Figlio and Lucas, 2004; Black, 1999; Clapp,

Nanda, and Ross, 2008; Downes and Zabel, 1997), state aid increases (Barrow and Rouse, 2004), school choice programs (Reback, 2005) and desegregation efforts (Kane, Staiger and Reigg, 2005) can affect housing prices in urban areas. Recent evidence from the Texas' Top 10 Percent Plan also indicates that policies linking college opportunities to the high school a student attends can influence high school enrollment decisions, residential location choices, and property values (Cortes and Friedson, 2009; Cullen, Long and Reback, 2009).<sup>2</sup>

The Say Yes to Education program has the potential to more directly influence family choices than many educational amenities. First, the Say Yes benefits, particularly the scholarship program, are more directly observable than many previously studied educational amenities such as school quality or peers' academic achievement. Second, the expected monetary benefits of the scholarship can be easily quantified, allowing parents and prospective homeowners to assess the potential costs and benefits of buying a home in the city and sending their children to Syracuse public schools. Third, the scholarship benefits are, arguably, larger and more direct than those from previous studies on educational amenities, particularly for students planning to attend a private university. From a research perspective, the relatively sudden implementation of the program in a narrowly defined geographic area also facilitates a stronger research design than are typically possible with more diffuse educational interventions.

Note that the program could affect both the supply of and demand for available housing. The most likely effect is that the program's perceived benefits may keep families from moving out of the city, particularly as their children reach school age, thus lowering the supply of available housing. At the same time, we would expect the program to attract new residents from

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<sup>2</sup> This policy guarantees automatic admission to a state university of choice for all high school seniors who graduate in the top decile of their high school class. Cullen, Long, and Reback (2009) find that students increased their chances of being in the top 10% by choosing a high school with lower-achieving peers, and Cortes and Friedson (2009) find these strategic moves had the effect of raising the property values in areas with low performing schools.

outside the city of Syracuse, increasing demand for housing in the city. It is also possible that increased demand for housing will lead to new development and rehabilitation of existing homes, thereby increasing supply. As an older city with considerable existing housing stock this latter response would likely be small and we hypothesize that the overall effect in the short term would be to increase demand and reduce supply, thereby increasing prices for available housing.

While school quality or choice programs are rarely explicitly tied to urban revitalization efforts, many states and cities have increasingly promoted educational initiatives as, in part, economic development programs. Beginning with Georgia's HOPE Scholarship Program in the mid-1990s, these initiatives have often focused on providing generous college scholarships to residents based largely on merit and/or place of residence rather than student need (Henry and Rubenstein, 2002). The goals of these programs are two-fold. First, by offering generous educational benefits to state residents, the scholarships offer an important locational advantage in efforts to attract new residents and businesses. Second, by attempting to stem "brain drain" these scholarship programs seek to improve human capital formation by increasing the stock of highly educated citizens within the state.

Just as the 1990s witnessed a strong trend toward merit-based scholarships, such as Georgia's HOPE Scholarships and Florida's Bright Futures Scholarships, the past decade has seen growth in newer "place-based" scholarships. Similar to state merit-based scholarships, these place-based scholarships typically award full tuition at public colleges and universities to students meeting eligibility criteria. While eligibility for merit-based scholarships is often based on a combination of high school grade point average, standardized test scores and a residency requirement, place-based scholarships have only a residency requirement.<sup>3</sup> Unlike the largely

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<sup>3</sup> Students still have to meet admission standards at the universities participating in the program and maintain enrollment after admission. Thus, place-based scholarships provide incentives for achievement similar to those

state-based merit aid programs, place-based scholarships typically require residency in a specific city or school district. Additionally, these programs have often been privately funded, or combine public and private funding.

Because place-based college scholarships are relatively new, only limited evidence on their potential impacts has accumulated. The available evidence suggests considerable potential to influence family choices. The privately-funded Kalamazoo (MI) Promise program began with the class of 2006 and awards a college scholarship to any student graduating from Kalamazoo public schools. Recent analyses show that enrollment in the Kalamazoo public schools increased by 12 percent in the two years immediately following announcement of the Promise program, after falling by over five percent in the three years immediately preceding the announcement (Miron and Cullen, 2008).

Evidence on the effects of the Kalamazoo program may understate the potential effects of the Say Yes program in Syracuse. The Kalamazoo program's residency requirements are more stringent than those of Say Yes; to receive a full scholarship, students must be continuously enrolled in the Kalamazoo schools since kindergarten, with a 65 percent scholarship for students enrolled for four years of high school (Miller-Adams, 2006), while the Say Yes program requires only three years of residency. Also, the Kalamazoo Promise applies to tuition and fees only at Michigan public colleges and universities. The Say Yes to Education program provides full tuition at all public colleges and universities in New York State, full tuition at Syracuse University, and full tuition for families earning less than \$75,000 at over twenty other private

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created by merit-based scholarships. Also, like merit-based scholarships, the value of the scholarship offer is considerably higher for high achieving students who are more likely to attend college, and for students who otherwise would qualify for lower amounts of financial aid.

universities, including the University of Pennsylvania, Columbia University and New York University.<sup>4</sup>

The Say Yes to Education program in Syracuse promises to provide new information to policymakers about education reform as a tool to revitalize urban centers. We envision this research as the first piece in a long-term project to systematically evaluate whether education reforms can help to reverse the decline of urban centers.

### III. Research Design & Data

The analyses presented in this paper are preliminary and descriptive, focusing on changes in enrollment and home price trends aggregated at the district or city level. Specifically, we compare public school enrollment and housing price trends in Syracuse and surrounding areas to determine whether deviations from trends following the relatively sudden announcement of Say Yes are larger or smaller in Syracuse than in otherwise similar areas. Increases in SCSD enrollments or housing prices after announcement of the program would be suggestive of a program effect. While developments that coincide with the adoption of Say Yes provide potential alternative explanations for any break in enrollment trends that we observe, we can control for changes that affect all jurisdictions within the Syracuse metropolitan area equally by using suburban Onondaga county school districts as comparison districts.<sup>5</sup> Additional controls can be introduced by comparing differences in trends between the SCSD and its surrounding

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<sup>4</sup> The program was originally announced with no income caps at the private universities. Due to institutional budget constraints, most adopted the income cap before the program started. Approximately 57 percent of households in Onondaga County, NY had incomes below the cap in 2008.

<sup>5</sup> Onondaga County includes eighteen school districts, all of which are fiscally independent districts with their own taxing authority, except for the Syracuse City School District, which receives local tax revenues from the City of Syracuse

districts to differences in trends between other similar upstate New York city school districts (specifically Rochester and Buffalo) and their surrounding districts.

These inspections of aggregate trends in enrollment and housing prices do not allow conclusions about the causal impact of Say Yes. Any events that coincide with the adoption of Say Yes and affect Syracuse differently than they affect comparison districts, including changing birth rates and the recent national recession, provide alternative explanations for any changes in trends that we examine. Thus, the analyses presented here should be viewed as preliminary, and the concluding section of the paper indicates some of the additional analyses that we plan to conduct to further investigate the influence of Say Yes on enrollments and housing prices.

Data for the enrollment analyses are drawn from the Basic Education Data System (BEDS) maintained by the New York State Education Department and the Common Core of Data (CCD) from the National Center for Education Statistics. The BEDS provides enrollment counts for each school by grade, race/ethnicity, and gender, and also provides school-wide counts of free lunch eligible students. The BEDS provides this information for all public and non-public schools in the state for each year dating back decades.

Data on housing sales and prices before and after the start of the Say Yes program come from the New York State Office of Real Property Services (ORPS). These data include the universe of property transfers in the state of New York (excluding New York City) since 1999, and include the sales price and date for all arms-length sales.<sup>6</sup> Our trend analyses include data from January 2000 through June 2010, the most recent quarter for which data are currently available. We limit the data to sales meeting the criteria for inclusion in ORPS's Residential Assessment Ratio (RAR), used by New York State to calculate state equalization rates. For

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<sup>6</sup> These data files also contain the square footage of the property sold. The files can be linked to tax assessment files that provide much more detail on property characteristics, information that can be exploited in future analyses.

inclusion in our dataset the property must be a single family dwelling with a sale price above \$10,000 in an arm's length sale. Condominiums, multi-family structures, mobile homes and commercial property are not included in our data set.

Table 1 displays basic descriptive data for the SCSD along with Rochester and Buffalo, the two primary comparison districts in our trend analysis. Though Syracuse is smaller than the other districts, all are midsize dependent city school districts in upstate New York<sup>7</sup>, serving largely minority and free-lunch-eligible student bodies. Graduation rates and test scores on state standardized tests are also generally low, with graduation rates hovering close to 50 percent and typically under 30 percent of students scoring at level 3 or 4 on state exams. Perhaps more important for our purposes is that each city has also experienced significant population and school enrollment declines over recent decades. These enrollment trends are discussed more fully below.

#### IV. Enrollment Trends

##### A. Trends in Syracuse

Figure 1 depicts K-12 enrollments in Syracuse city public schools over the last 12 years.<sup>8</sup> Enrollment in Syracuse city schools fell steadily during the ten year period preceding the announcement of Say Yes. Year-over-year enrollment declines averaged 361 students and approximately 1.7 percent of the prior year enrollment over this period. The only year in which enrollments increased relative to the prior year was 2005-06. The 317 student increase in

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<sup>7</sup> These districts, along with Yonkers and New York City, comprise the "Big Five" dependent city school districts in New York State.

<sup>8</sup> The enrollment counts presented include ungraded students but exclude pre-kindergarten students. Enrollment figures for 1998 through 2008 are drawn from the National Center for Education Statistic's Common Core of Data (CCD), and figures for 2009 are drawn from New York State's Basic Educational Data System (BEDS). The set of schools included in the 2008 and 2009 figures are the same, and we confirmed that the enrollments reported in the BEDS for 2008 matched those reported in the CCD.

enrollments in the city district schools between the fall of 2004 and the fall of 2005 was accompanied by a 429 student decrease in the city's two charter schools, which suggests that the increase is attributable to transfers from those charter schools. The enrollment increase in 2005-06 was followed by an exceptionally large enrollment decrease the next year.

Two charter schools opened in the city of Syracuse over the last decade, one in the fall of 2002 and the other in the fall of 2003. If students in Syracuse's charter schools are included in enrollment counts, overall enrollments in Syracuse public schools increased following the opening of the first charter school. Charter schools add to total public school enrollments by attracting students who would otherwise have attended private schools and by enrolling students who reside outside the district.<sup>9</sup> Nonetheless, the initial increase in enrollment that accompanied the opening of the first charter school was followed by consistent enrollment declines. Between 2003 and 2007 total enrollments in city district and charter schools fell an average of 348 students, or 1.6 percent per year.

Following the announcement of the Say Yes initiative in 2008, enrollment trends changed markedly. In the first year immediately following the announcement of Say Yes, enrollment declined by only 0.3 percent in the district schools or 0.2 percent if charter school enrollments are included. The next year, after the program had received more widespread publicity, enrollment in the city schools increased by 383 students relative to the prior year, which is more than a two percent increase. Thus, in the two years following the announcement of Say Yes, enrollment declines in Syracuse schools first slowed and then reversed. The two year period following the Say Yes announcement represents the only two year span over the period observed with a net enrollment increase.

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<sup>9</sup> In 2009-10, the two charter schools located in Syracuse enrolled 45 students who resided outside of Syracuse.

Given the apparent change in enrollment trends following announcement of the program, it is worth examining how the composition of SCSD enrollments has changed. Table 2 examines changes in enrollments in the SCSD by ethnic category. As shown in the table, the increase in total enrollments during the post-Say Yes period has been driven by two developments: a slowing in the decline of white student enrollments and an increase in the number of Asian students. Over the ten years preceding the announcement of Say Yes, the number of white students in the district dropped an average of 565 students or 6.4 percent per year. Following the announcement of Say Yes the decline in white enrollments slowed. During 2008, white student enrollments declined only 4 percent and in 2009 actually increased by 8 students, the only year in the entire period that the number of white students did not decline by at least 2.7 percent relative to the prior year. The enrollment of Asian students also experienced a marked change in trend, increasing by 50 percent between the announcement of the program and the fall of 2009. Enrollment changes for other ethnic groups were roughly similar following the adoption of Say Yes as they were during the preceding period.

Table 3 shows the percentages of each ethnic group in the district and how ethnic shares have been changing over time. Absent the changes in enrollment trends following the announcement of Say Yes, percentages of white and Asian students in the district would have been lower, and percentages of African-American and Hispanic students higher. While there is clearly no “optimal” racial composition for a school district, educators and parents may be interested in achieving a diverse student body and avoiding racial isolation within the school district. The changes in trends documented in Tables 2 and 3 suggest that the ethnic composition of the SCSD has begun to stabilize. For instance, the share of white students in the district fell by 1.7 percentage points in the first two years following Say Yes, the smallest two year drop

over the period observed. The percentage of black students, which had been steadily increasing over the 10 years prior to Say Yes, declined over the two years following announcement of the program. Stemming the tide of “white flight” from Syracuse public schools may help to prevent increased levels of segregation and racial isolation in Syracuse area schools.

#### B. Comparison of Trends in Syracuse with Trends Elsewhere

The timing of the changes in enrollment trends discussed above is suggestive that Say Yes has increased enrollments in the Syracuse city schools, particularly among white and Asian students. It is difficult, however, to conclude that Say Yes has caused the observed changes in enrollment trends because any number of other factors, including changes in birth rates, could be responsible for the increases. To begin assessing the plausibility that Say Yes has contributed causally to the observed change in trends, we compare enrollment trends in the SCSD to those in Onondaga County school districts outside Syracuse, and to those in two similar upstate New York cities, Rochester and Buffalo. By comparing Syracuse to other Onondaga county school districts, we attempt to control for events occurring at the same time as the Say Yes announcement that could affect the entire Syracuse region. By comparing Syracuse to other upstate cities, we attempt to control for contemporaneous events affecting the central and western New York regions.

Figure 2 shows K-12 enrollment trends for public schools located in Onondaga County but outside the city of Syracuse. As in the Syracuse city schools, enrollments in public schools elsewhere in Onondaga County declined during the 10 years preceding announcement of Say Yes. In contrast to enrollments in the SCSD, which saw increases following the announcement of Say Yes, the rate of decline in public school enrollments outside the city increased during the

2008 and 2009 school years, with a total enrollment decline over the two year period of 2,120 students or 3.9 percent. Thus, it is unlikely that increases in enrollments in the Syracuse city schools following the announcement of Say Yes resulted from an influx of public school students into the metropolitan area. Rather, it is possible that a redistribution of students from suburban districts to the SCSD accounts for the increased enrollments in Syracuse. Figure 3 shows that after several years in which the share of students in Onondaga County attending Syracuse city public schools fell, the share of students in Syracuse city schools increased sharply following the announcement of Say Yes. In fact, the percentage of public school students enrolled in Syracuse public and charter schools (30.2 percent) was higher in fall 2009 than at any other point during the last decade.

Figures 4 and 5 show enrollment trends for public schools in Buffalo and Rochester, including charter schools in those cities. The trends in these cities prior to 2008 are remarkably similar to those in Syracuse. All three cities show steady downward trends in enrollment. From 1998 to 2007 the average annual decline in enrollment was 1.3 percent in Buffalo, 1.2 percent in Rochester and 1.2 percent in Syracuse. The downward trend flattened in Rochester in the most recent years. However, this flattening started in 2007, earlier than it did in Syracuse and was accompanied by the opening and expansion of several charter schools in Rochester.<sup>10</sup> Buffalo saw a substantial enrollment decline in 2008 followed by a very small increase in 2009. The annual changes in enrollment for the three cities are summarized in Table 4. Neither Buffalo nor Rochester saw the substantial increase in enrollment that Syracuse saw following the adoption of Say Yes.

In sum, the enrollment trends in Syracuse since the fall of 2008 appear to differ from those in other Onondaga County school districts and in other upstate New York cities. Syracuse

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<sup>10</sup> Enrollment in Rochester charter schools increased from 847 students in fall 2006 to 1,465 students in fall 2009.

has witnessed a reversal in its decade-long enrollment decline, while the decline has continued unabated in other Onondaga County districts. The contrast with Buffalo and Rochester is not as stark, as each also saw small enrollment increases in 2009. Only Syracuse though, experienced a net enrollment increase in the years since the Say Yes initiative was announced.

#### V. Trends in Housing Prices

Several factors complicate examination of housing price trends. First, the sample of homes that are sold and have observed prices changes each year is not a random sample from the population of houses. As a rudimentary control for year-to-year differences in the sample of houses sold, we focus the analysis in this section on the price per square foot. Second, home prices vary systematically by season. Thus, it is important that the samples of home sales used to construct trends are from the same quarter for each year examined. The most recent sales in the data used for this study are from the second quarter of 2010, and thus, we track changes in mean and median home sale prices during the second quarter of each year in the period we examine. We count the second quarters of 2009 and 2010 as the first and second year following the adoption of Say Yes.

Two additional factors make an analysis of aggregate housing price trends less informative than the enrollment analysis presented above. First, the pre-Say Yes trends for home prices in Syracuse are not as similar to those in Rochester and Buffalo as in the case for enrollment. In particular, Syracuse saw stronger growth in prices in the pre-Say Yes period than did the other two cities. Second, and more importantly, the national recession and housing market collapse began in October 2008, approximately six months after the announcement of

Say Yes. These developments create distinct changes from prior trends in each of the areas we examine, making it more difficult to identify changes in trends that are plausibly due to Say Yes.

A. Comparison of Trends in Syracuse and the Rest of Onondaga County

The strongest indication that Say Yes may have helped buoy home sale prices in Syracuse comes from the comparisons of mean and median home prices in Syracuse and suburban Onondaga County that are presented in Figures 6 and 7. The figures display mean and median sales prices per square foot as a percent of each area's 11 year average price. Both Syracuse and the rest of Onondaga County saw similar trends in per square foot housing prices prior to the announcement of Say Yes—healthy increases from 2002 to 2007 followed by a small decline between the second quarter of 2007 and the second quarter of 2008. Following the announcement of Say Yes, however, Syracuse saw stronger growth in home sale prices than the rest of the county. The increase in home sales prices between the second quarters of 2008 and 2010 is larger in Syracuse than in the rest of the county whether we consider the mean or median price per square foot, although the difference is larger if we consider the median price.

The changes in trends depicted in Figures 6 and 7 are quantified in the first two columns of Table 5. Prior to Say Yes, both Syracuse and the rest of Onondaga County saw annual increases in mean per square foot home sale prices of 3.5% and 5.2% respectively, and similar annual increases in median prices. In the two years since the announcement of Say Yes, home sales prices in suburban Onondaga County have been flat, while mean and median home sales prices have continued to increase in Syracuse at annual rates of 4.2% and 3.8% percent, respectively.

B. Trends in Home Prices Elsewhere

To begin assessing whether differences between Syracuse and the rest of Onondaga County might be plausibly attributed to Say Yes, we examine changes in home prices in the Buffalo and Rochester areas. Figures 8 and 9 compare trends in mean, per square foot home prices for Buffalo and suburban Erie County and Rochester and suburban Monroe County, respectively, again expressed relative to the 11-year average. Comparison of median trends are not shown, but are substantively similar to the mean trends.<sup>11</sup> It is first worth noting that the suburban parts of Onondaga, Monroe, and Erie counties experienced similar trends in prices over the period examined. Specifically, all three areas experienced increasing prices through the second quarter of 2007 followed by a flattening of price trends in the three years following the second quarter of 2007. Growth in home prices between 2002 and 2007 was stronger in suburban Onondaga County than in these other areas, but prices in all three suburban areas have been quite similar since 2007, hovering around \$90 to \$92 dollars per square foot. These similarities among the three counties suggest that housing markets in the greater Buffalo and Rochester areas might be good comparisons for housing markets in the greater Syracuse area.

Turning to central city prices, during the pre-Say Yes period trends in Buffalo and Rochester mapped closely the trends in their suburban areas. More specifically, in Table 5 we see that, as was the case for Syracuse, Buffalo and Rochester both experienced increasing home prices during the pre-Say Yes period, and the annual average increases were somewhat lower than in the surrounding suburban areas. The primary difference between Syracuse and these other cities is that while Buffalo saw a dramatic decline in per square foot home prices between the second quarters of 2009 and 2010, Syracuse did not. As a result, while Syracuse has seen housing prices increase since the adoption of Say Yes (see first column of Table 5), Buffalo has

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<sup>11</sup> One difference between mean trends and median trends is that trends in median prices in Buffalo and Rochester prior to 2007 were flatter than the trends in mean prices in those cities over the same period. Median trends in suburban Erie and Monroe counties were very similar to the mean trends shown in Figures 9 and 10.

experienced substantial declines (see third column of Table 5). However, it is difficult to attribute the difference between Buffalo and Syracuse to Say Yes because Rochester has also seen increases in per square foot home prices since 2008 that are quite similar to those seen in Syracuse.

In sum, this preliminary analysis of housing price trends does not provide strong evidence that Say Yes has had positive impacts on housing prices. Home prices in Syracuse have continued to grow during the post- Say Yes period while prices in surrounding Onondaga County have leveled off and home prices in Buffalo have declined dramatically. At the same time, though, prices have also increased in Rochester since the announcement of Say Yes, raising doubts about whether the increases in Syracuse can be attributed to the program. More disaggregated analysis of home prices in Syracuse and comparable areas might help to provide more definitive evidence on whether or not Say Yes has helped maintain housing prices in Syracuse during the recent economic downturn.

## VI. Conclusions and Future Work

The trends reported here provide preliminary descriptive evidence suggesting that SCSD enrollments increased following announcement of the Say Yes program, that the ethnic composition of the student body in Syracuse has changed, and that housing prices increased more in Syracuse during the post-Say Yes period than in the rest of Onondaga County. Several caveats must be noted, though, before we can conclude that Say Yes is responsible for these changes. First, the timing of the Say Yes “treatment” is difficult to identify. While the program began in the 2008-2009 school year, it was announced in early 2008. Thus, we treat 2008-2009 as the first school year receiving the treatment in the enrollment analyses and treat the third

quarter of 2008 as the first post-Say Yes quarter in the housing analyses. Given the difficulty and commitment involved in changing schools and residential location, it would not be surprising to see a delayed effect of the program on enrollments. The enrollment trends support this theory, with the large increase occurring in fall 2009, over a year after the program was announced.

A second related issue is that very little post-announcement data are currently available. Depending on when the program is considered to have started, we have at most two years of post-Say Yes data. It remains to be seen whether enrollment increases can be sustained in subsequent years. Similarly, only eight quarters of post-Say Yes housing sales data are available, representing a short time frame for families to respond to the program by buying houses in Syracuse. The potential response is likely to be particularly muted given that the start of the program almost exactly coincided with the 2008 economic crisis and extremely tight credit market. The analyses also do not include data on the residential rental market, which might be quicker to respond to the Say Yes incentive.

Perhaps the most important caveat is the difficulty in attributing these trends specifically to the Say Yes initiative. The patterns we find are suggestive of a causal effect, but we cannot definitively rule out other possible explanations. For example, a general improvement in the perception of the city of Syracuse or the city's economy over the past two years could also be factors in the enrollment increase and housing trends. It is worth noting, though, that this alternative explanation would have to be limited to the city of Syracuse and not affect surrounding districts. For the enrollment trends, a more plausible competing explanation is that the city experienced a large and sudden increase in immigration from Asian countries unrelated to the Say Yes program. While this competing hypothesis would help to explain the large

increase in Asian enrollment, it would not account for the reversal in the decline of white students enrolling in the district. An important alternative explanation for the more positive housing trends in Syracuse as compared to other upstate New York locations is that Syracuse experienced less of a “bubble” prior to 2008 and was, therefore, less affected by the economic downturn. It is also possible that Buffalo suffered more from the recent foreclosure crisis than either Rochester or Syracuse; if so, it provides a poor counterfactual for what might have happened to home prices in Syracuse in the absence of Say Yes—an issue that warrants further investigation.

In future work we will examine these trends in more detail through multivariate analysis. To examine enrollment trends, we will implement a standard formulation of an interrupted time series model controlling for the enrollment trends in a specific grades and districts, and year-specific shocks that influence all districts in the sample equally. That is, we will construct difference-in-difference models estimating how much more (or less) enrollment in Syracuse deviates from the underlying trend as compared to enrollments in nearby districts, as well as triple difference analyses adding comparison districts of suburban Onondaga county districts and other upstate New York metropolitan areas. Finally, we plan to examine whether demographic projections based on observed birth rates and historical migration patterns might have predicted enrollment increases in Syracuse, even in the absence of Say Yes.

More detailed analyses of housing effects are more complicated than analyses of enrollment patterns, however. For example, the aggregate analyses presented above confound year-to-year changes in the mix of houses being sold with changes in the average price for a fixed set of houses. In effect, home sales data provide only a sample of homes and the sample changes from year to year. Focusing on price per square foot is unlikely to be an adequate

control for this issue. Disaggregated analysis using detailed data on housing characteristics can reduce this potential problem and has the further advantage of allowing us to ensure that comparison of deviations from trends in property values are limited to similar properties within and outside Syracuse. Limiting comparisons to similar properties helps to ensure that the comparison properties provide strong evidence of how Syracuse property values would have changed in the absence of Say Yes. Data on individual properties and sales also allow us to separately estimate the effects of Say Yes on housing values in different sections of the city.

While we will continue to use the comparison districts described above, properties in neighborhoods that border the city of Syracuse might be more similar to properties in Syracuse and more likely to be affected in similar ways by metropolitan wide events, as compared to suburban neighborhoods a great distance from the city. The similarity between this set of properties and Syracuse properties might be even greater if we limit the latter to neighborhoods that border the suburbs. Cross border comparisons can be achieved by pairing adjacent neighborhoods on either side of the city line.

Finally, more specific hypotheses about the effects of Say Yes can be tested by exploring interactions between Say Yes and specific housing characteristics or specific neighborhood indicators. For example, the Say Yes scholarship offer has a larger expected value for families with children who are more likely to attend college, and thus, we might expect Say Yes to have the largest effect on demand for housing in Syracuse neighborhoods that can offer other amenities that are attractive to families with college bound children. Significant effects on housing prices in those types of neighborhoods might not be detected in analyses that focus solely on average effects. Thus, formulating and testing models that allow the effect of Say Yes to vary across different neighborhoods and types will be an important part of our future analysis.

Despite these important caveats and concerns, the data presented here do provide suggestive evidence that the Syracuse City School District has experienced a reversal in long-standing enrollment trends, that enrollment trends in Syracuse are unlike those in nearby districts, and that the reversal appears to coincide with the start of the Say Yes program. There is also more limited evidence of a housing response. Thus, the analyses provide ample motivation for further investigation of the effects of Say Yes on family choices.

**Table 1: Demographic characteristics of comparison districts, 2009-10**

	<b>Syracuse</b>	<b>Rochester</b>	<b>Buffalo</b>
<b>Total Enrollment (K-12)</b>	20,076	31,653	32,607
<b>Total Number of Schools</b>	36	64	58
<b>Racial Breakdown</b>			
% White	29%	10%	23%
% Black	54%	64%	56%
% Hispanic	11%	22%	15%
% Asian	5%	3%	4%
% Native American/Alaskan	1%	0%	1%
<b>% Free lunch Eligible</b>	68%	79%	70%
<b>% ESL</b>	10%	10%	9%
<b>% Special Education</b>	20%	18%	-
<b>Graduation Rate (Total)</b>	50%	46%	58%
White	55%	50%	65%
Black	49%	45%	56%
Hispanic	35%	42%	48%
Asian	58%	72%	63%
Native American/Alaskan	58%	72%	78%
<b>Test Scores*</b>	<b>Syracuse</b>	<b>Rochester</b>	<b>Buffalo</b>
<i>English Language Arts</i>			
Grade 3	30%	23%	28%
Grade 4	28%	30%	28%
Grade 5	21%	25%	26%
Grade 6	29%	32%	32%
Grade 7	20%	20%	26%
Grade 8	24%	21%	27%
Secondary Level	55%	54%	52%
<i>Math</i>			
Grade 3	28%	28%	28%
Grade 4	35%	33%	31%
Grade 5	28%	30%	32%
Grade 6	26%	40%	30%
Grade 7	23%	23%	32%
Grade 8	13%	15%	26%
Secondary Level	48%	54%	47%
<i>Science</i>			
Grade 4	71%	73%	62%
Grade 8	42%	30%	45%

\*% of students that scored at a level 3 or above

Sources: [www.rcsdk12.org](http://www.rcsdk12.org), [www.buffaloschools.org](http://www.buffaloschools.org),  
[www.syracusecityschools.com](http://www.syracusecityschools.com), NYS Report Cards

**Table 2: Numbers of Syracuse City School District K-12 Students in Ethnic Groups**

	<b>White</b>	<b>Black</b>	<b>Hispanic</b>	<b>Native American</b>	<b>Asian</b>
Fall 1999	10,547	10,303	1,303	263	362
Fall 2000	10,191	10,197	1,399	247	349
Fall 2001	9,829	10,201	1,490	240	315
Fall 2002	9,556	10,100	1,542	237	304
Fall 2003	7,756	10,852	1,818	252	557
Fall 2004	7,262	10,753	2,031	275	596
Fall 2005	7,039	11,222	2,112	282	579
Fall 2006	6,356	10,995	2,144	295	571
Fall 2007	6,060	10,754	2,105	284	556
Fall 2008	5,815	10,702	2,160	264	752
Fall 2009	5,823	10,682	2,249	288	1,034

Sources: Authors' tabulations using data drawn from the National Center for Education Statistics' Common Core of Data and the New York State Basic Educational Data System.

**Table 3: Percentages of Syracuse City School District K-12 Students in Ethnic Groups**

	<b>White</b>	<b>Black</b>	<b>Hispanic</b>	<b>Native American</b>	<b>Asian</b>
Fall 1999	46.3%	45.2%	5.7%	1.2%	1.6%
Fall 2000	45.5%	45.6%	6.3%	1.1%	1.6%
Fall 2001	44.5%	46.2%	6.7%	1.1%	1.4%
Fall 2002	44.0%	46.5%	7.1%	1.1%	1.4%
Fall 2003	36.5%	51.1%	8.6%	1.2%	2.6%
Fall 2004	34.7%	51.4%	9.7%	1.3%	2.8%
Fall 2005	33.1%	52.8%	9.9%	1.3%	2.7%
Fall 2006	31.2%	54.0%	10.5%	1.4%	2.8%
Fall 2007	30.7%	54.4%	10.7%	1.4%	2.8%
Fall 2008	29.5%	54.3%	11.0%	1.3%	3.8%
Fall 2009	29.0%	53.2%	11.2%	1.4%	5.2%

Source: Authors' tabulations using data drawn from the National Center for Education Statistics' Common Core of Data and the New York State Basic Educational Data System.

**Table 4: Annual Changes in K-12 Public School Enrollments**

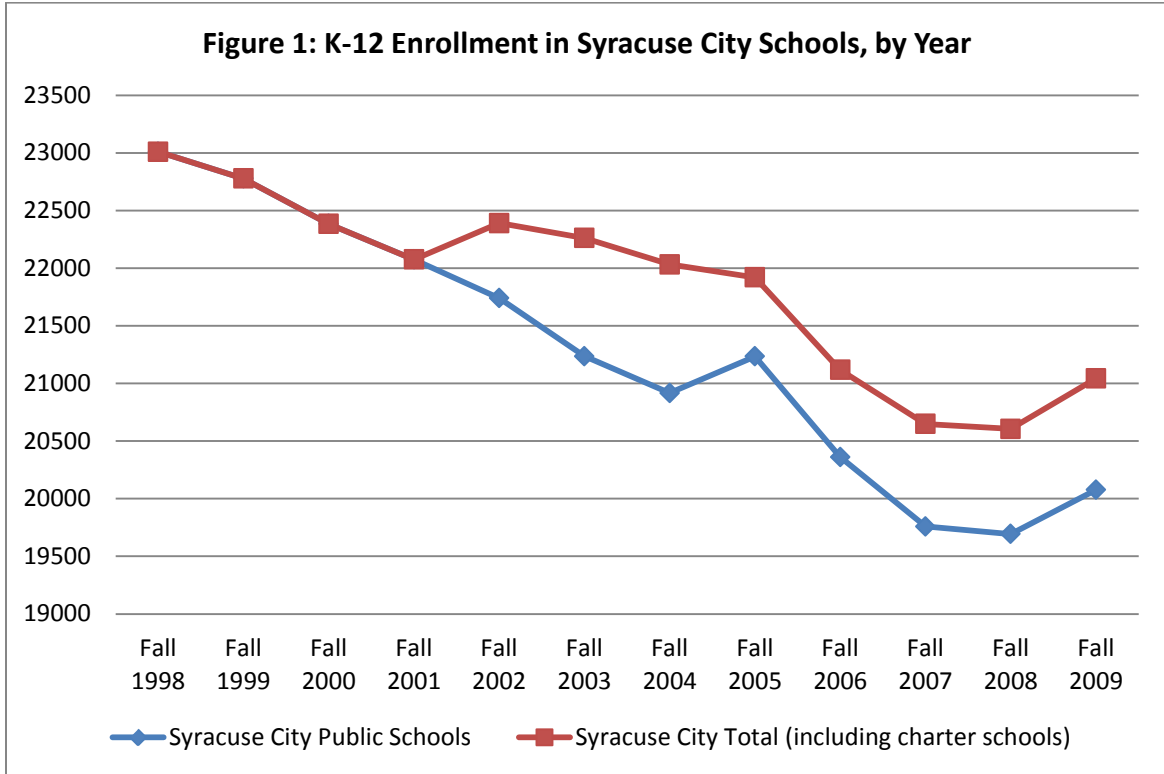
	Buffalo	Rochester	Syracuse
Average Annual Change, 1998-2007	-1.32%	-1.19%	-1.19%
Change from Fall 2007 to Fall 2008	-2.34%	-0.39%	-0.21%
Change from Fall 2008 to Fall 2009	0.32%	0.17%	2.12%
Change from Fall 2007 to Fall 2009	-2.03%	-0.22%	1.90%

All figures include enrollment in district and charter schools. Figures in first row are for years prior to adoption of Say Yes in Syracuse, and figures in last three rows are all changes following the adoption of Say Yes.

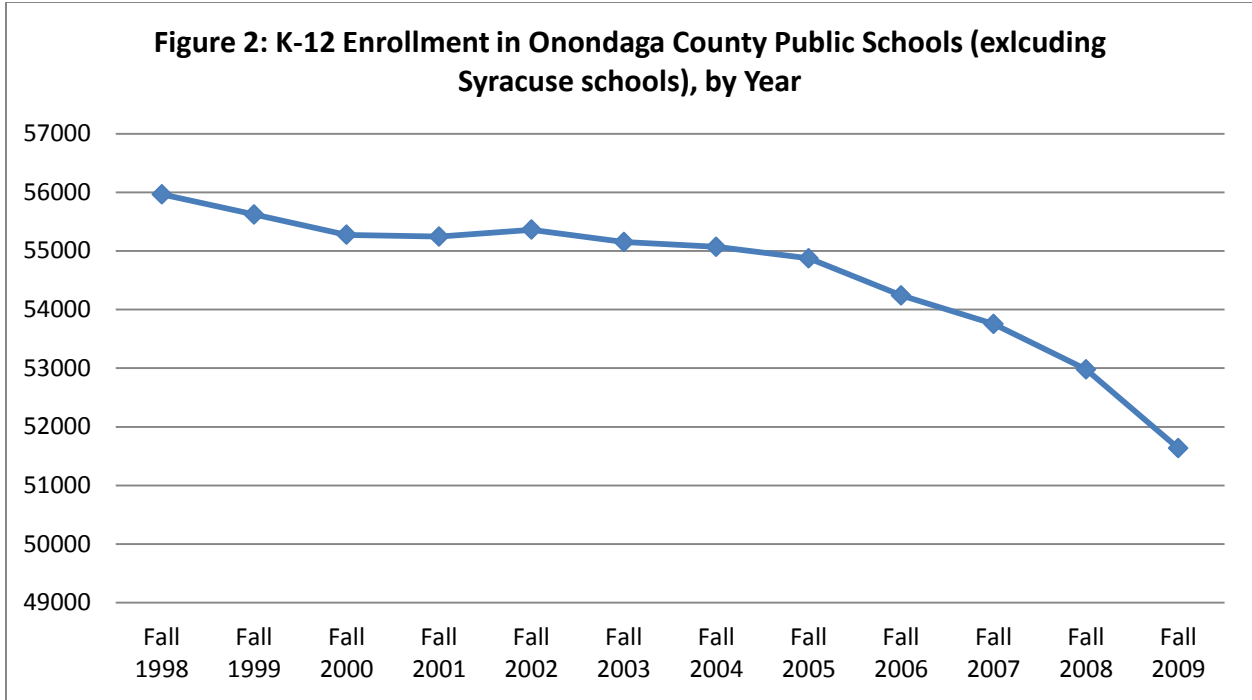
**Table 5: Average Annual Sales Price Changes, Pre and Post-Say Yes\***

	Syracuse	Onondaga	Buffalo	Erie	Rochester	Monroe
<b>Mean Price/Sq Ft</b>						
Pre-Say Yes	3.53%	5.18%	3.74%	4.04%	1.58%	3.14%
Post Say Yes	4.21%	0.67%	-9.13%	1.19%	2.64%	-0.39%
Pre-Post Change	0.68%	-4.51%	-12.87%	-2.85%	1.07%	-3.53%
<b>Median Price/Sq. Ft.</b>						
Pre-Say Yes	4.18%	5.57%	2.56%	3.98%	0.82%	3.13%
Post Say Yes	3.82%	-1.62%	-7.57%	1.97%	3.86%	-0.04%
Pre-Post Change	-0.36%	-7.19%	-10.13%	-2.01%	3.04%	-3.17%

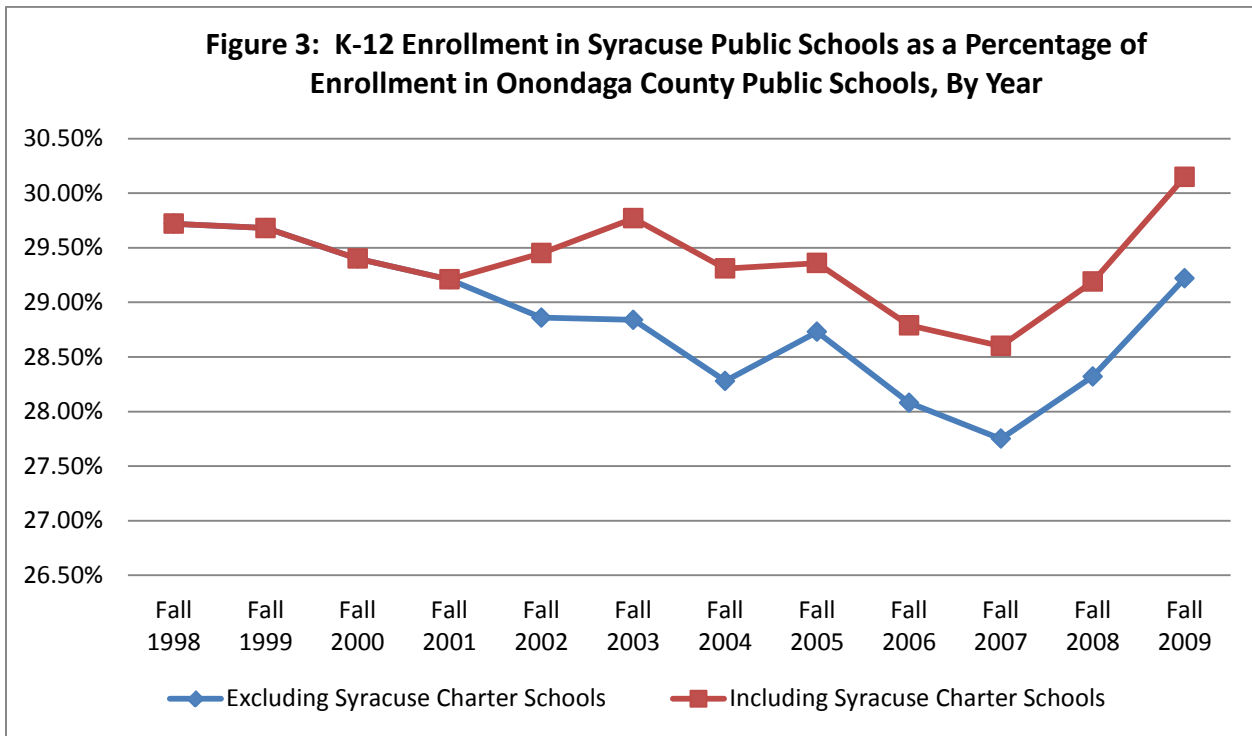
\* Annual change calculated as (price in second quarter of current year - price in second quarter of previous year)/price in previous year.



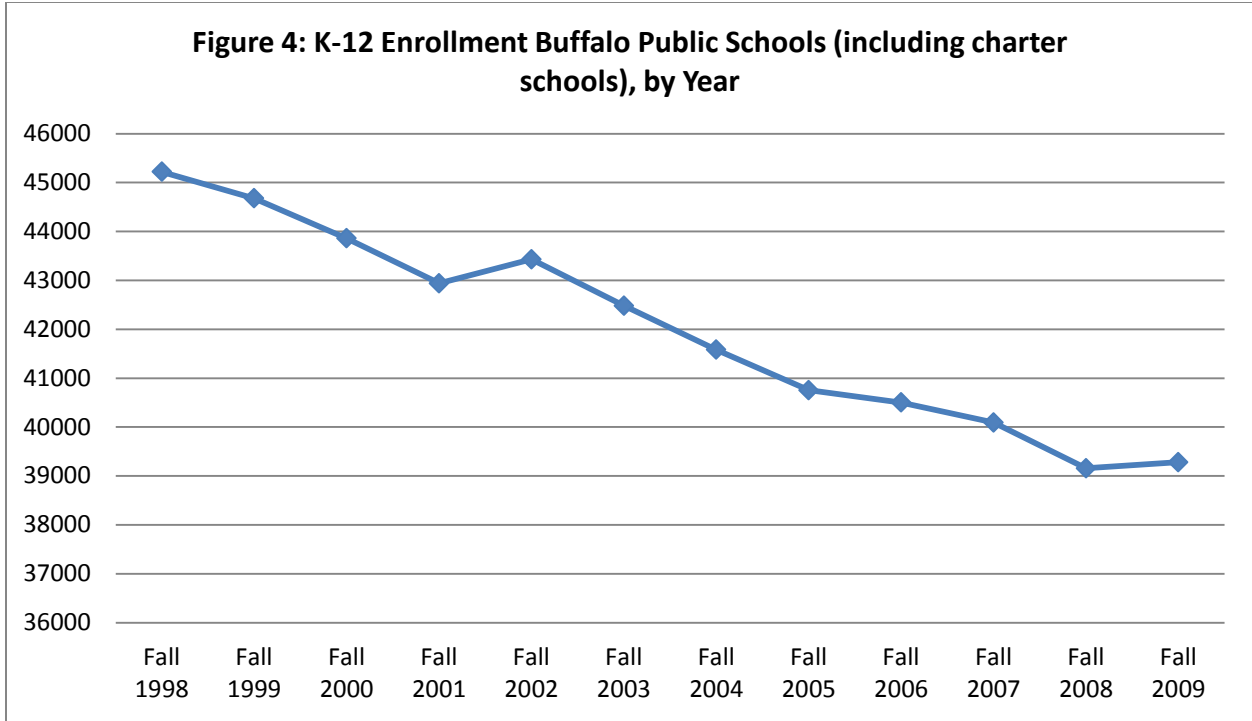
Source: Authors' tabulations using data drawn from the National Center for Education Statistics' Common Core of Data and the New York State Basic Educational Data System.



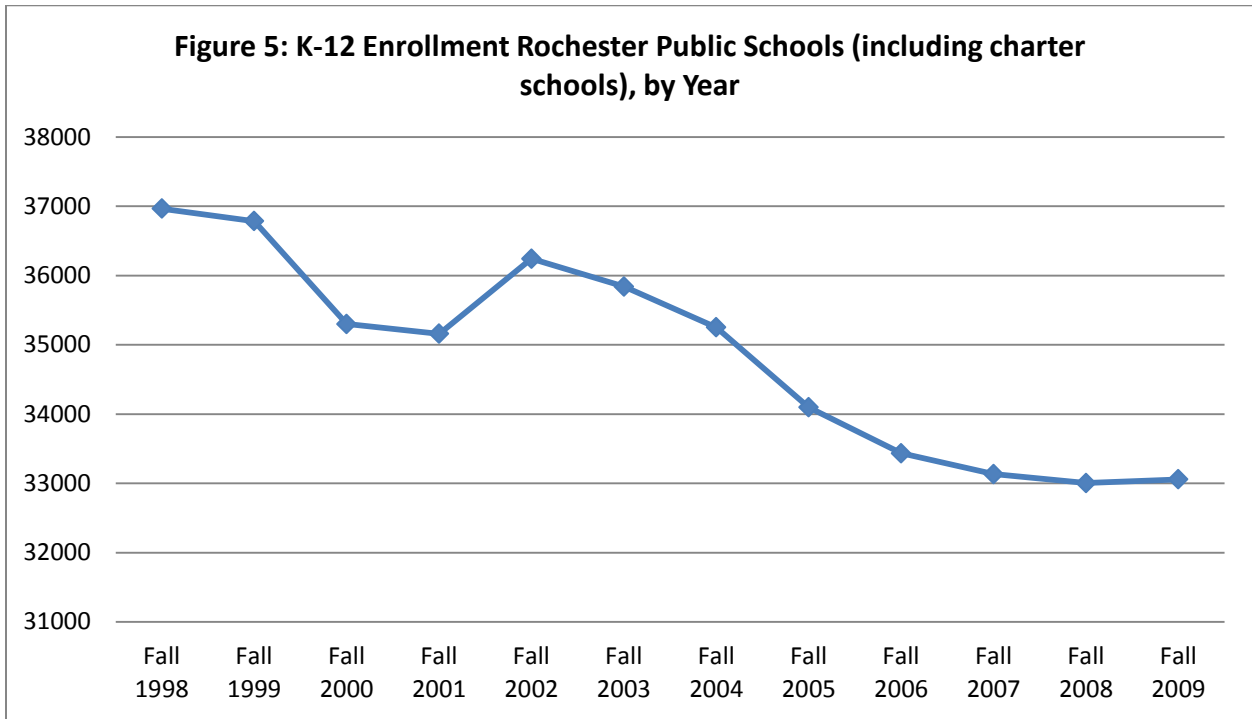
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Source: Authors' tabulations using data drawn from the National Center for Education Statistics' Common Core of Data and the New York State Basic Educational Data System.

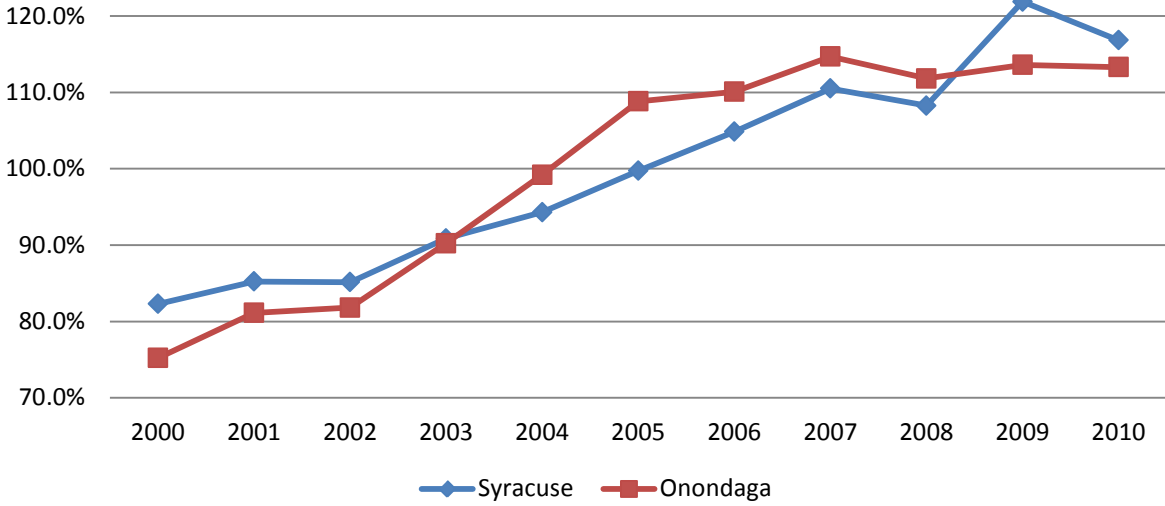


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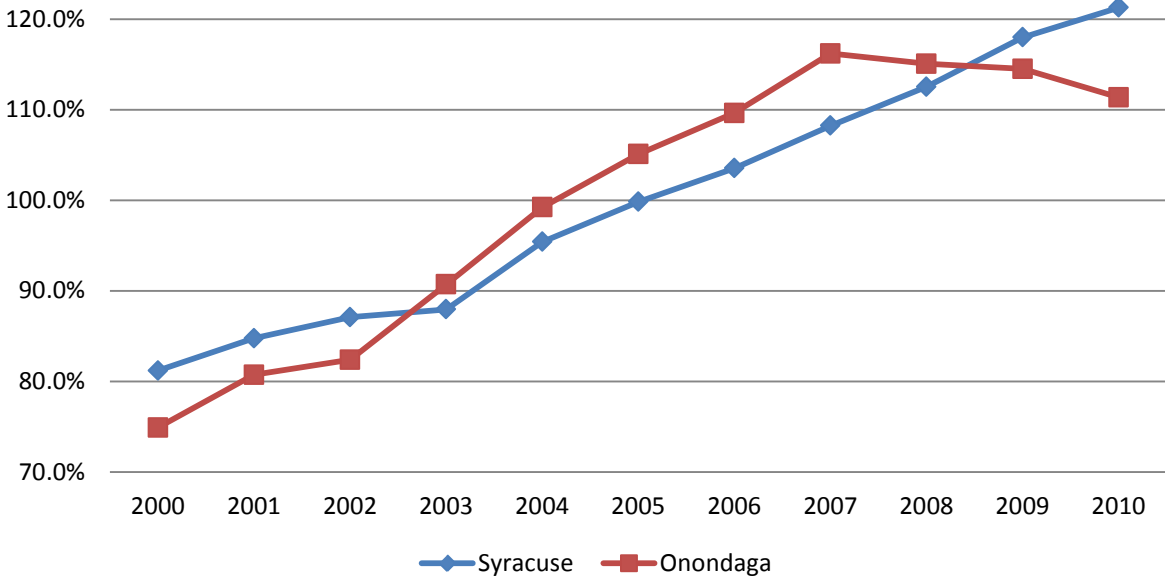


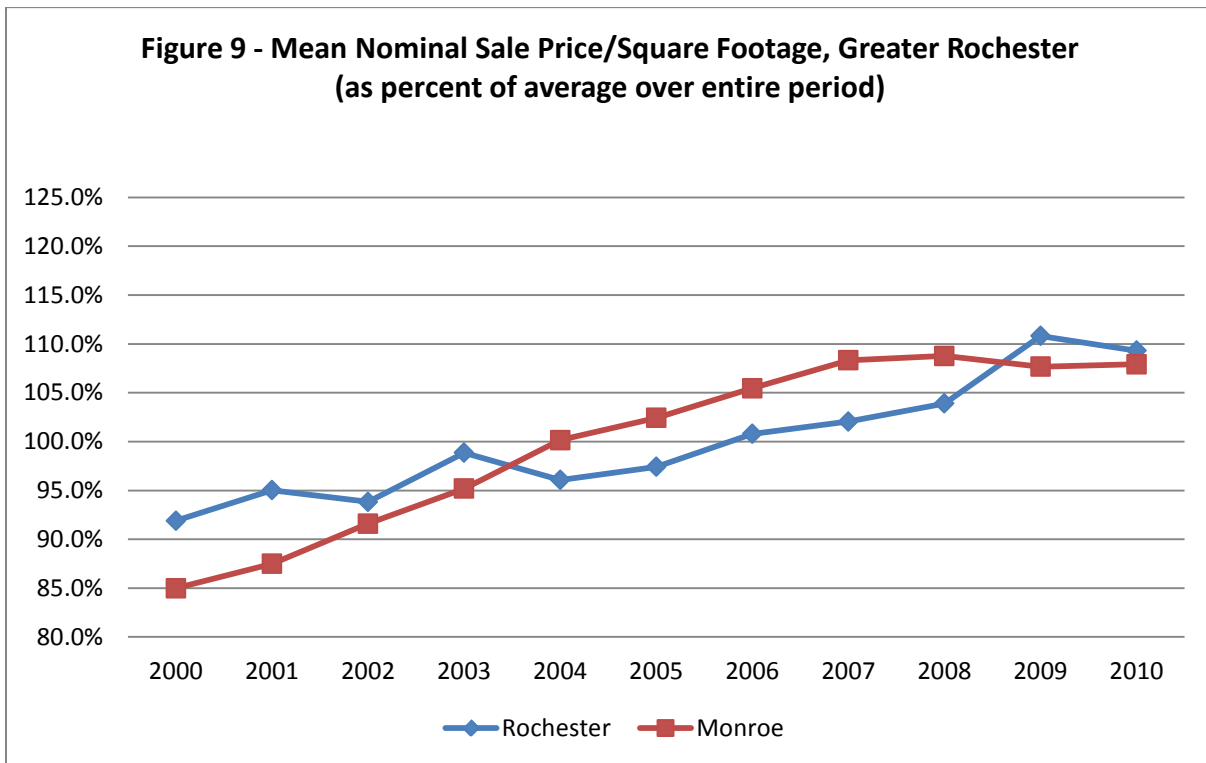
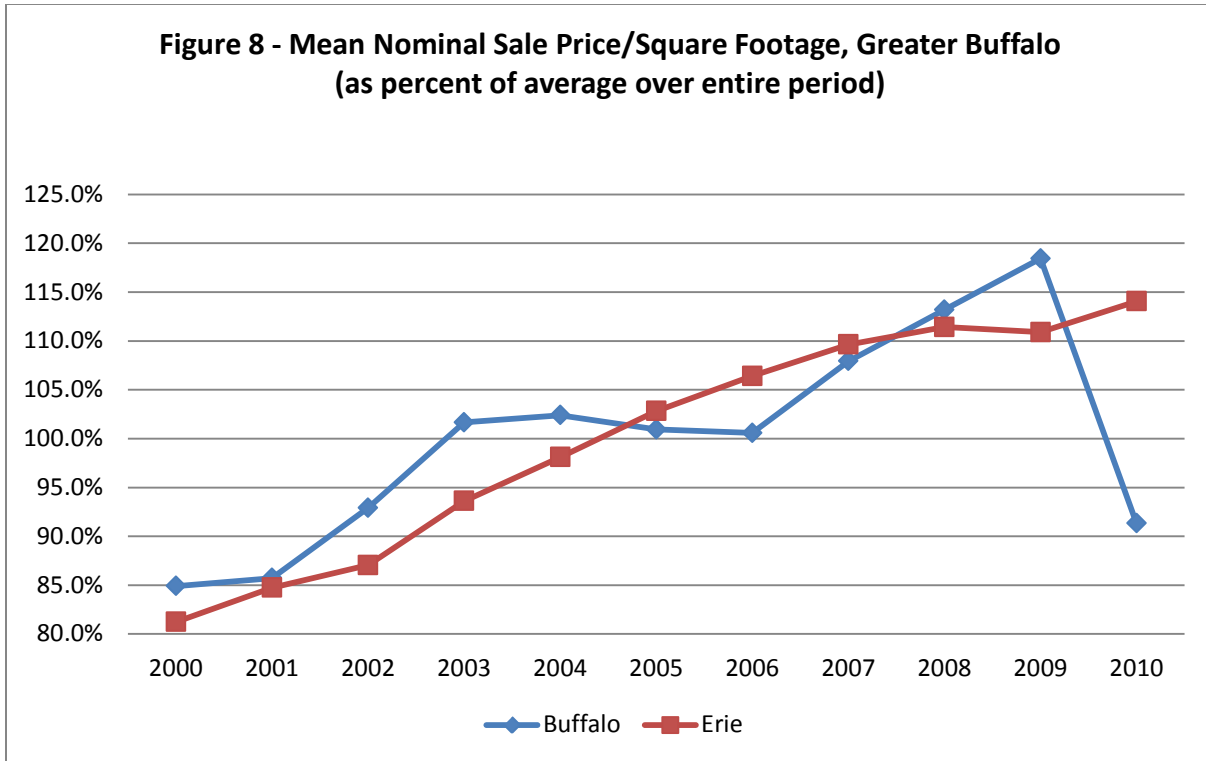
Source: Authors' tabulations using data drawn from the National Center for Education Statistics' Common Core of Data and the New York State Basic Educational Data System.

**Figure 6: Mean Nominal Sale Price/Square Footage, Greater Syracuse  
(as percent of average over entire period)**



**Figure 7: Median Nominal Sale Price/Square Footage, Greater Syracuse  
(as percent of average over entire period)**





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