

The Geography of Upward Mobility in Albuquerque

Combining Big Data with Local Insights



Introduction to OI & Our Research on Upward Mobility



Albuquerque in Context



Housing and Neighborhood Landscape



Higher Education

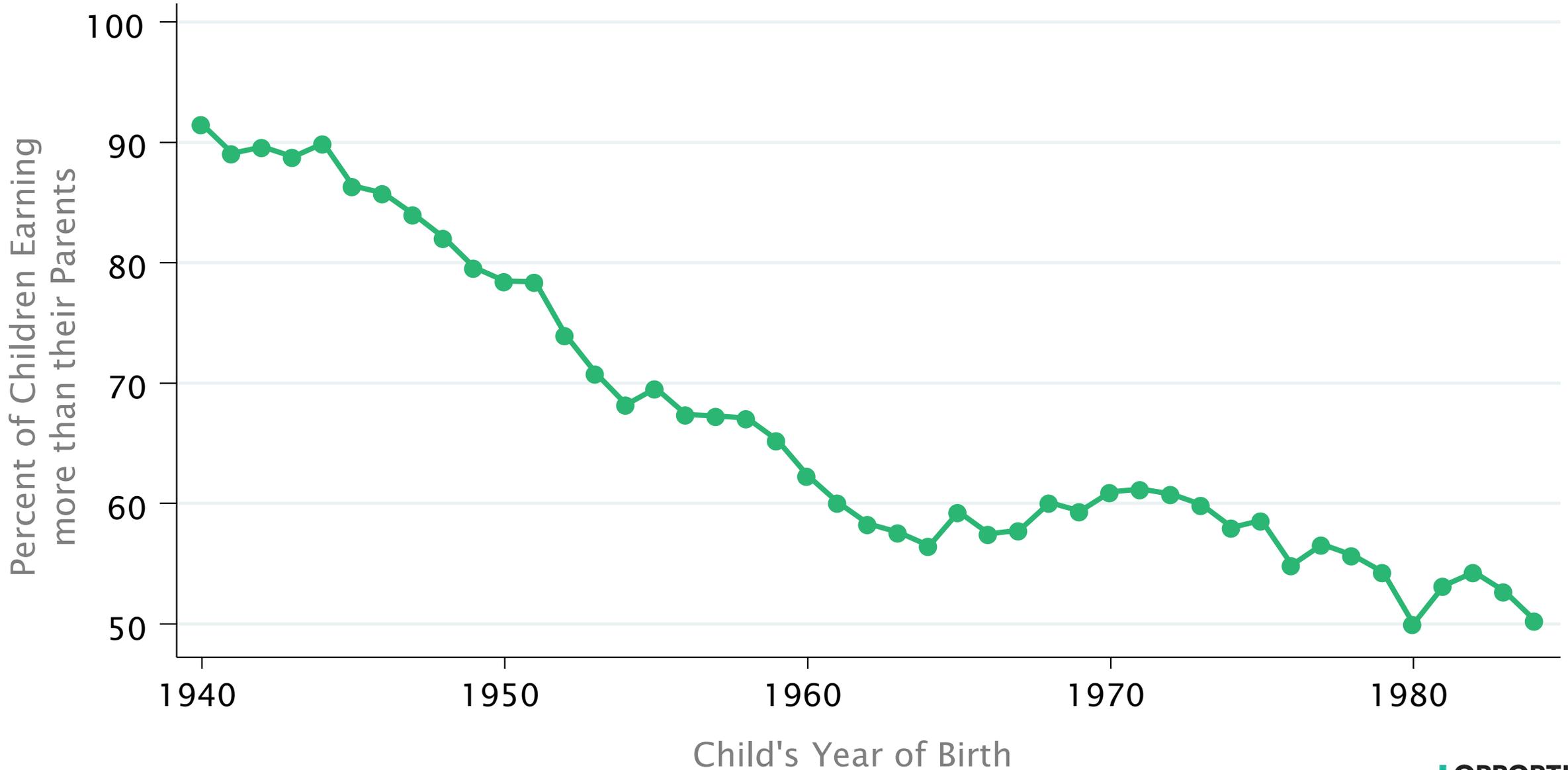
Section Preview

- Upward mobility has declined over the last half-century
- However, outcomes vary significantly across the country
- Job growth does not predict mobility
- There are significant disparities by race, particularly for Black men



The Fading American Dream

Percent of Children Earning More than Their Parents, by Year of Birth



Our Mission

We work to develop **scalable policy solutions** that will empower families throughout the United States to **rise out of poverty** and achieve better life outcomes





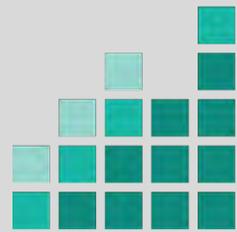
**We use big data to study how
to increase upward mobility**



**Analyze a broad range of
interventions, from childhood
to adulthood**



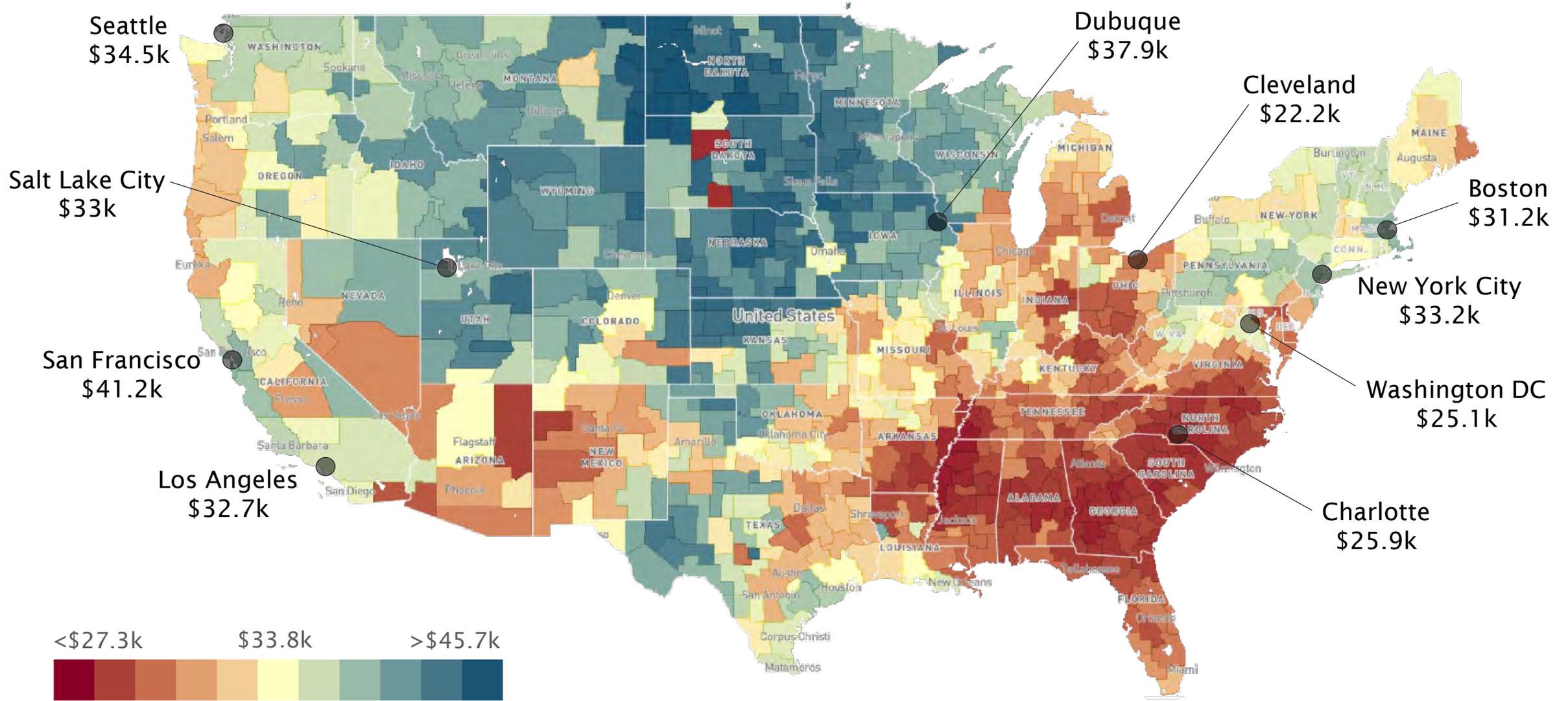
**Study the roots of the problem
locally to develop tailored
solutions**



**OPPORTUNITY
INSIGHTS**

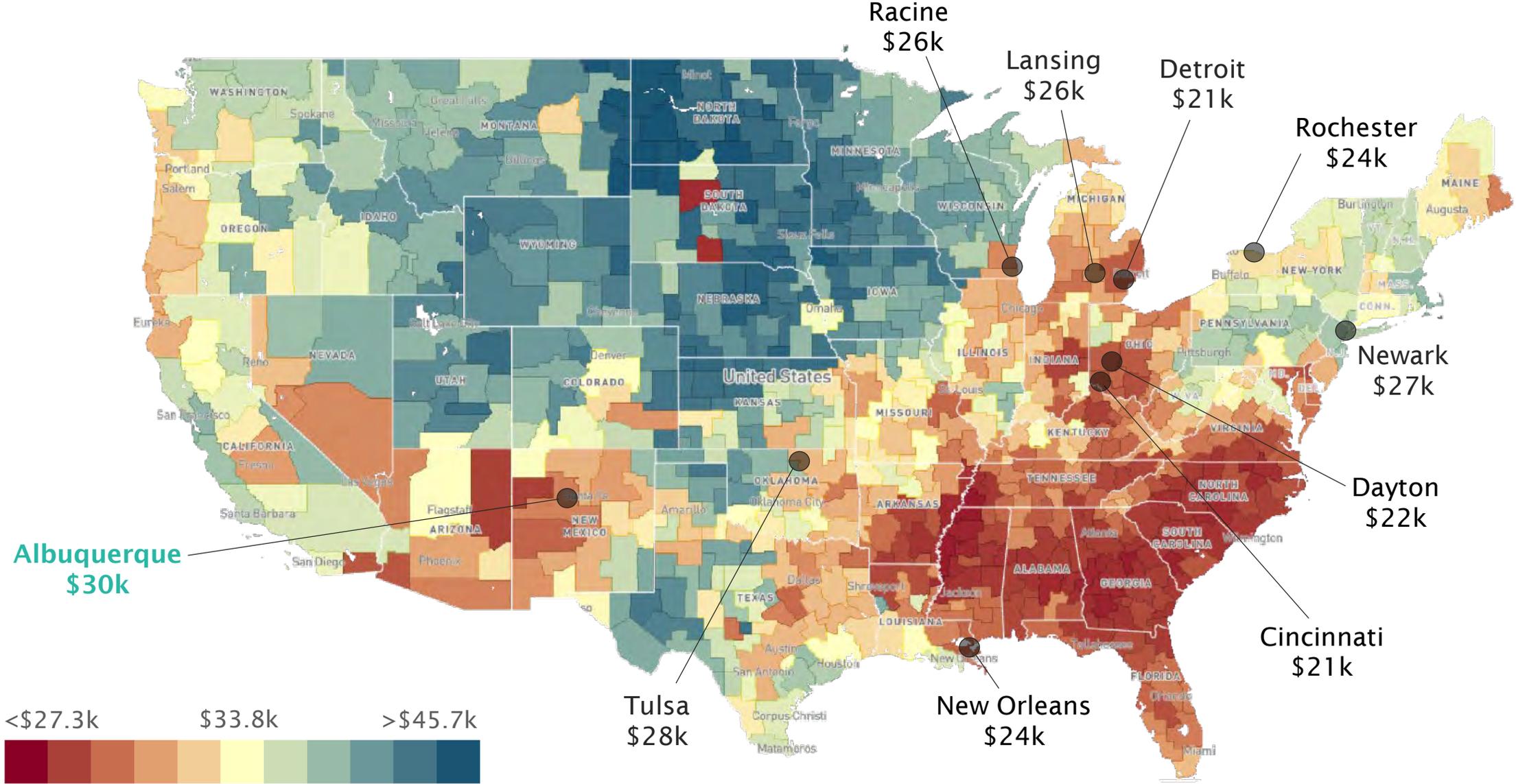
The Geography of Upward Mobility

Mean Household Income at Age 35 for Children with Parents Earning \$27,000 (25th Percentile)

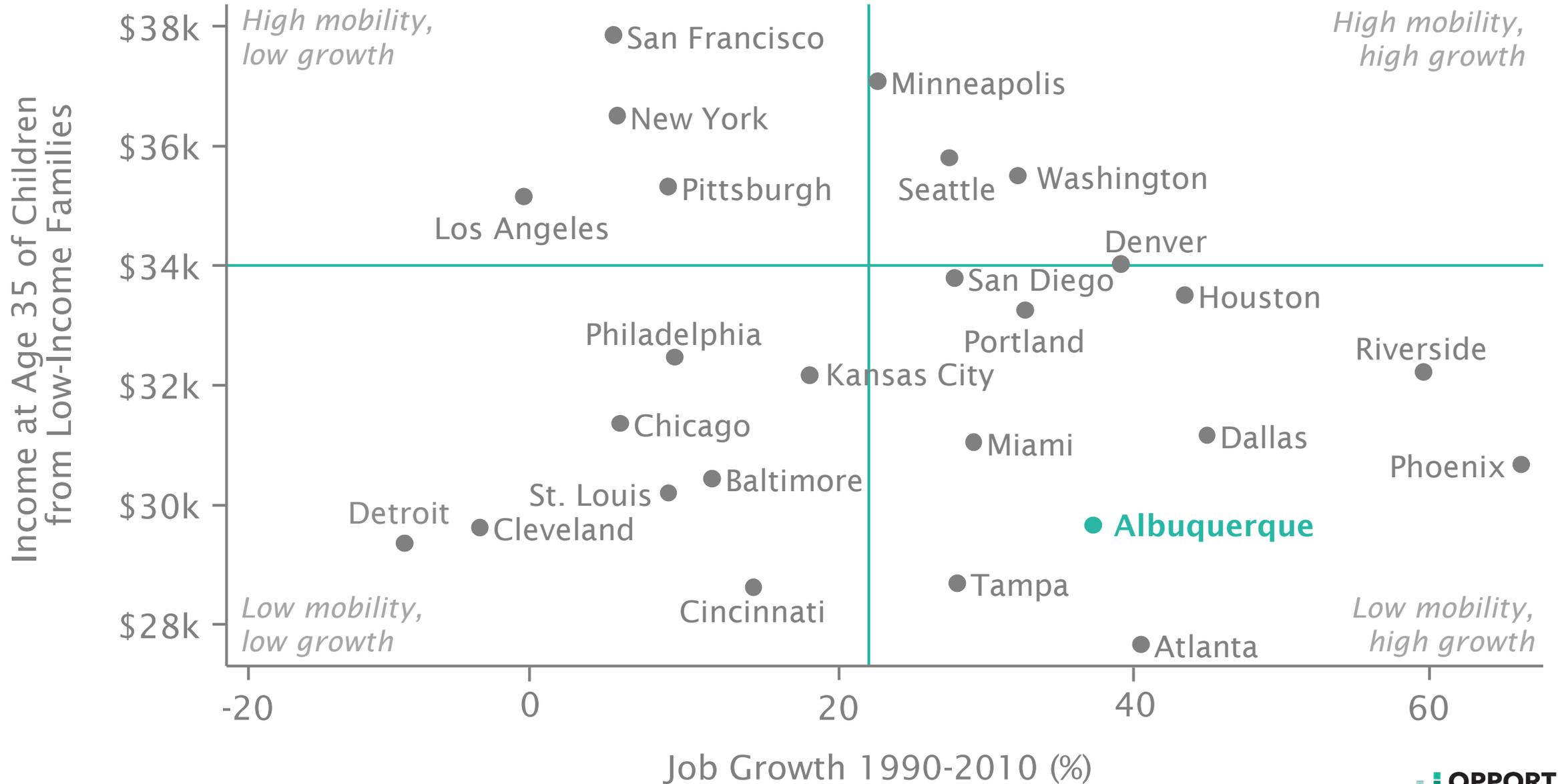


The Geography of Upward Mobility

Mean Household Income at Age 35 for Children with Parents Earning \$27,000 (25th Percentile)



Metro Area Job Growth Does Not Directly Predict Upward Mobility

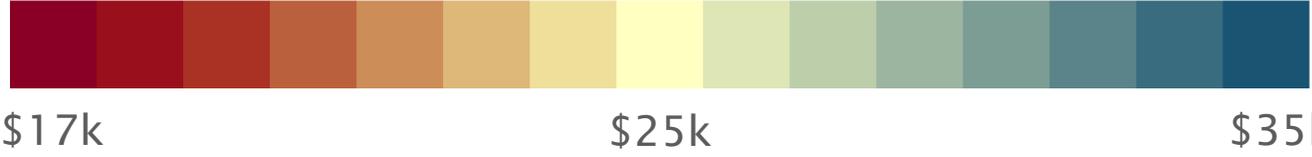
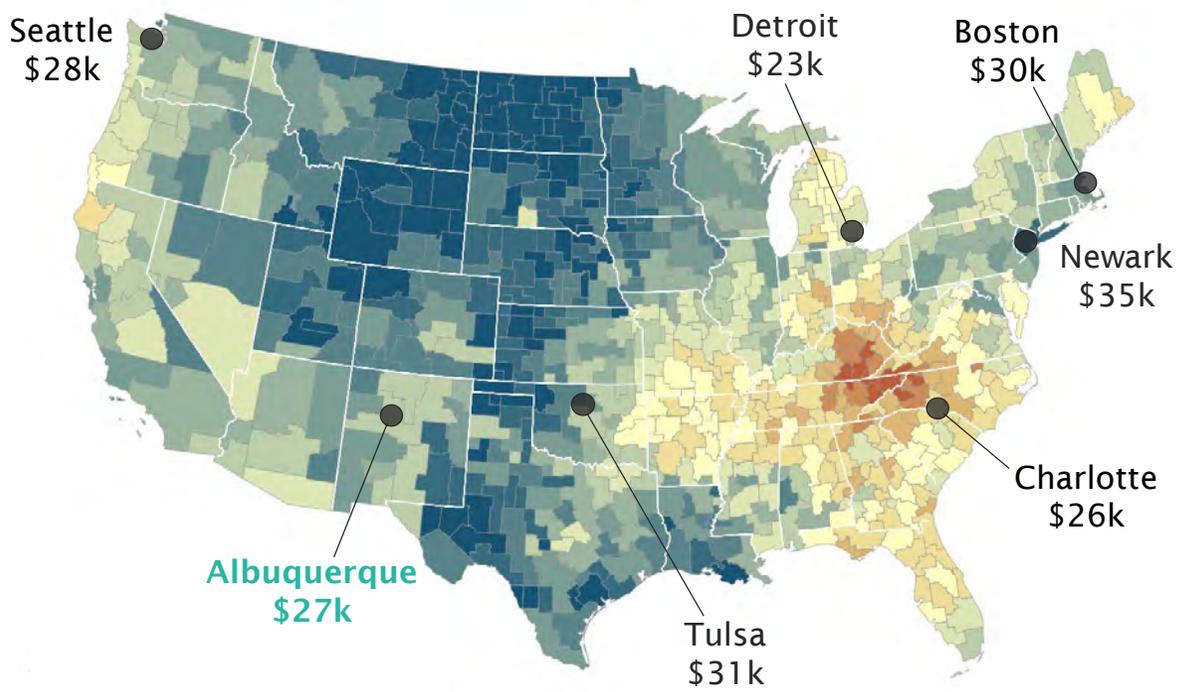
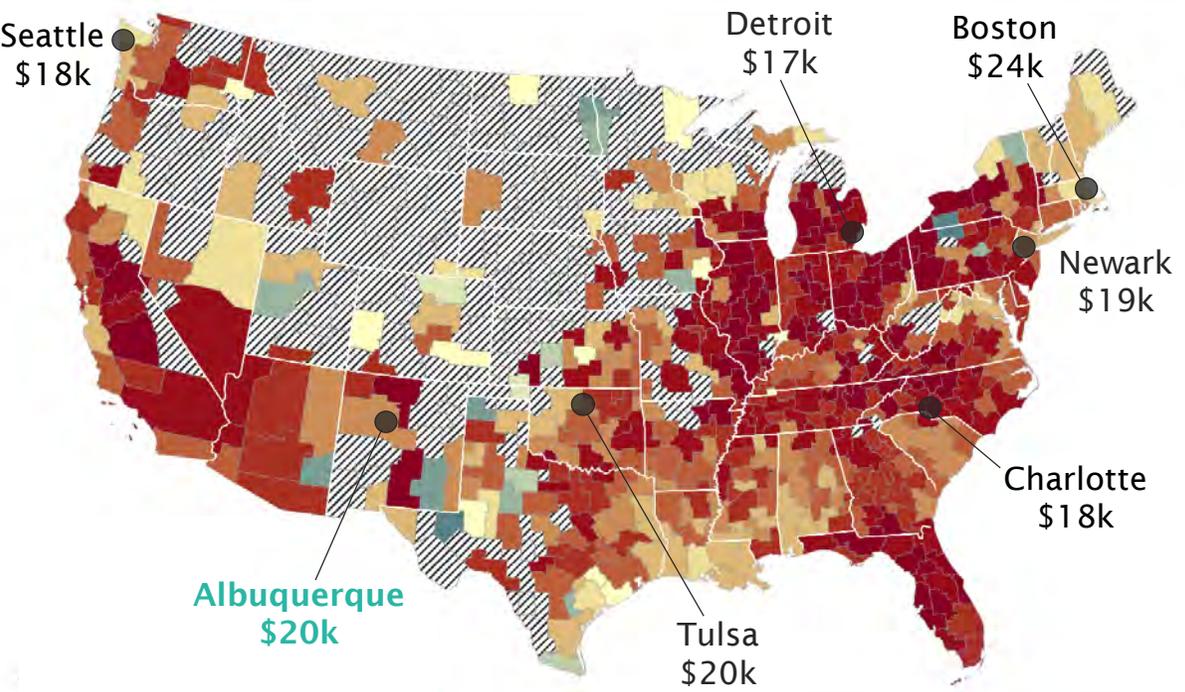


Two Americas: The Geography of Upward Mobility For Black vs. White Men

Average Income at Age 35 For Men Whose Parents Earned \$27,000 (25th percentile)

Black Men

White Men



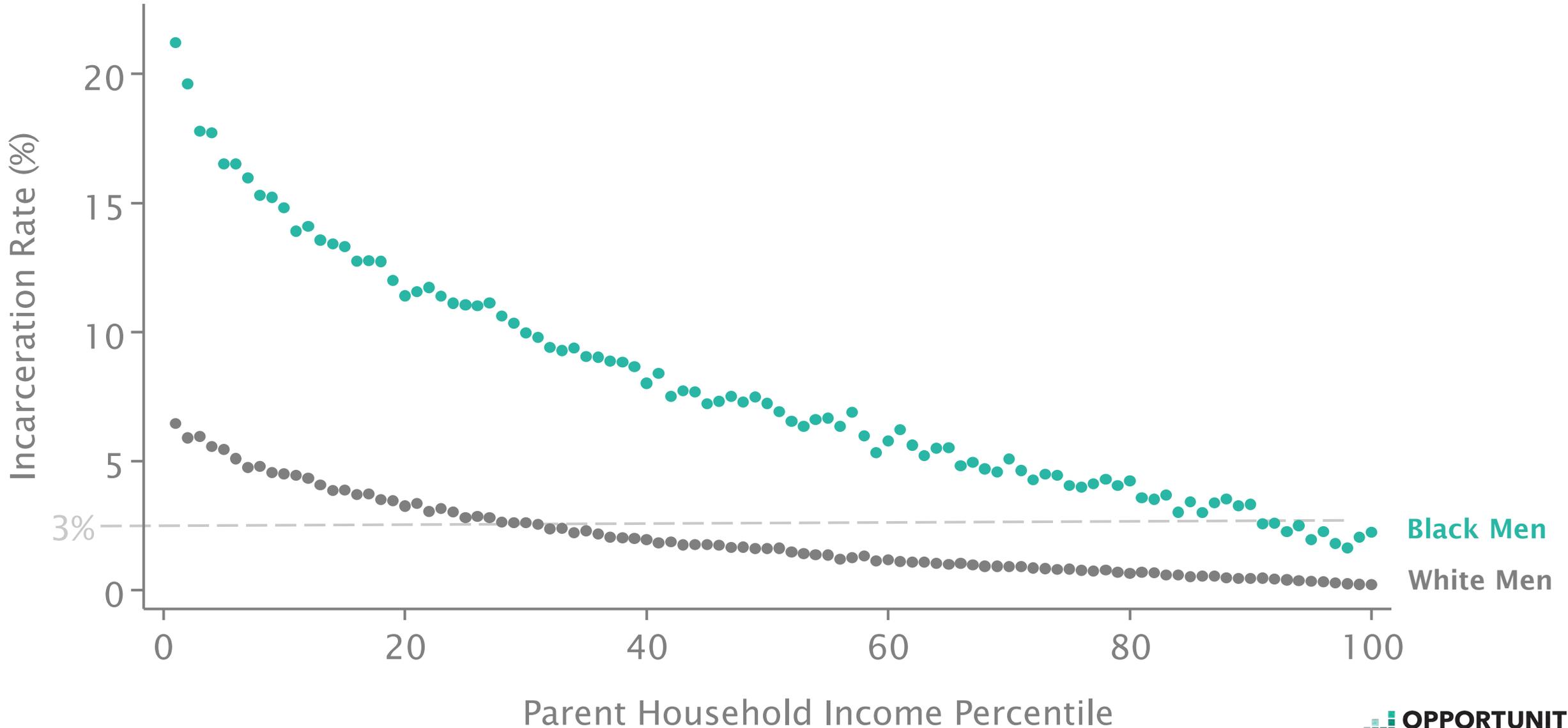
Black Boys Growing up in High-Income Families Face Downward Mobility

Income Mobility for Black vs. White Men Raised in High-Income Families



Black Men Experience Higher Rates of Incarceration Than Their White Peers

Male Incarceration Rates Versus Parent Income





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Higher Education

Section Preview

- Low-income children in Albuquerque grow up to make less than other low-income children nationally
- Low-income children growing up in neighborhoods in the northeast section of the city grow up to have better outcomes than low-income children growing up in other neighborhoods in Albuquerque

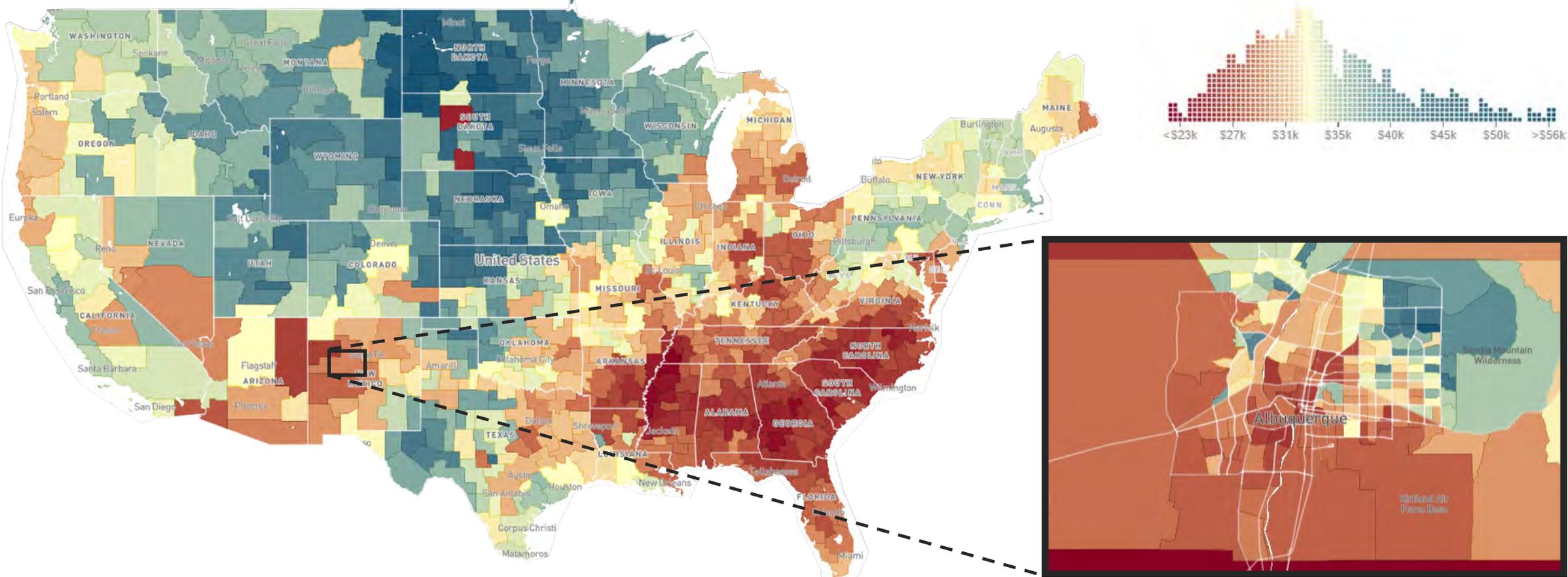


Section Preview

- Low-income Hispanic outcomes in Albuquerque are lower than the national median, although low-income Hispanic children in some neighborhoods in the city grow up to have outcomes that outpace the nation



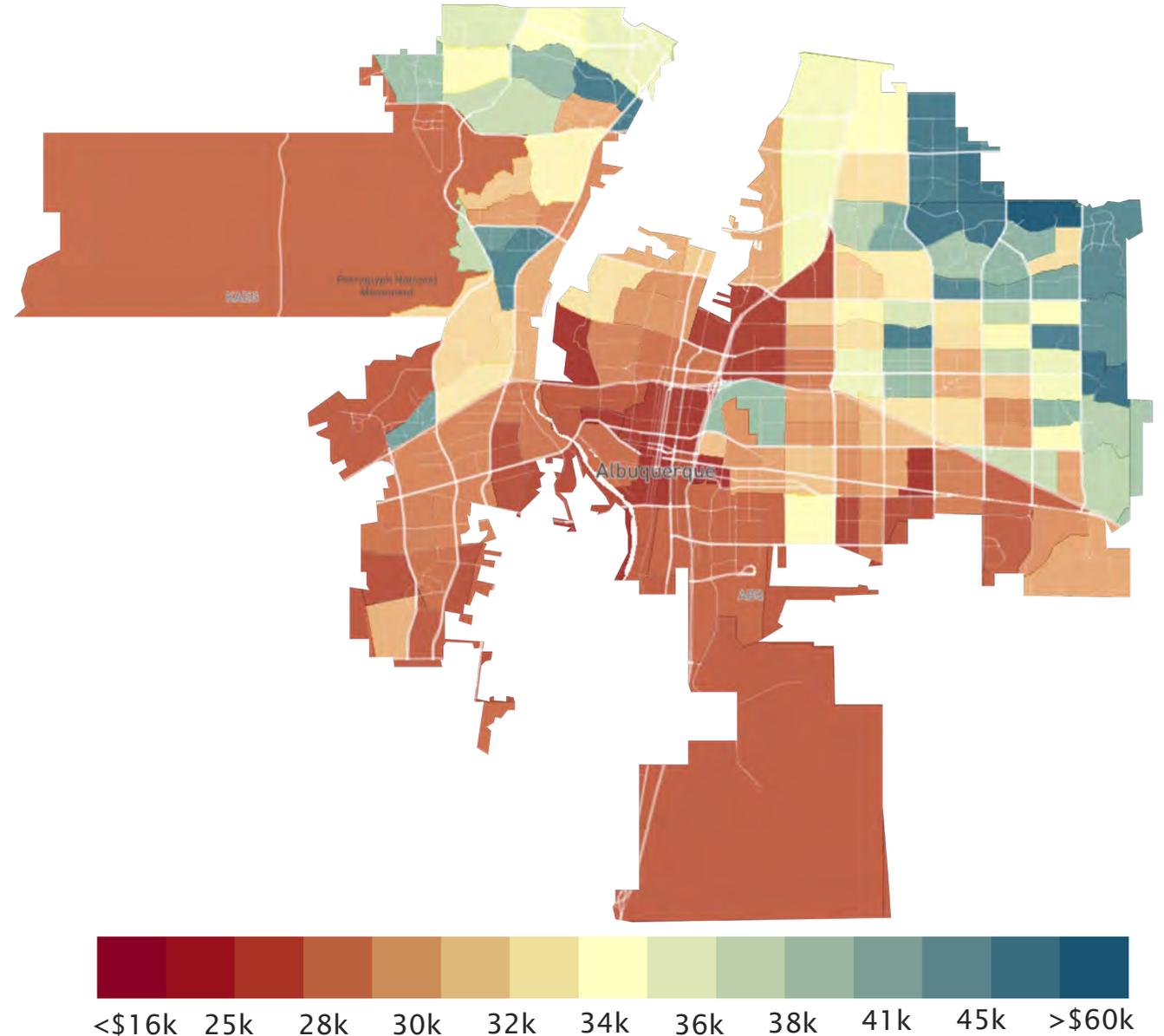
Low-Income Children in Albuquerque Grow Up to Make Less As Adults than the National Median



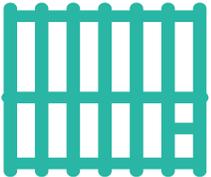
Children raised in Albuquerque by families earning less than \$27,000 grow up to earn an average of about **\$30,000 as adults**. This is **lower** than the national median of **\$34,000**.

Mobility Estimates for Low-Income Children from Albuquerque

- This map shows us the outcomes of children who grew up in Albuquerque in low-income families, **compared to the outcomes of all other children from low-income families nationally.**
- The outcomes for low-income children in Albuquerque are low compared to the national median, although outcomes are better for children growing up in the northeast of the city.



Disparities by Parental Income in Albuquerque Extend Beyond Earnings

	Children from Low-Income Families*	Children from High-Income Families*
 Annual Household Income	\$30k	\$46k
 College Graduation Rate	19%	44%
 Incarceration Rate	2.2%	0.6%
 Teen Birth Rate	29%	15%

* Low-income refers to 25th percentile (below \$27,000), High-income refers 75th percentile (above \$94,000).

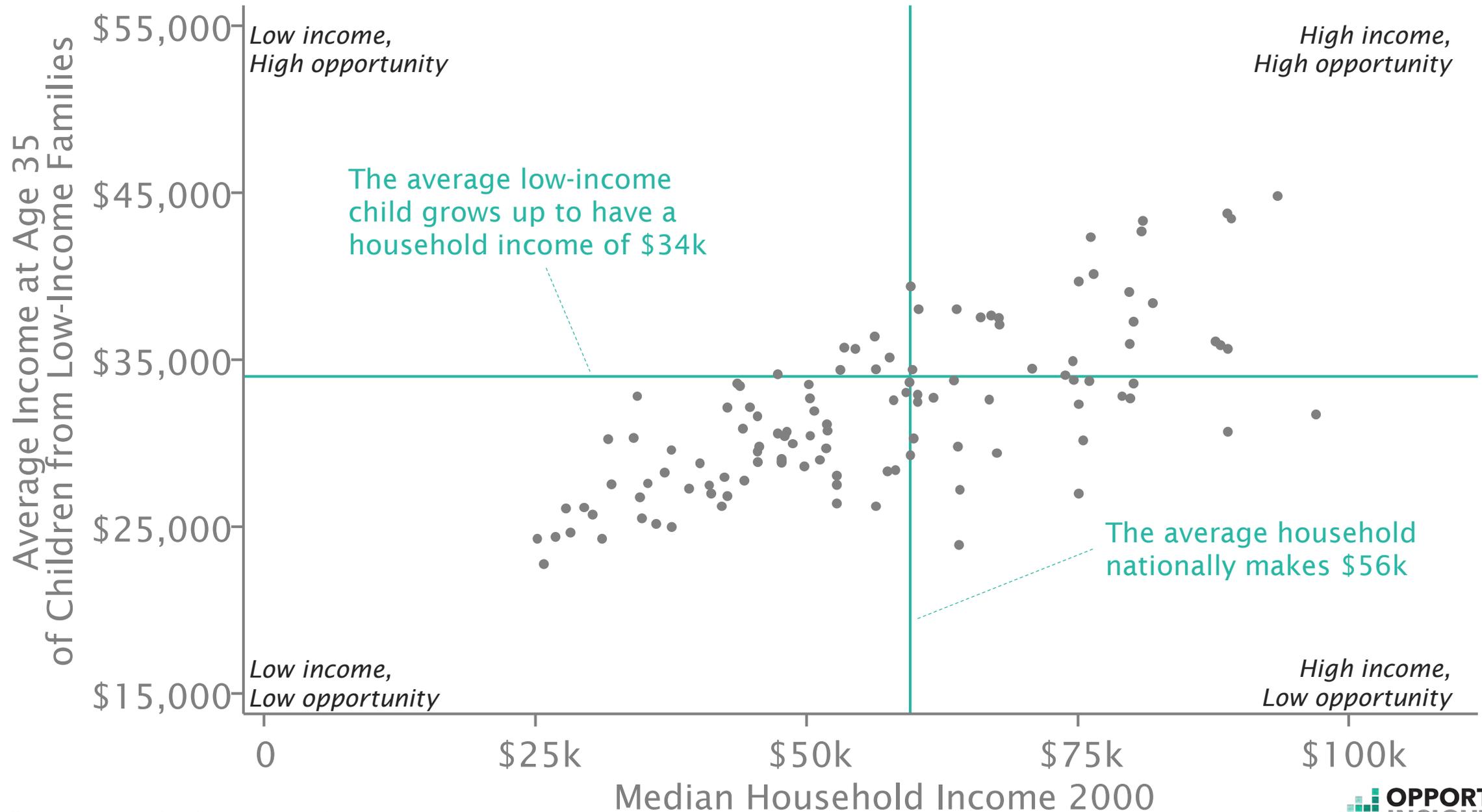
Several Neighborhoods Have Above-Average Outcomes for Low-Income Children Despite Having Below-Average Household Income



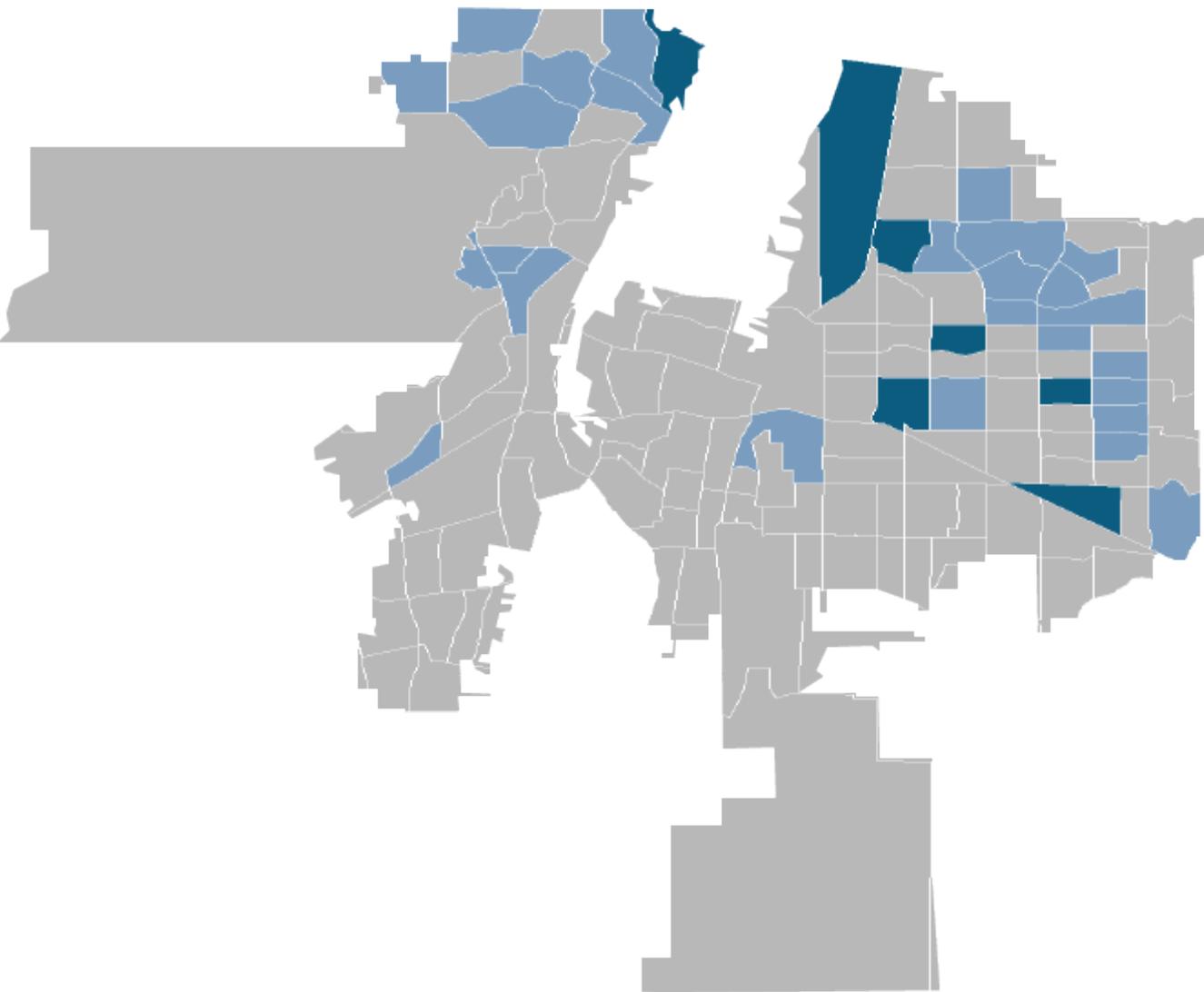
Several Neighborhoods Have Above-Average Outcomes for Low-Income Children Despite Having Below-Average Household Income



Several Neighborhoods Have Above-Average Outcomes for Low-Income Children Despite Having Below-Average Household Income



Tracts Producing Above-Average Outcomes for Low-Income Children are Concentrated in the Northeast of Albuquerque

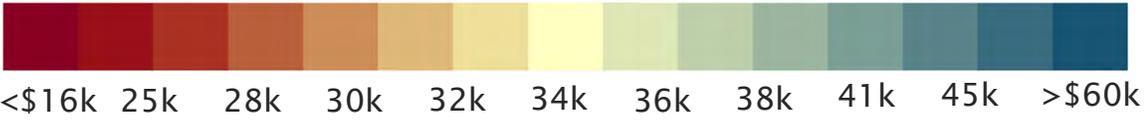
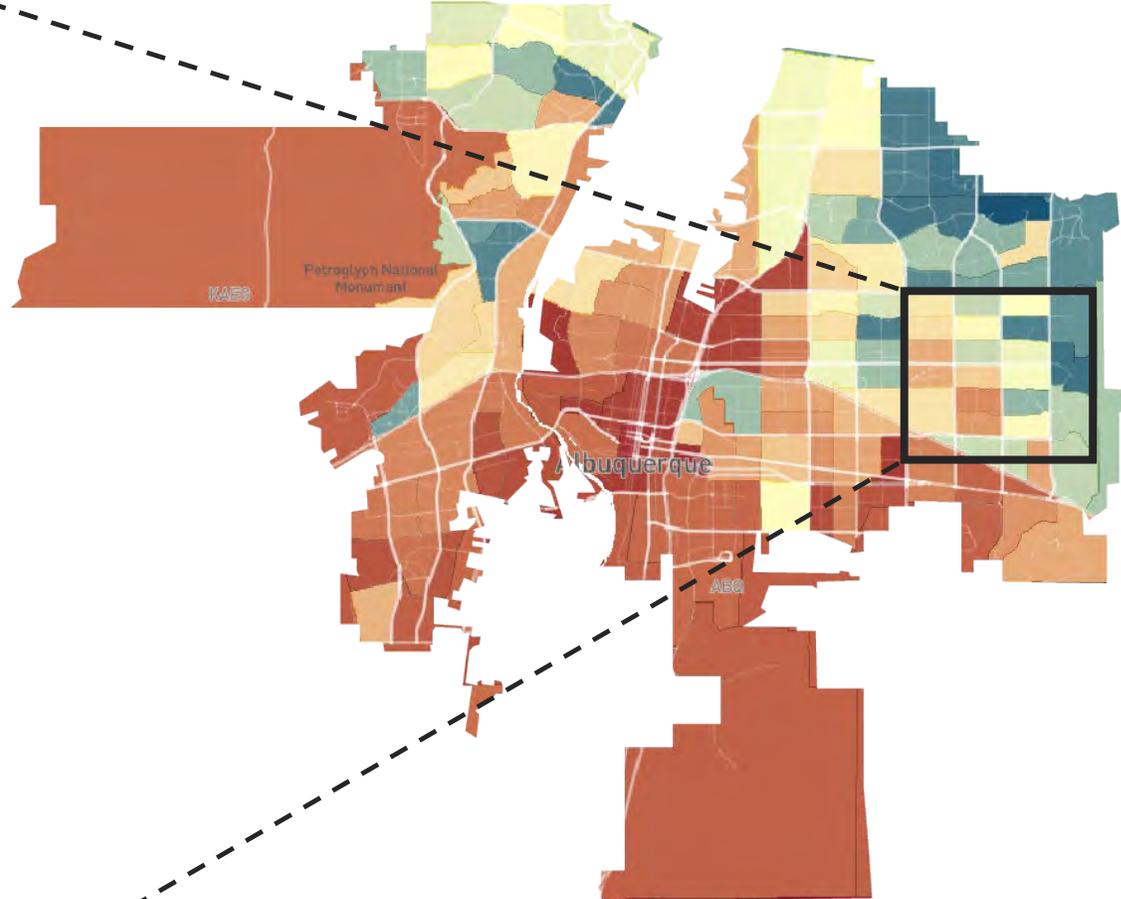
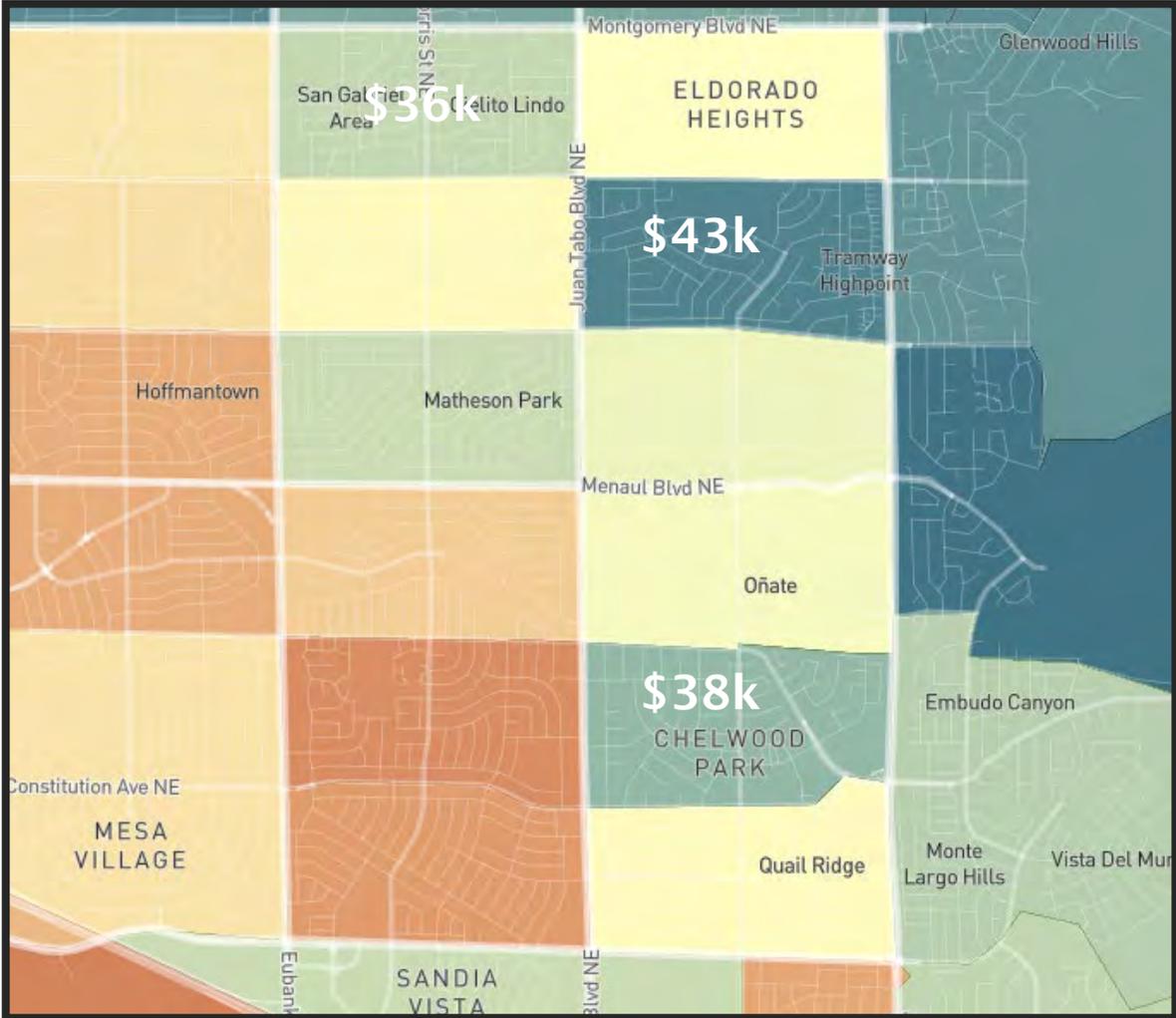


-  Above-Average Opportunity, Below-Average Income
-  Above-Average Opportunity, Above-Average Income

Below Average Tracts 

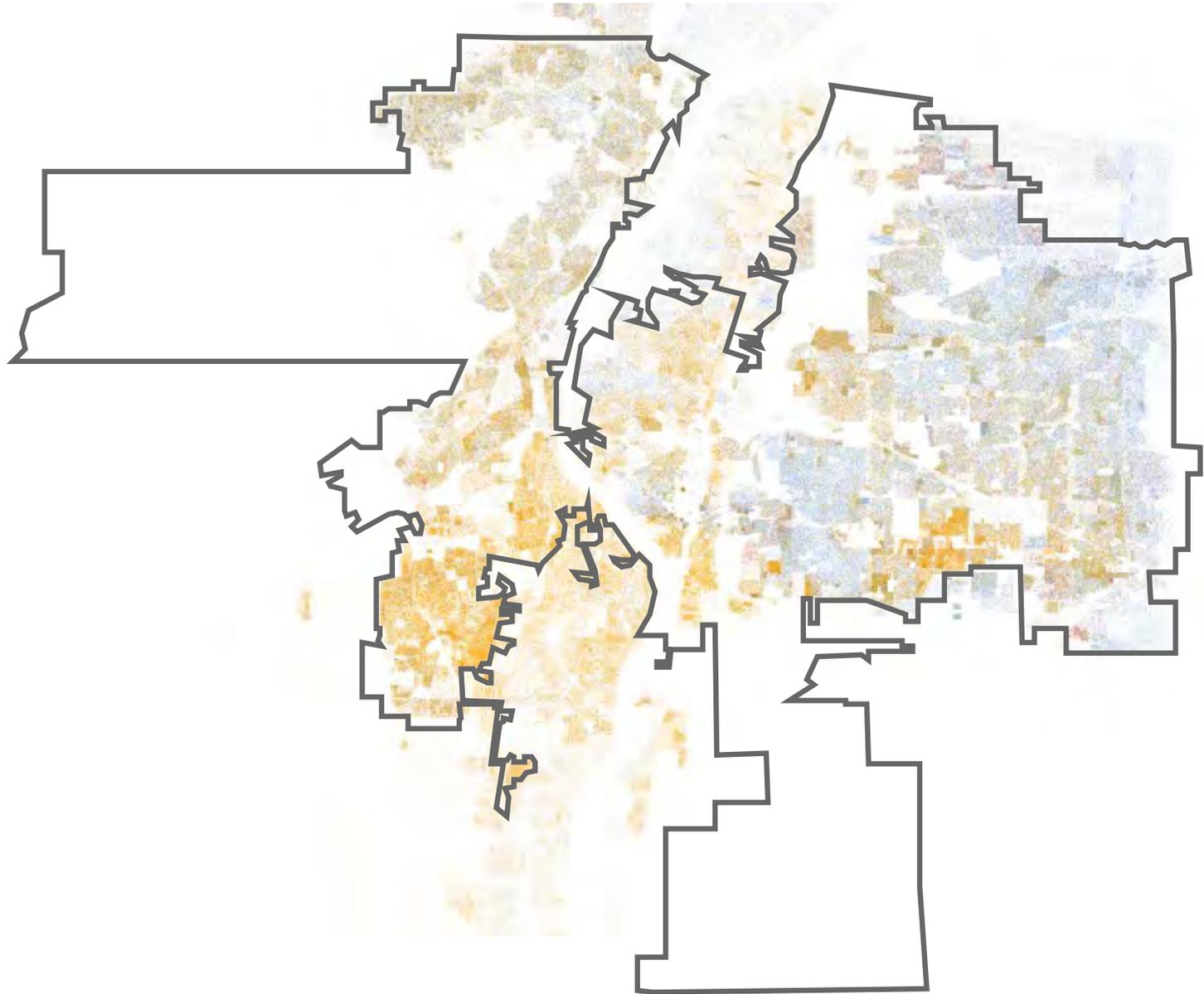
Tracts Producing Better Outcomes for Low-Income Children

Adult Household Incomes for Children Raised in Low-Income Families in Albuquerque, NM



Neighborhood Statistics

Visualizing Albuquerque's Racial Composition



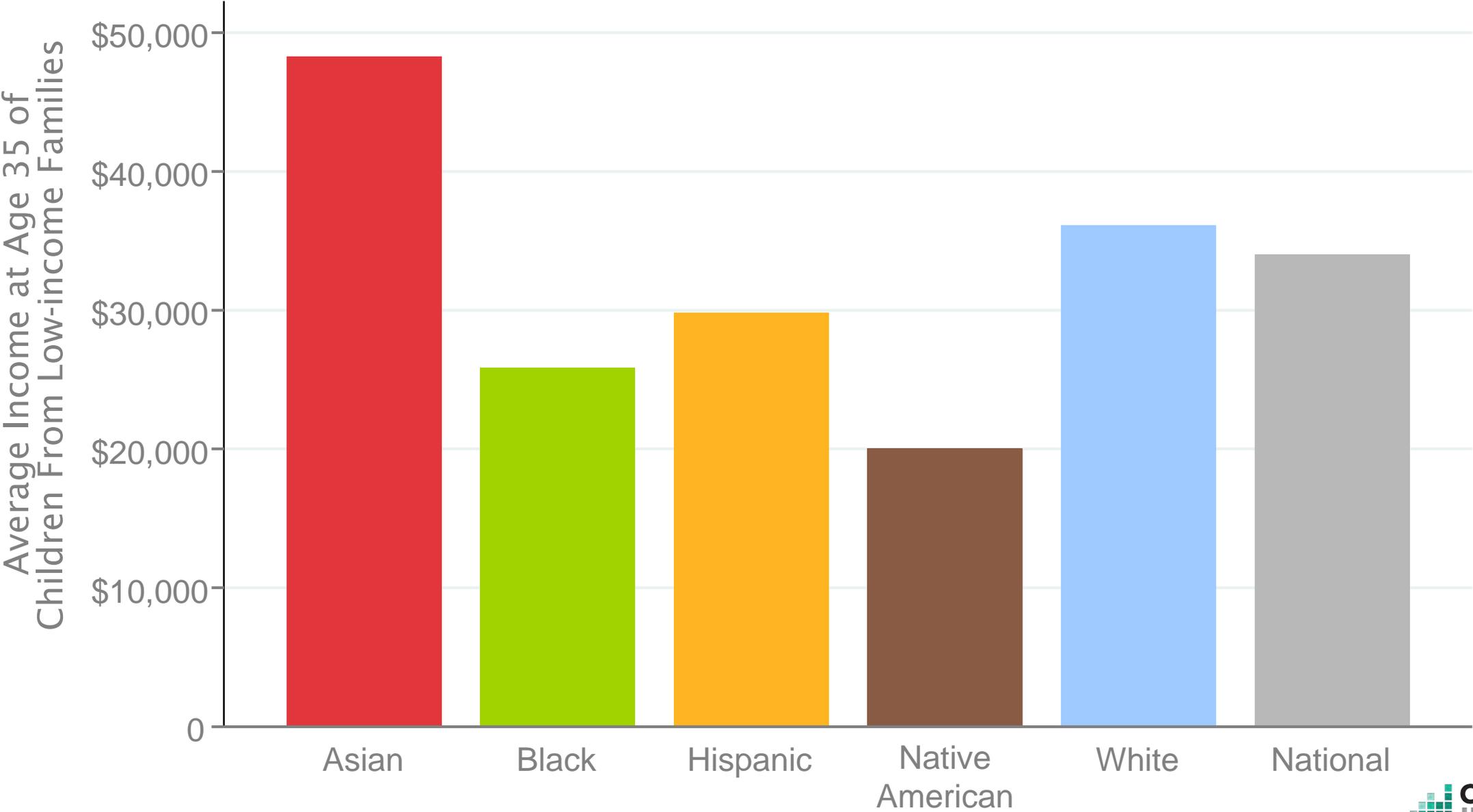
- White
- Black
- Asian
- Hispanic

Image Copyright, 2013, Weldon Cooper Center for Public Service, Rector and Visitors of the University of Virginia (Dustin A. Cable, creator)

The Average Adult Income of Children Who Grew Up in Bernalillo County Varies Significantly By Race

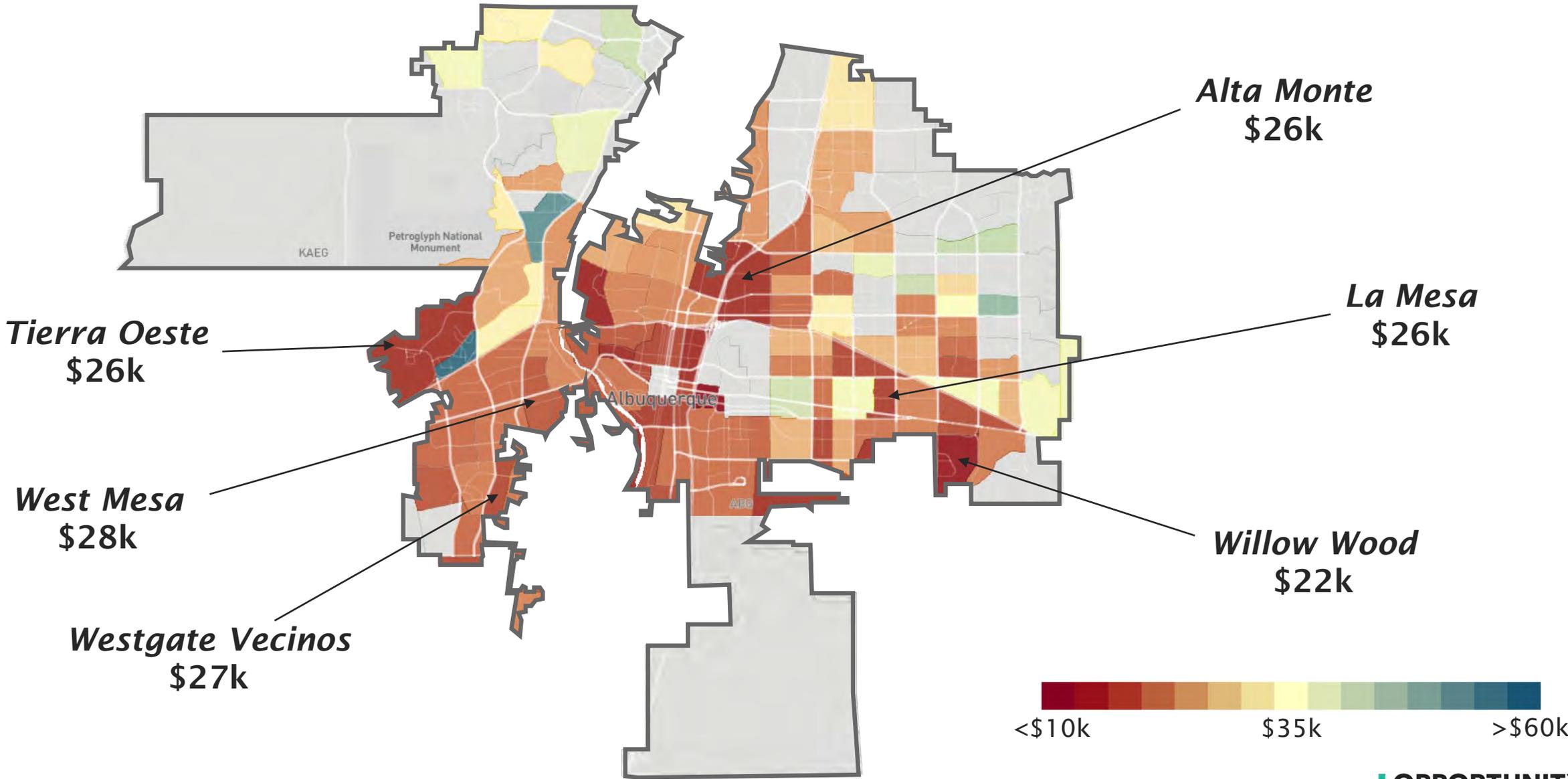


To National Outcomes



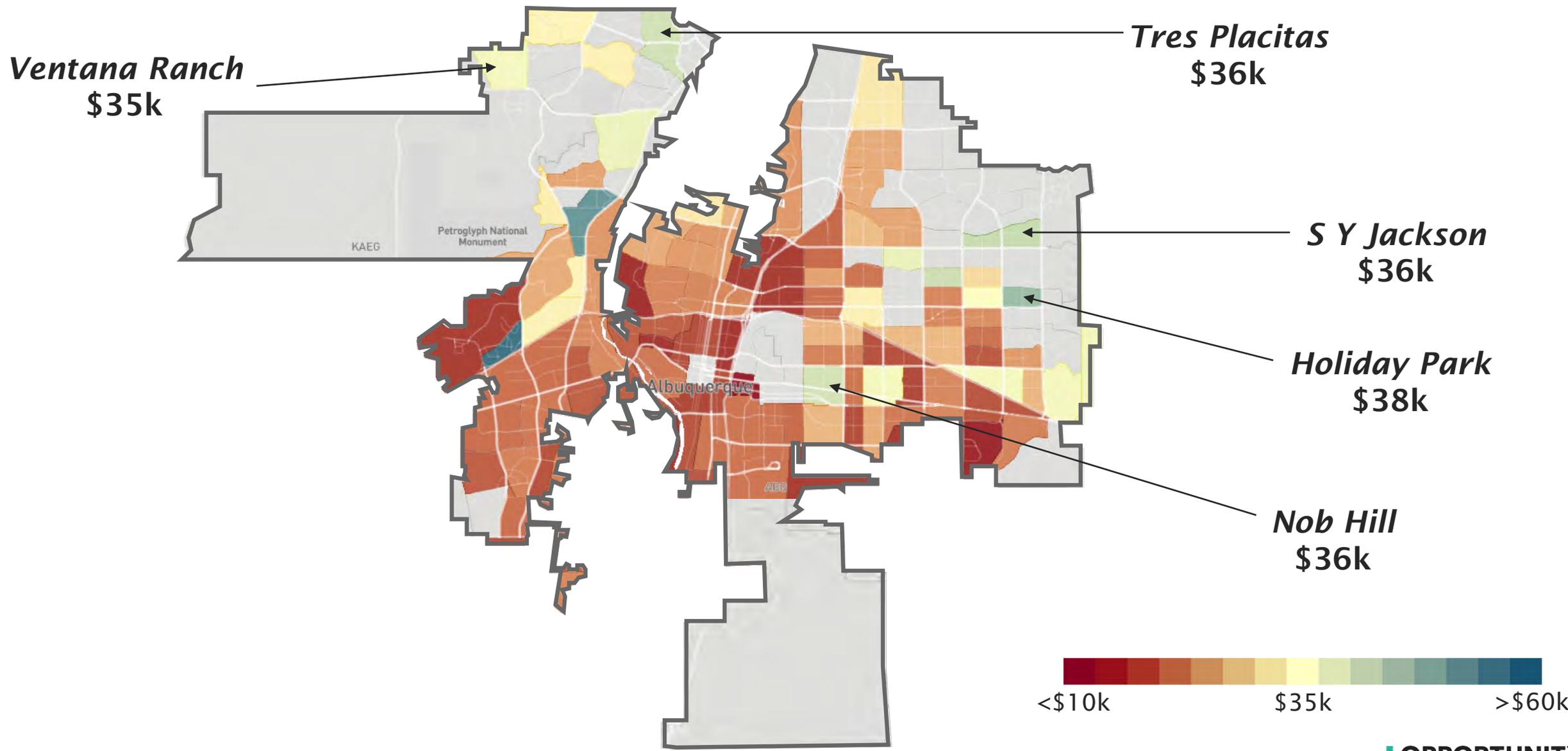
Albuquerque's Hispanic Outcomes are Lower Than the National Median

Adult Household Incomes for Hispanic Children Raised in Low-Income Families



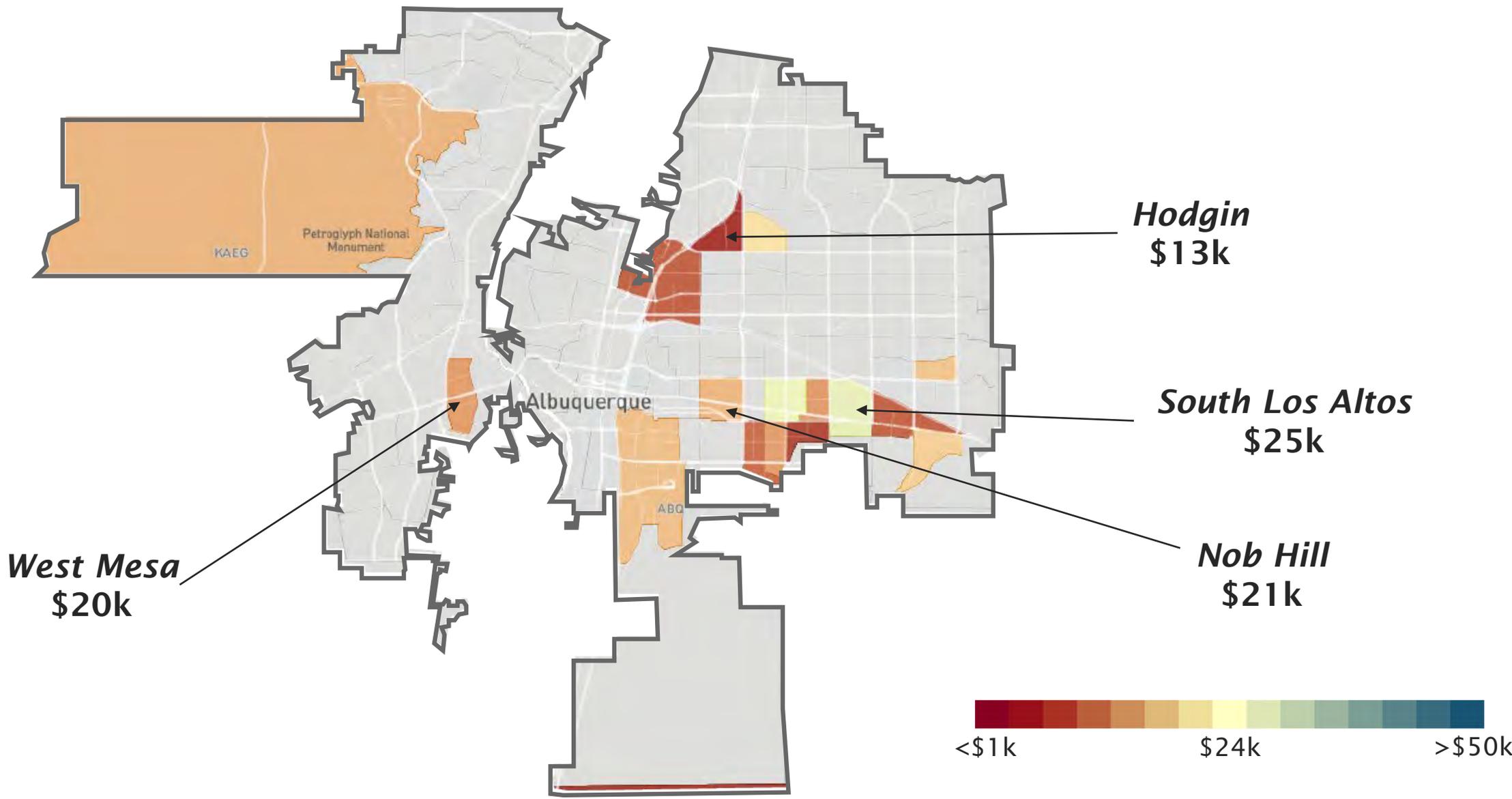
Subgroup Scaling, Low-Income, Hispanic, >= 100 Children

Although Some Neighborhoods Have Higher Hispanic Outcomes than the National Median



Subgroup Scaling, Low-Income, Hispanic, >= 100 Children

Albuquerque Neighborhoods Produce Relatively Poor Outcomes for Low-Income Native American Children With a Couple of Exceptions





Introduction to OI & Our Research on Upward Mobility



Albuquerque in Context



Housing and Neighborhood Landscape



Higher Education

Section Preview

- Every year of exposure to a high-opportunity neighborhood pays off for children
- High-opportunity neighborhoods have more stable family structures, lower poverty rates, better school quality, and greater social capital



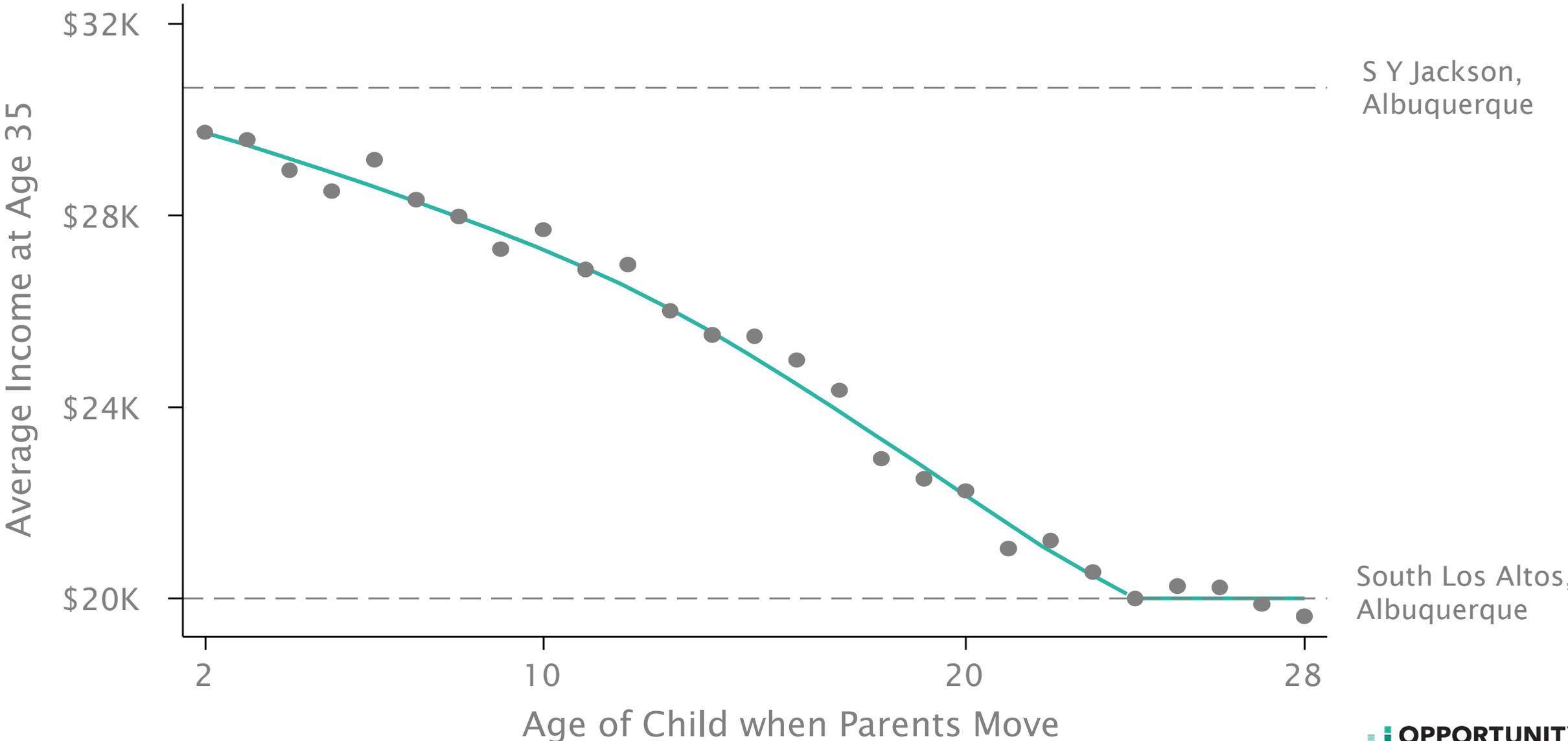
Section Preview

- Policymakers can focus both on improving neighborhoods and helping families move to higher opportunity areas



Every Year of Exposure to a Higher Opportunity Neighborhood Pays Off

Potential Income Gained from Moving to a Better Neighborhood, by Age



Two Approaches to Increasing Upward Mobility in Neighborhoods



- **Reducing Segregation:** Increase Access to High-Opportunity Areas by Providing Affordable Housing



- **Place-Based Investments:** Invest in Low-Opportunity Neighborhoods to Increase Upward Mobility

Two Approaches to Increasing Upward Mobility in Neighborhoods



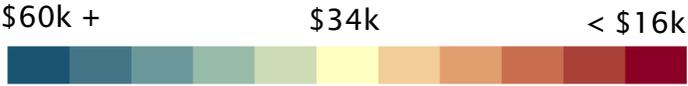
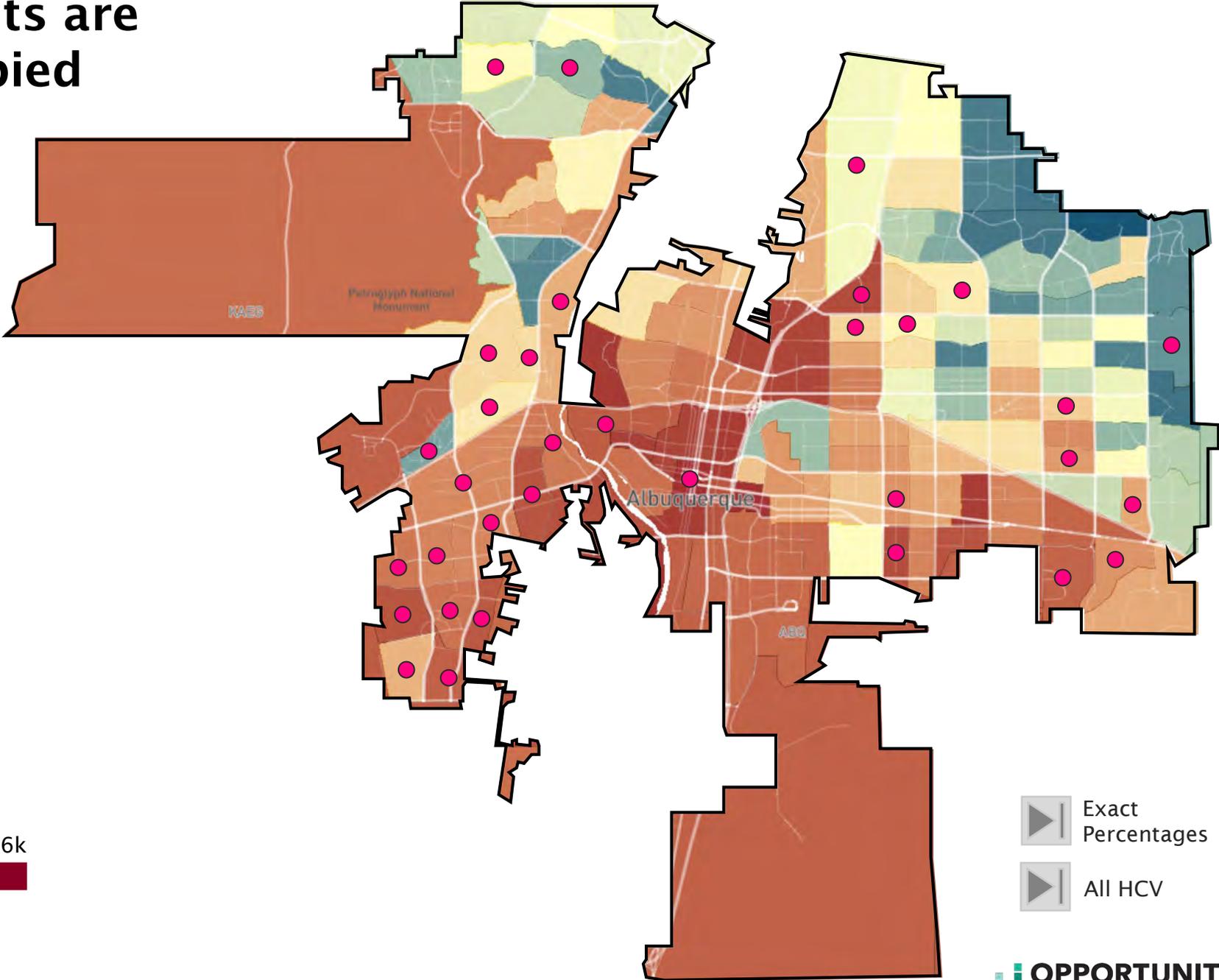
- **Reducing Segregation:** Increase Access to High-Opportunity Areas by Providing Affordable Housing



- **Place-Based Investments:** Invest in Low-Opportunity Neighborhoods to Increase Upward Mobility

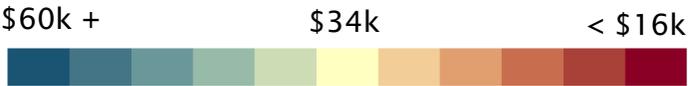
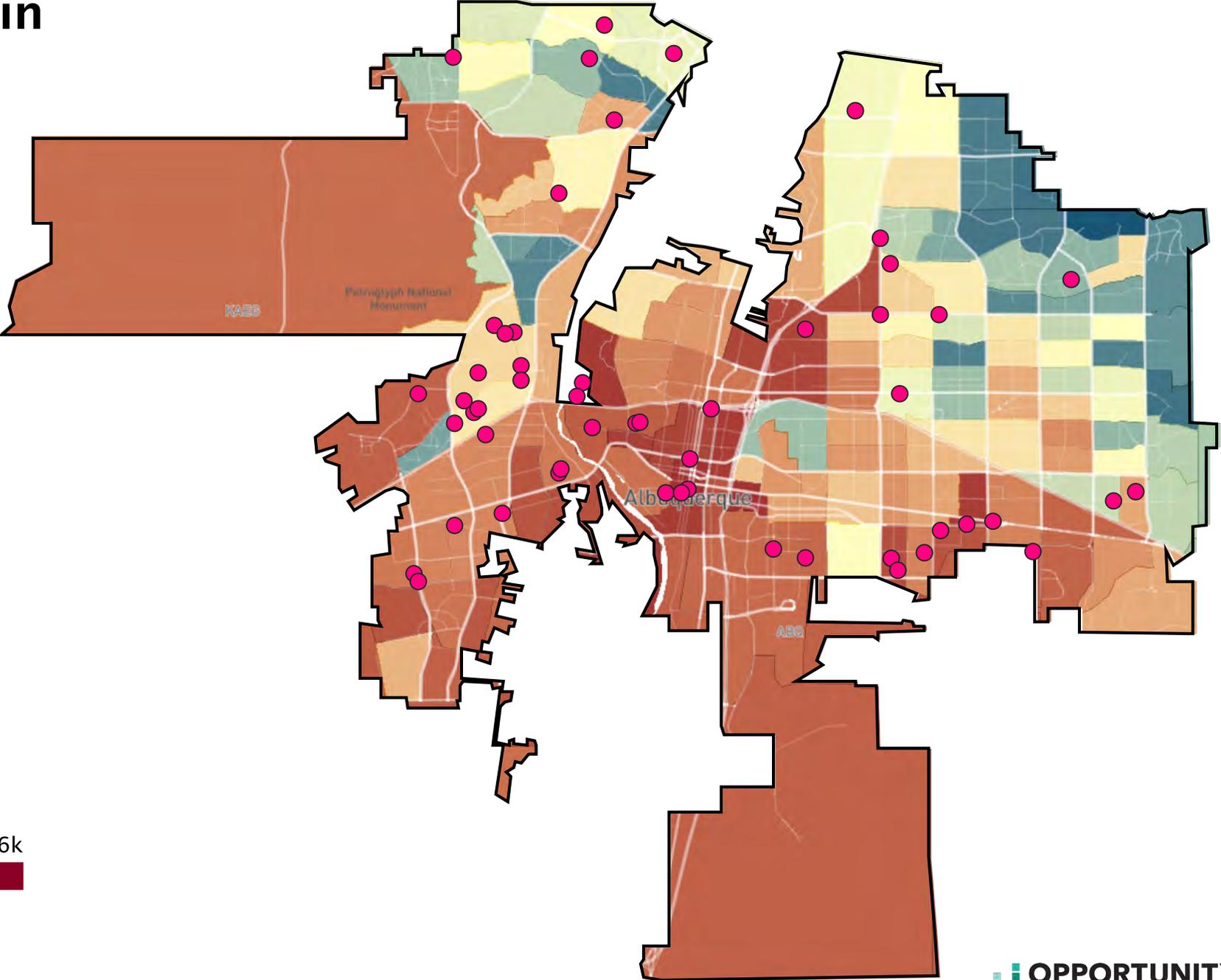
Where HCV-Occupied Units are >10% of All Renter-Occupied Housing Units

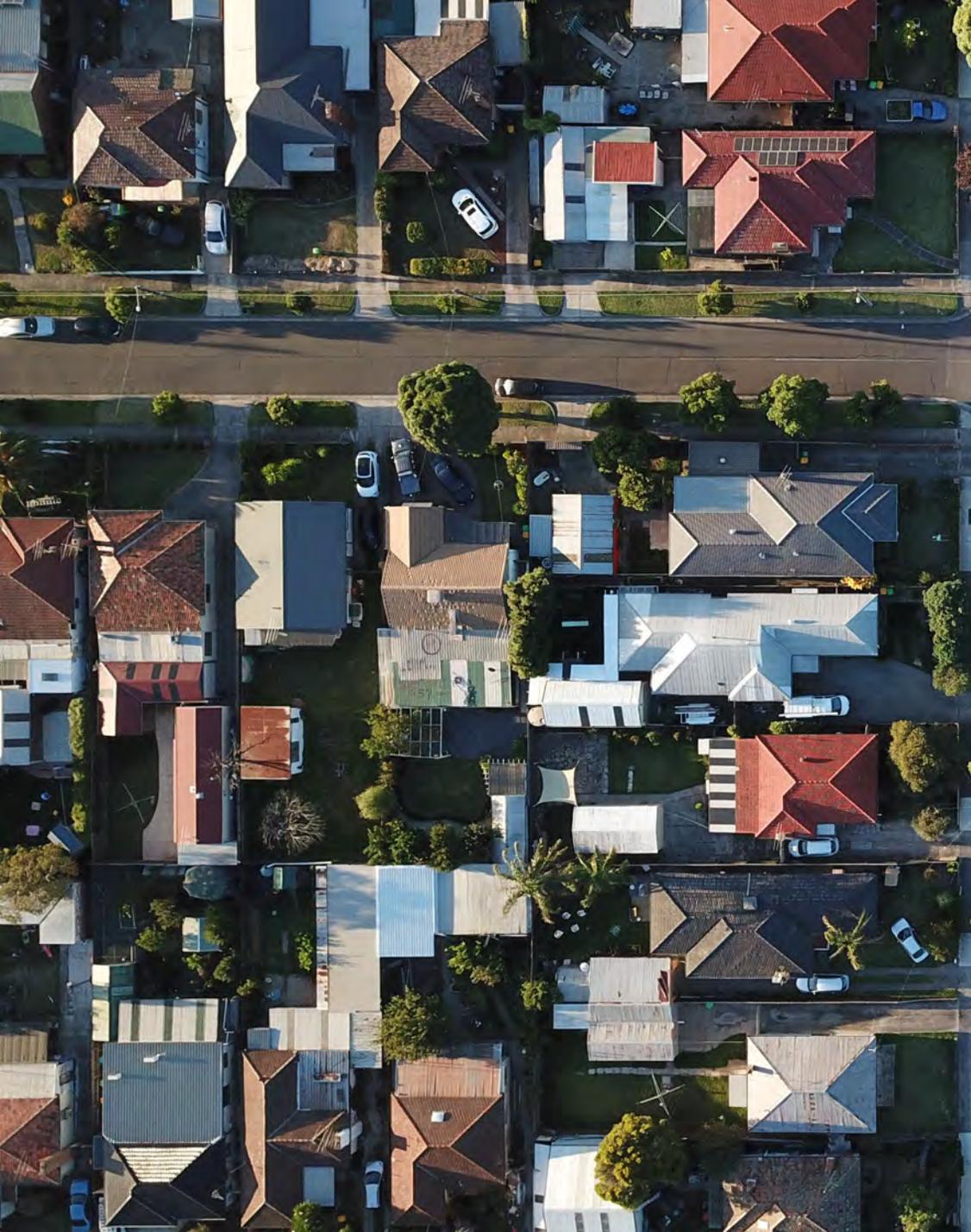
- Across the country, HCV families are usually concentrated in areas of lower opportunity
- This seems to hold true in Albuquerque, as not many HCV-holders can be found in the higher-opportunity neighborhoods to the South and East of the city



▶ Exact Percentages
▶ All HCV

All LIHTC Developments in Albuquerque





How Do We Improve Low Opportunity Neighborhoods?

- The Moving to Opportunity approach has **limits to scalability**
- Ultimately, we need to increase upward mobility **within low-opportunity areas**
- Difficult to identify a “recipe for success” in each area
- As a first step, examine **characteristics of areas** with high levels of upward mobility

Two Approaches to Increasing Upward Mobility in Neighborhoods



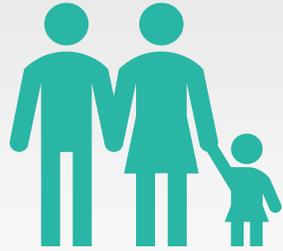
- **Reducing Segregation:** Increase Access to High-Opportunity Areas by Providing Affordable Housing



- **Place-Based Investments:** Invest in Low-Opportunity Neighborhoods to Increase Upward Mobility

National Characteristics of Higher Opportunity Neighborhoods

More Stable
Family
Structure



Lower
Neighborhood
Poverty Rate



Better
School
Quality



Greater
Social
Capital



These four **neighborhood variables** are among the strongest correlates **related to upward mobility** in the country. They are not necessarily causal factors, but they do give us a sense of what higher mobility neighborhoods tend to look like.



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Higher Education

Section Preview

- New Mexico higher education institutions have higher access than the nation, but levels of success vary across institutions
- Efforts to expand low-income student access to higher education should focus on high mobility rate institutions



Section Preview

- Nationally, there are a few schools that stand out as high mobility rate institutions that propel an especially large number of students from the bottom to the top of the income distribution



Mobility Rates – A Product of College Success and College Access

Measuring the Economic Mobility of Colleges



A college’s *mobility rate* is the fraction of its students who come from bottom fifth **and** end up in top fifth, this can be broken down into two key components:

Access rate – fraction of students who come from the bottom fifth (\$25,000 and below in household income)

Success rate – fraction of students from the bottom fifth who make it to the top fifth (\$58,000 and above in individual income)

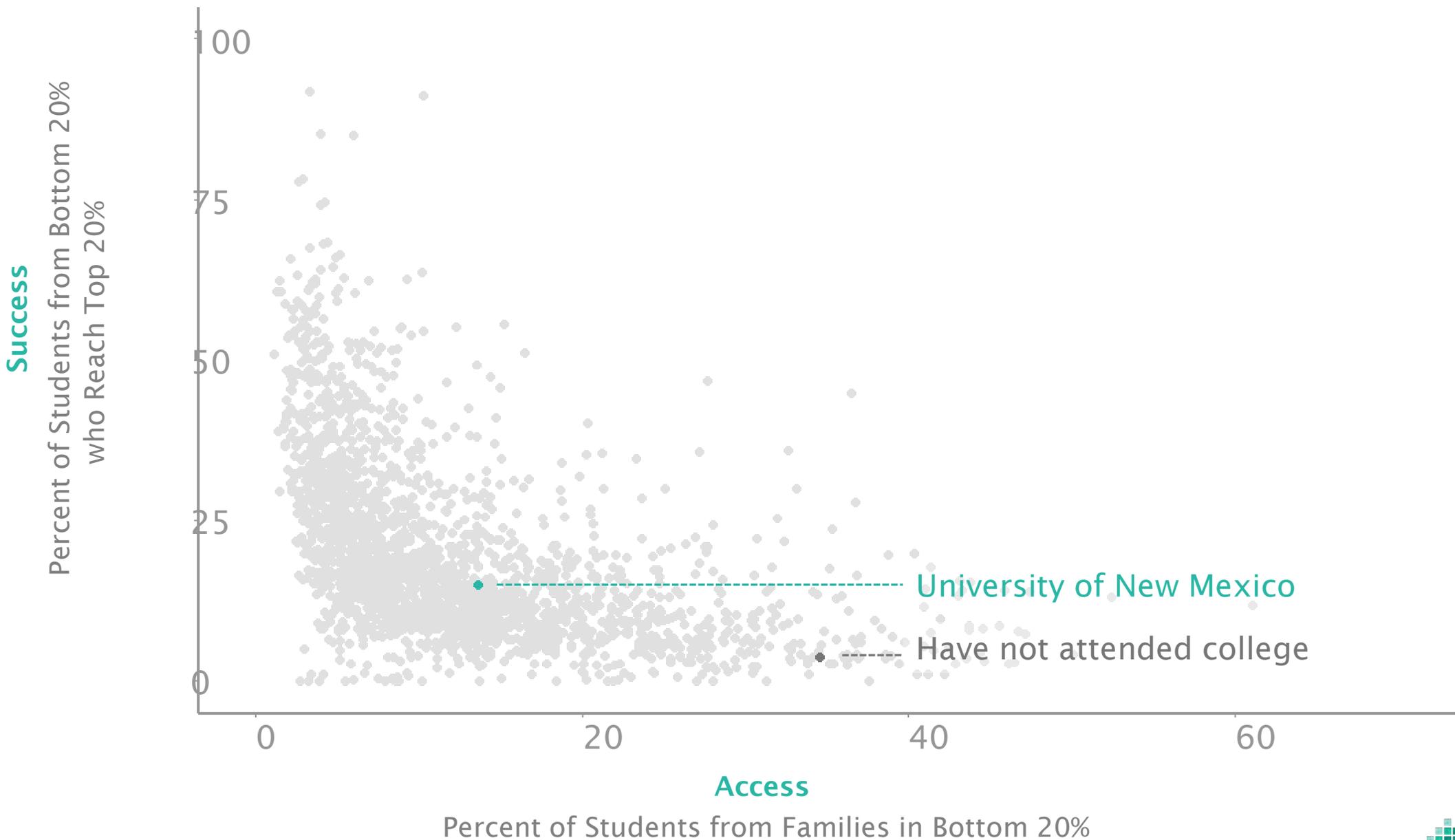
$$\text{Mobility Rate} = \text{Access} \times \text{Success}$$

$$2\% = 13.6\% \times 15\%$$

University of New Mexico

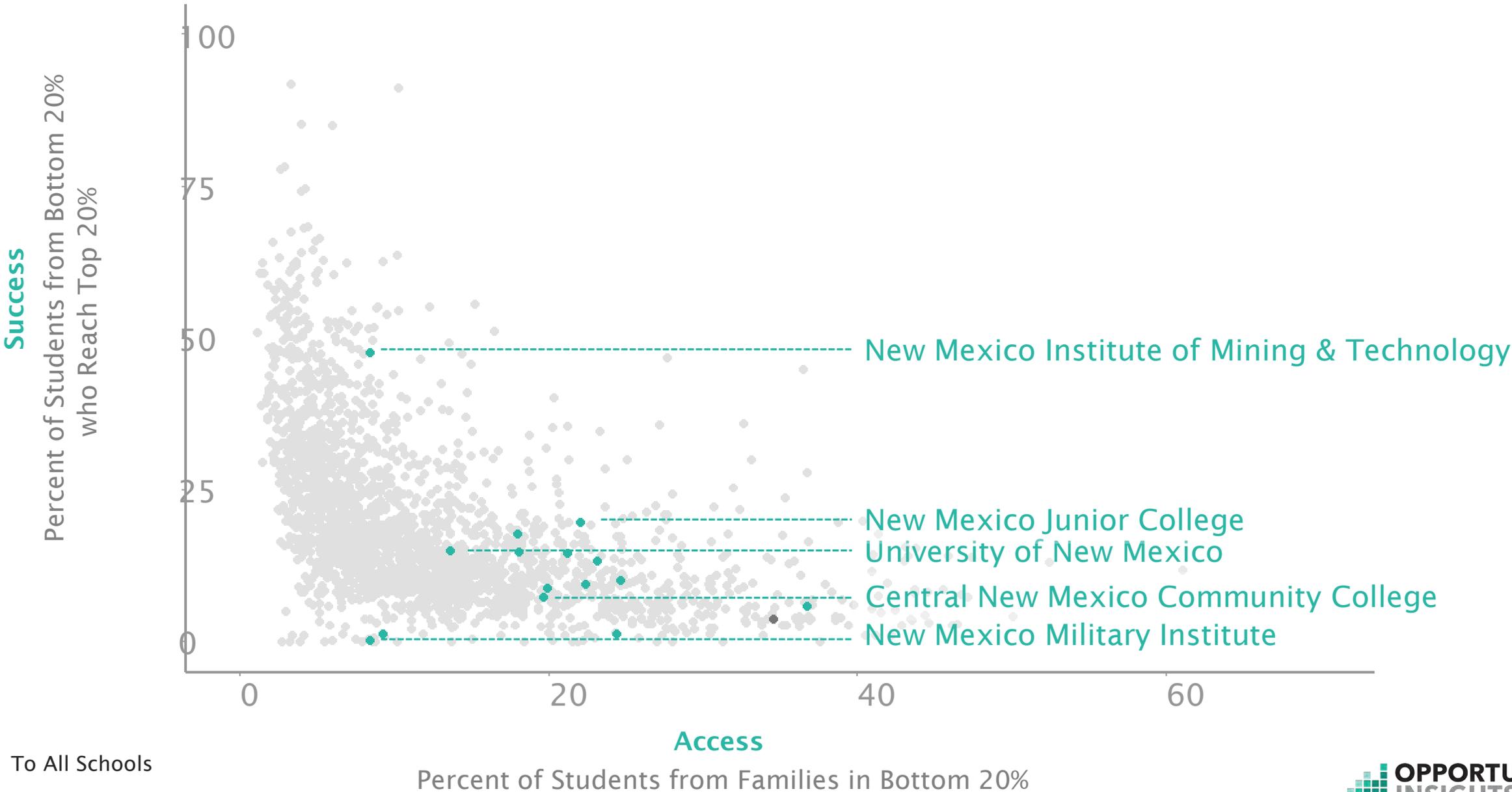
Univ. of New Mexico Has Higher Access But Lower Success Than the Nation

Mobility Rates: Success Rate Versus Access Rate by Institution



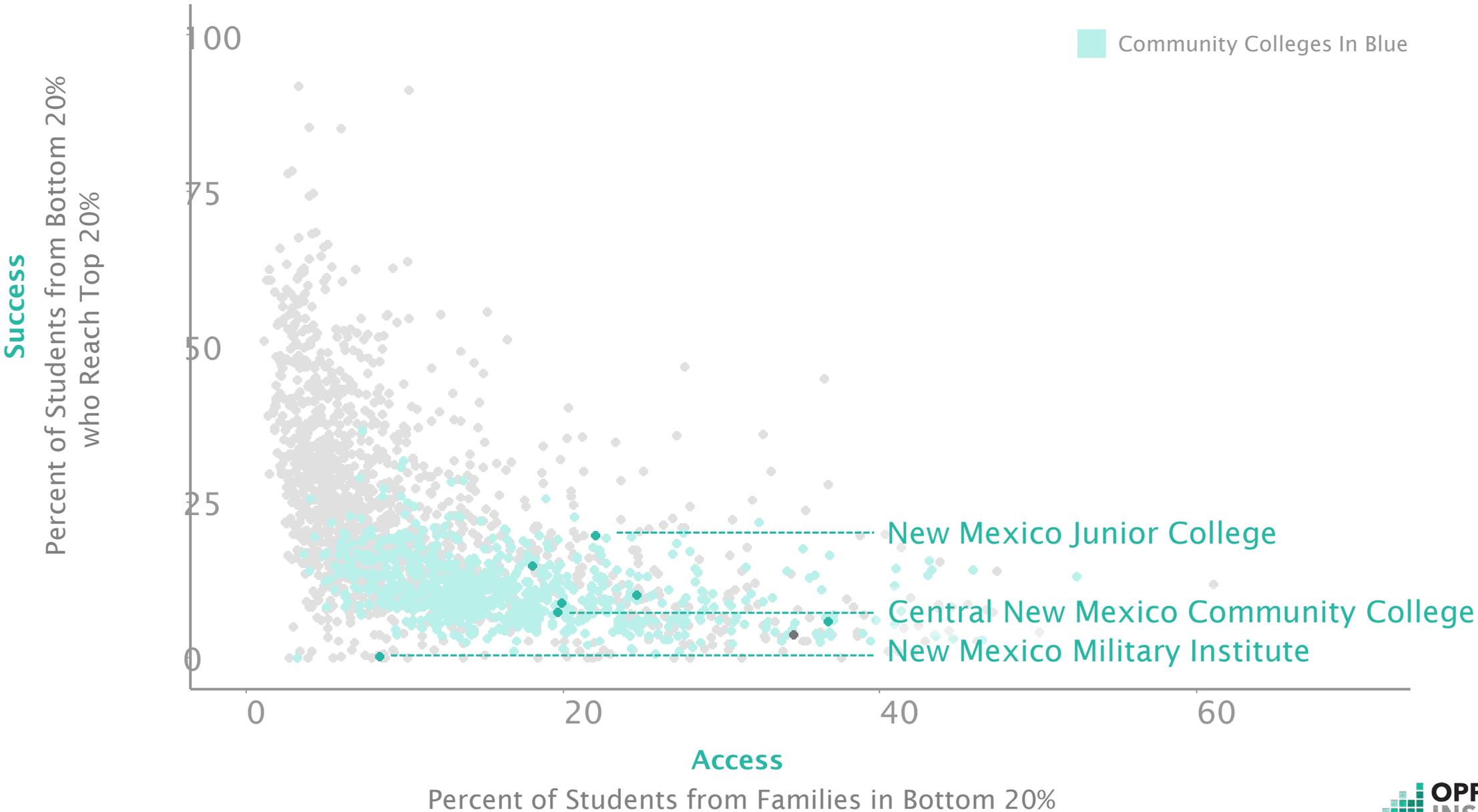
Most NM Institutions Have High Access Rates Compared to the Nation

Mobility Rates: Success Rate Versus Access Rate by Institution, New Mexico Schools Highlighted



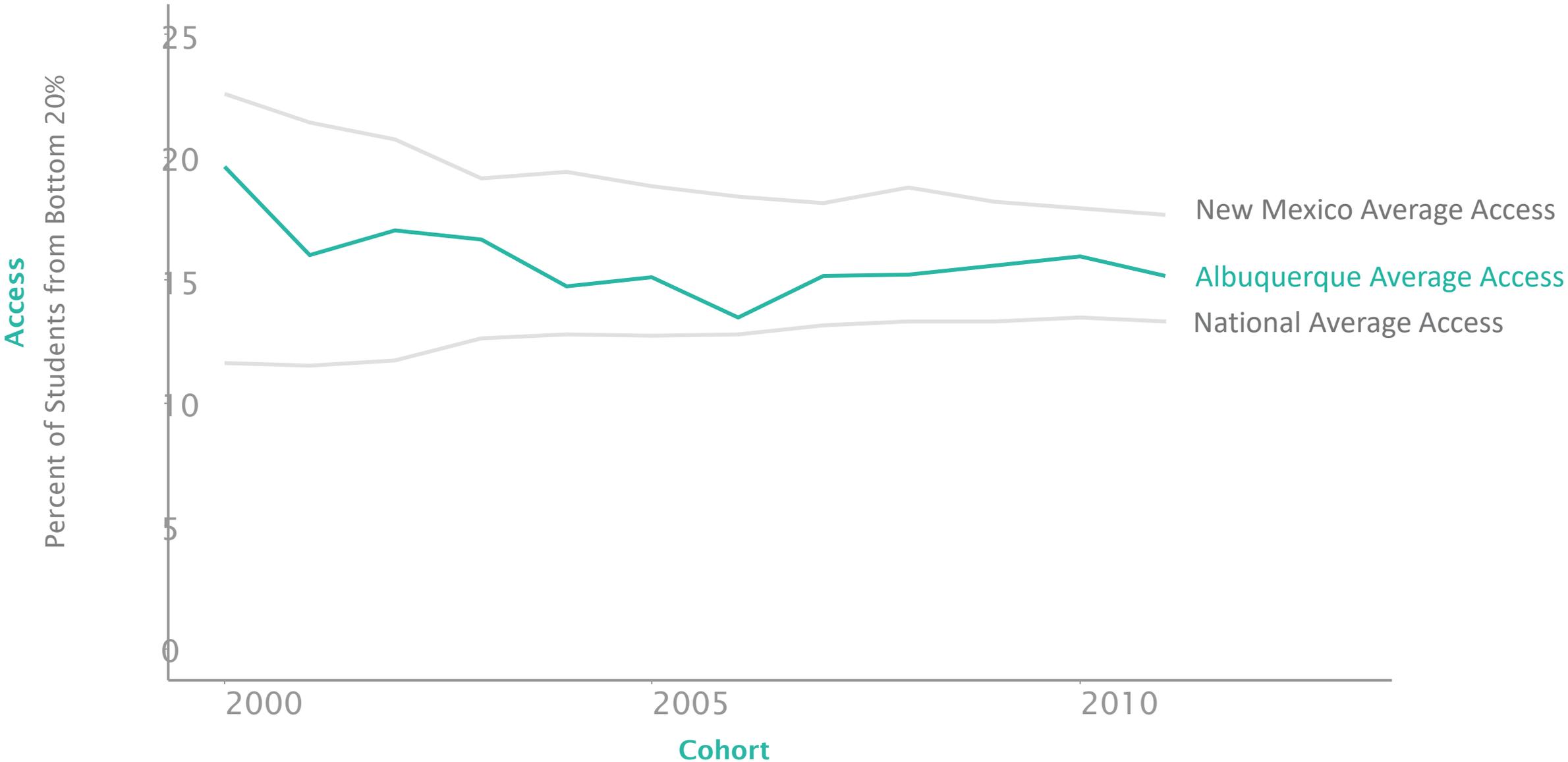
New Mexico Junior College Has the Best Mobility Rate in the State

Mobility Rates: Success Rate Versus Access Rate by Institution, New Mexico Schools Highlighted



Low-Income Student Access Has Slightly Decreased Over the Last Decade

Higher Education Access in the Albuquerque CZ and in New Mexico, 2000-2010



Year in which students were Age 20 attending a college or university

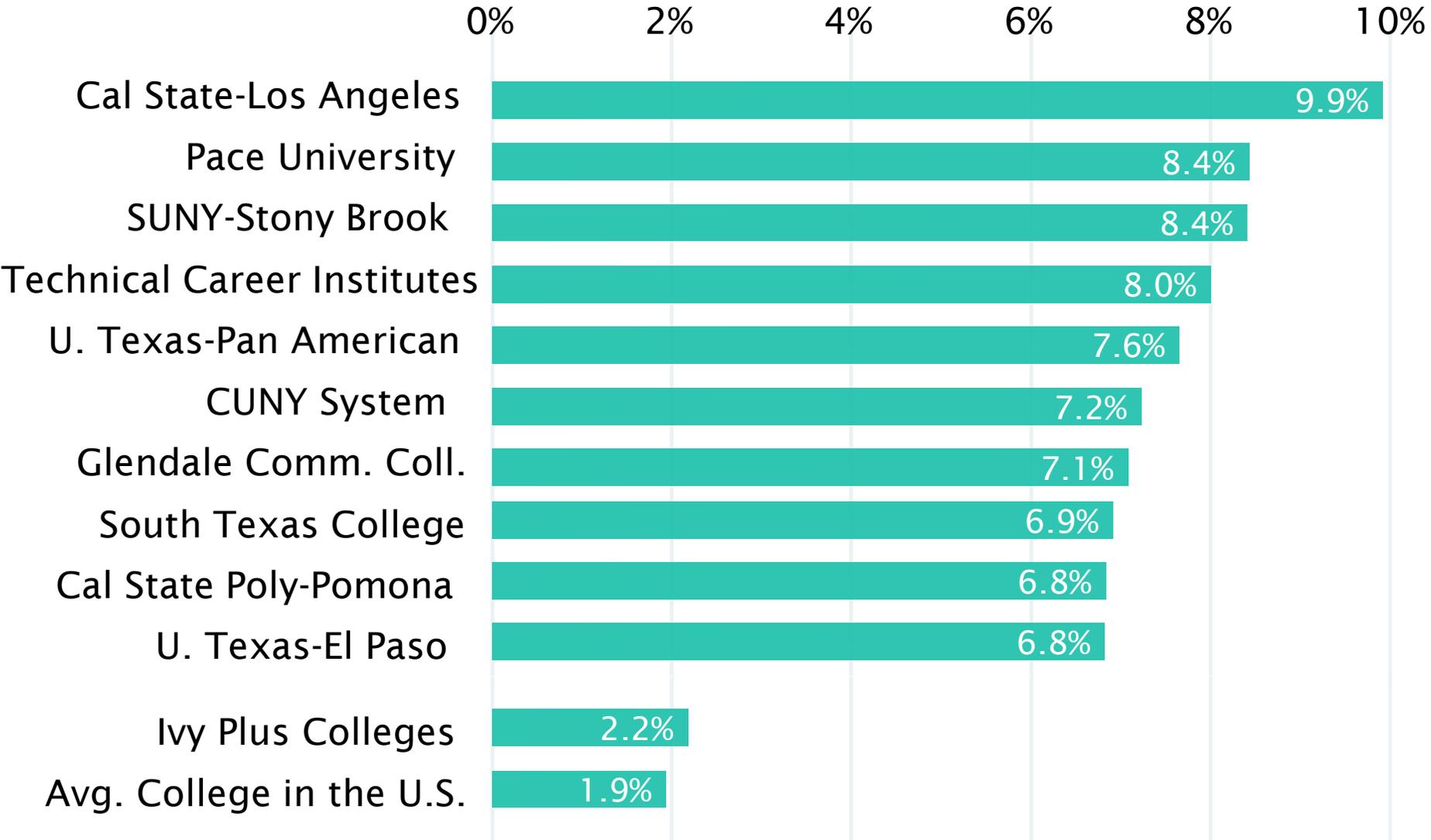
Access and Success at Select New Mexico Institutions

Ordered by Mobility Rate

College	Access Rate	Success Rate	Mobility Rate
New Mexico Junior College	22 %	19.7 %	4.3 %
New Mexico Institute of Mining & Technology	8.4 %	47.7 %	4 %
University of New Mexico	13.6 %	15 %	2 %
New Mexico Military Institute	8.4 %	0.3 %	0.03 %
National Average	12.5 %	19.6 %	2.5%
New Mexico Average	19.3 %	12.5%	2.2%

Top 10 Colleges in America – By Mobility Rate

Fraction of Bottom-to-Top Success Stories



Using a Different Benchmark for College Success

Measuring the Impact of Colleges in Moving Students to the Top 3 Quintiles



Alternative Success rate – fraction of students from the bottom fifth (\$25,000 and below in household income) who make it to the top 3 quintiles or the top 60% (\$31,000 and above in individual income) of the income distribution.

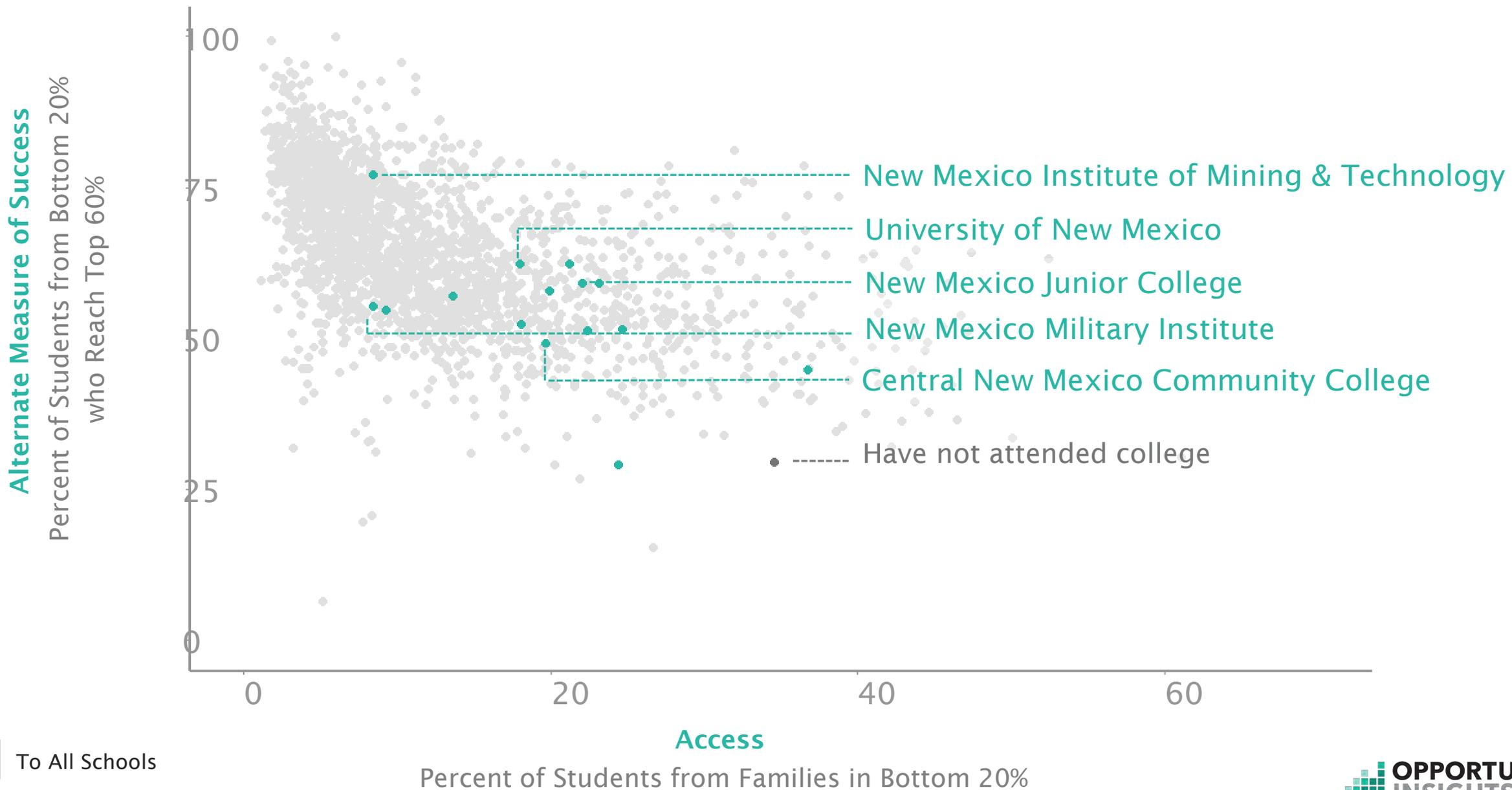
Under this measure the mobility and access rate of the University of New Mexico would change to be:

$$\text{Mobility Rate} = \text{Access} \times \text{Success}$$
$$7.8\% = 13.6\% \times 57.1\%$$

University of New Mexico

NM Institute of Mining & Technology Outpaces Peers on This Measure

Mobility Rates: Success Rate Versus Access Rate by Institution, New Mexico Schools Highlighted



▶ To All Schools

Collegiate Leaders in Increasing Mobility



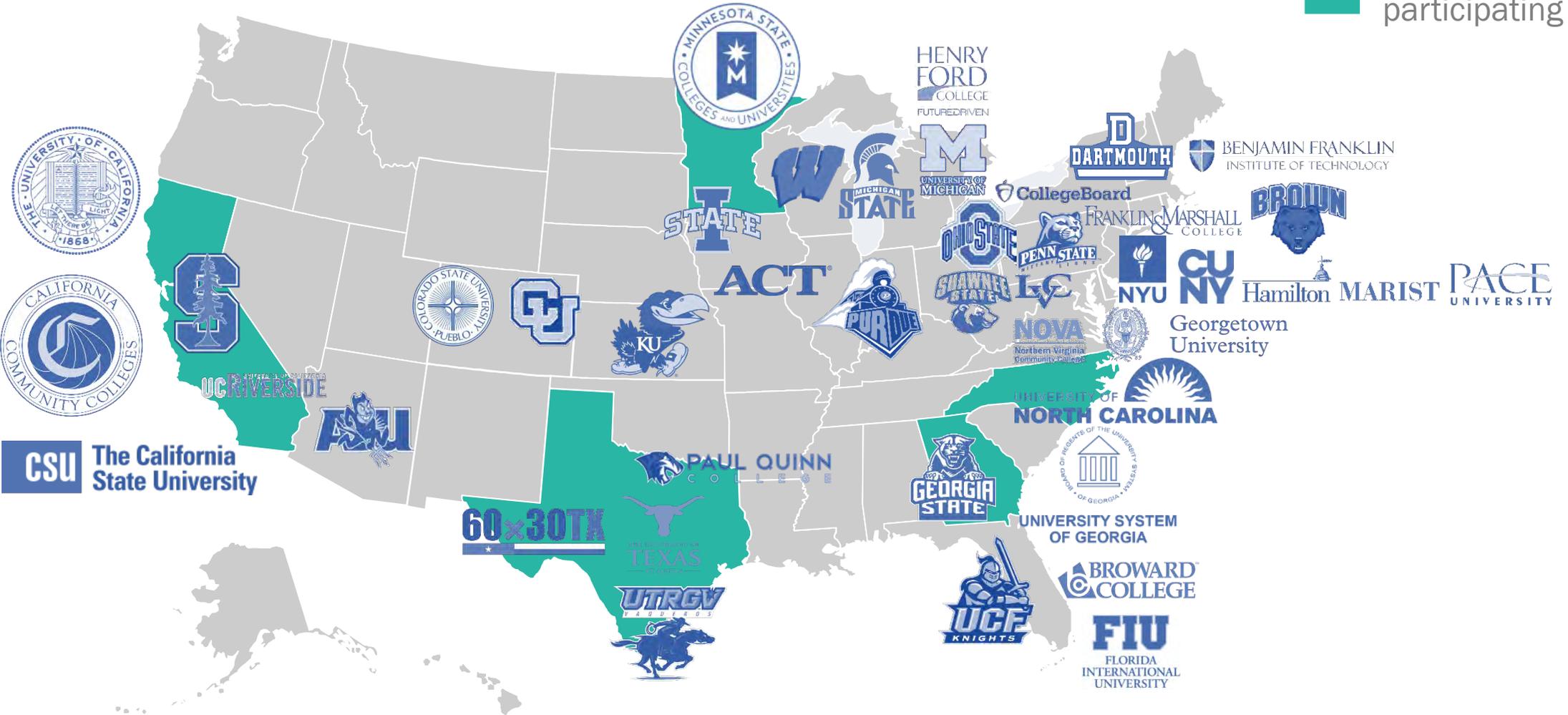
CLIMB is a **partnership** between Opportunity Insights and **400 colleges** across the U.S. that seeks to help colleges improve the economic mobility of their students by:

- Increasing access to low-income students to college
- Ensuring the success of students from disadvantaged backgrounds at college

The CLIMB Network's Current Members

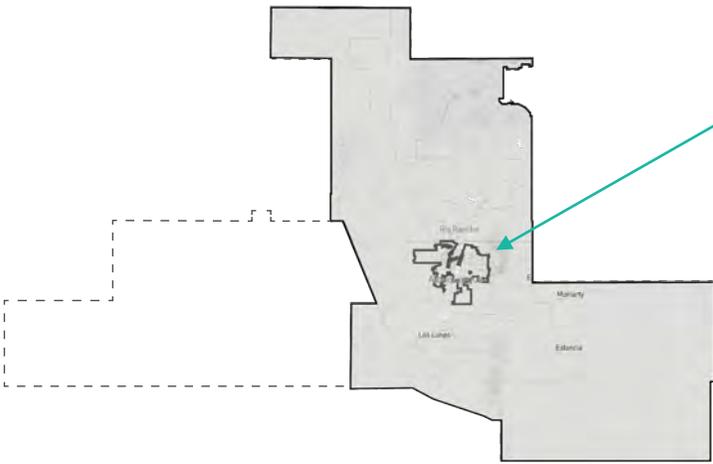
CLIMB Currently Includes 422 Colleges That Collectively Serve More Than 5.2 million students

■ State system participating



Geographies of Analysis

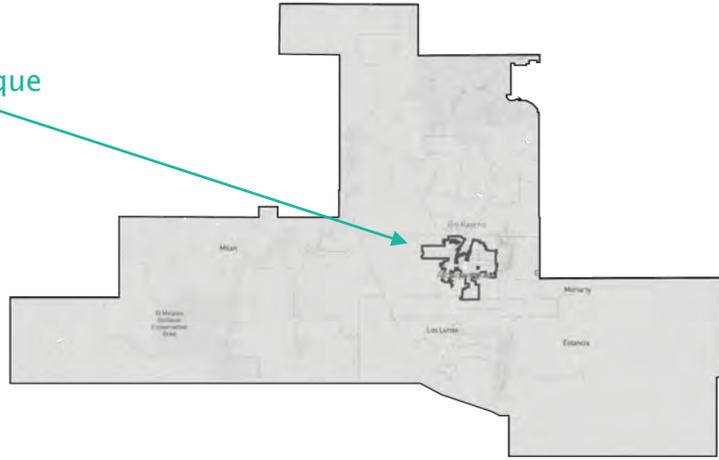
Example: Albuquerque



Metropolitan Service Area (MSA)

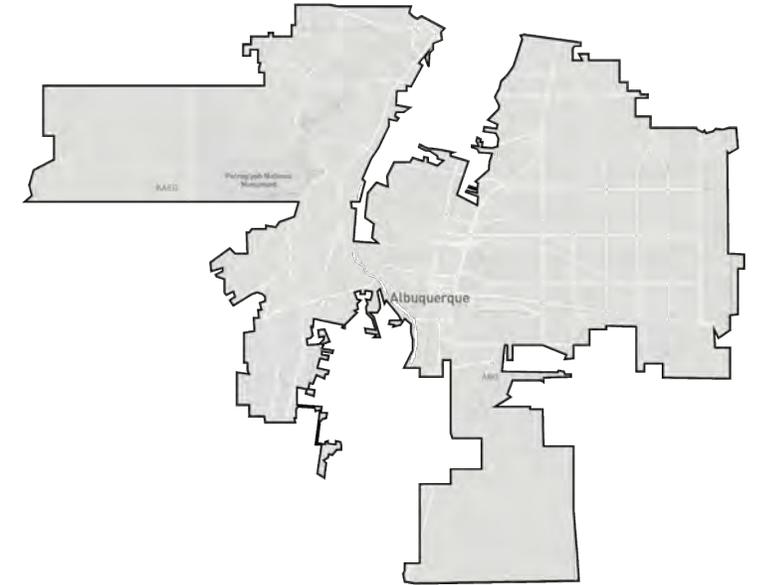
- MSAs have high population density at their center and close economic ties throughout the area
- Defined by the U.S. Office of Management and Budget

Albuquerque



Commuting Zone (CZ)

- CZs combine counties to more closely reflect the ties between employers and labor supply.
- Defined by the U.S. Department of Agriculture

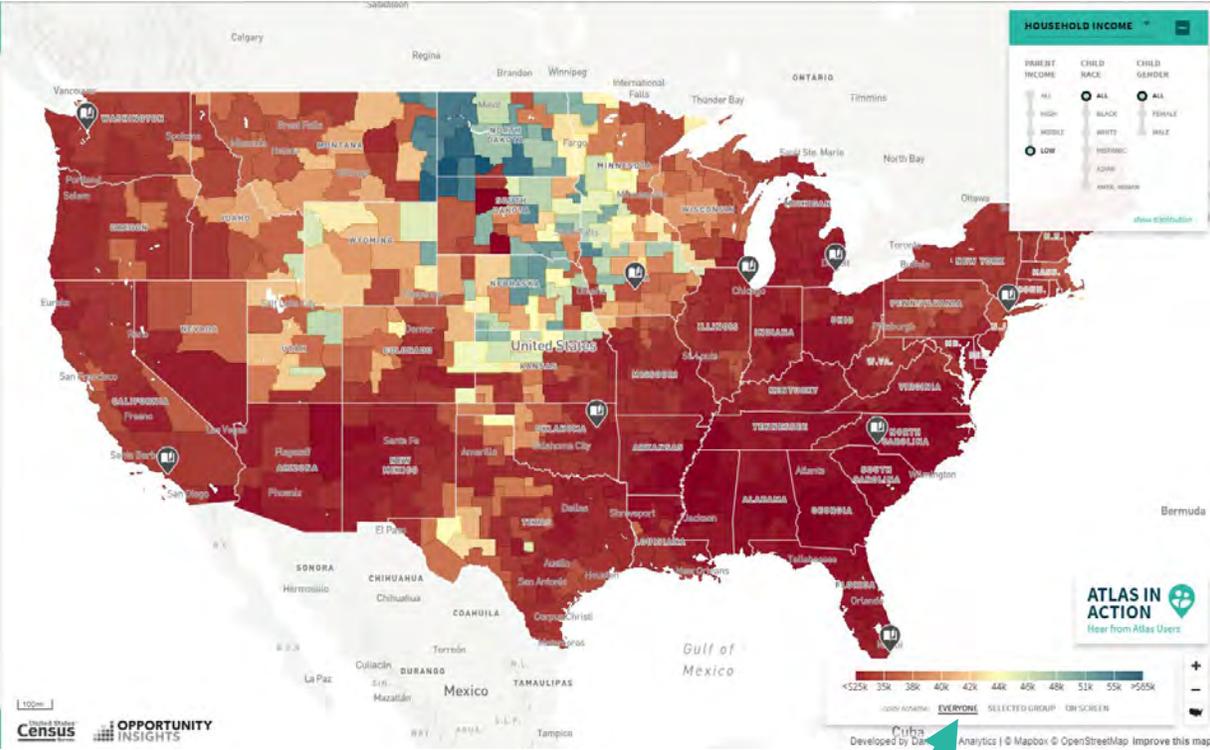


City Boundary

- City limits are typically determined by ordinance, state charter, or statute.

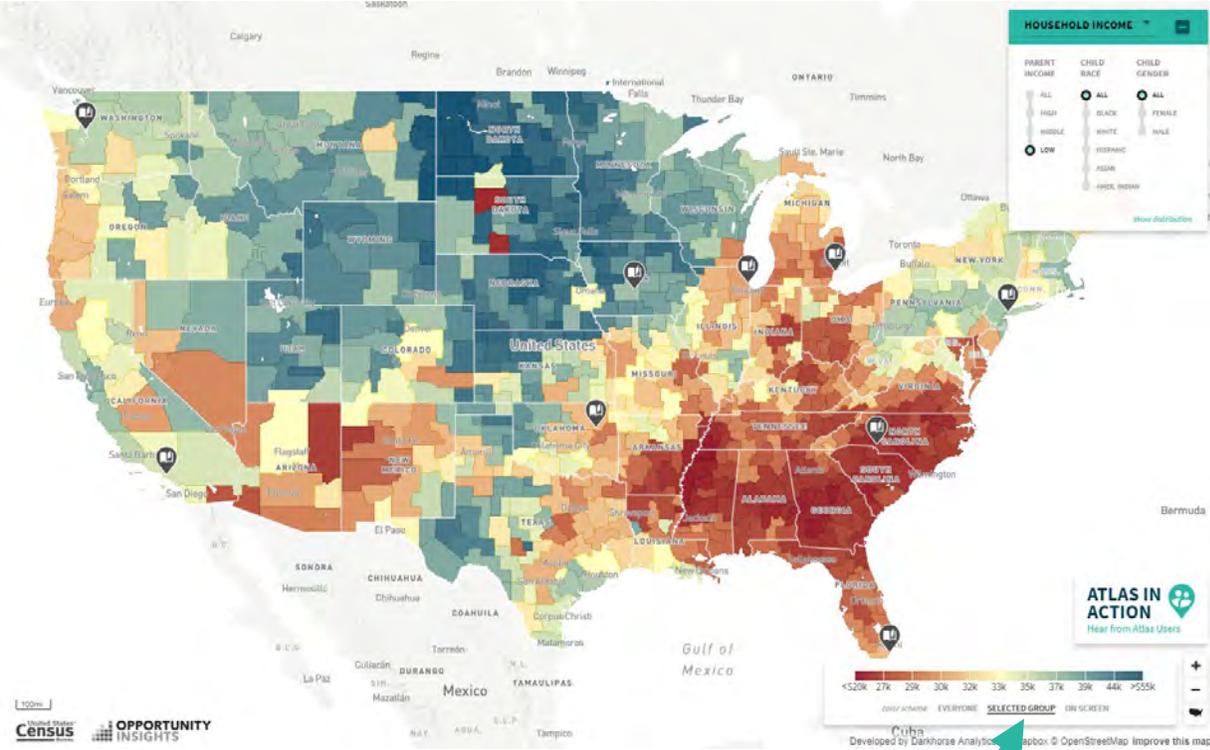
Scaling on the Atlas

“National” Scaling



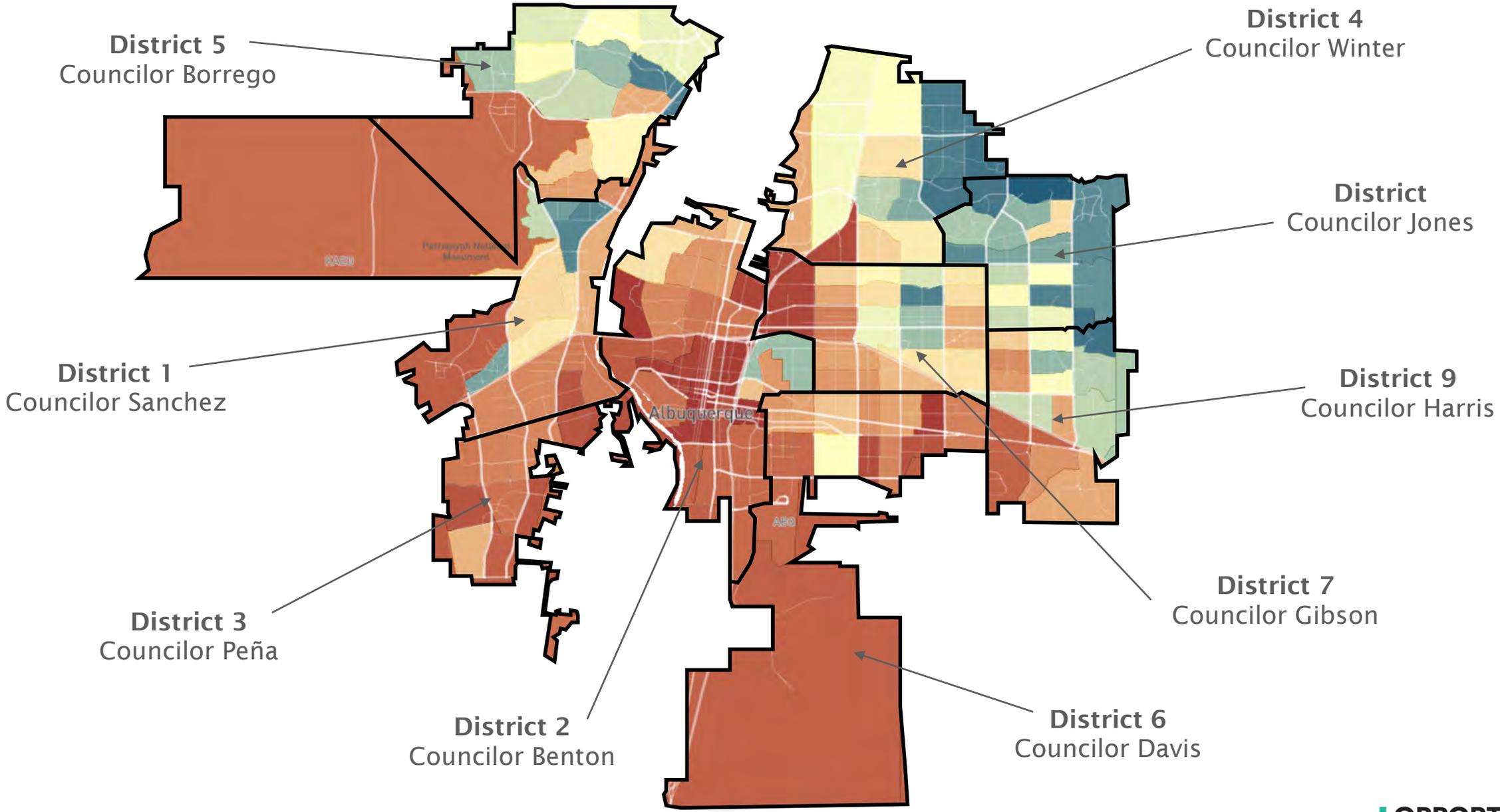
“National” scaling refers to the “Everyone” scaling on the Atlas which scales the colors to compare the outcomes of the selected subgroup **to those of all children nationwide**, (e.g., comparing low-income children to all other children no matter what race or income).

“Subgroup” Scaling



“Subgroup” scaling refers to the “Selected Group” scaling on the Atlas, which scales the colors to compare the outcomes of the selected subgroup **to others in the same subgroup**, (e.g., comparing low-income children to all other low-income children nationally).

Albuquerque's City Council District Boundaries



Subgroup Scaling, Low-Income, All Races

Opportunity Insights' Data Sources:

- Federal Income Tax Returns for 1989, 1994, 1995, and 1995-2015
- Decennial Census Short Form for 2000 and 2010
- Decennial Census Long Form for 2000
- American Community Survey for 2005-2015
- These data have all been combined into our tool called the [Opportunity Atlas](#)

Outcome Methodology:

- “Adult Household Income” refers to the current average income (in \$) of children raised in low-income families, who are now adults. This adult income is estimated in 2013-2018 for the cohort of low-income American children who were born in 1978-1983. The percentile rankings we report throughout this presentation are calculated across whichever selection is made within the Opportunity Atlas. Selection options include:
 - All low-income children nationally
 - Low-income children of a specific race
 - Low-income children of a specific gender
- Note: The Opportunity Atlas does allow us to look at the outcomes of children raised in middle- and high-income families, but here we focus of low-income children in order to measure upward mobility.

How Our Data Reflect Current Conditions

- On average, the long-run mobility outcomes for people born around 1980 are **strong predictors** of medium-run mobility outcomes for people born around 1990.
- Outcomes from the 1980 group are **better predictors** for the more recent generation's trends than other observable tract characteristics like the poverty rate or unemployment rate.
- Though gentrifying neighborhoods will see changes in current characteristics (higher rents, higher household incomes, etc.), the **outcomes of original residents will not necessarily improve.**
- Places that produce good outcomes tend to **continue to do so a decade later.**
- Our opportunity measure is a much better predictor of outcomes than poverty rates or tests scores.
- Our data should be combined with **additional analyses** and **on-the-ground knowledge** in areas that have changed substantially

Parent Incomes and Student Outcomes

Measuring the Economic Mobility of Colleges

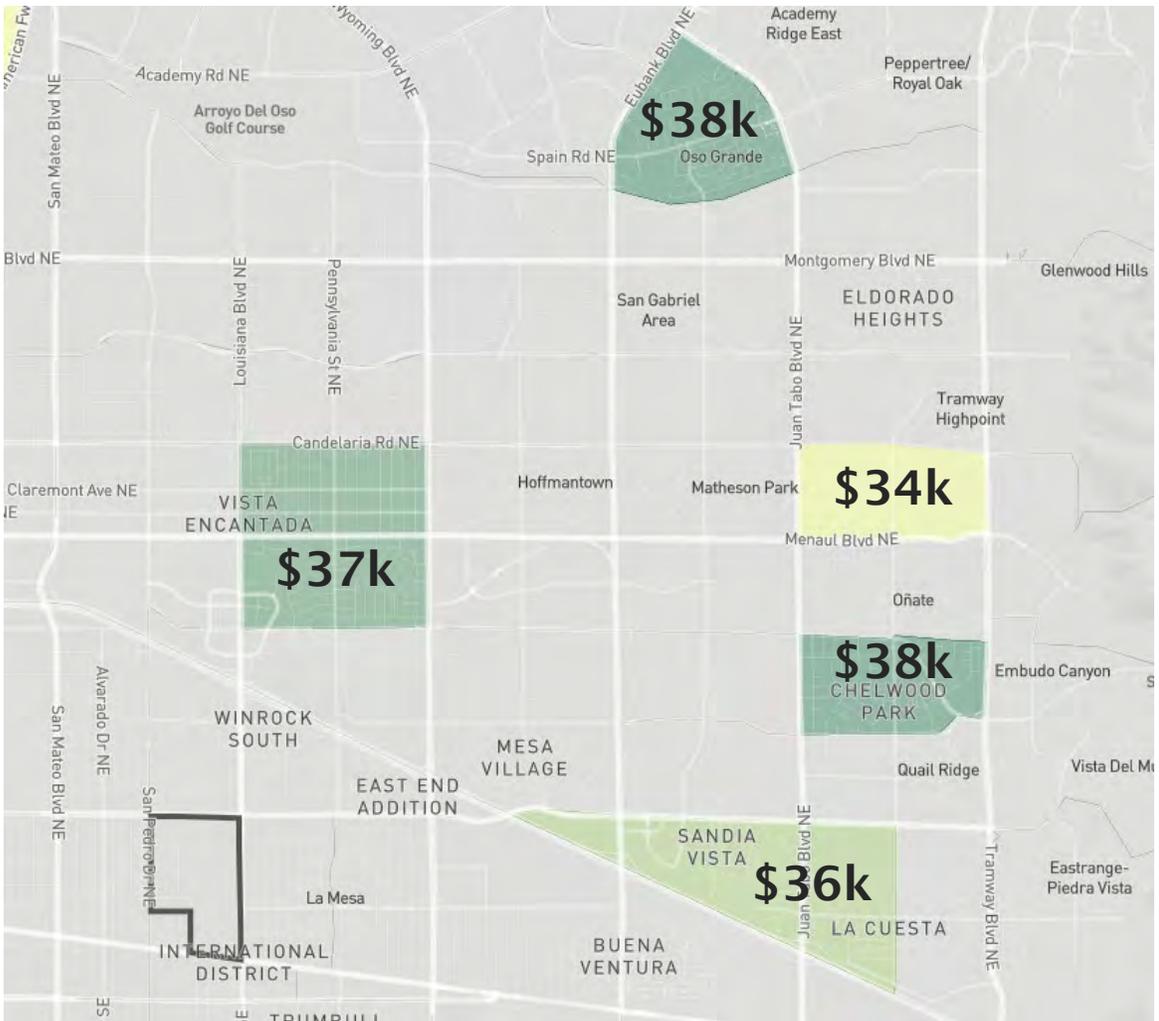
Use attendance and income data on all college students from 1999-2013 from Treasury and Dept. of Education



- **Parents:** Measure household incomes when students are teenagers
- **Students:** Measure earnings in the mid-30s for enrolled students

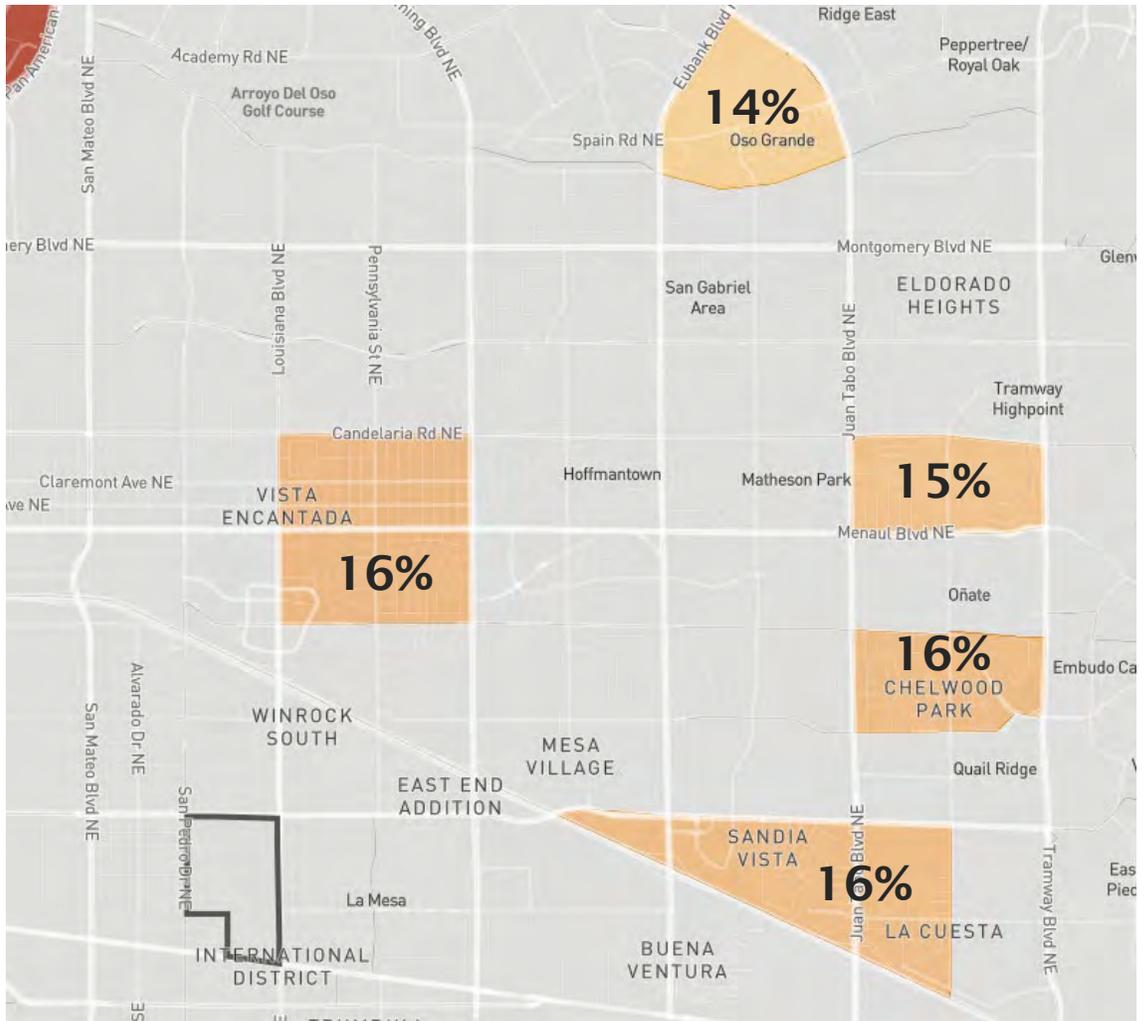
Rank students and parents relative to others in the same cohort

Neighborhood Poverty Rates Do Not Always Predict Upward Mobility



Adult Income for Black Kids Raised in Low-Income Families

The national median is \$24k

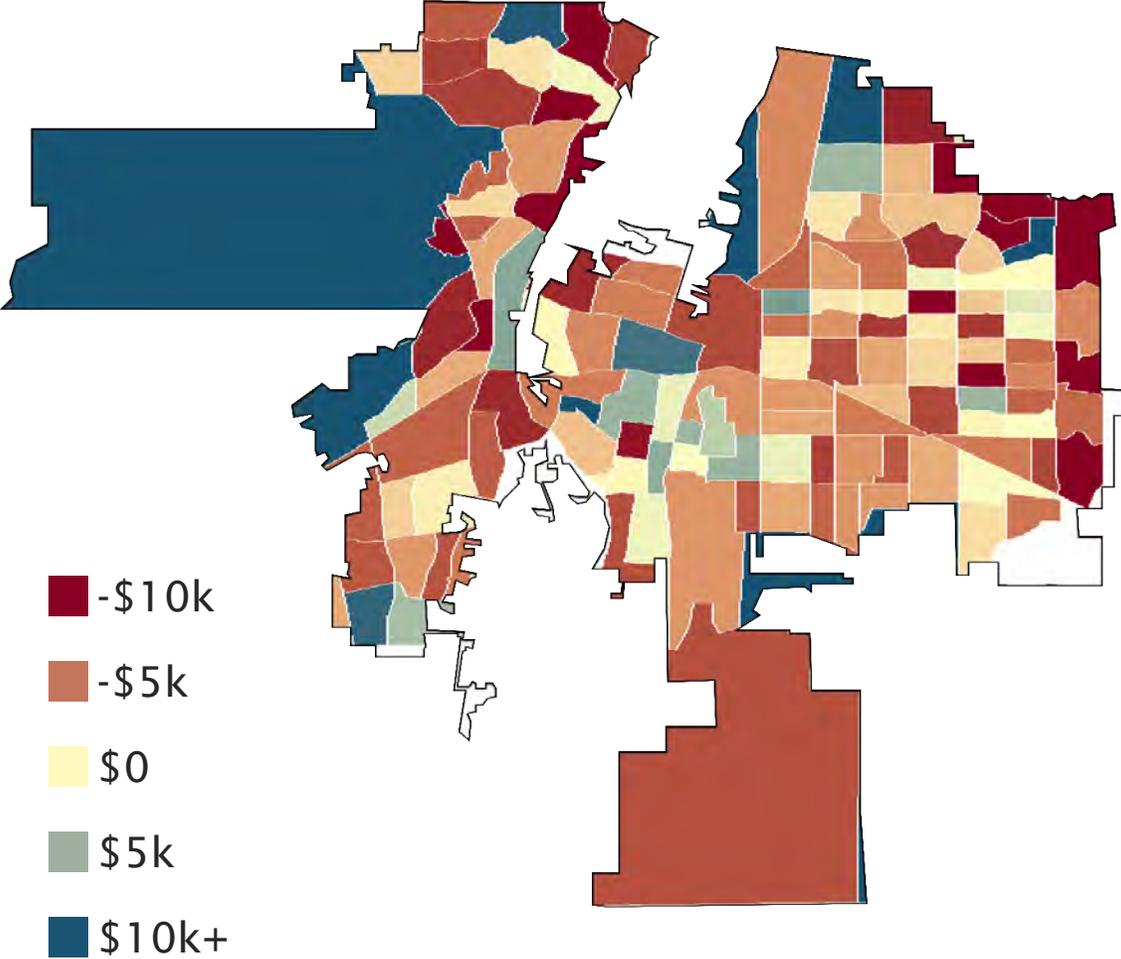


Poverty Rate

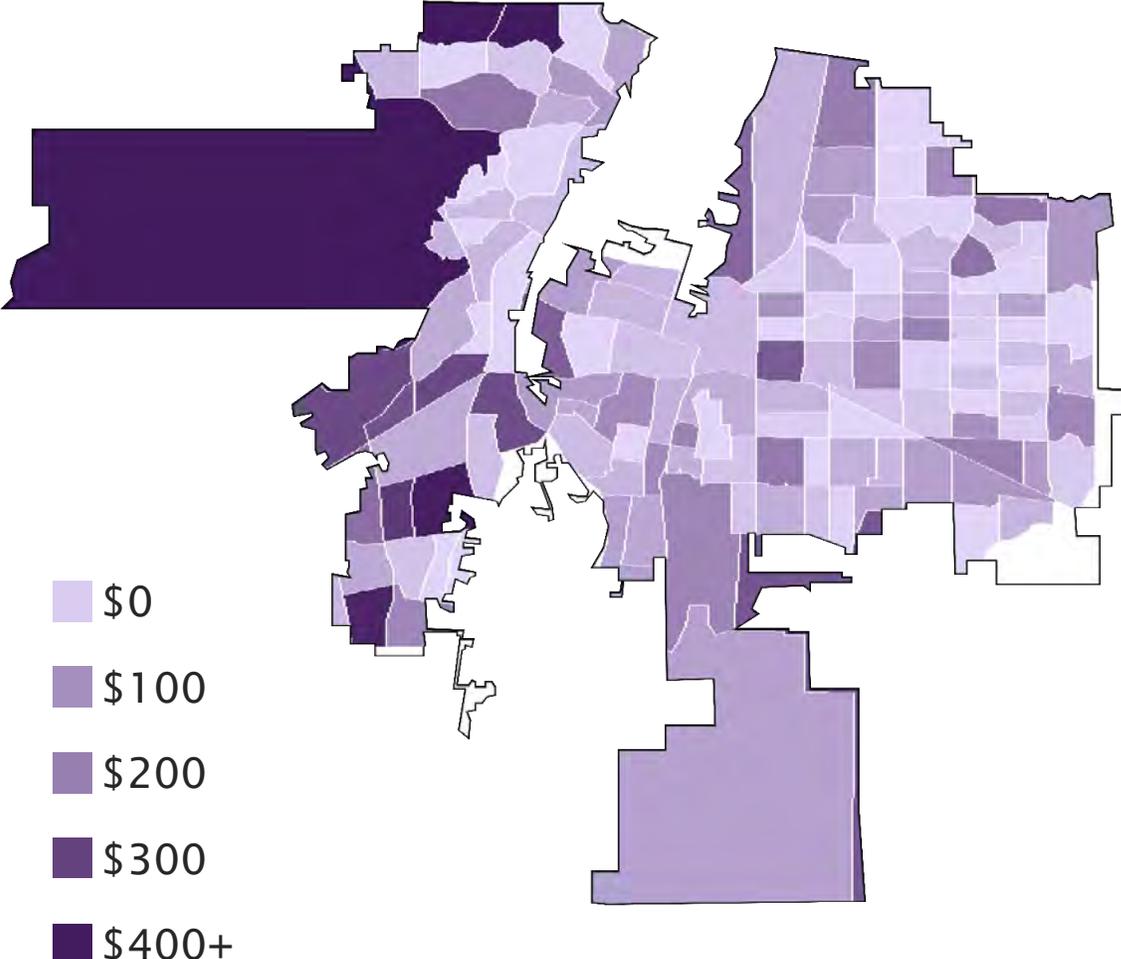
The national median is 12%

Adapting Policy to Changing Conditions: Albuquerque

Change in HH Income 2000 - 2017

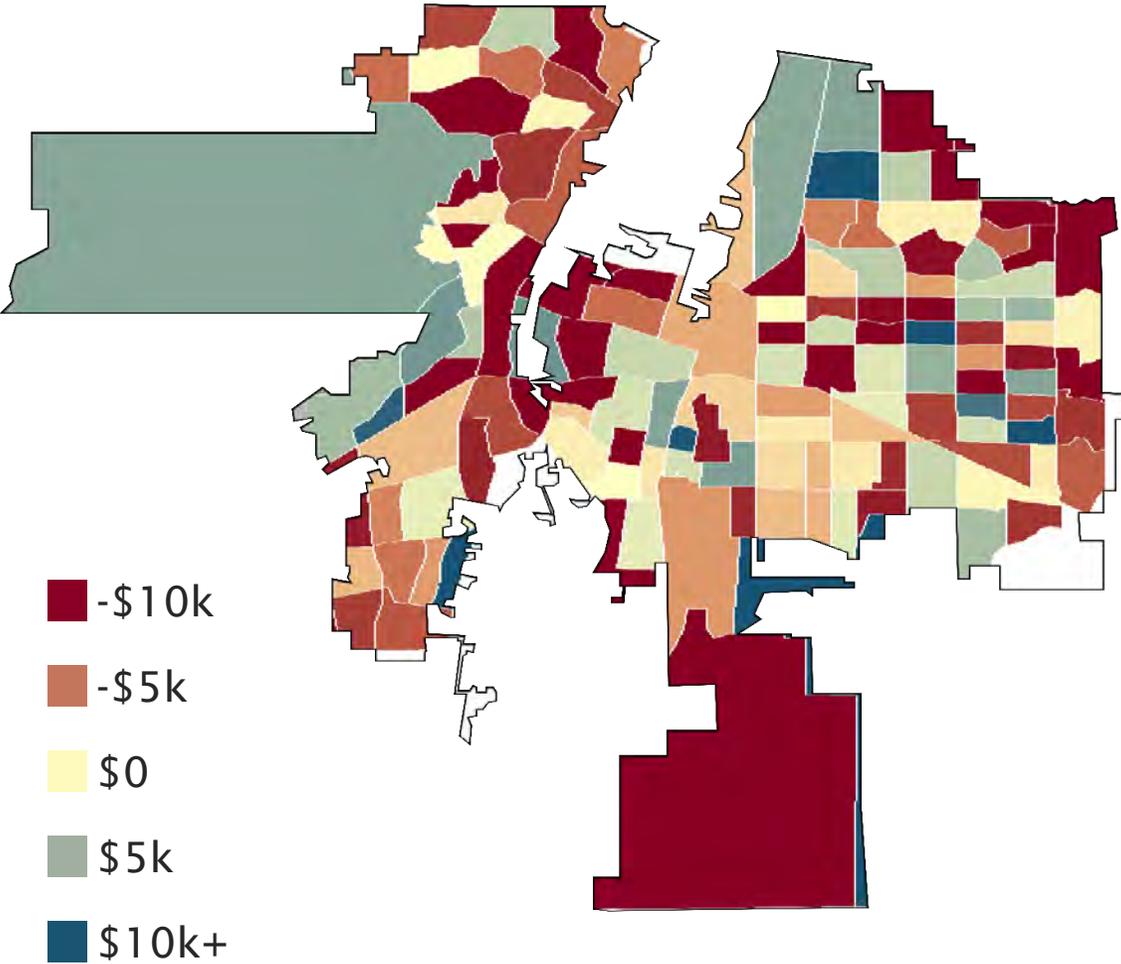


Change in Rent 2000 - 2017

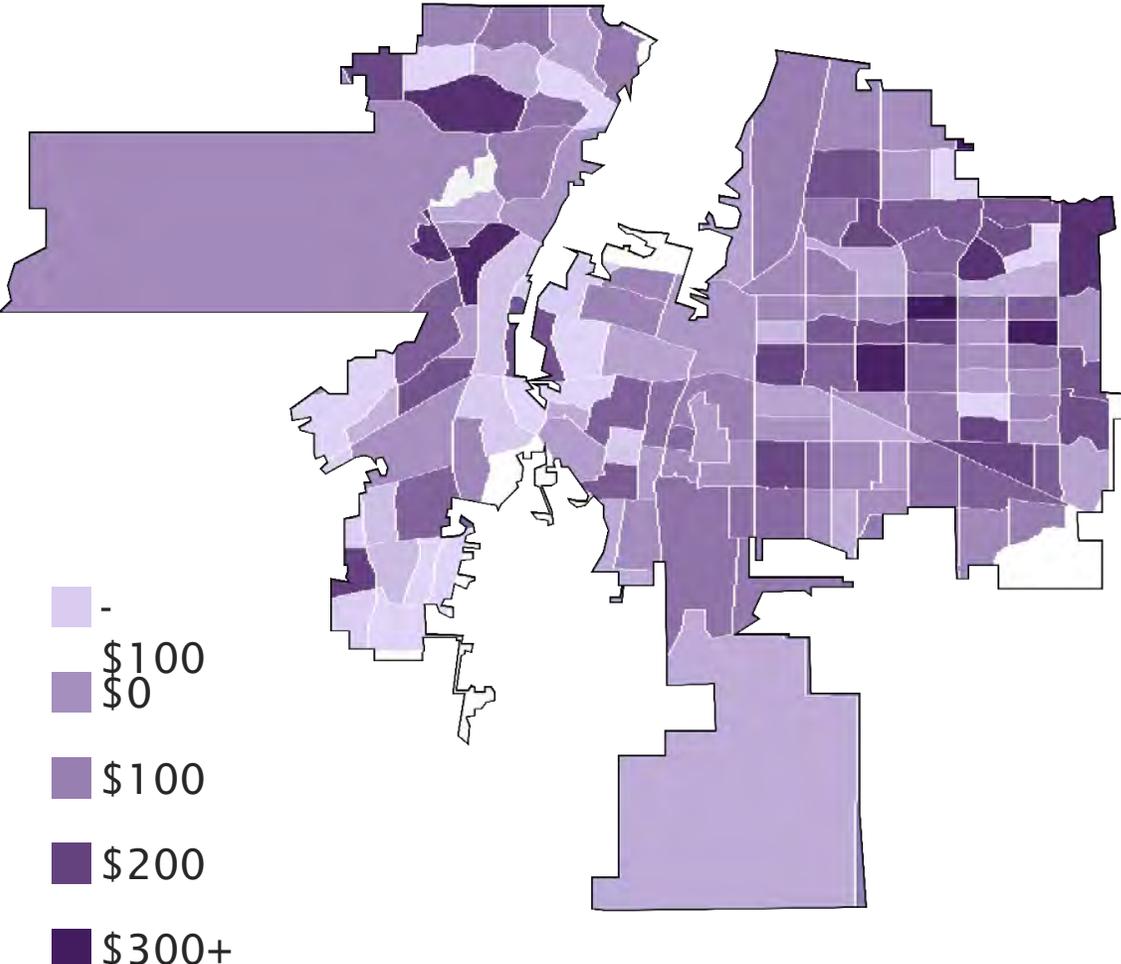


Adapting Policy to Changing Conditions: Albuquerque

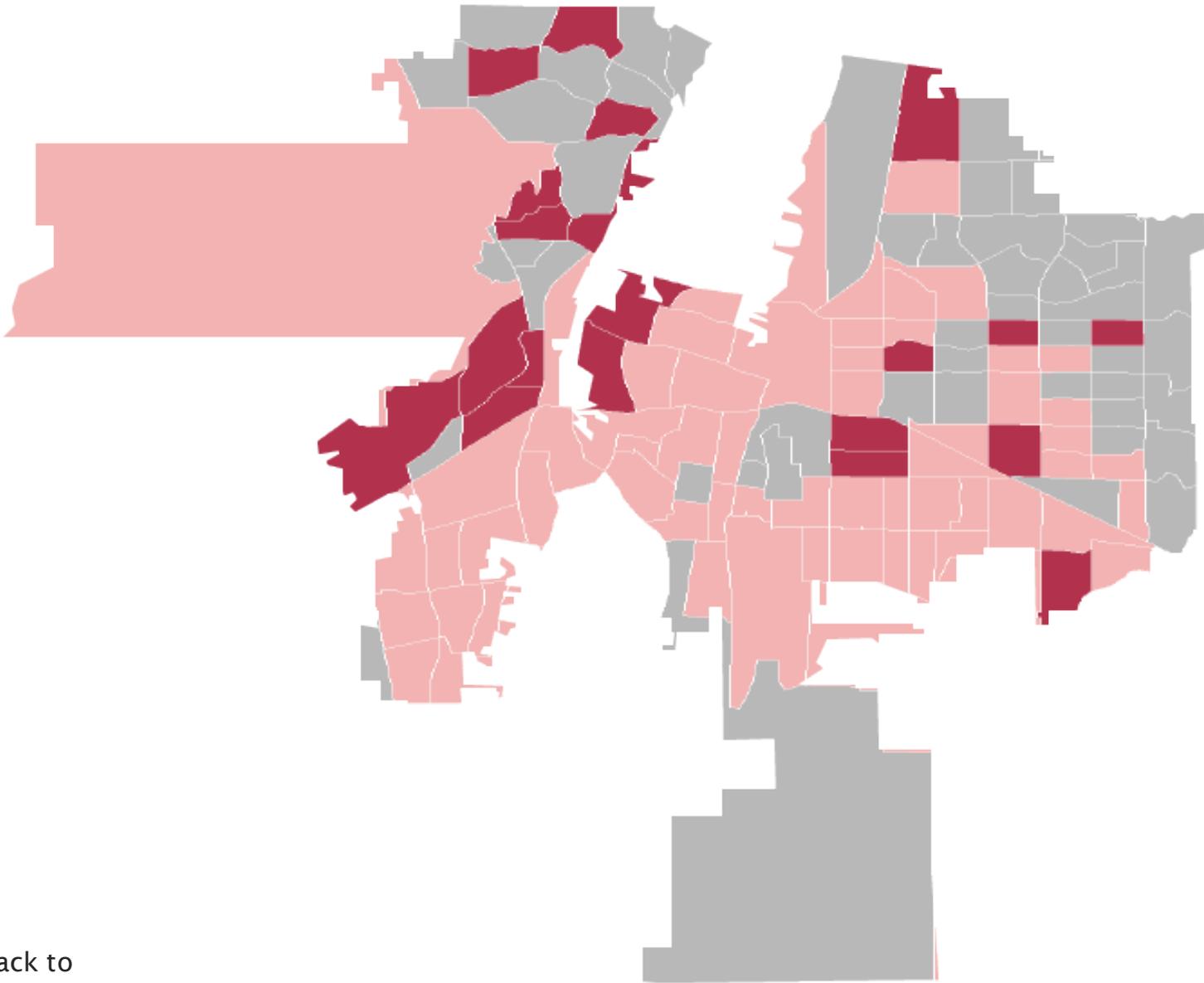
Change in HH Income 2010 - 2017



Change in Rent 2010 - 2017



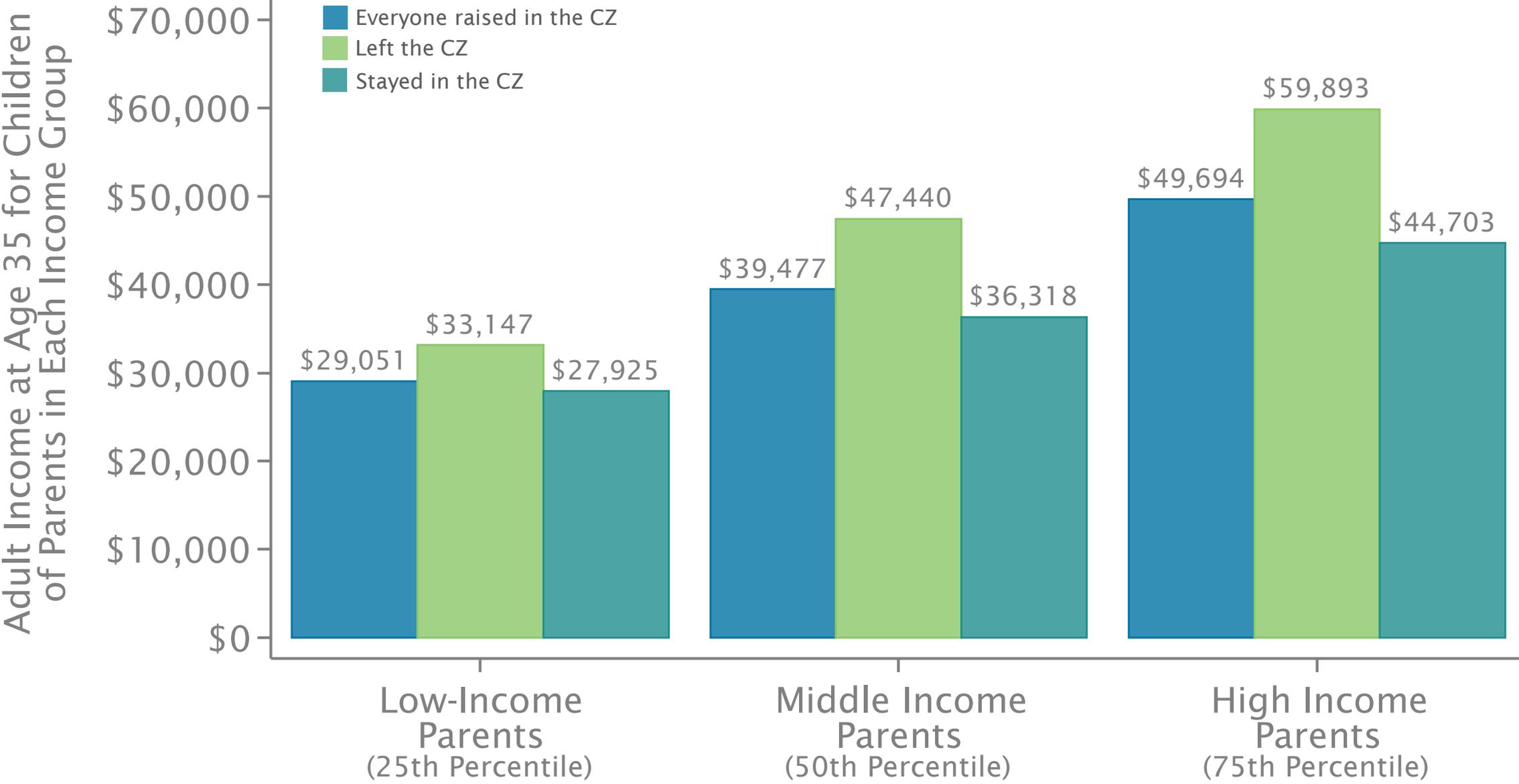
Tracts Producing Below-Average Outcomes for Low-Income Children



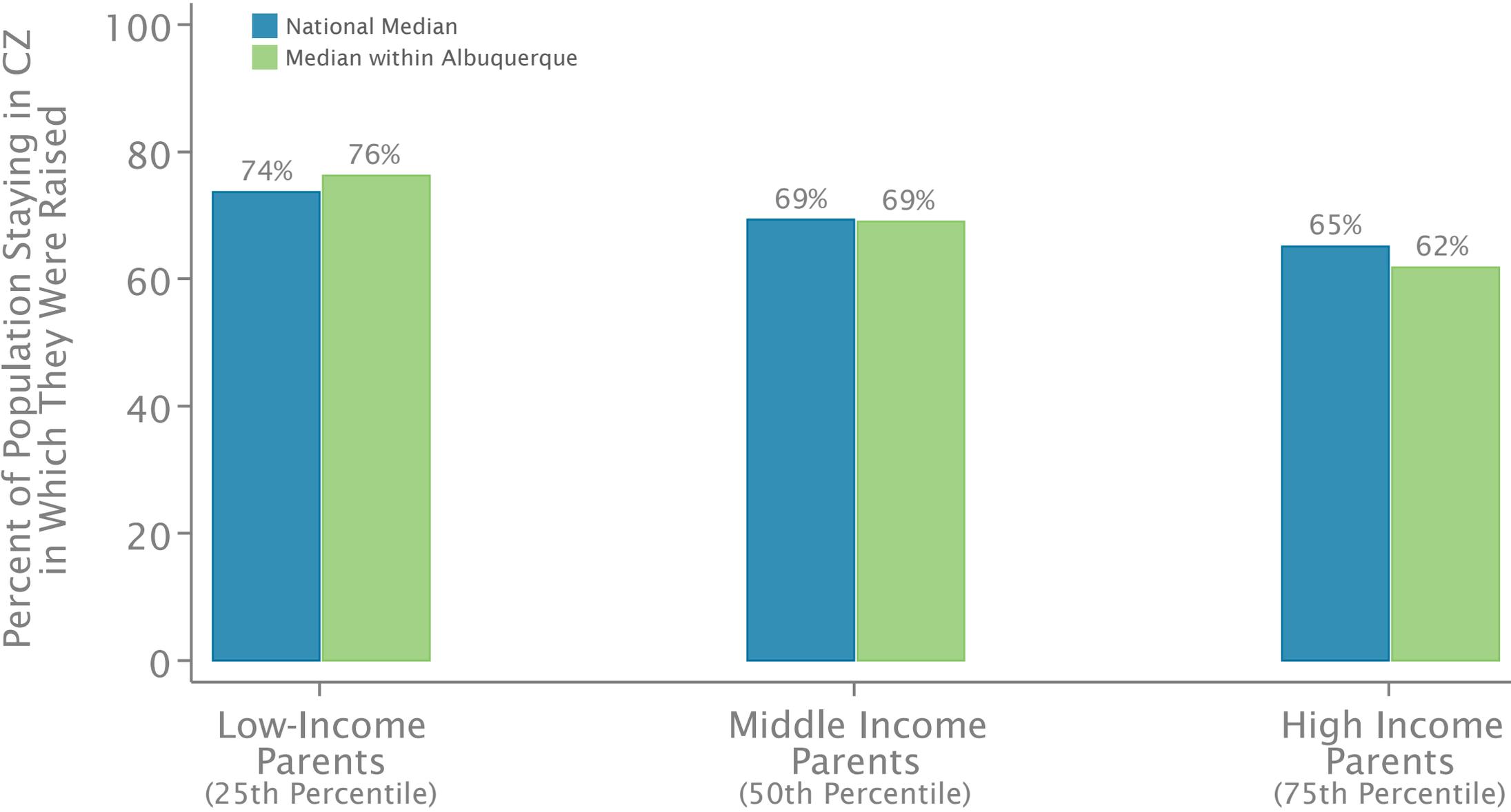
-  Below-average Opportunity, Below-average Income
-  Below-average Opportunity, Above-average Income

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Those Who Leave Albuquerque's CZ Have Higher Outcomes on Average



How the Geographic Mobility Out of Albuquerque's CZ Compares Nationally



Cluster of Higher-Opportunity Tracts

	High Opp Tracts 1990	High Opp Tracts 2000	High Opp Tracts 2010	High Opp Tracts 2017	All ALBQ 1990	All ALBQ 2000	All ALBQ 2010	All ALBQ 2017
Household Income*	\$70K	\$64K	\$58K	\$58K	\$52K	\$55K	\$54K	\$49K
% Hispanic	18%	23%	28%	31%	26%	34%	42%	45%
Poverty Rate	6%	9%	9%	12%	10%	11%	13%	15%
% Single Parents	24%	37%	38%	40%	25%	37%	38%	41%
College Grad Rate	35%	36%	36%	42%	28%	30%	30%	32%

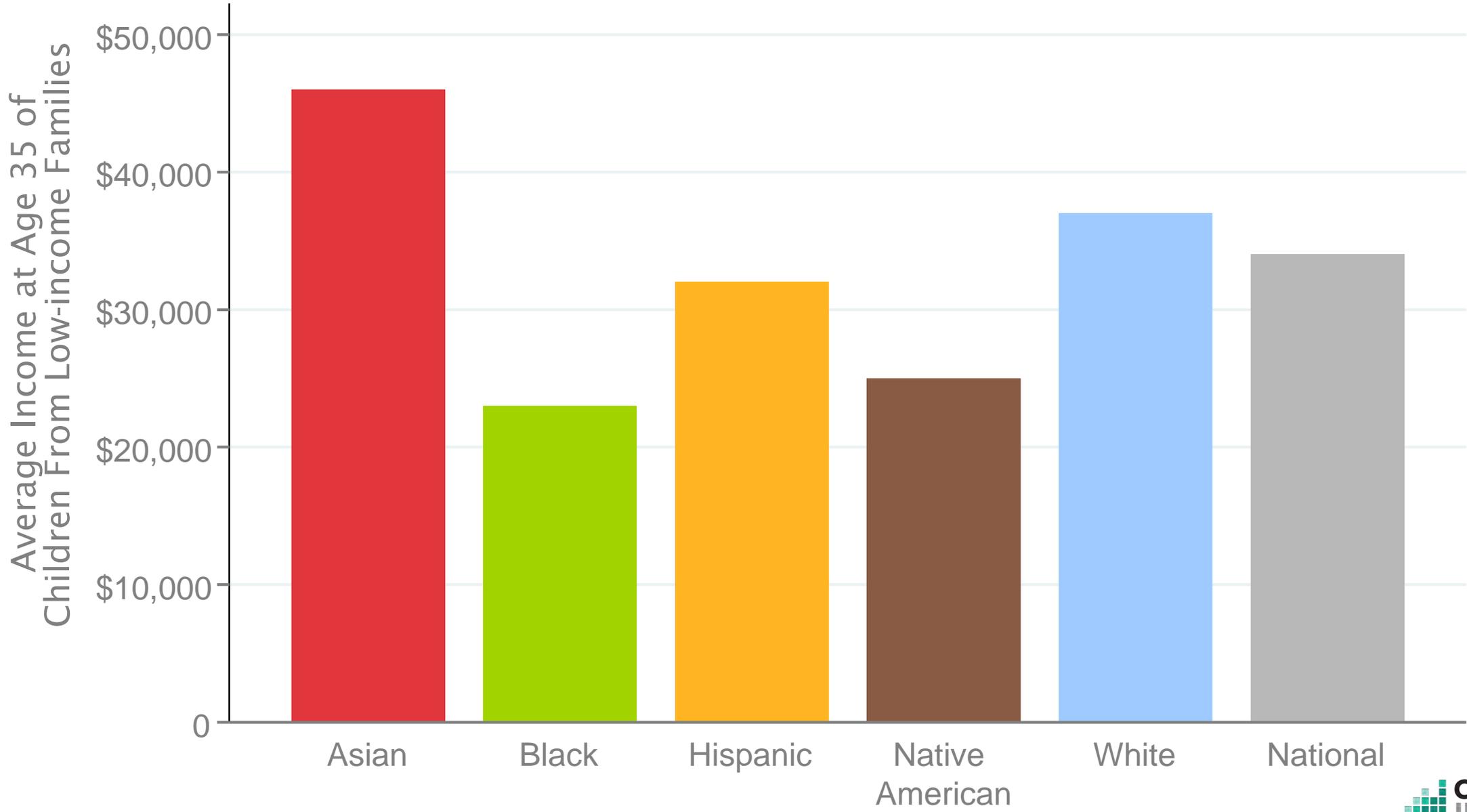
*of current residents

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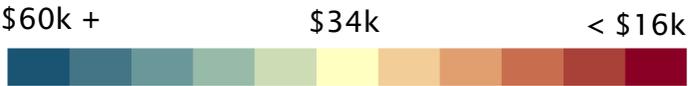
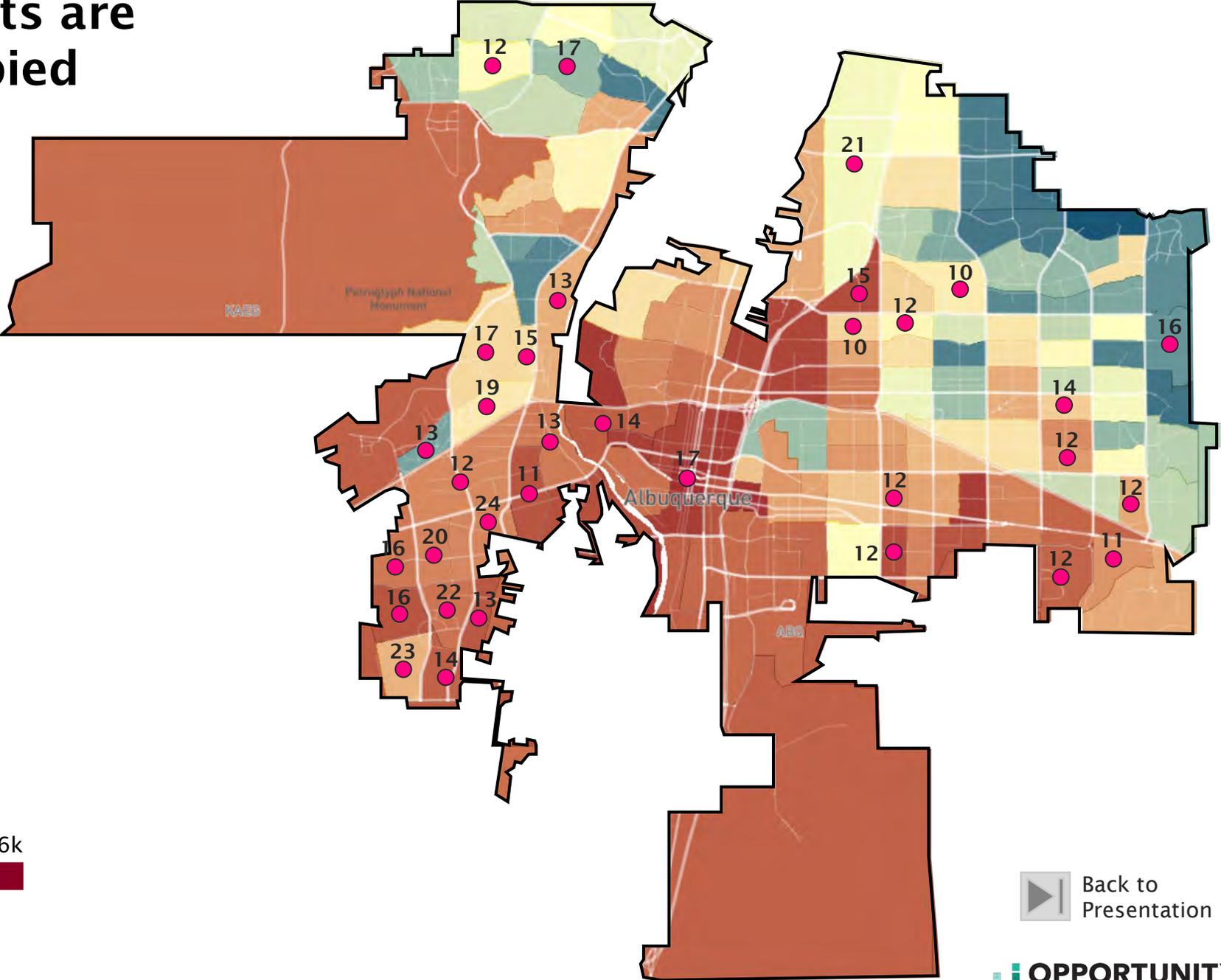


National Racial Disparities

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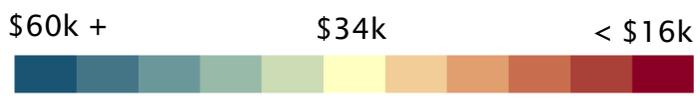
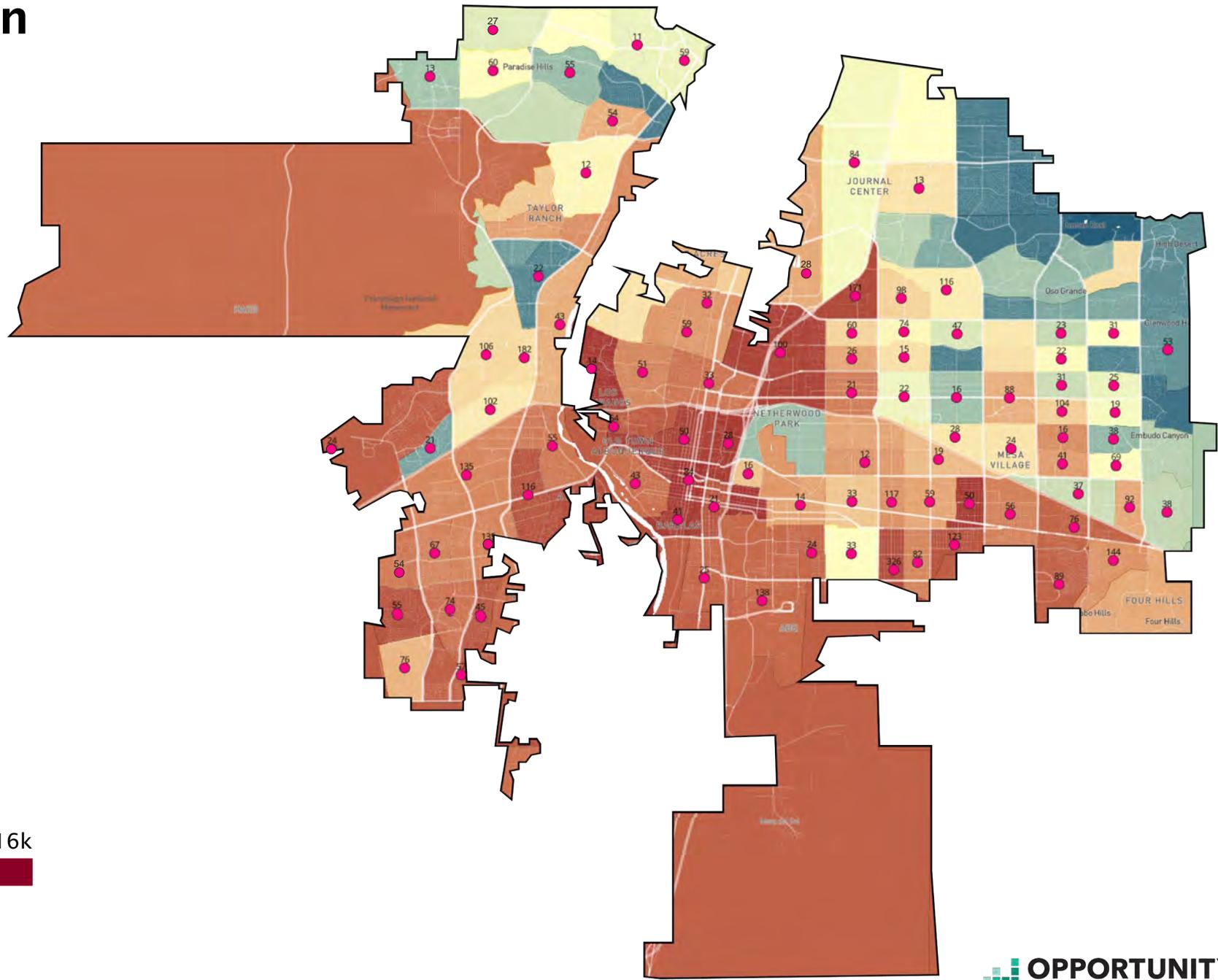


Where HCV-Occupied Units are >10% of All Renter-Occupied Housing Units: Percents



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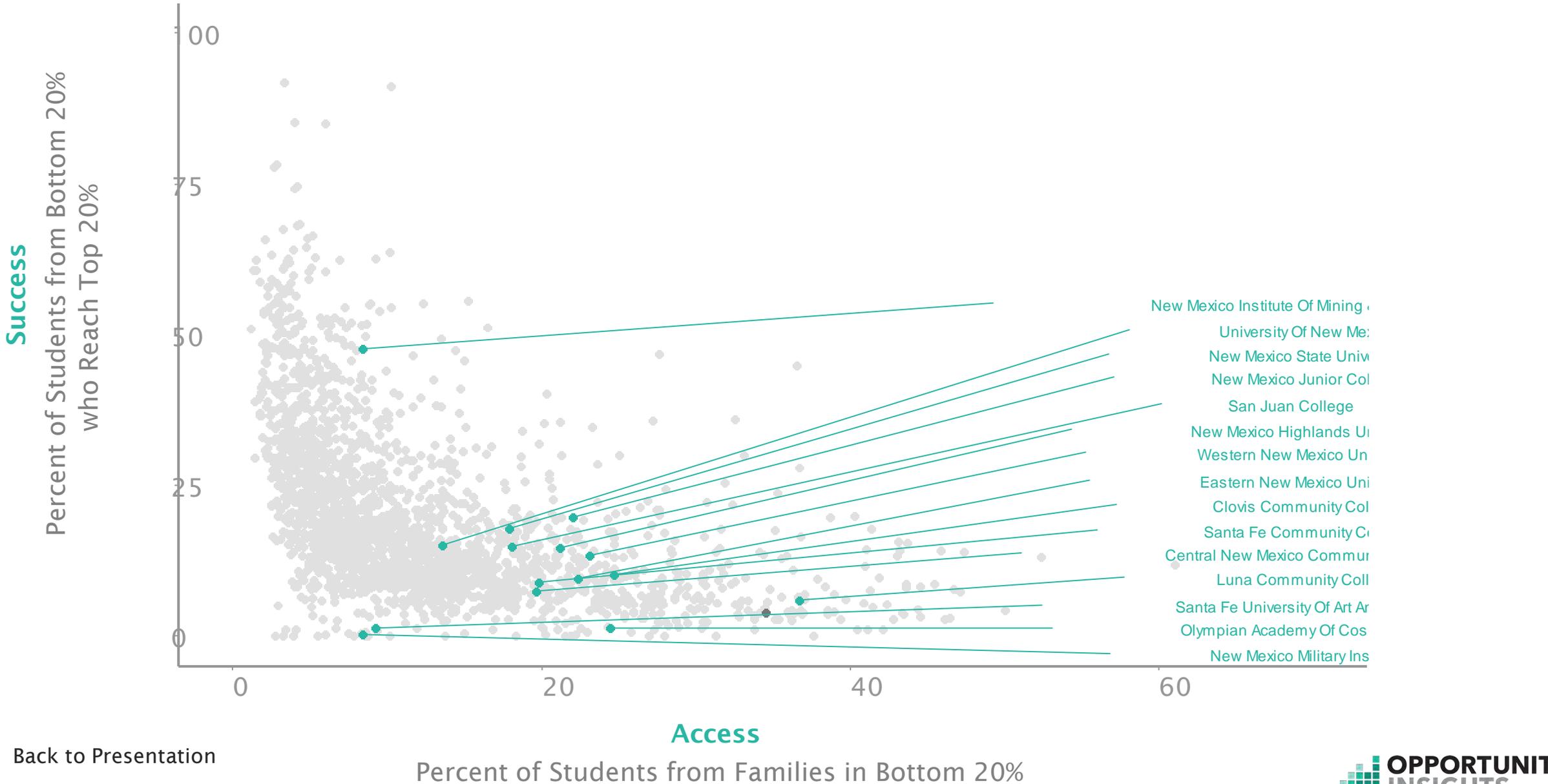
All HCV-Occupied Units in Albuquerque



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All Area Institutions Have Lower Access Rates Compared to the Nation

Mobility Rates: Success Versus Access Rate by Institution, New Mexico Schools Highlighted



New Mexico Institutions' Role in Moving Students to the Middle Class

Mobility Rates: Success Versus Access Rate by Institution, New Mexico Schools Highlighted

