

# 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

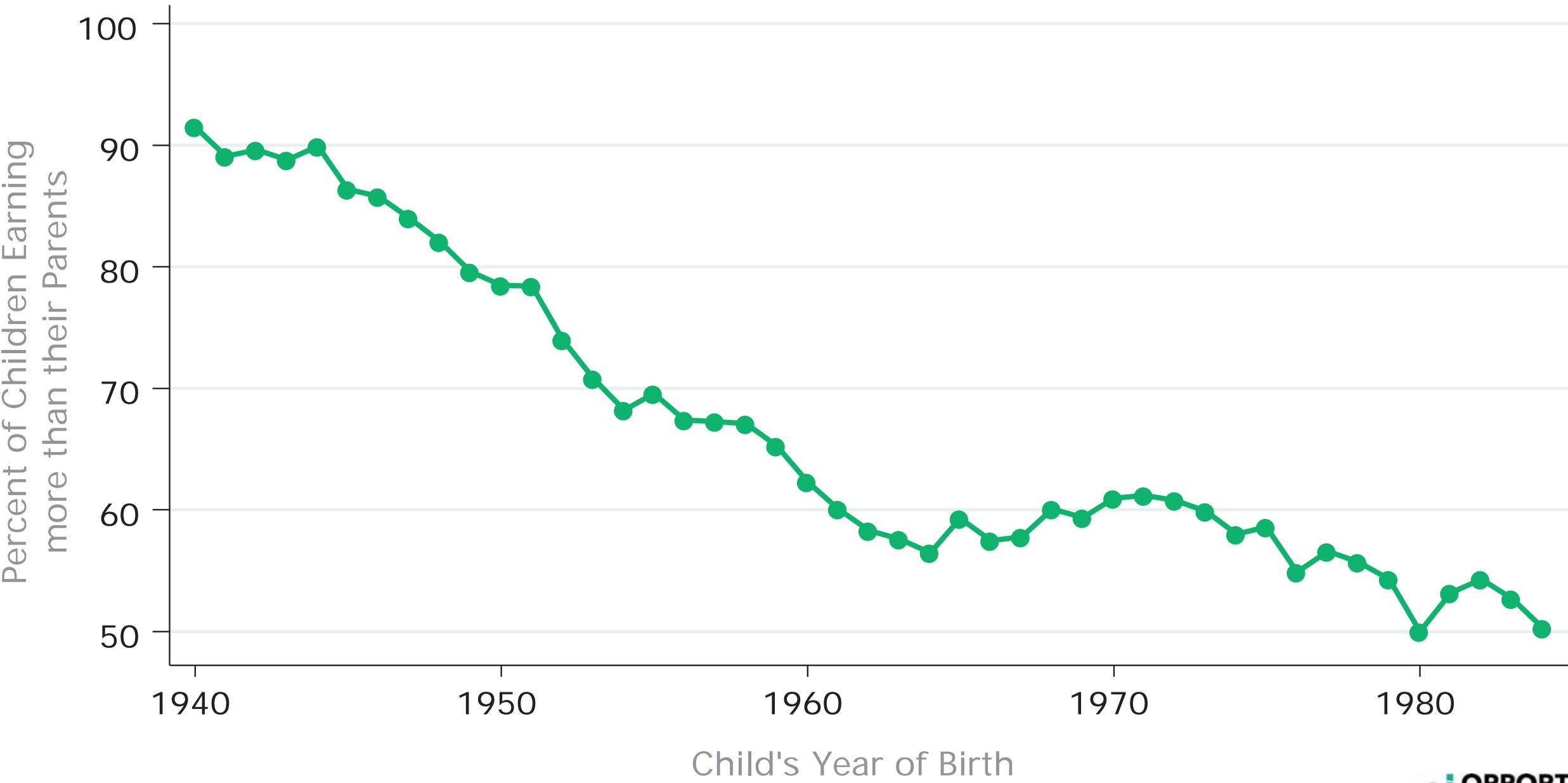
## Section Preview

- 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

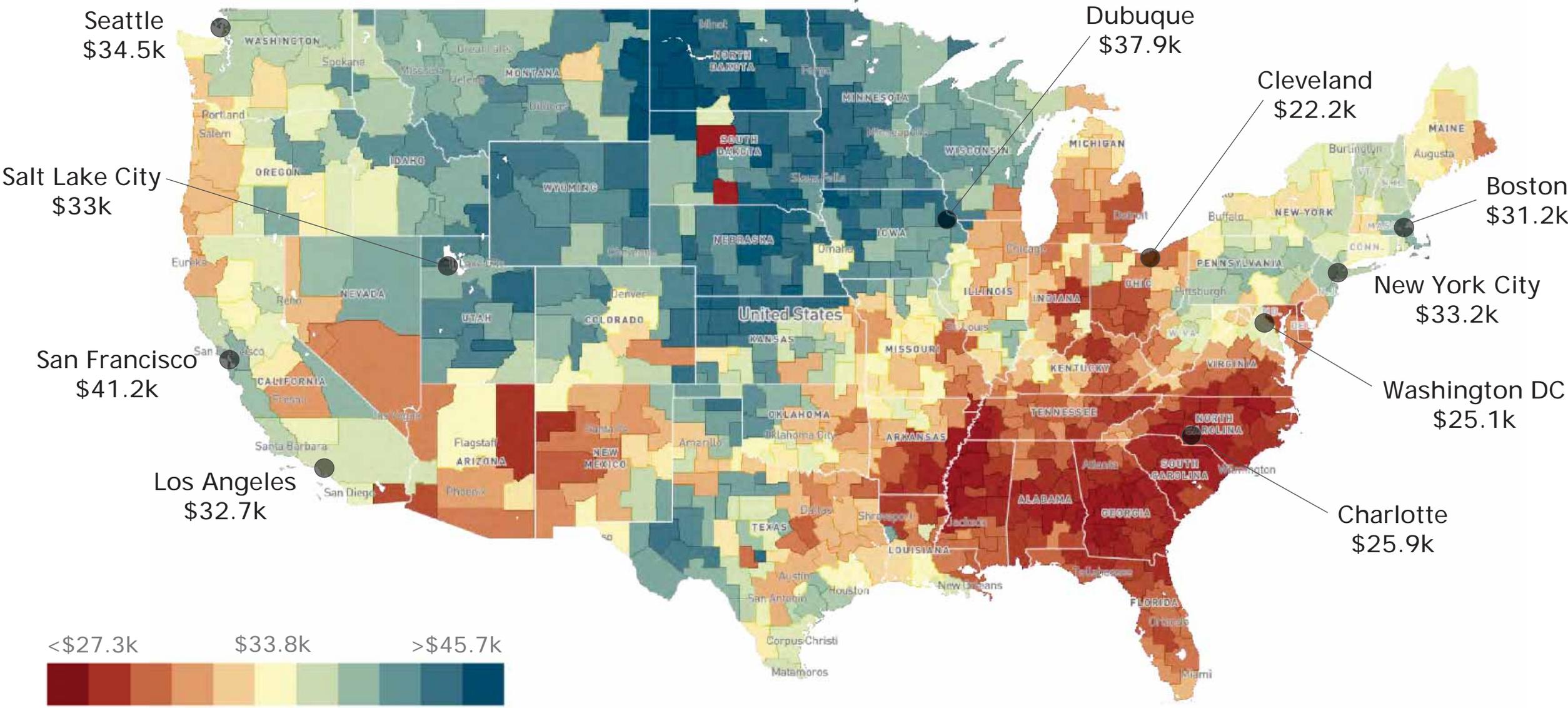


Study the roots of the problem locally to develop tailored solutions



# The Geography of Upward Mobility

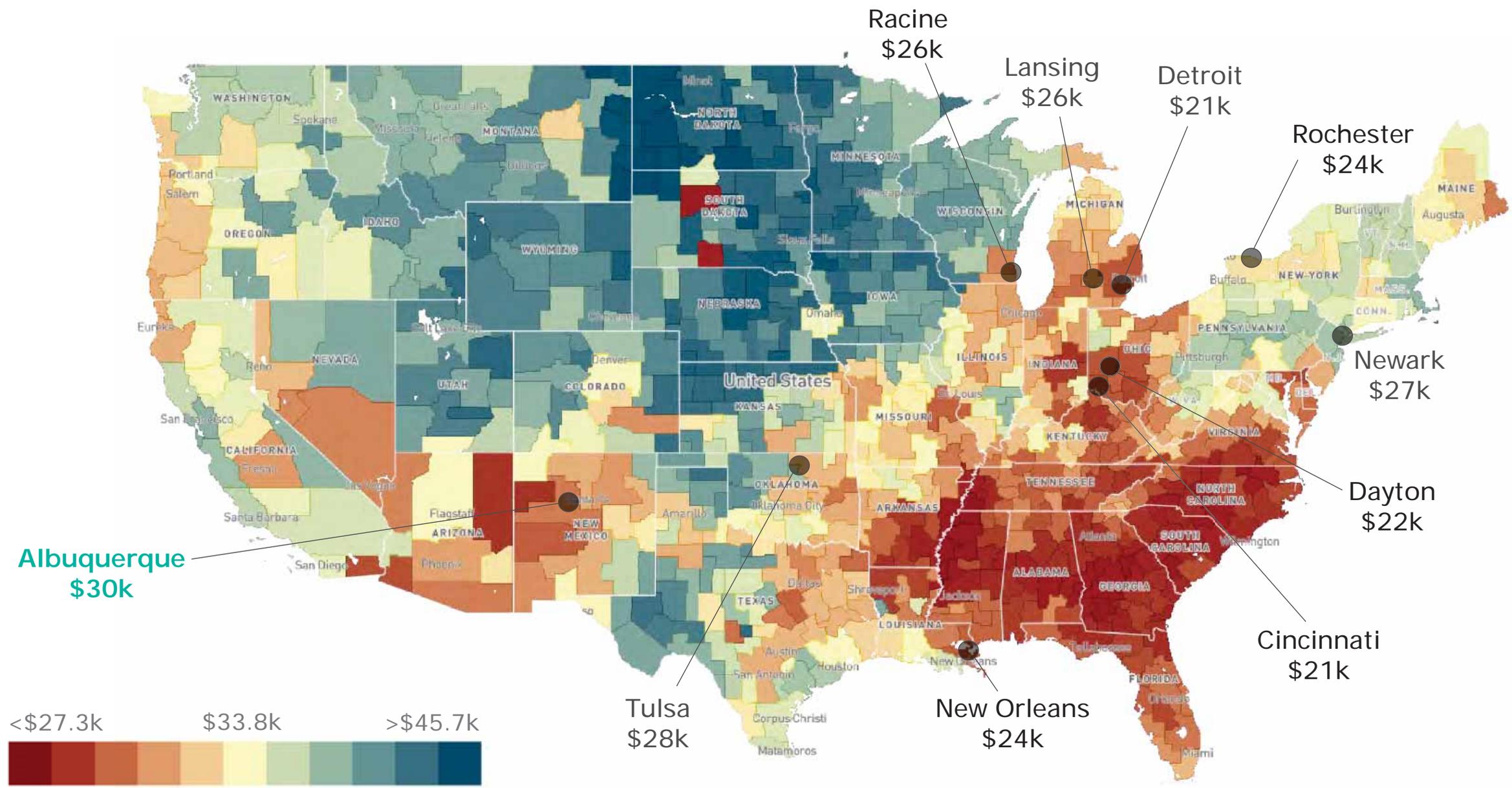
## Mean Household Income at Age 35 for Children with Parents Earning \$27,000 (25<sup>th</sup> Percentile)



Subgroup Scaling, Low -Income, All Races | City Boundaries

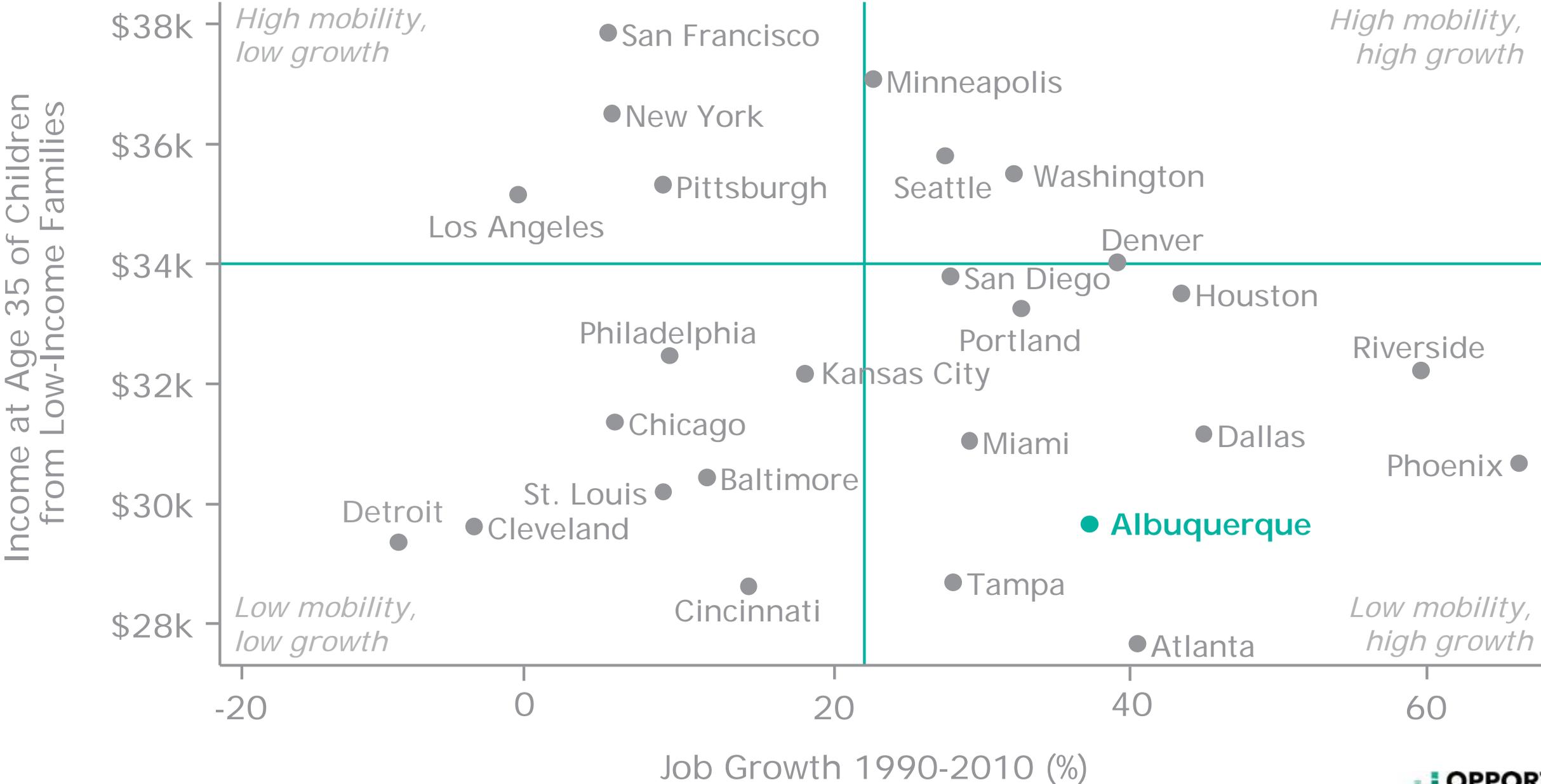
# The Geography of Upward Mobility

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



Subgroup Scaling, Low -Income, All Races | City Boundaries

# Metro Area Job Growth Does Not Directly Predict Upward Mobility

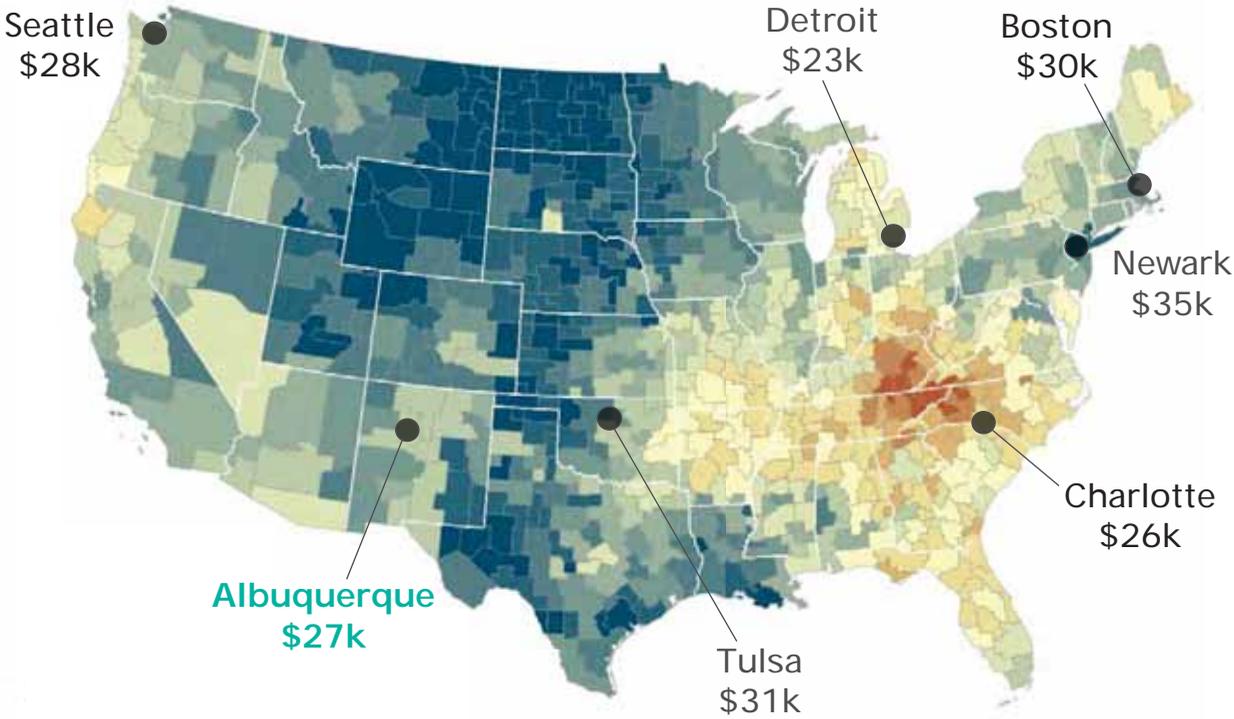
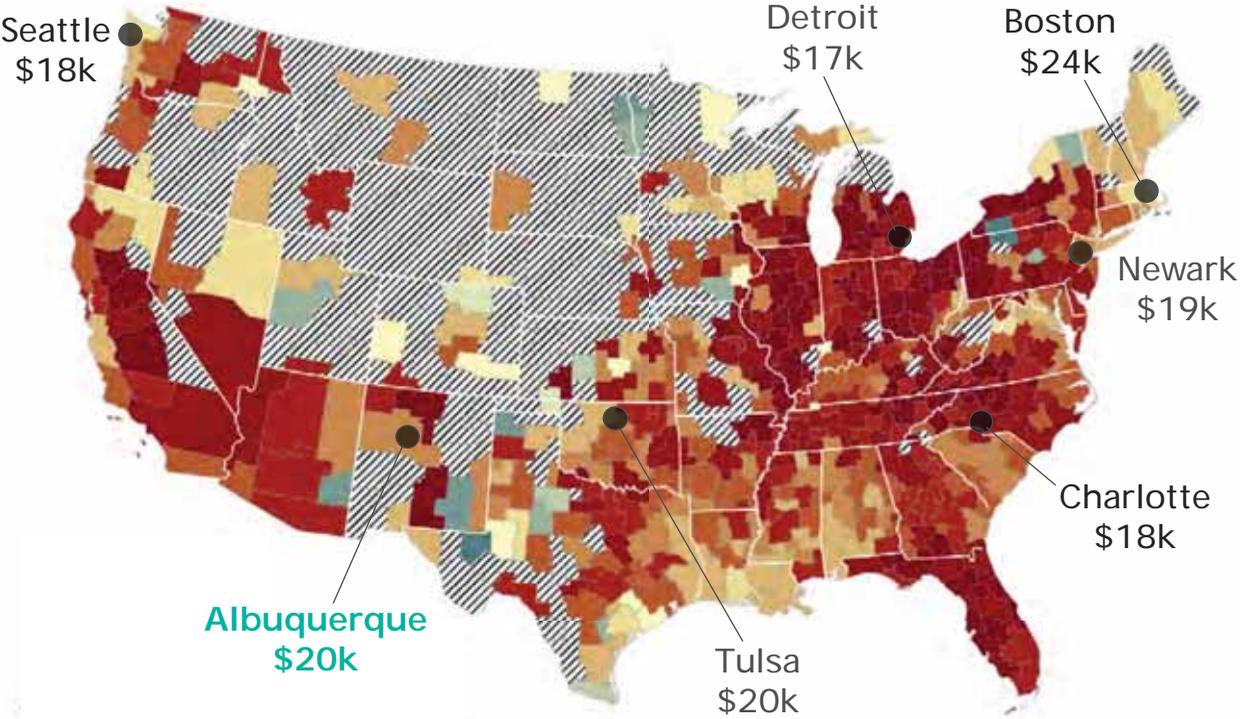


# Two Americas: The Geography of Upward Mobility For Black vs. White Men

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

### Black Men

### White Men



\$17k

\$25k

\$35k

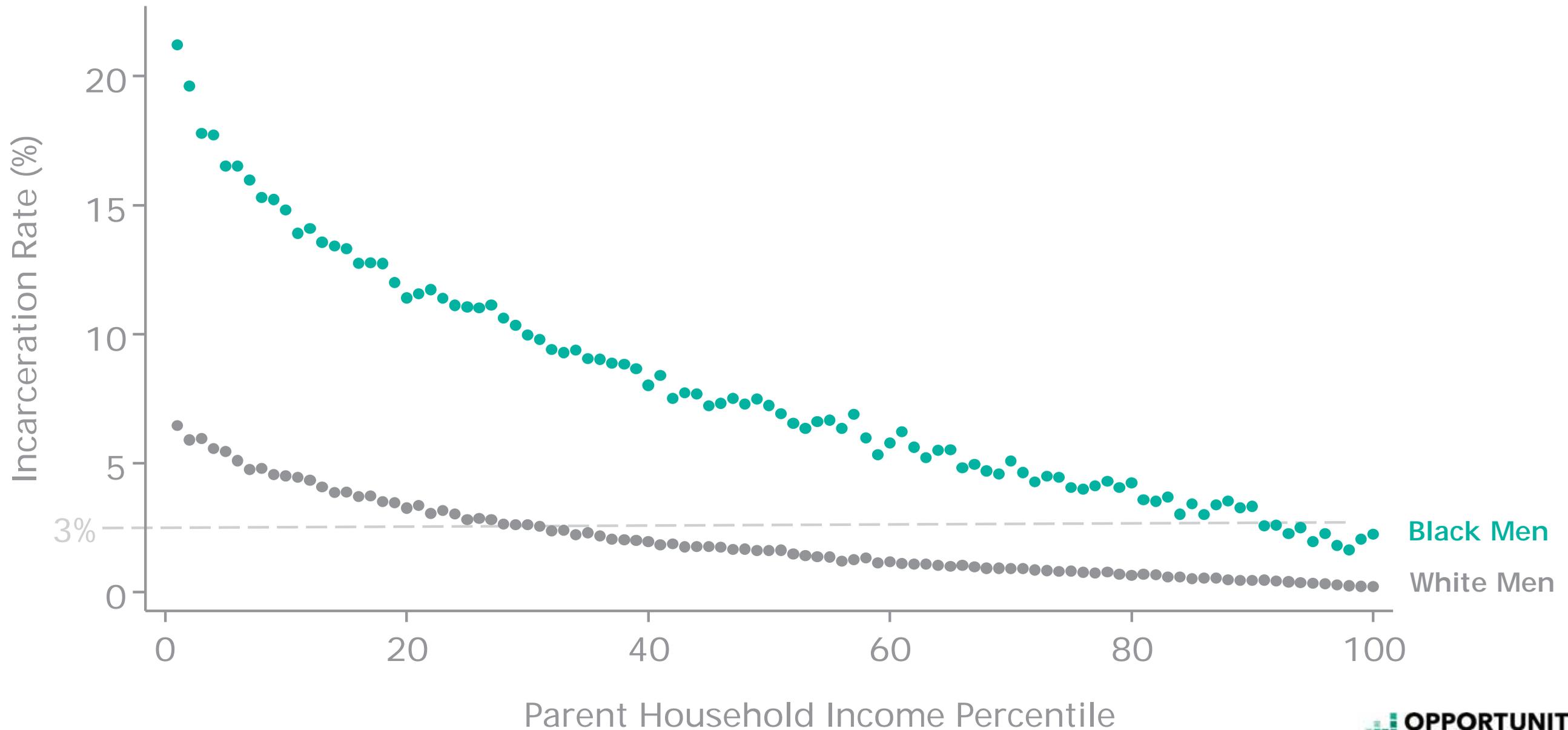
# Black Boys Growing up in High-Income Families Face Downward Mobility

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

- Black men
- White men

# 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

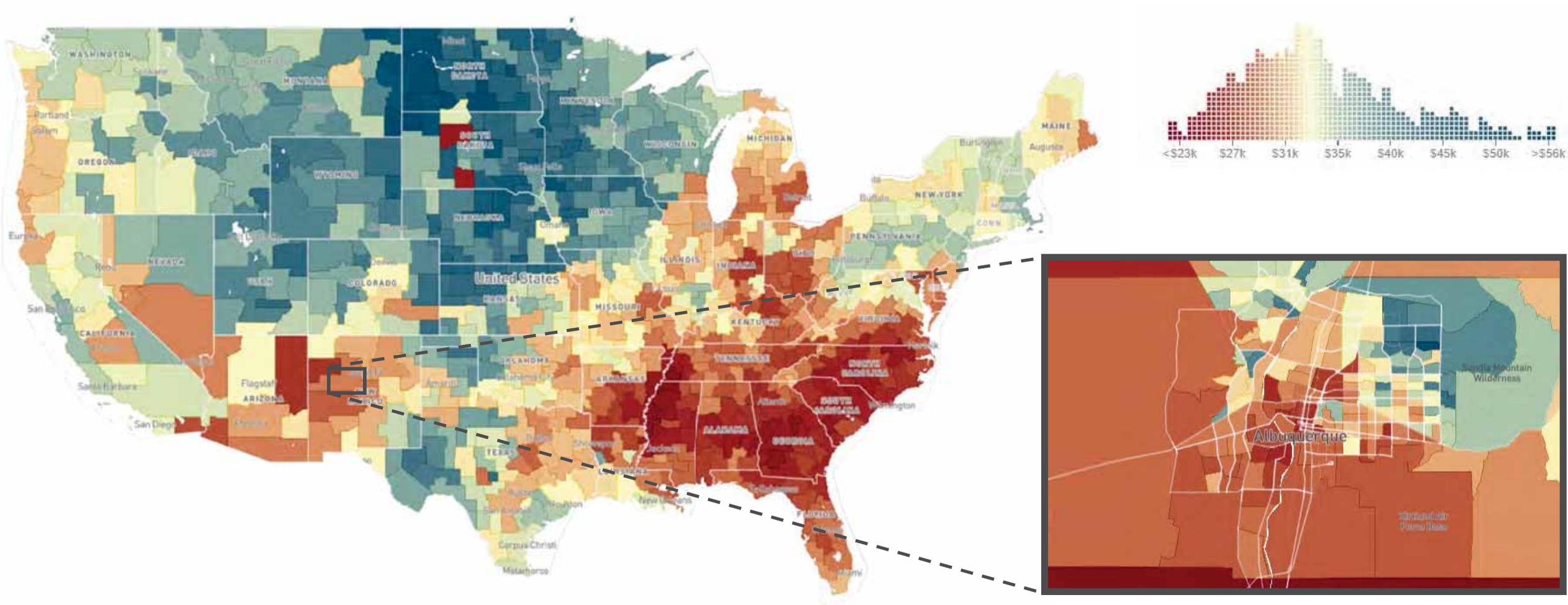


## Section Preview

- 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



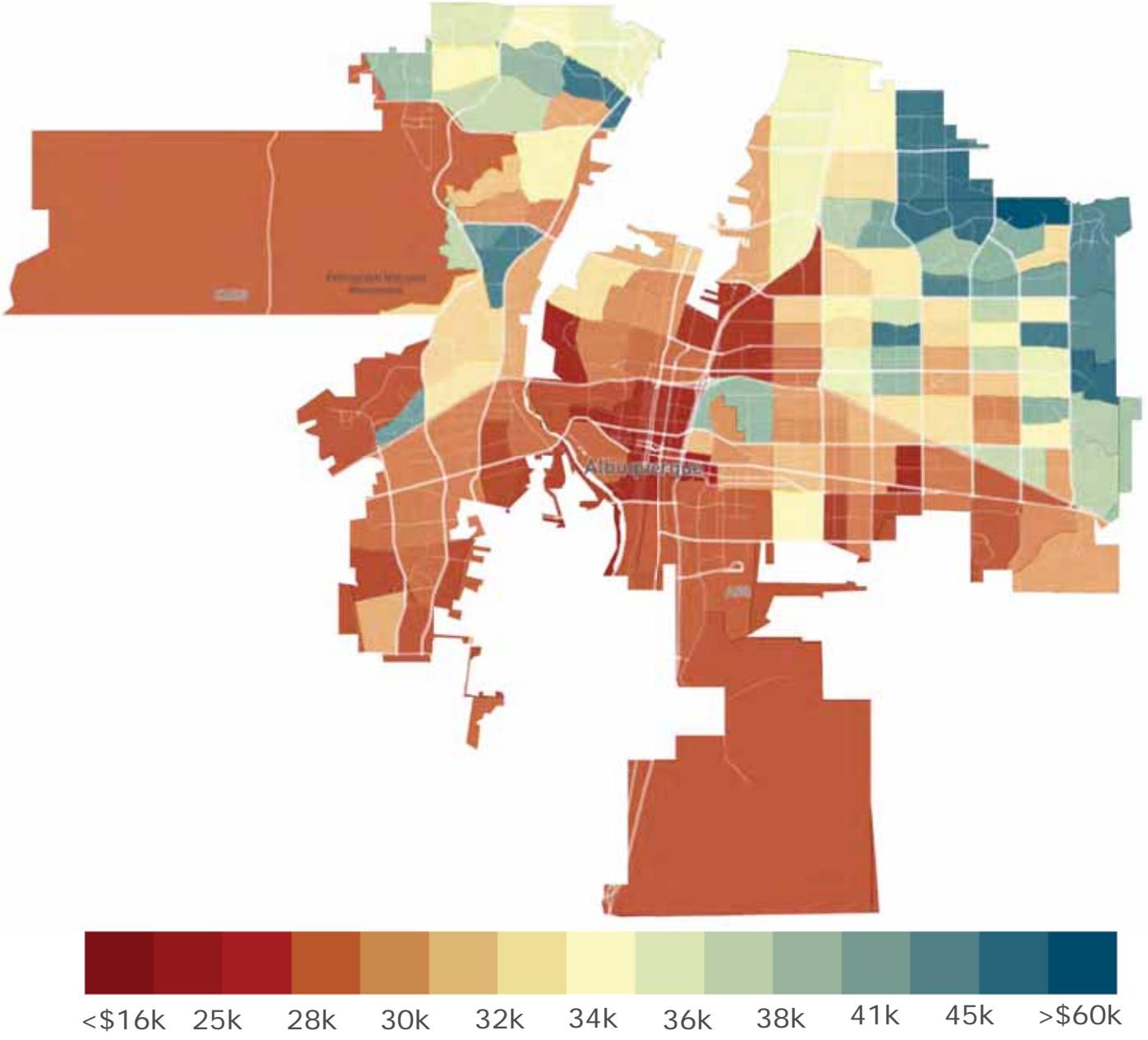
# Low-Income Children in Albuquerque Grow Up to Make Less As Adults than the National Median



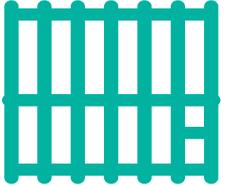
Children raised in Albuquerque by families earning less than \$27,000 grow up to earn an average of about **\$30,000 as adults**. This is **lower** than the national median of **\$34,000**.

# 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

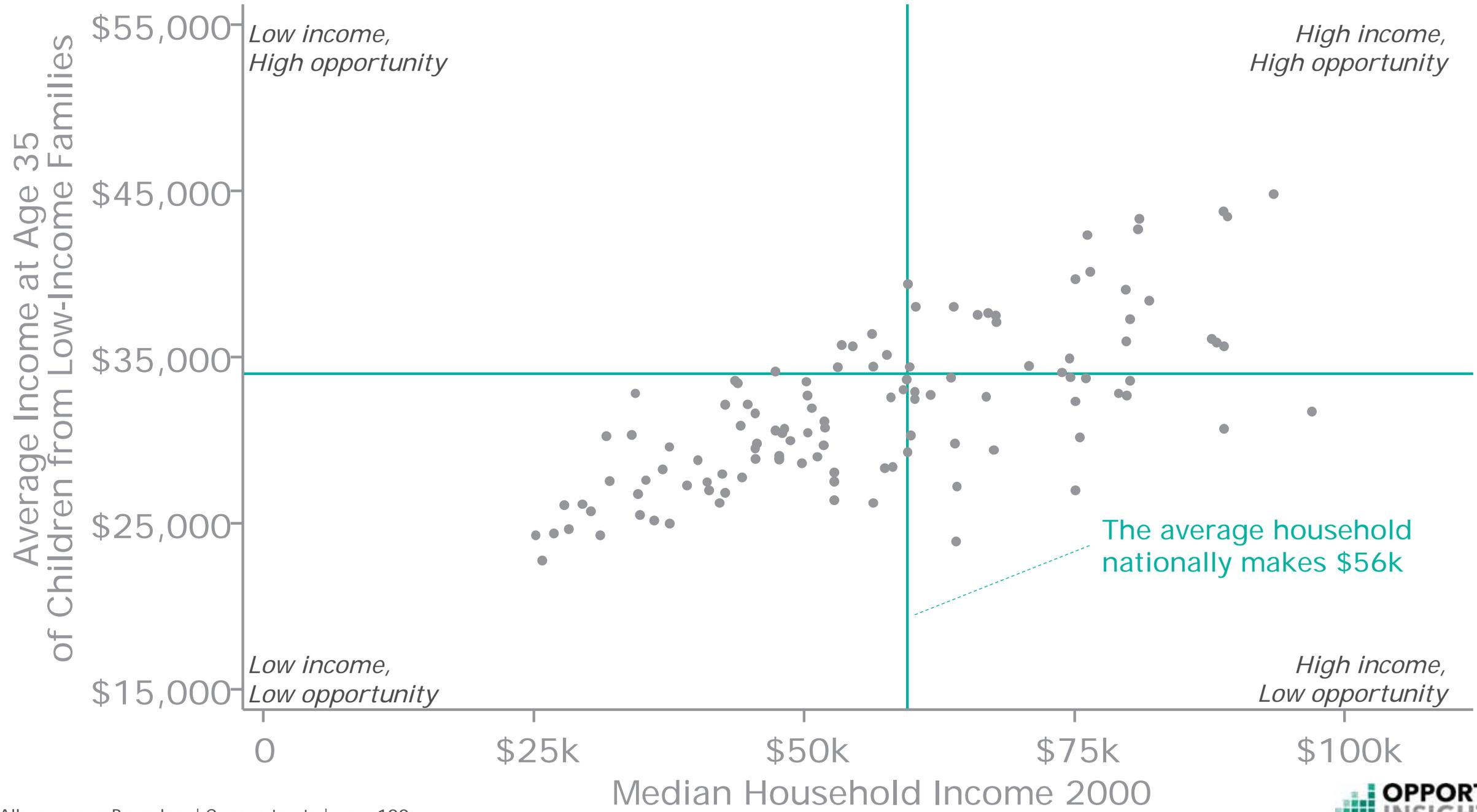
	Children from Low-Income Families*	Children from High-Income Families*
 <p>Annual Household Income</p>	\$30k	\$46k
 <p>College Graduation Rate</p>	19%	44%
 <p>Incarceration Rate</p>	2.2%	0.6%
 <p>Teen Birth Rate</p>	29%	15%

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

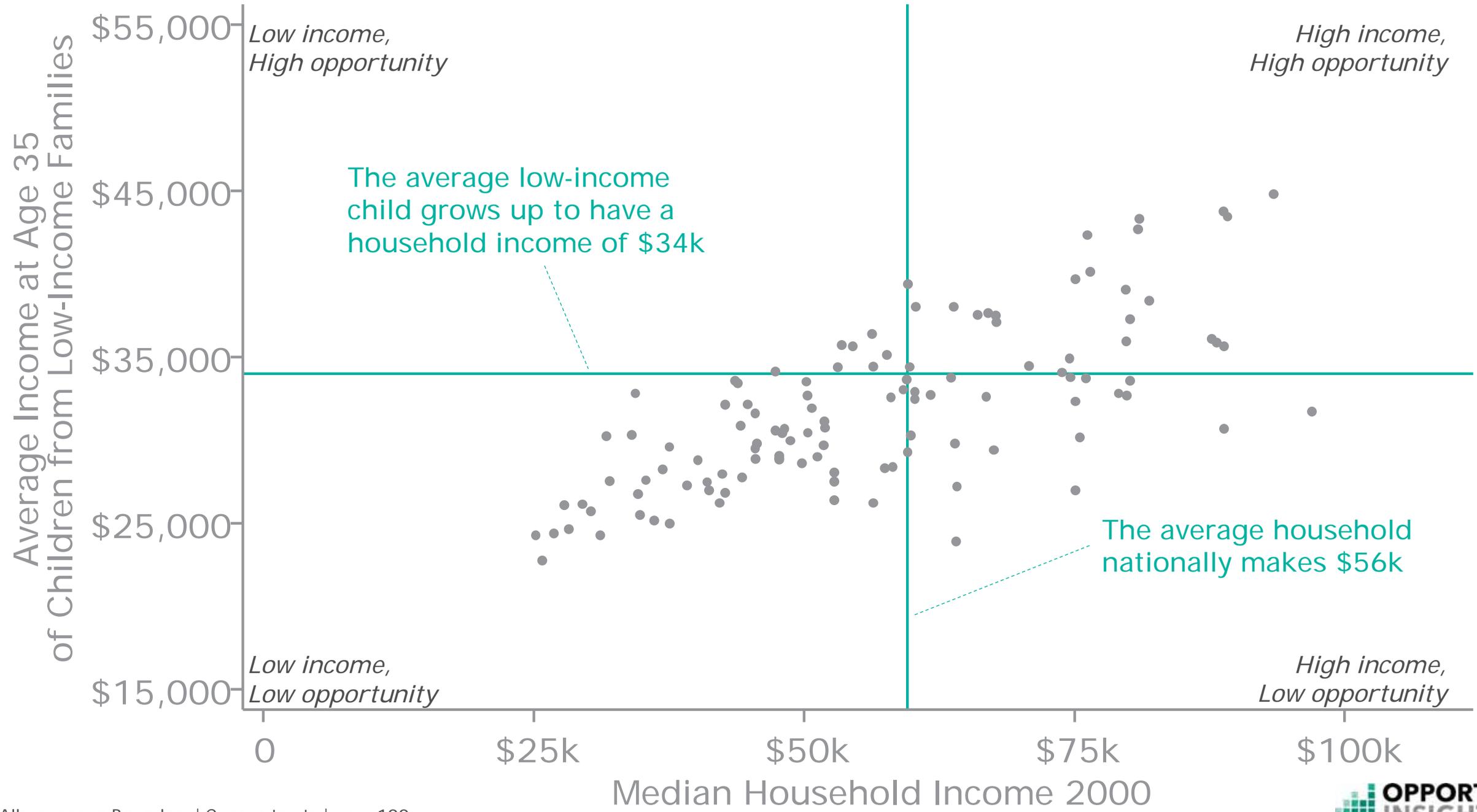
# Several Neighborhoods Have Above-Average Outcomes for Low-Income Children Despite Having Below-Average Household Income



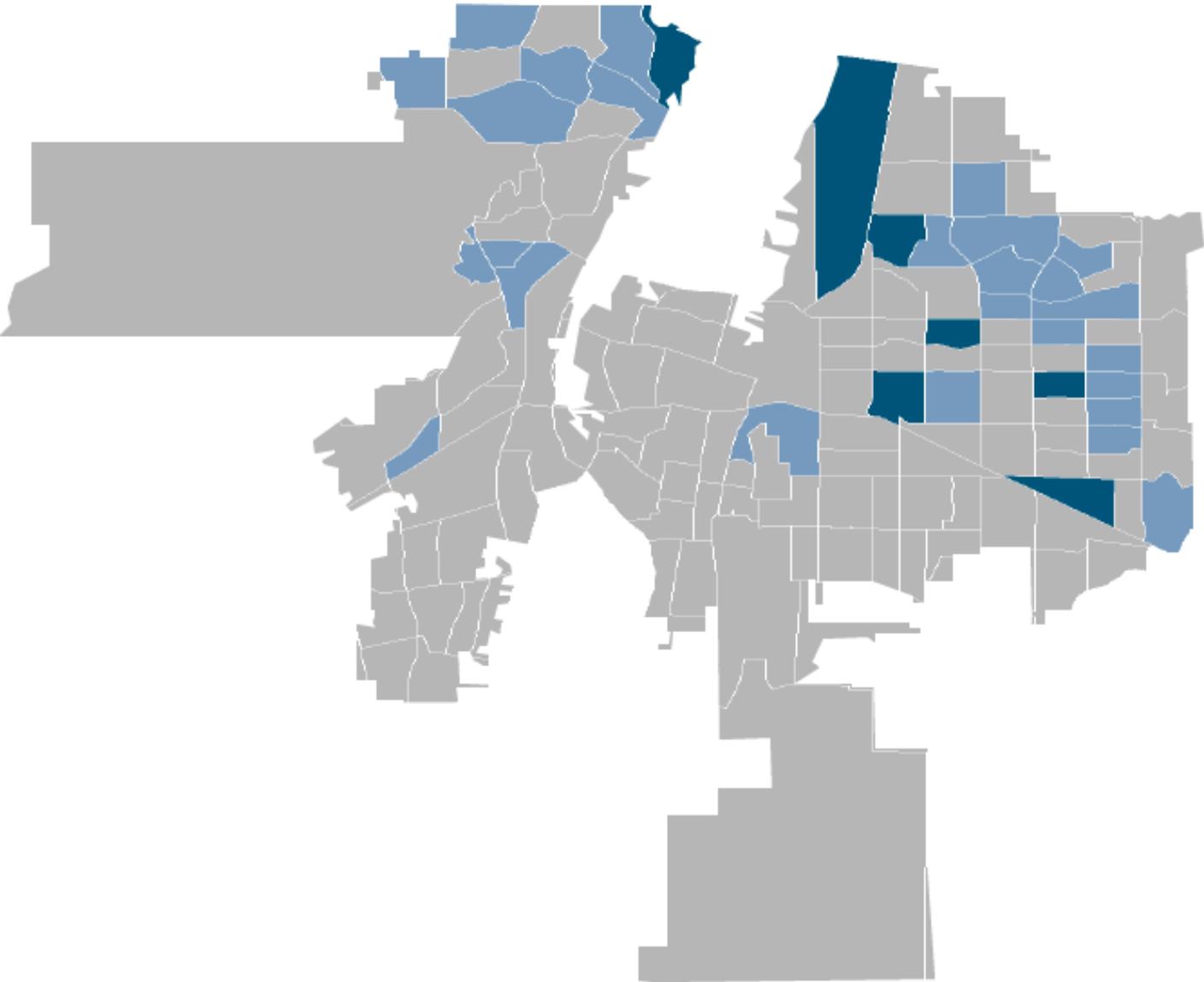
# Several Neighborhoods Have Above-Average Outcomes for Low-Income Children Despite Having Below-Average Household Income



# 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

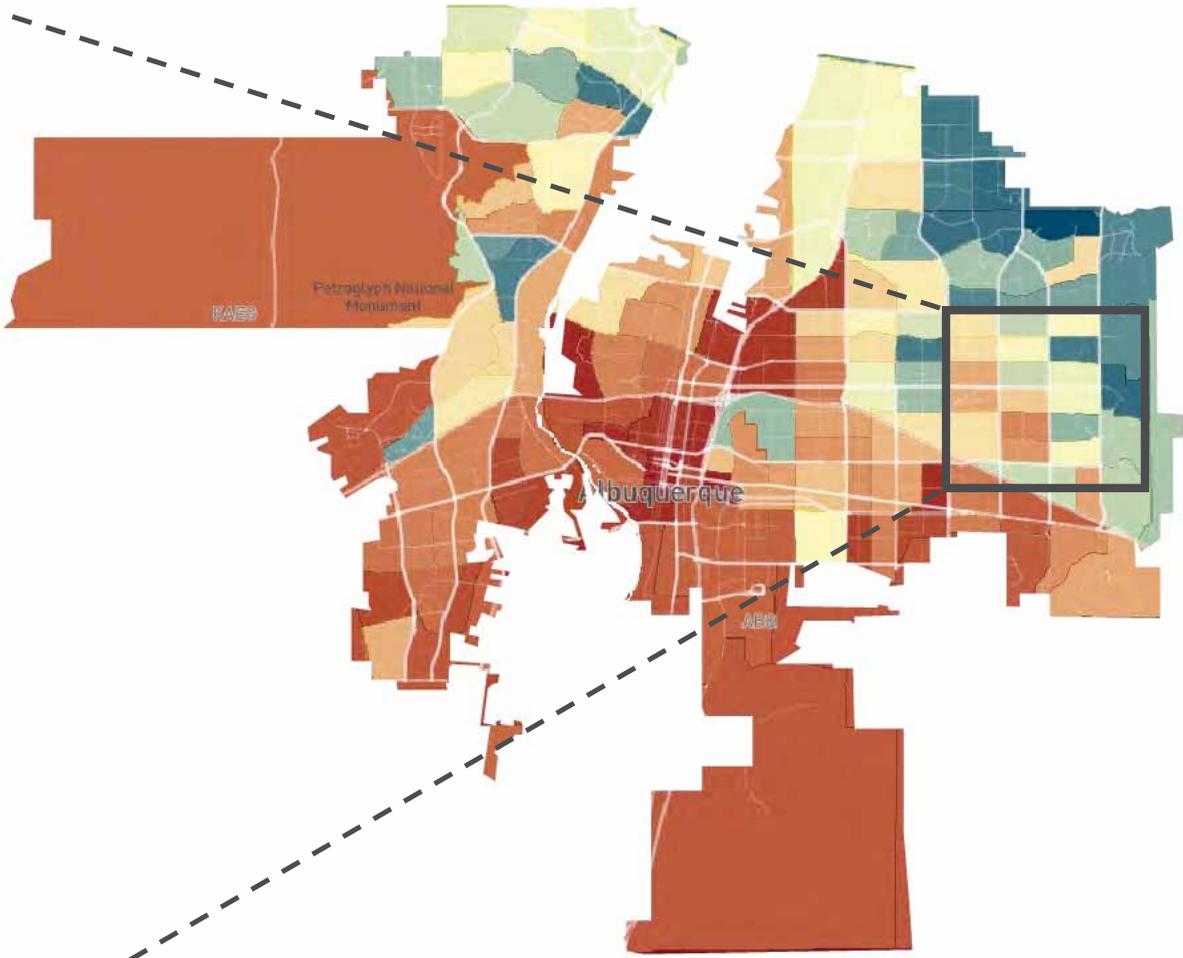
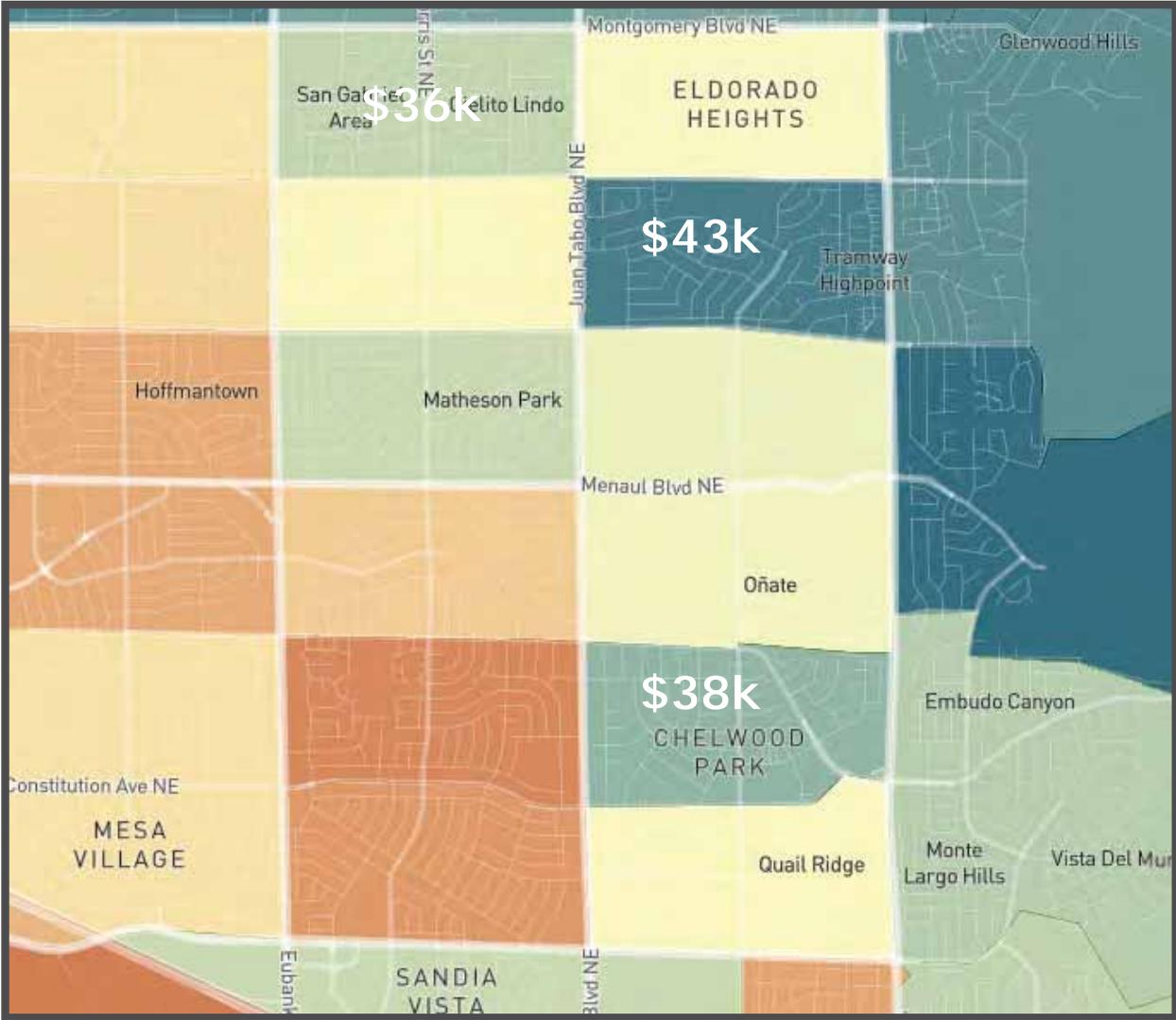


-  Above-Average Opportunity, Below-Average Income
-  Above-Average Opportunity, Above-Average Income

Below Average Tracts 

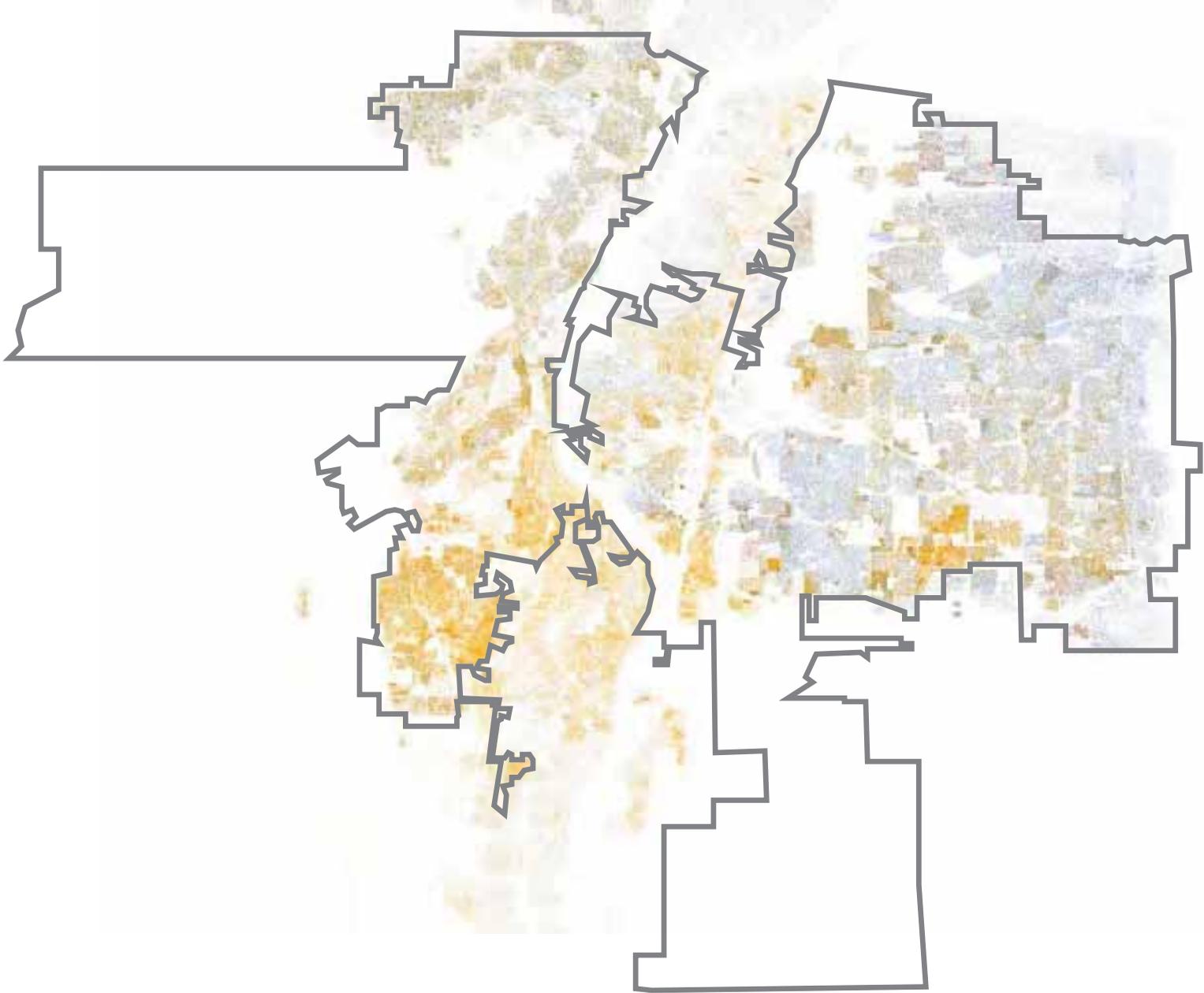
# Tracts Producing Better Outcomes for Low-Income Children

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



Neighborhood Statistics

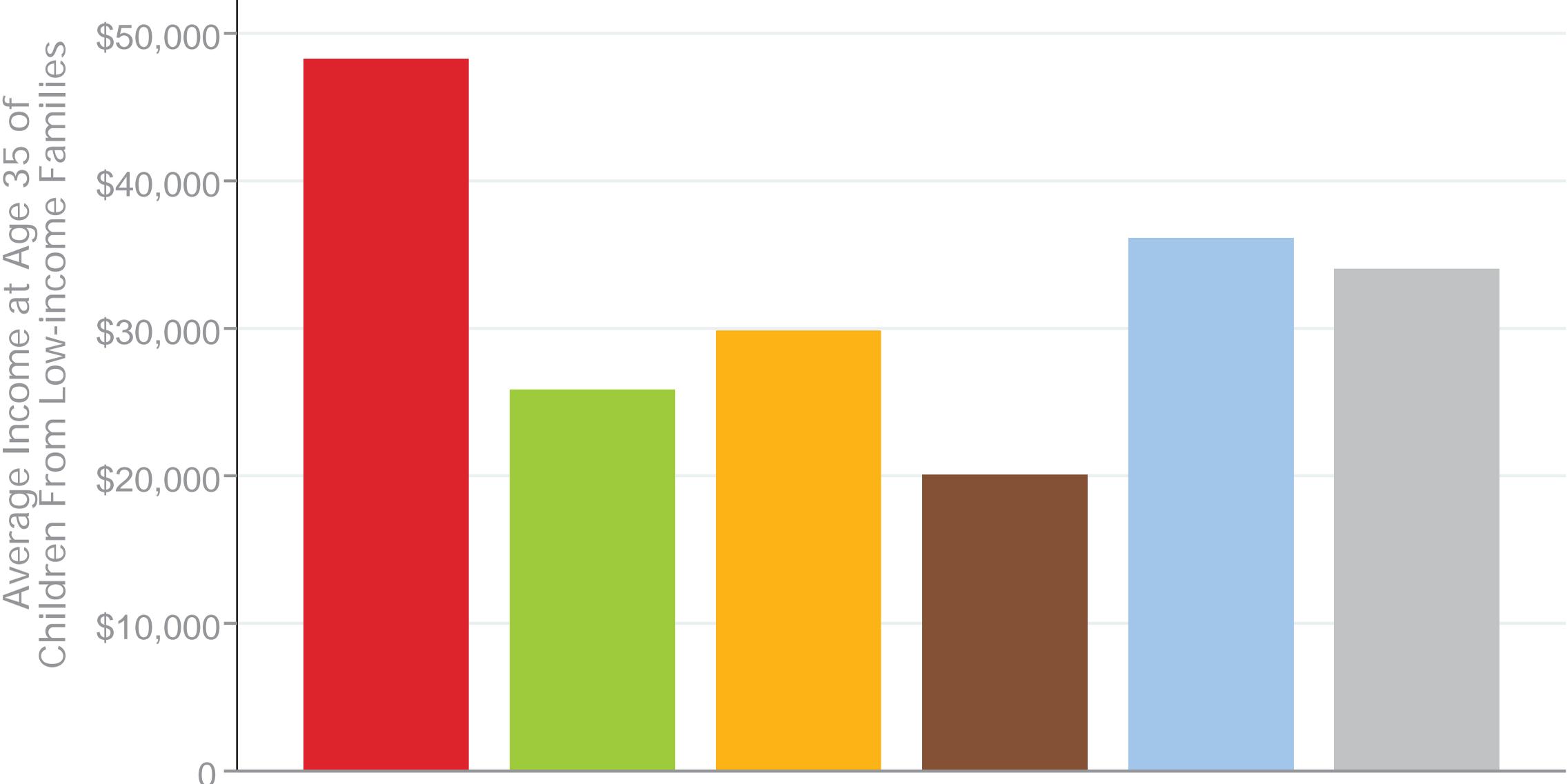
# Visualizing Albuquerque's Racial Composition



- White
- Black
- Asian
- Hispanic

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

 To National Outcomes

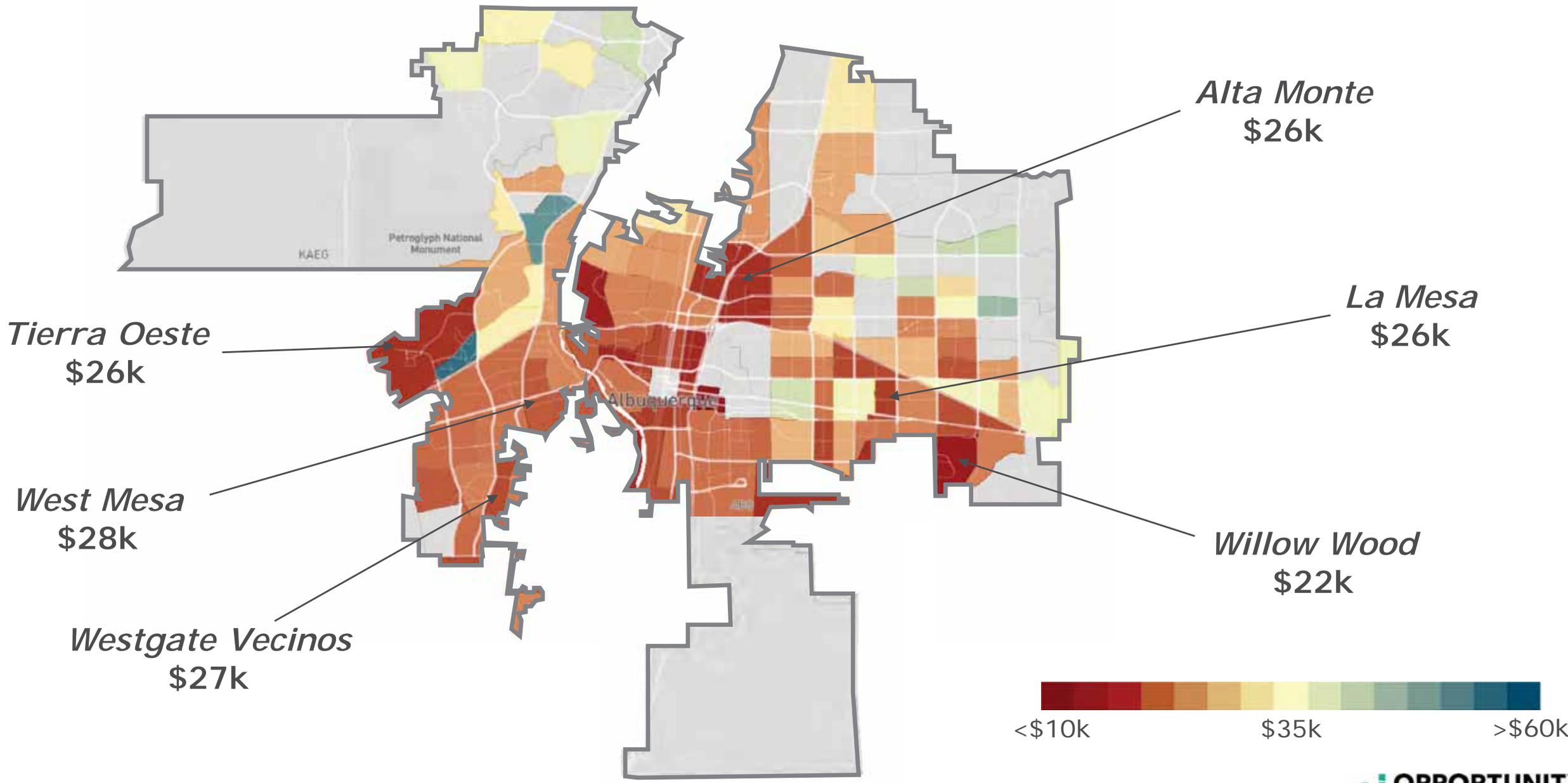


Average Income at Age 35 of Children From Low-income Families

Asian Black Hispanic Native American White National

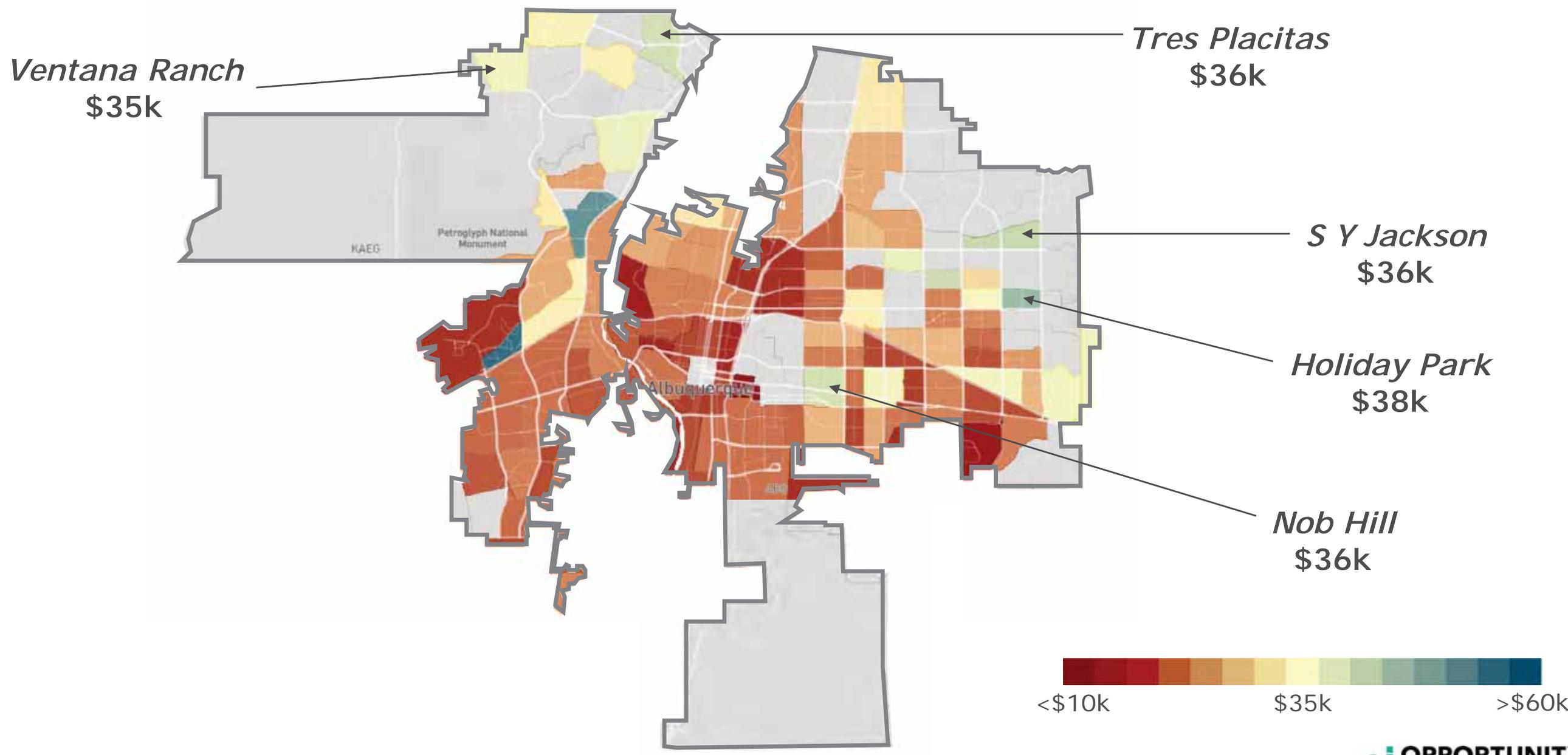
# Albuquerque's Hispanic Outcomes are Lower Than the National Median

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



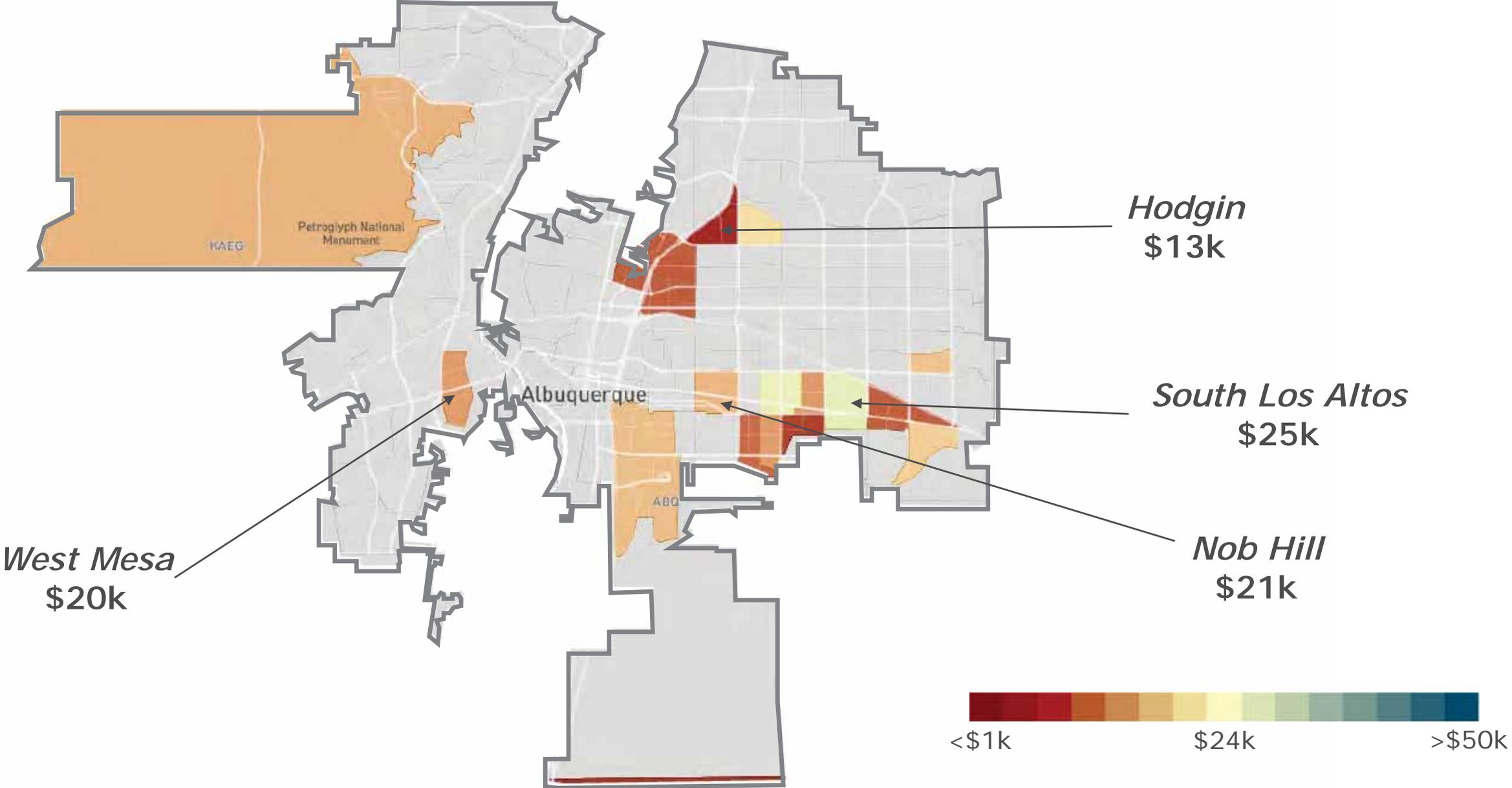
Subgroup Scaling, Low-Income, Hispanic, >= 100 Children

# 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





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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



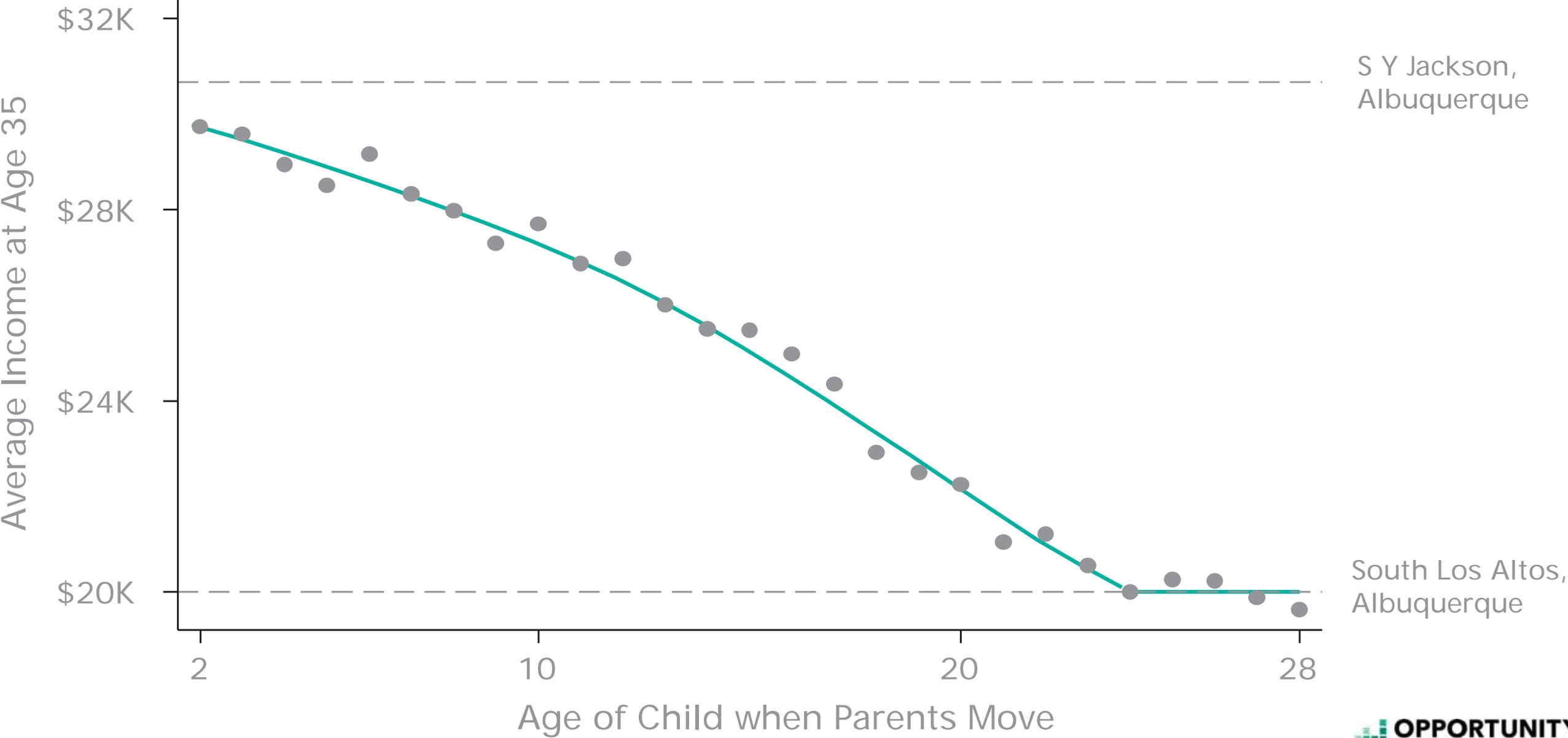
## Section Preview

- 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



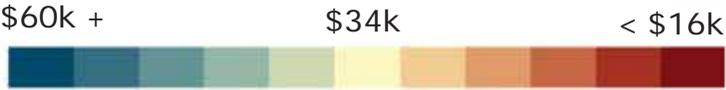
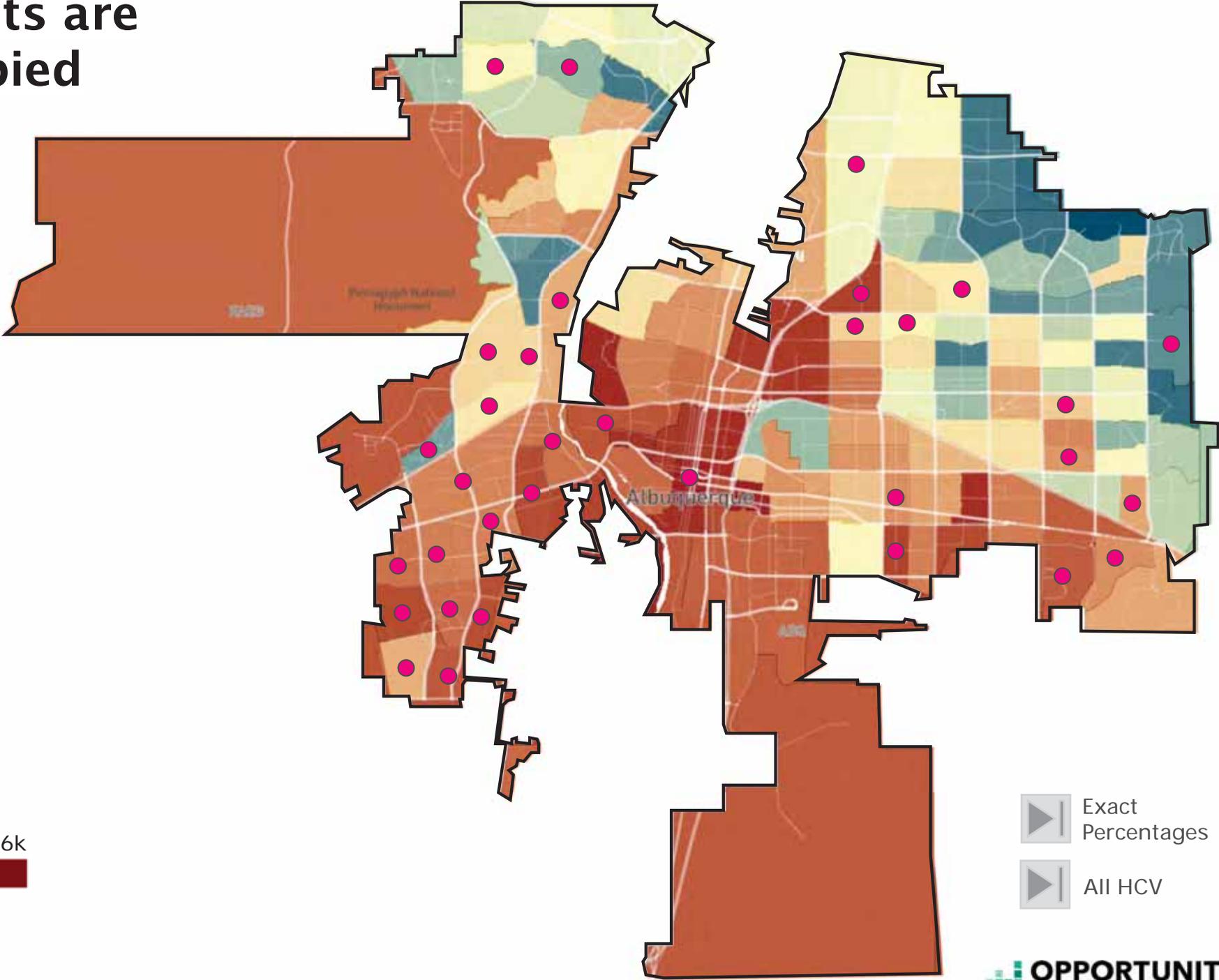
- **Reducing Segregation:** Increase Access to High-Opportunity Areas by Providing Affordable Housing



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

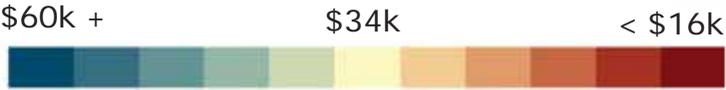
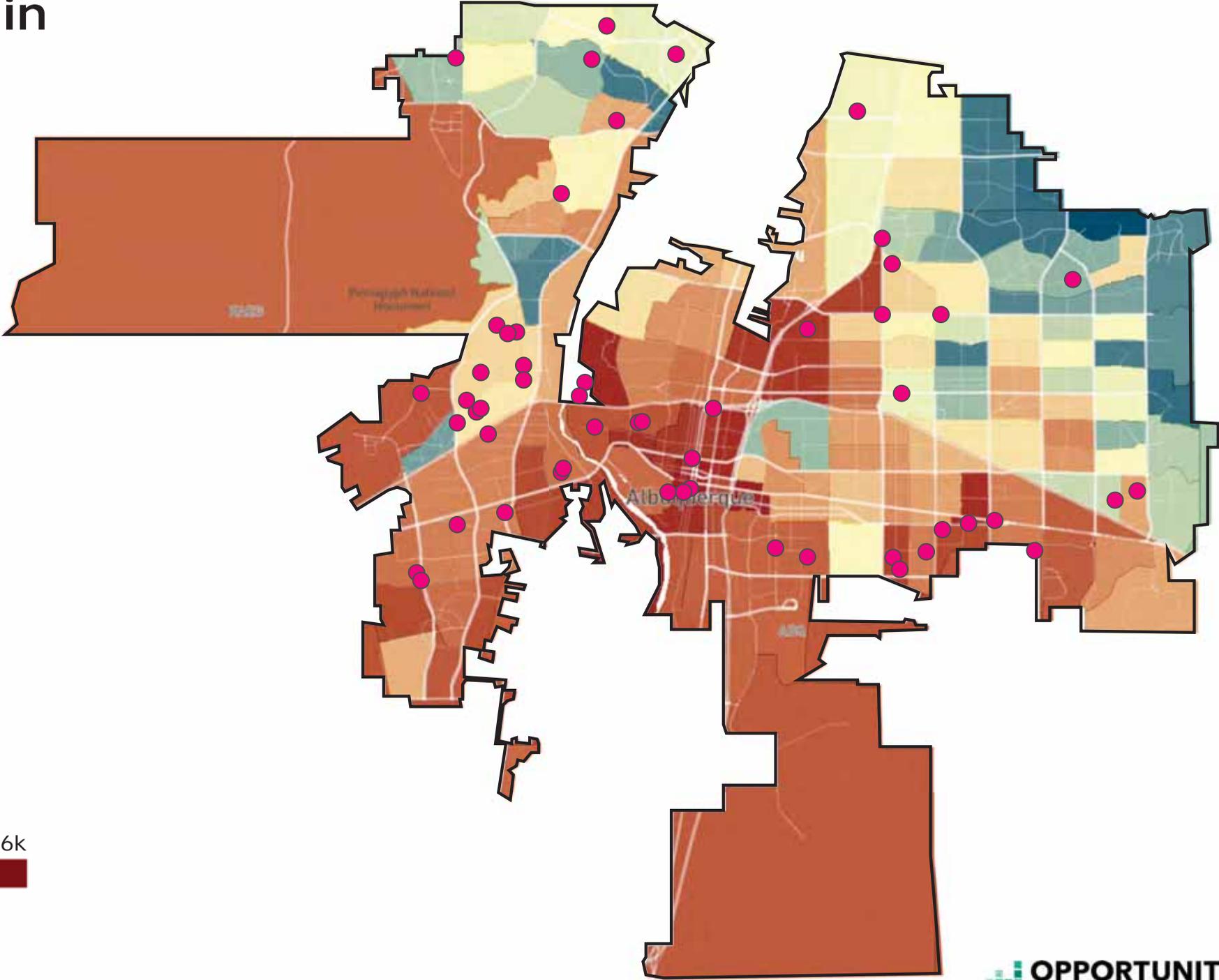
# Where HCV-Occupied Units are >10% of All Renter-Occupied Housing Units

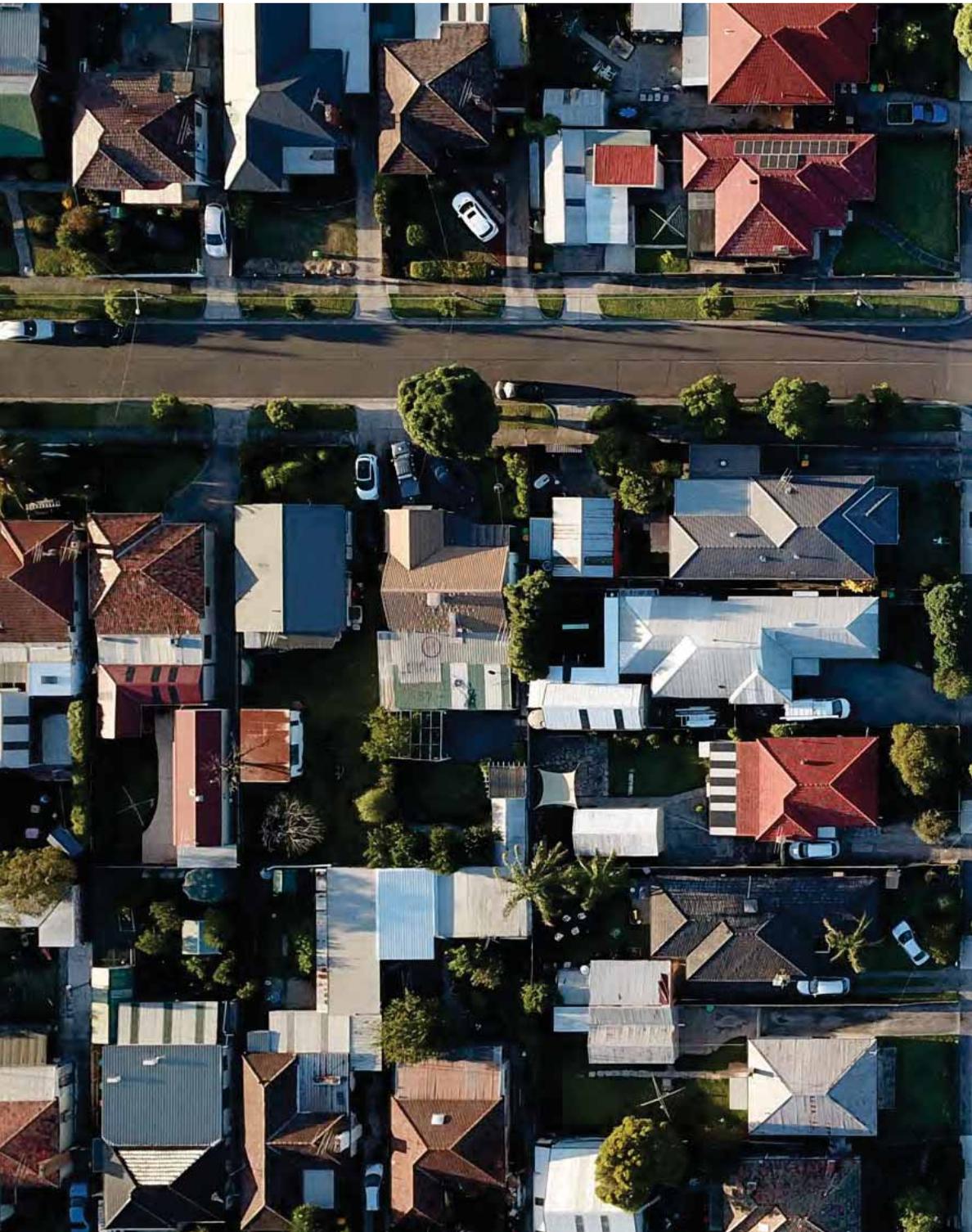
- Across the country, HCV families are usually concentrated in areas of lower opportunity
- This seems to hold true in Albuquerque, as not many HCV-holders can be found in the higher-opportunity neighborhoods to the South and East of the city



▶ 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)

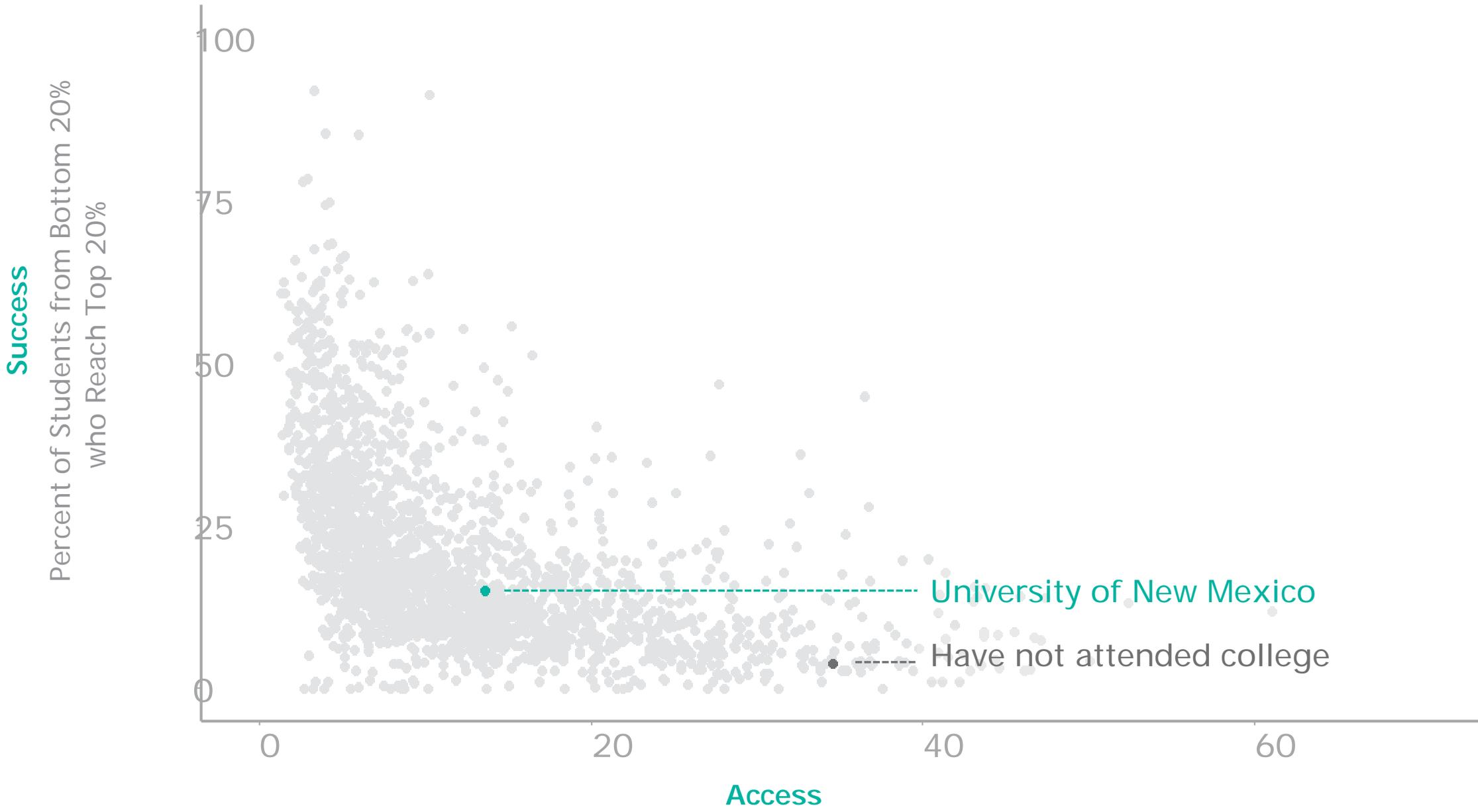
$$\text{Mobility Rate} = \text{Access} \times \text{Success}$$

**2% = 13.6% x 15%**

**University of New Mexico**

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

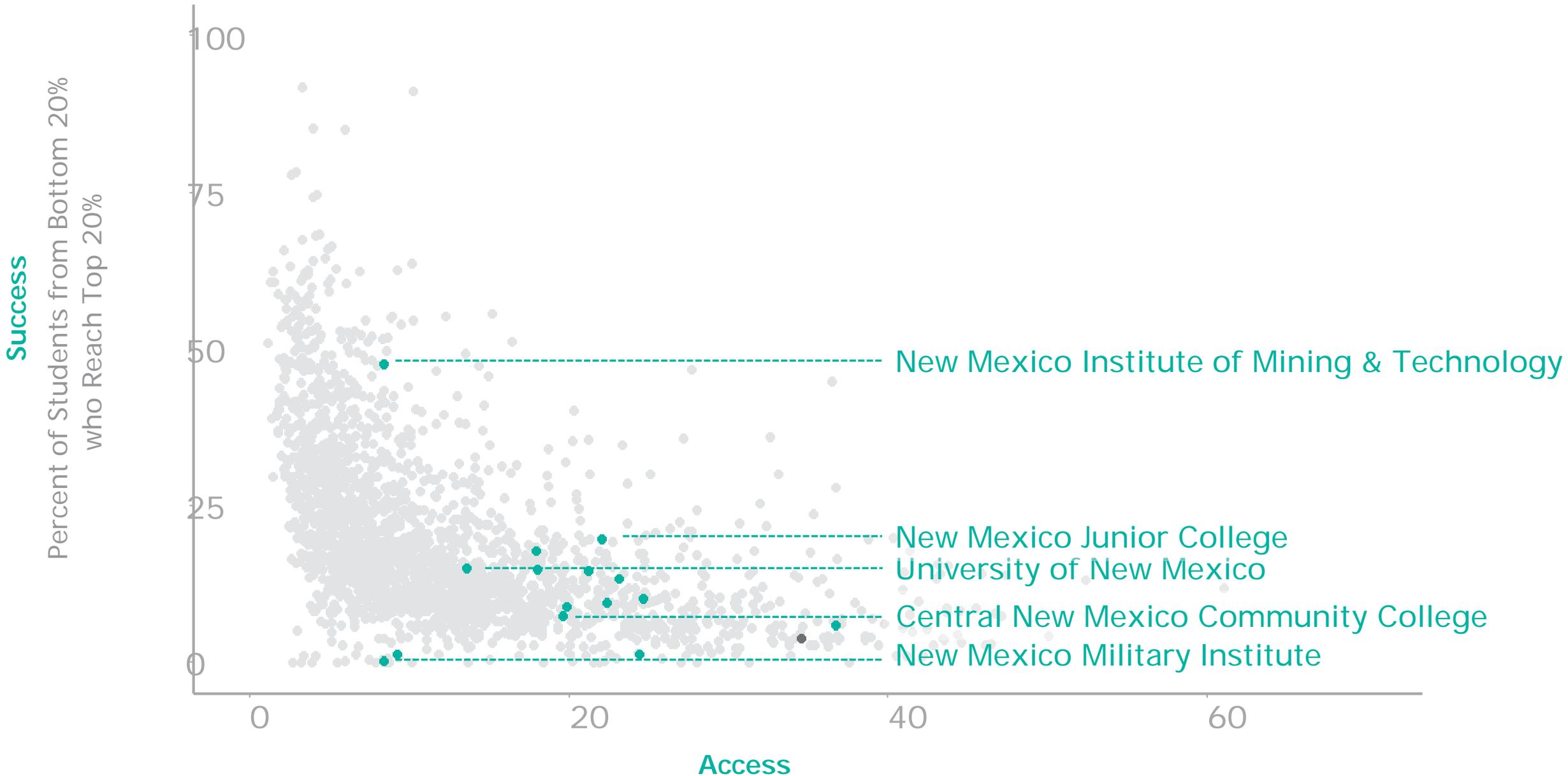
## Mobility Rates: Success Rate Versus Access Rate by Institution



Percent of Students from Families in Bottom 20%

# Most NM Institutions Have High Access Rates Compared to the Nation

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

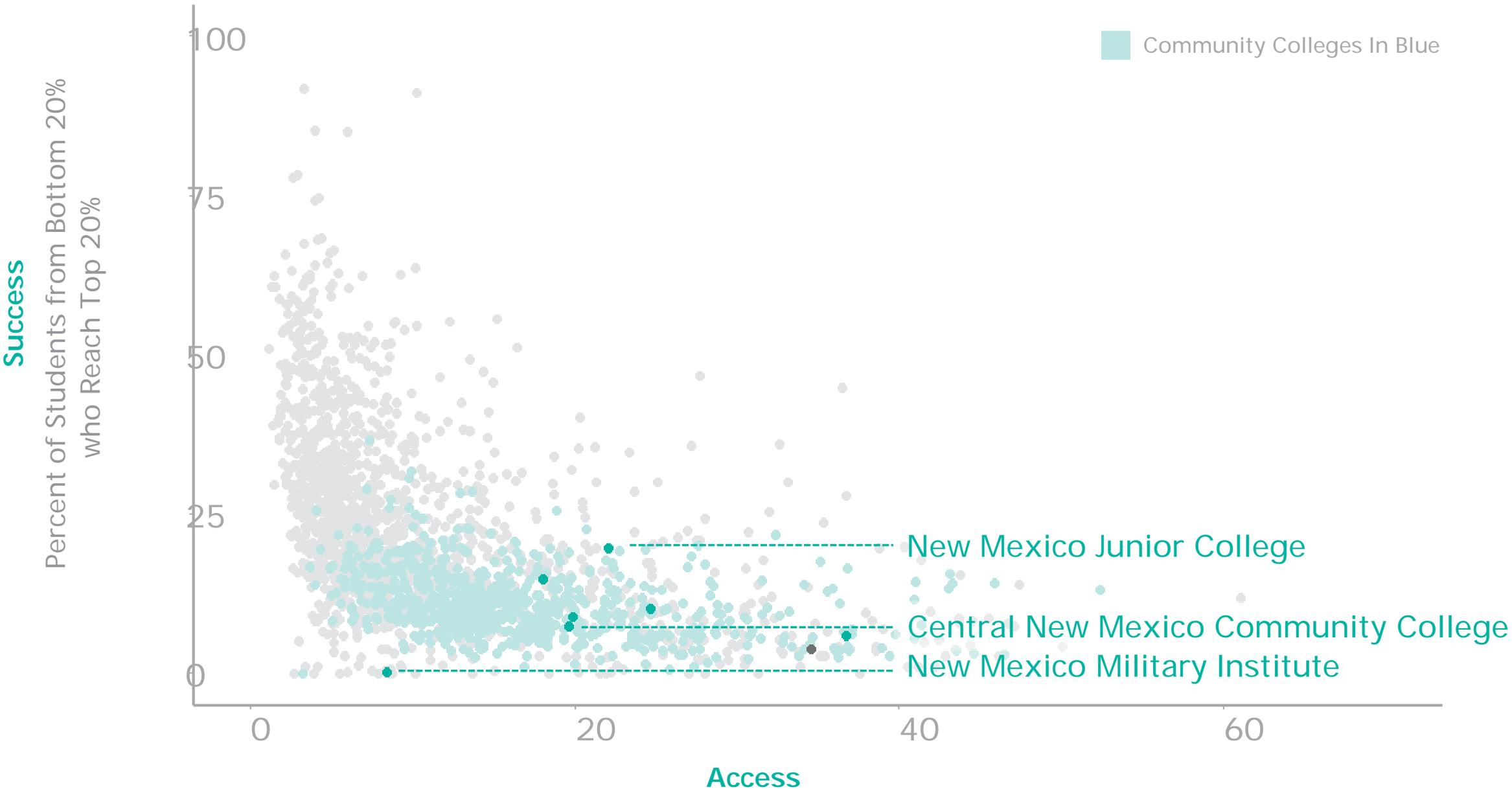


 To All Schools

Percent of Students from Families in Bottom 20%

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

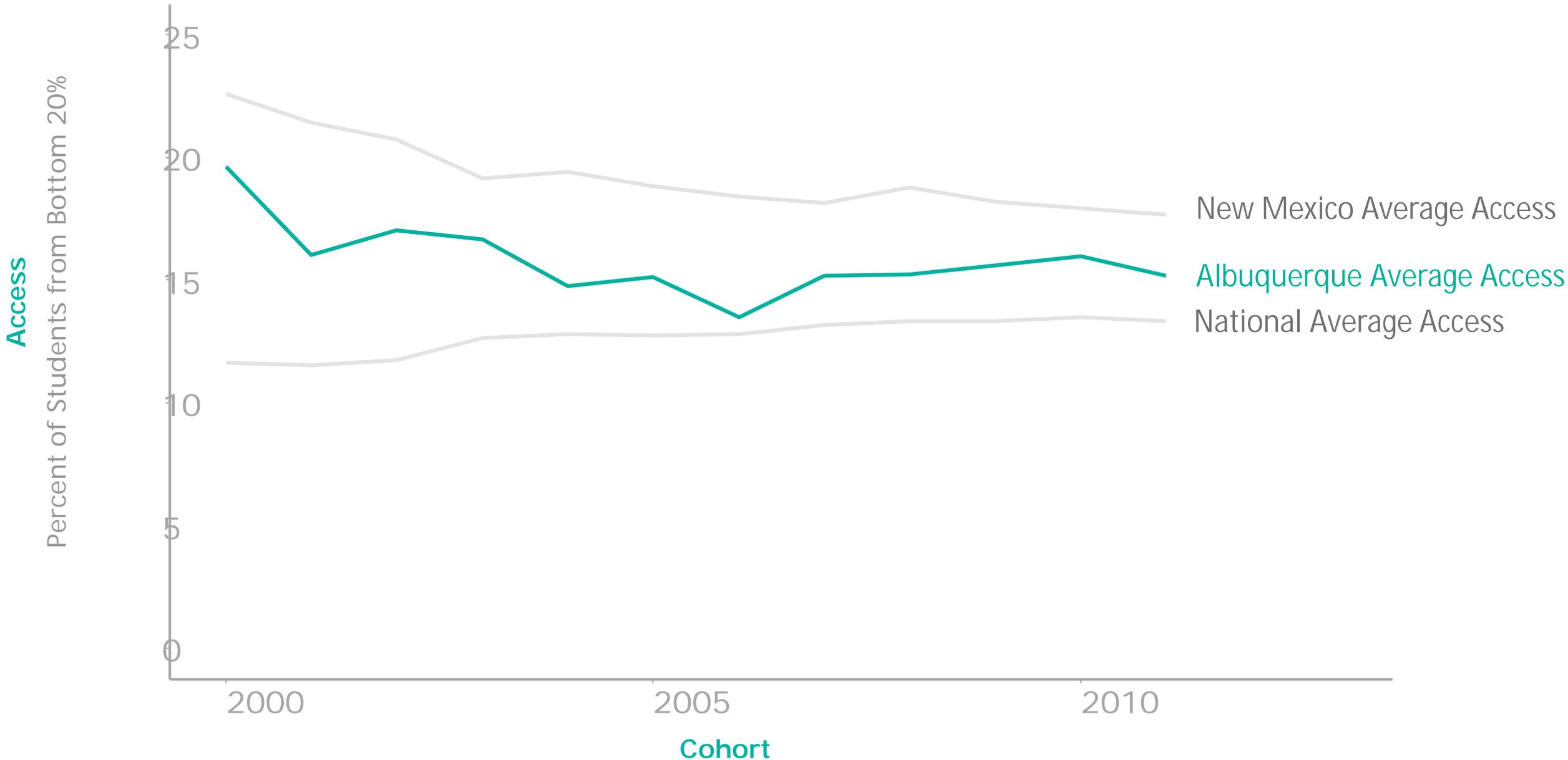
Mobility Rates: Success Rate Versus Access Rate by Institution, New Mexico Schools Highlighted



Percent of Students from Families in Bottom 20%

# 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

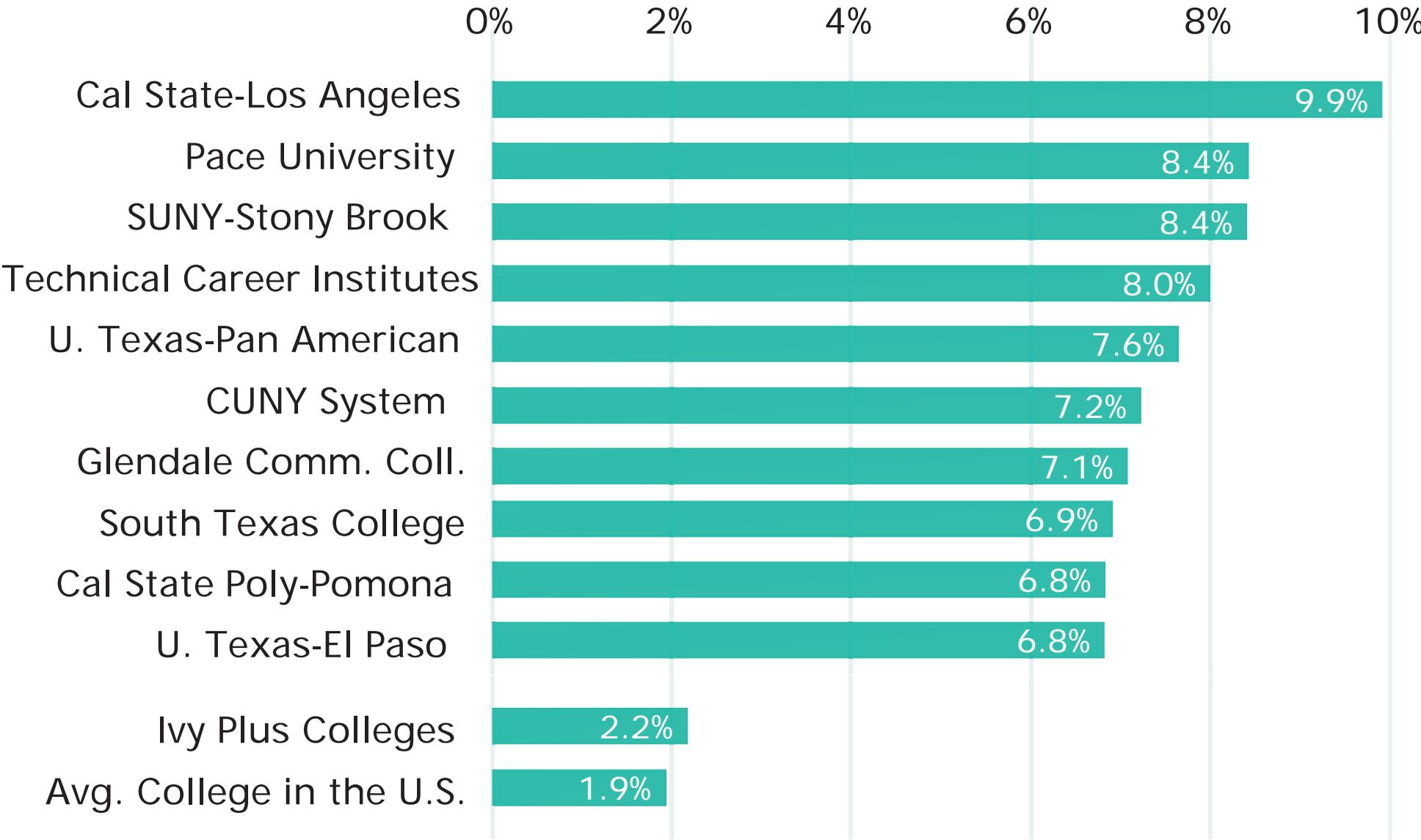
# Access and Success at Select New Mexico Institutions

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.

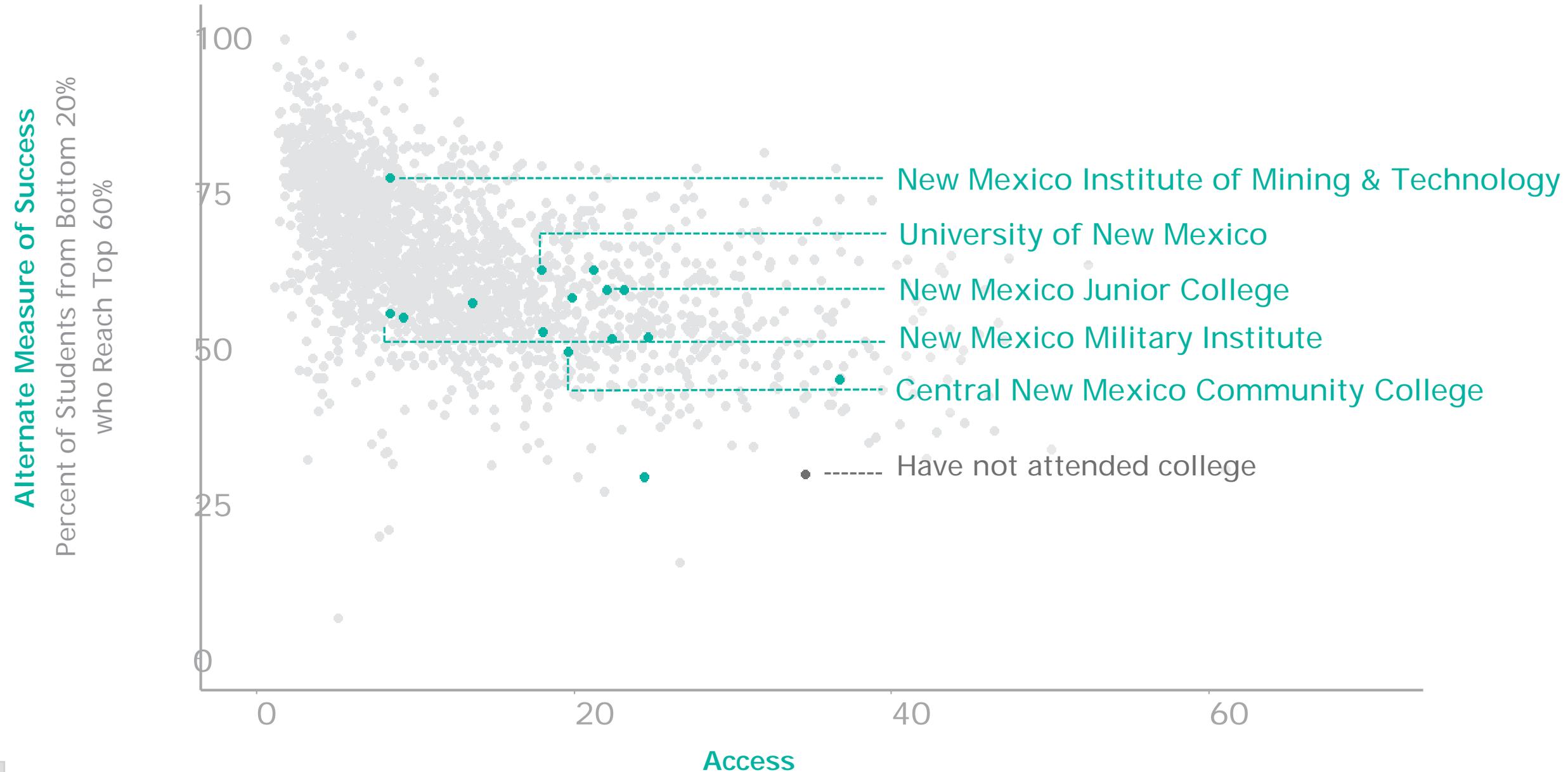
Under this measure the mobility and access rate of the University of New Mexico would change to be:

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

**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

Percent of Students from Families in Bottom 20%

# Collegiate Leaders in Increasing Mobility



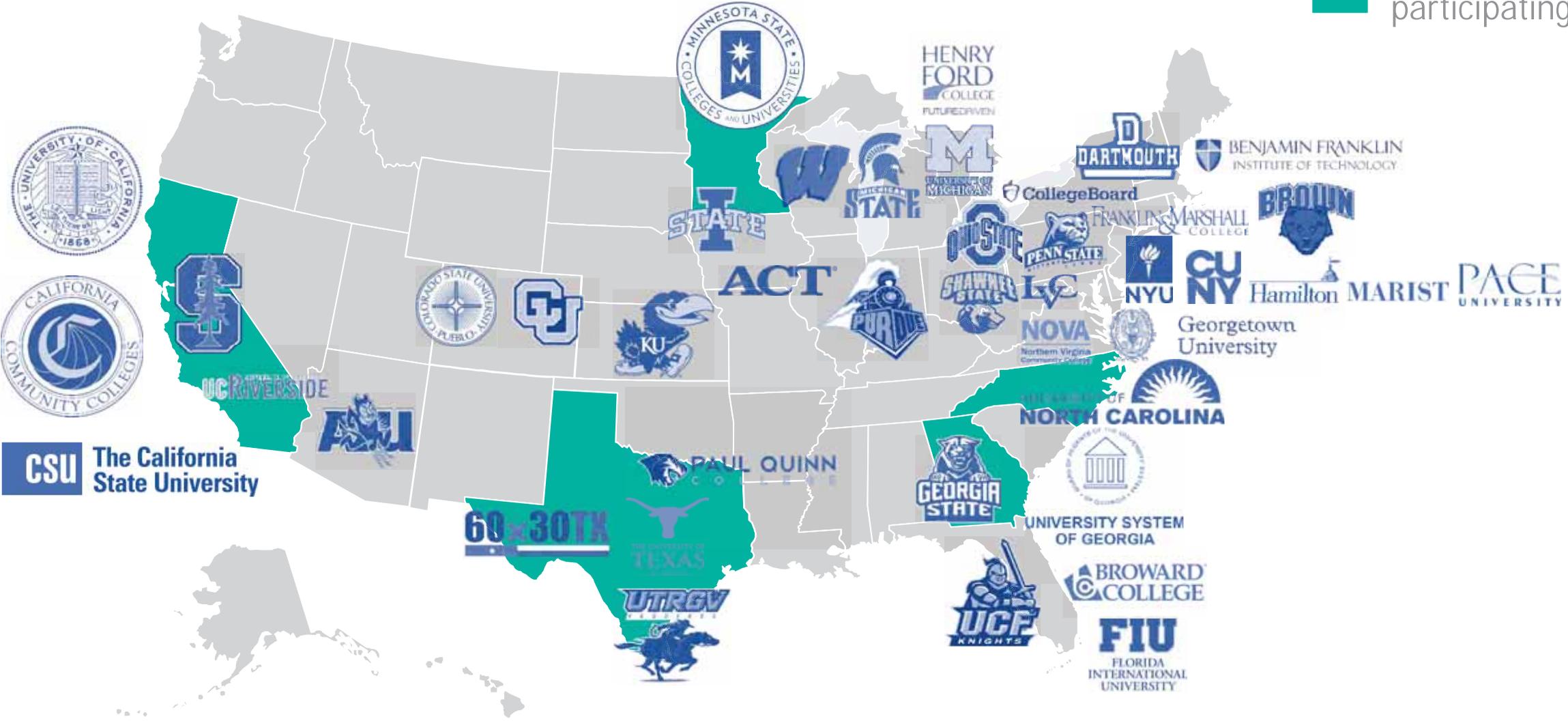
CLIMB is a **partnership** between Opportunity Insights and **400 colleges** across the U.S. that seeks to help colleges improve the economic mobility of their students by:

- 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



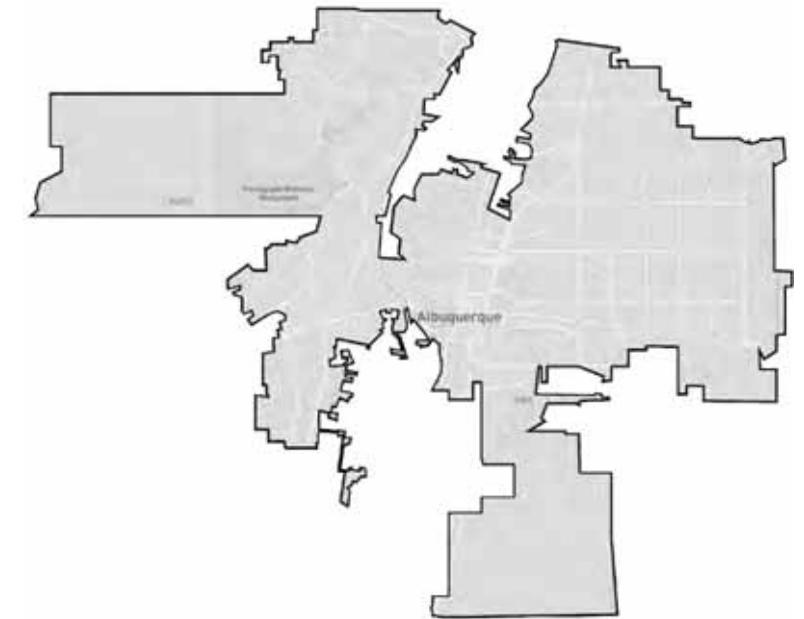
**Metropolitan Service Area (MSA)**

- 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



**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

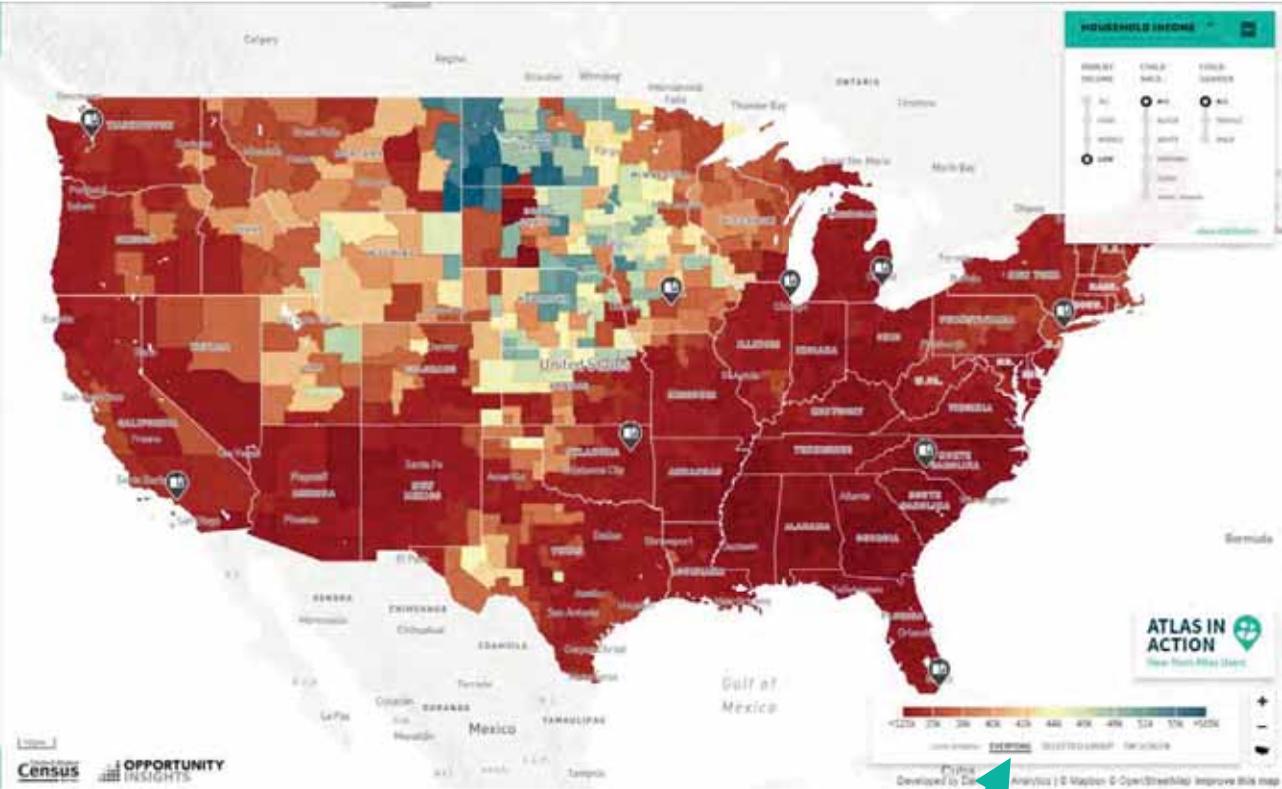


**City Boundary**

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

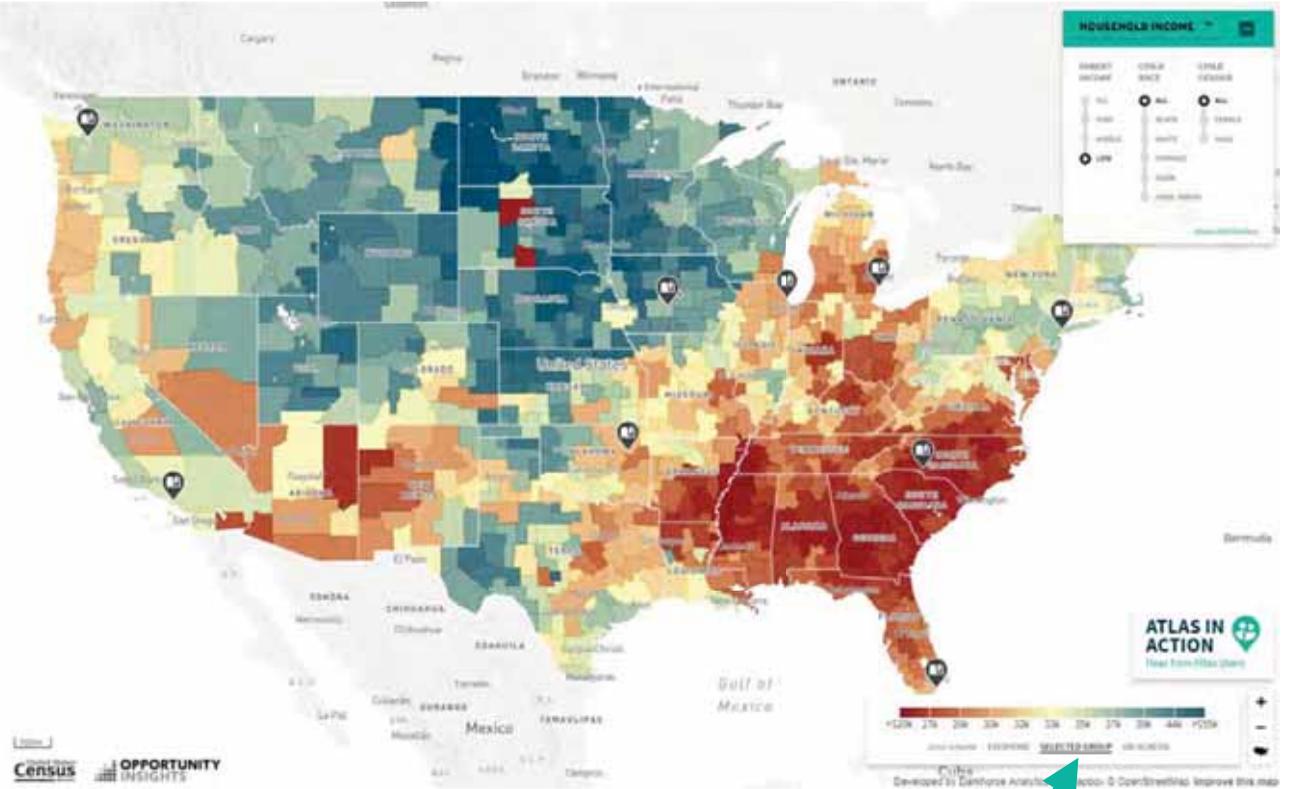
# Scaling on the Atlas

## “National” Scaling



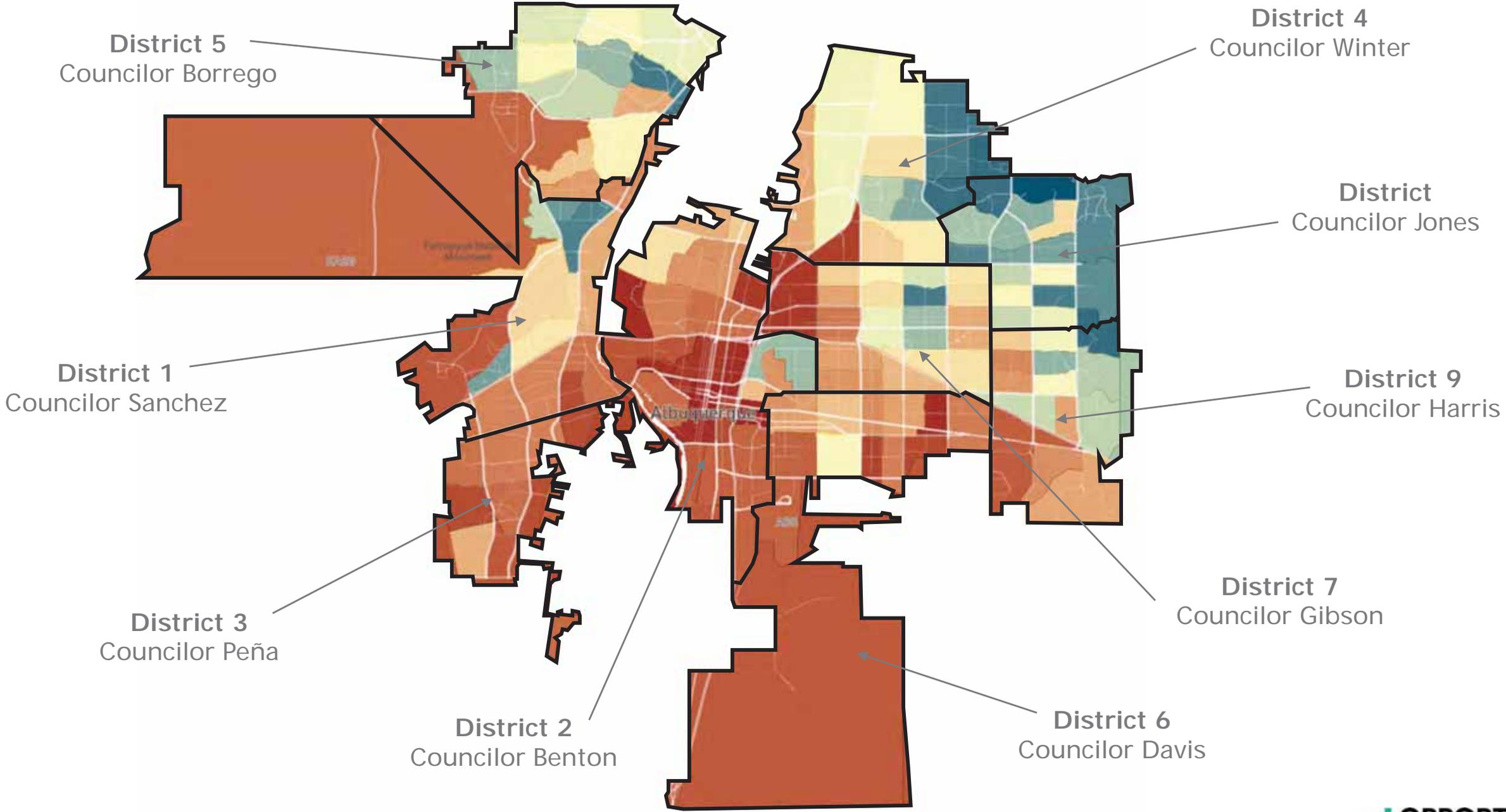
“National” scaling refers to the “Everyone” scaling on the Atlas which scales the colors to compare the outcomes of the selected subgroup **to those of all children nationwide**, (e.g., comparing low-income children to all other children no matter what race or income).

## “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

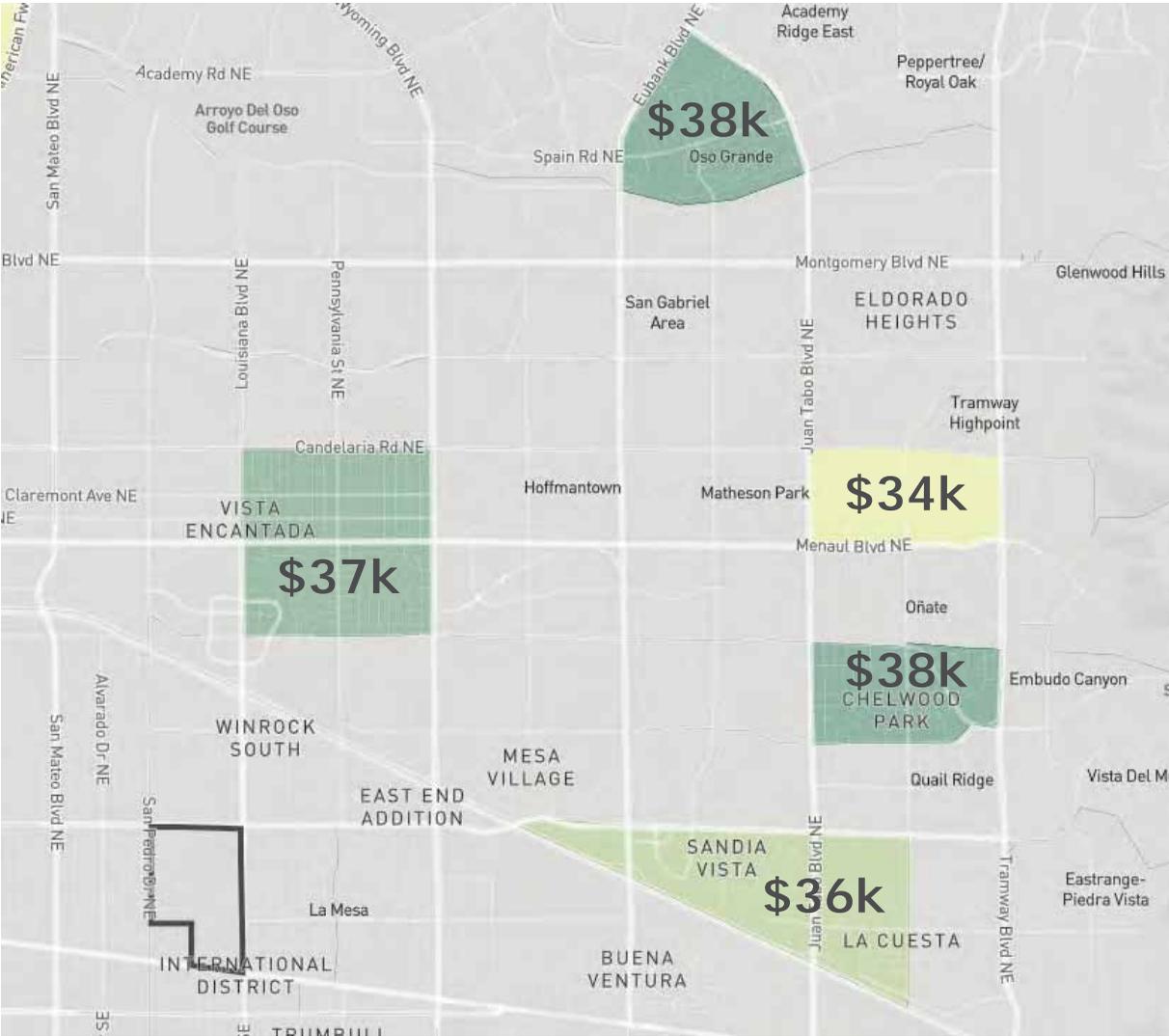
Use attendance and income data on all college students from 1999-2013 from Treasury and Dept. of Education



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

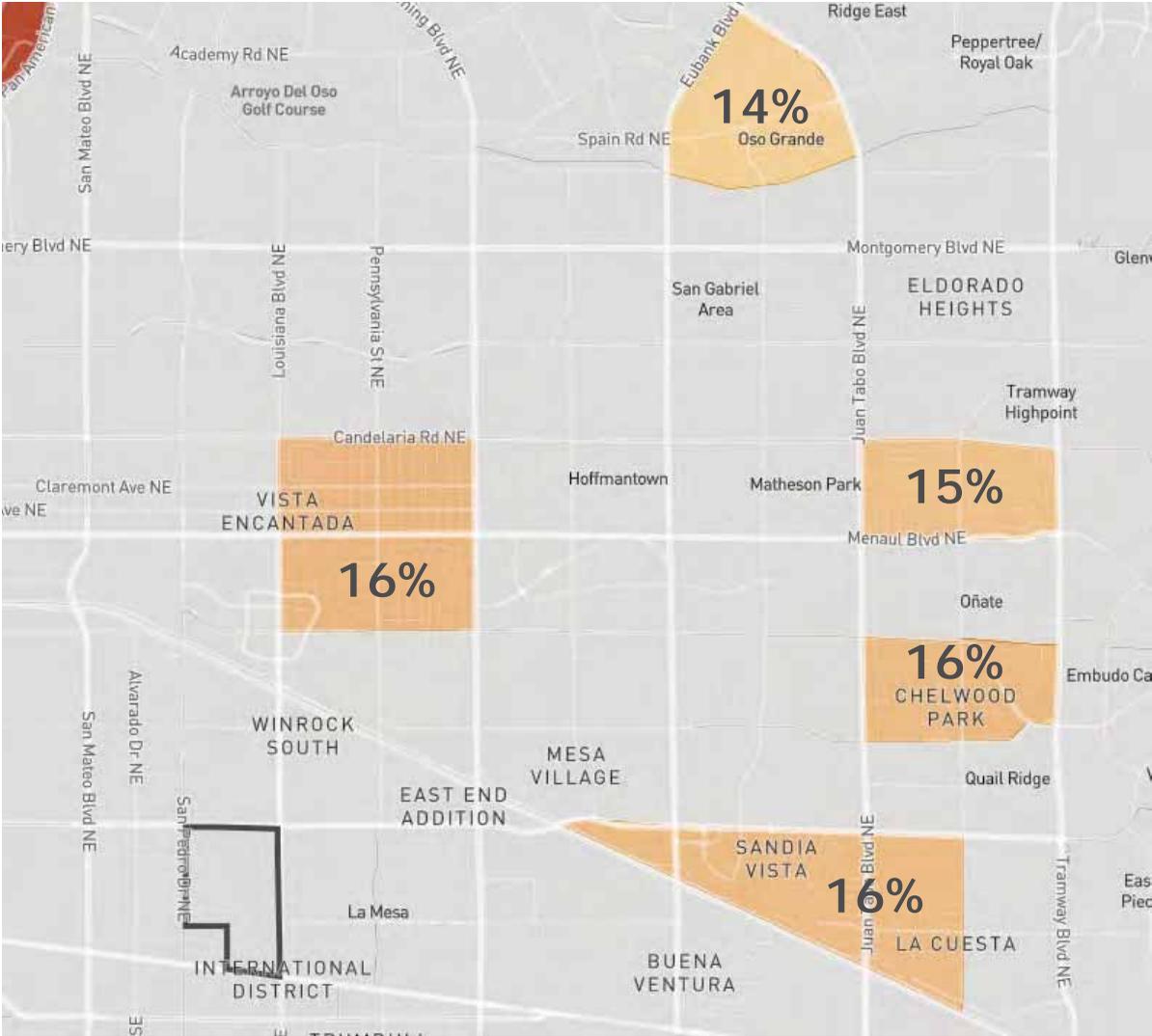
Rank students and parents relative to others in the same cohort

# Neighborhood Poverty Rates Do Not Always Predict Upward Mobility



*Adult Income for Black Kids Raised in Low-Income Families*

The national median is \$24k

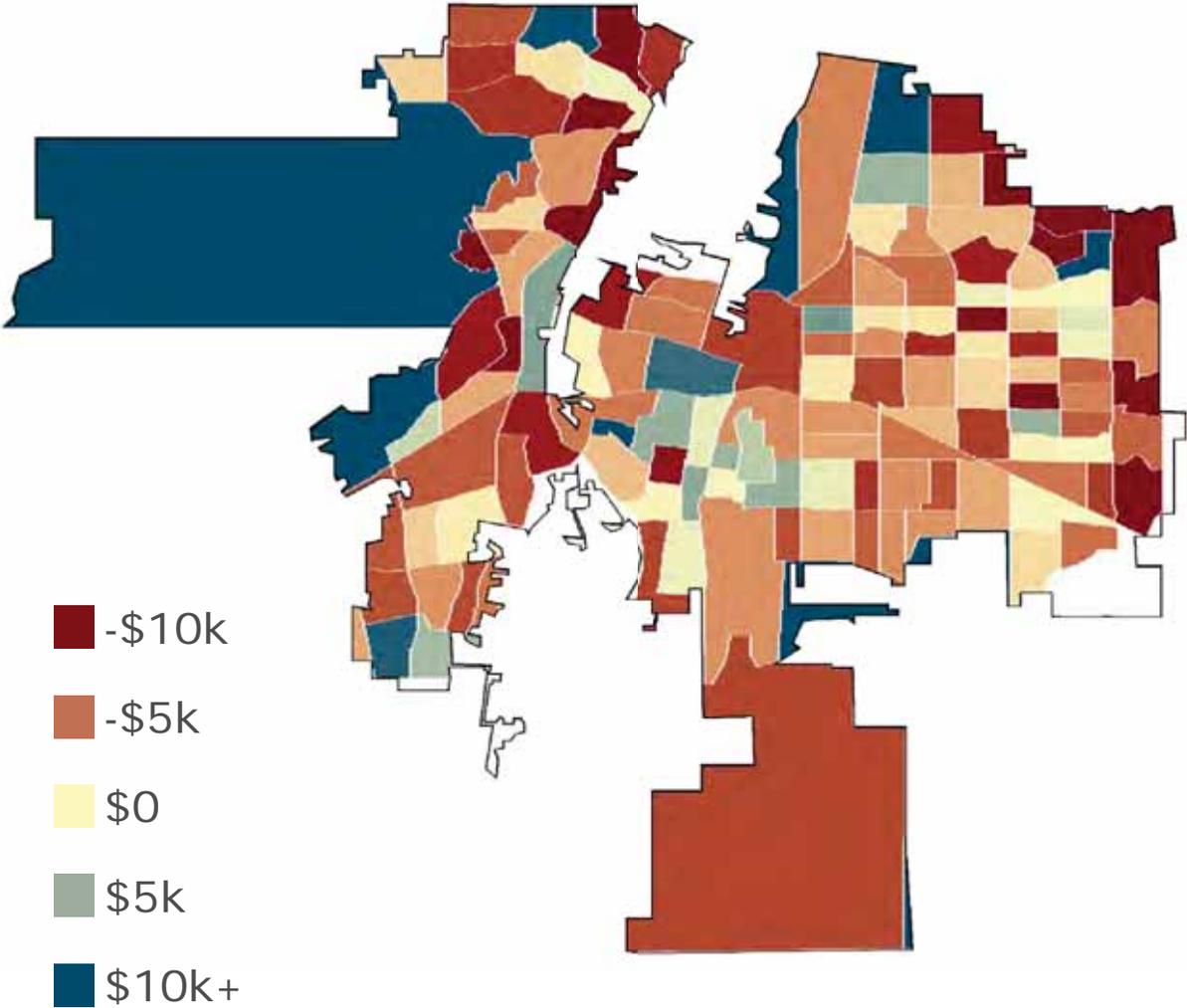


*Poverty Rate*

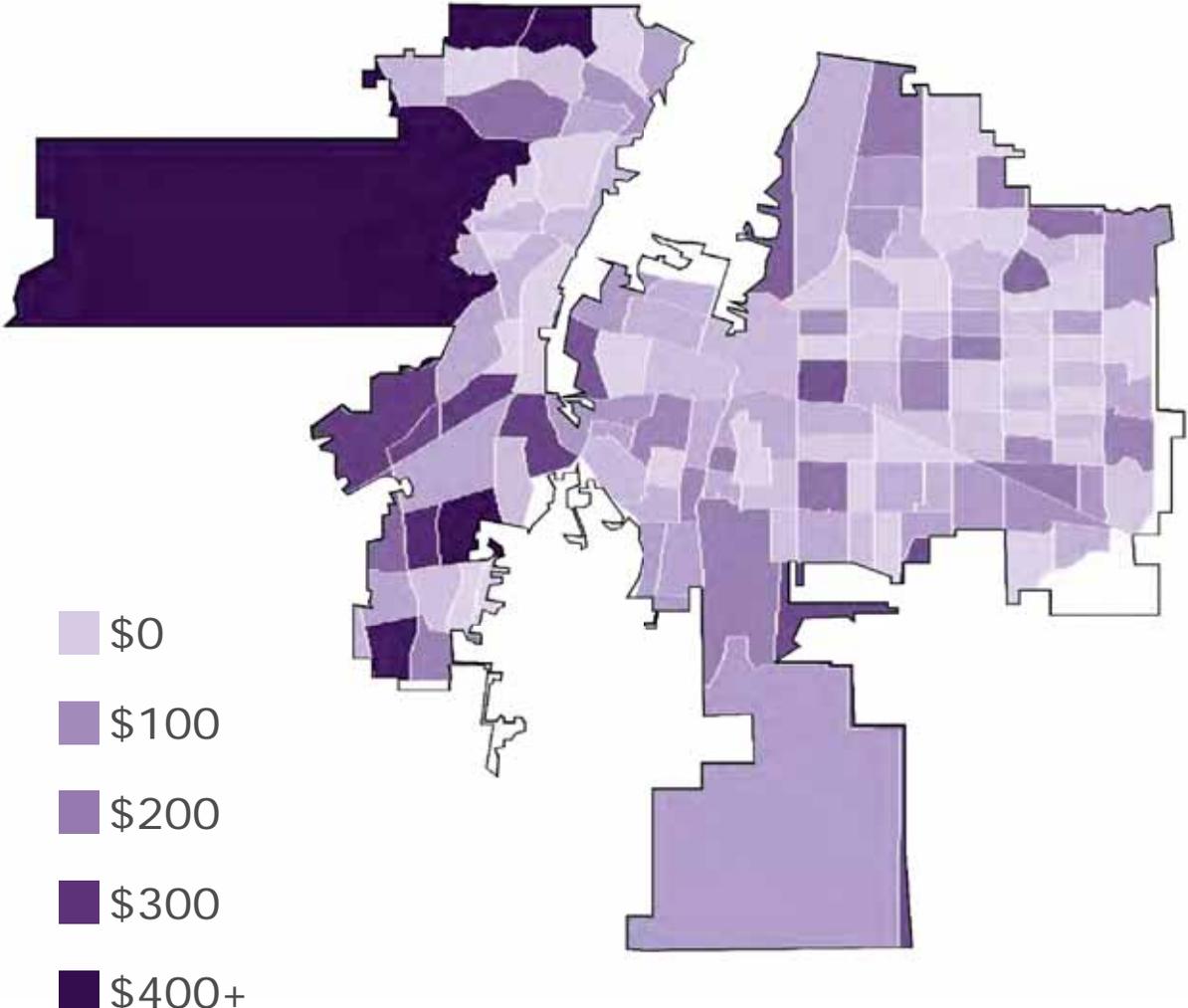
The national median is 12%

# Adapting Policy to Changing Conditions: Albuquerque

Change in HH Income 2000 - 2017

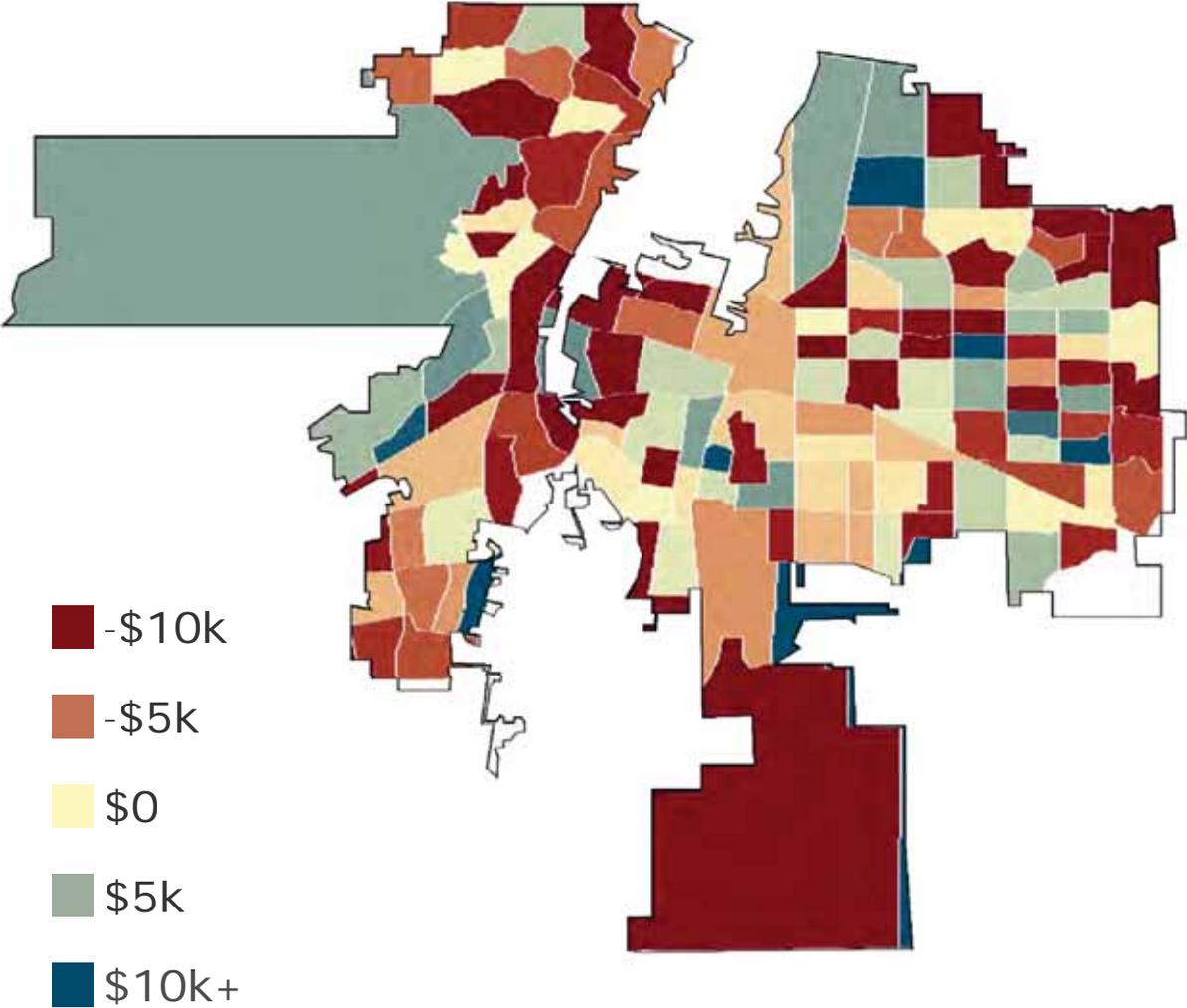


Change in Rent 2000 - 2017

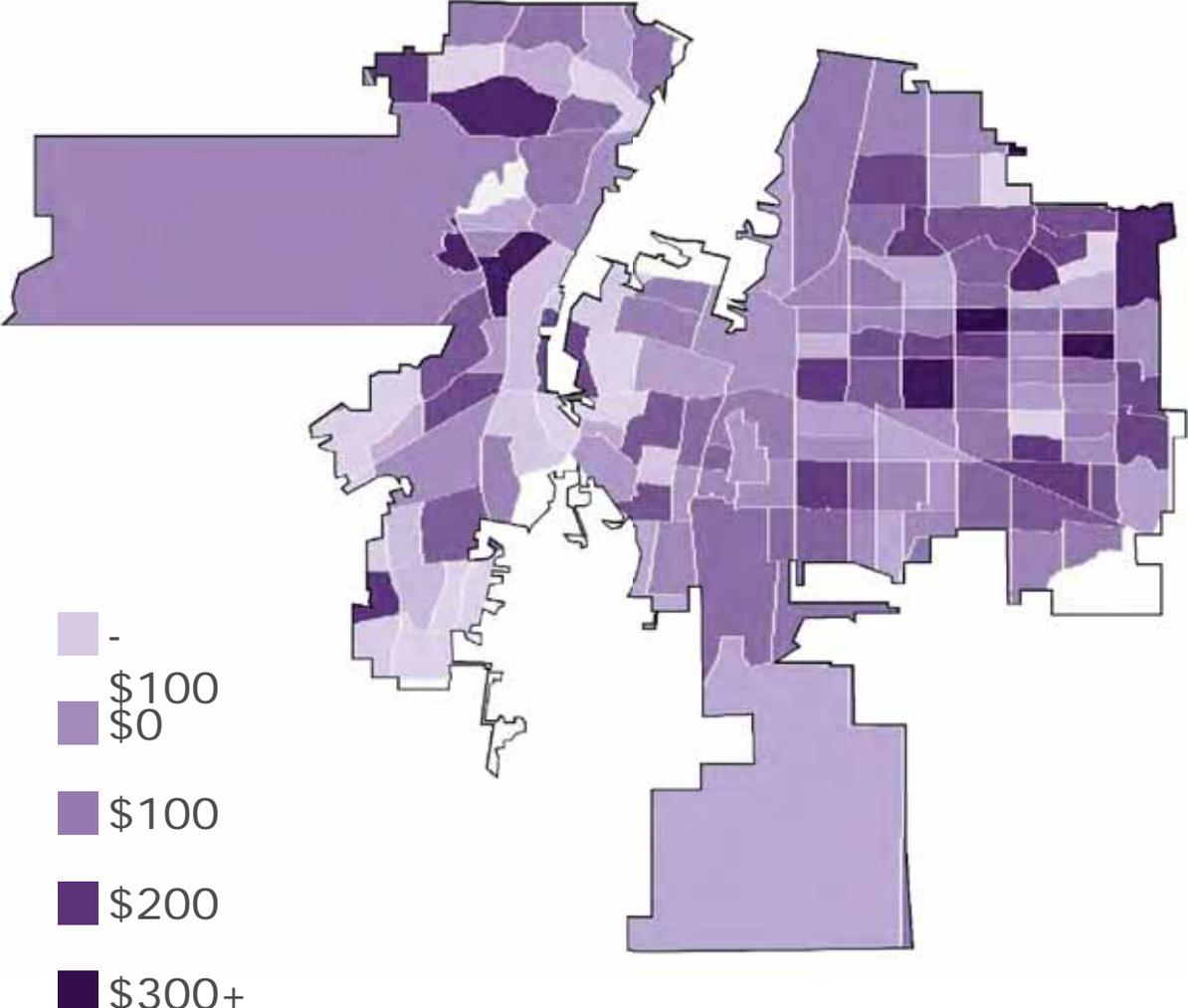


# Adapting Policy to Changing Conditions: Albuquerque

Change in HH Income 2010 - 2017

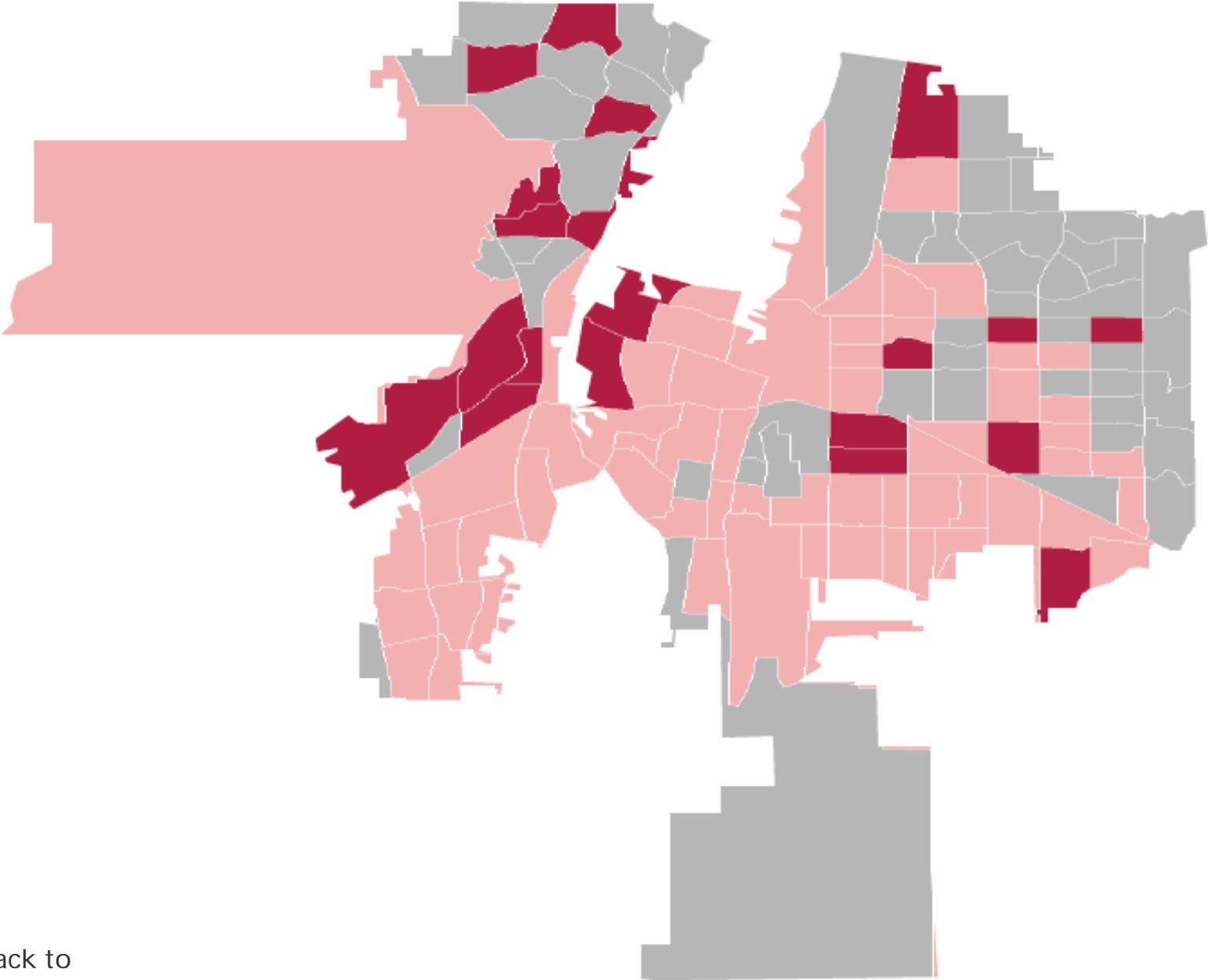


Change in Rent 2010 - 2017





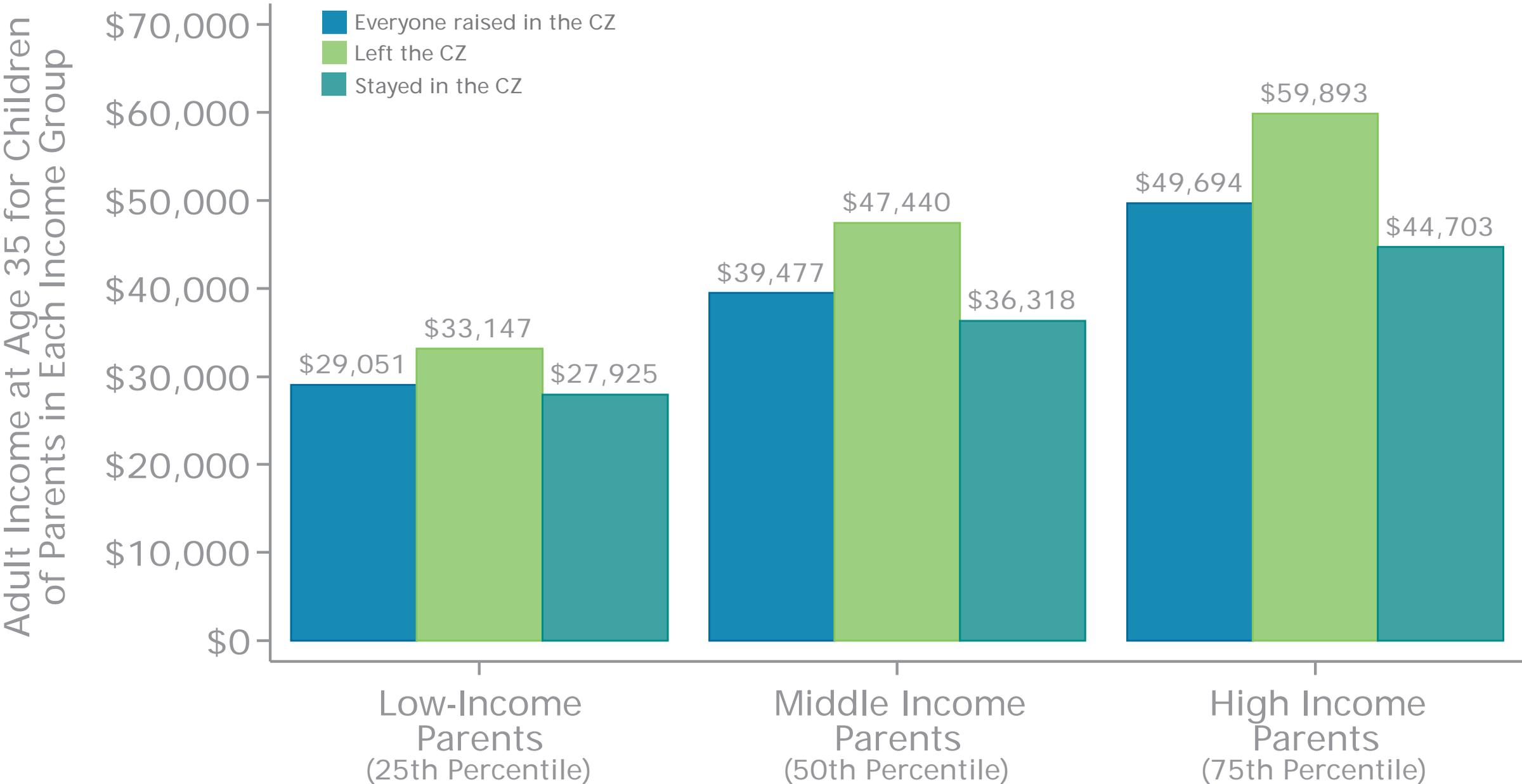
# Tracts Producing Below-Average Outcomes for Low-Income Children



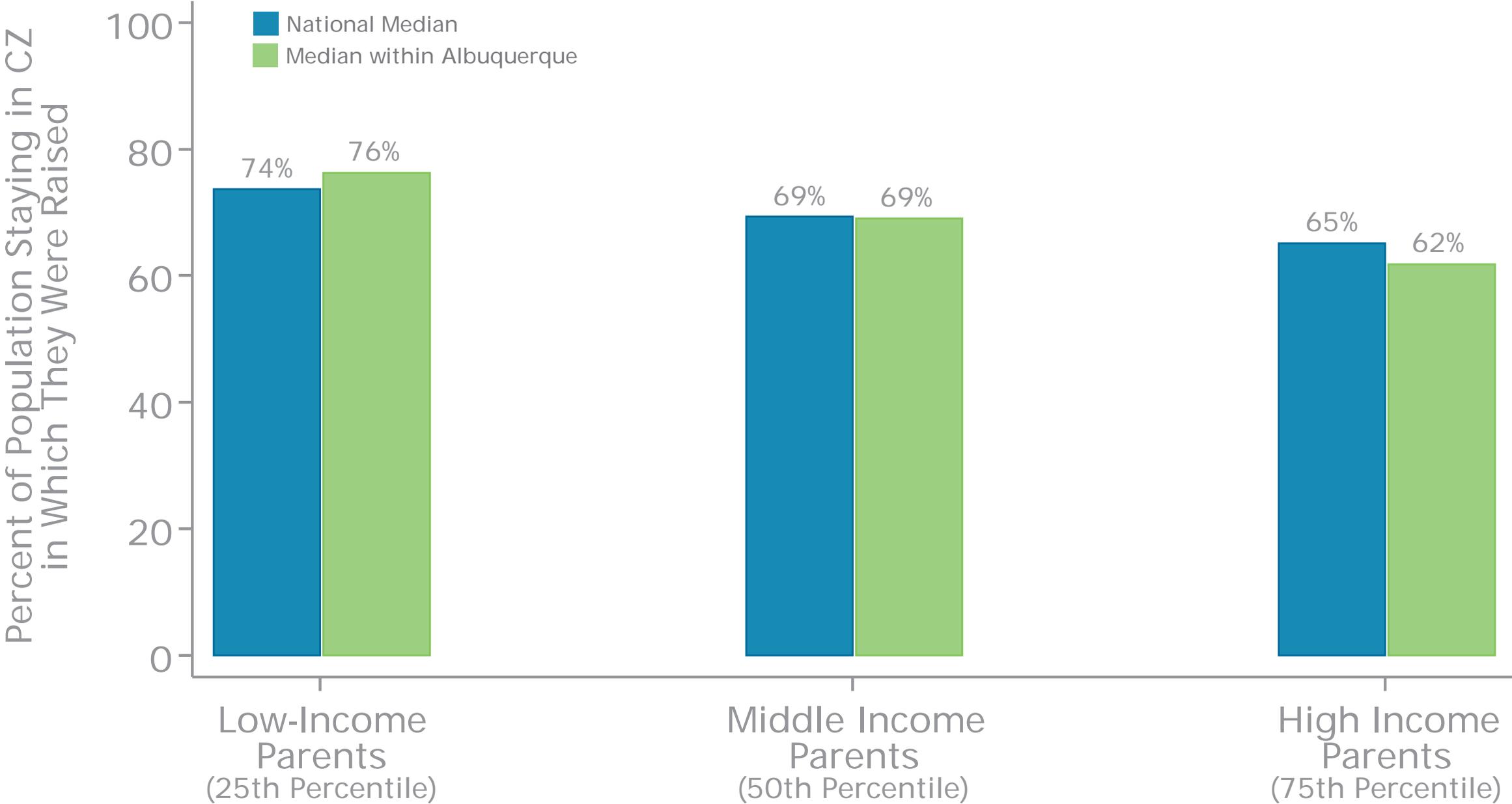
- Below-average Opportunity, Below-average Income
- Below-average Opportunity, Above-average Income

 Back to Presentation

# 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 ALBO 1990	All ALBO 2000	All ALBO 2010	All ALBO 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%

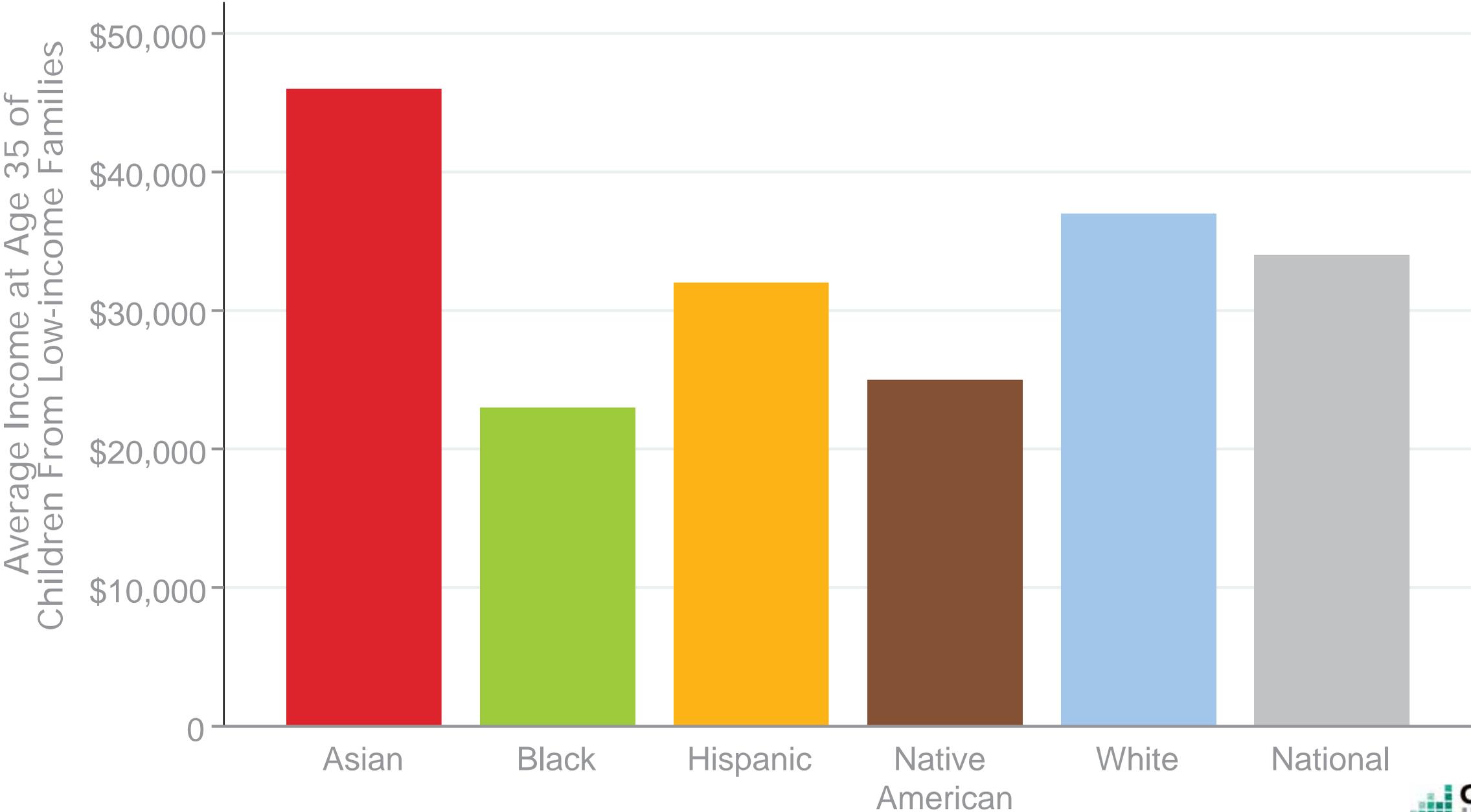
\*of current residents

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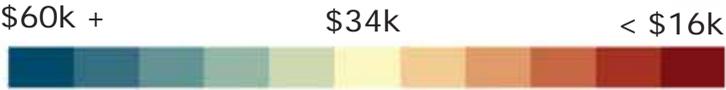
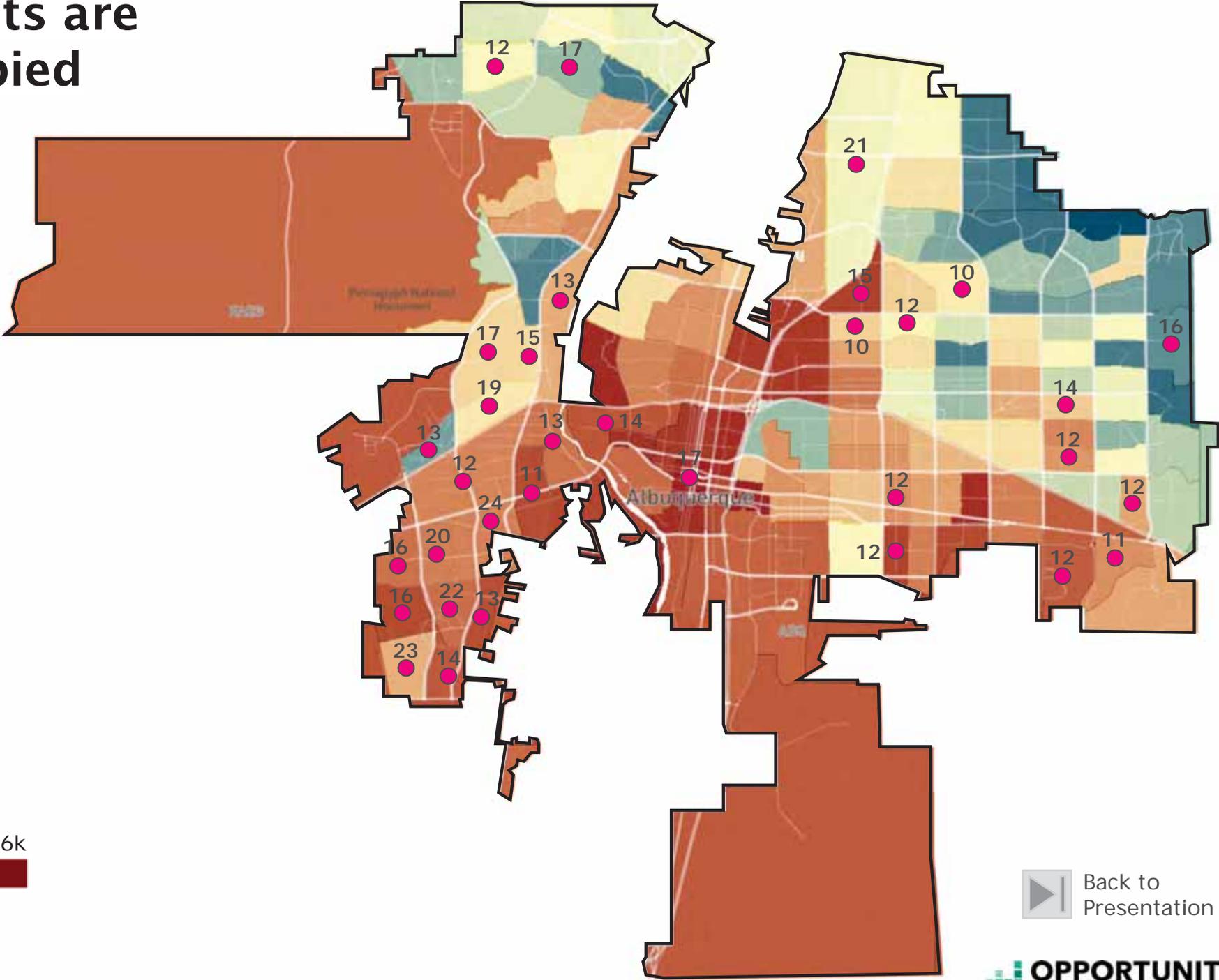


# National Racial Disparities

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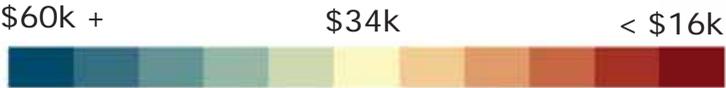
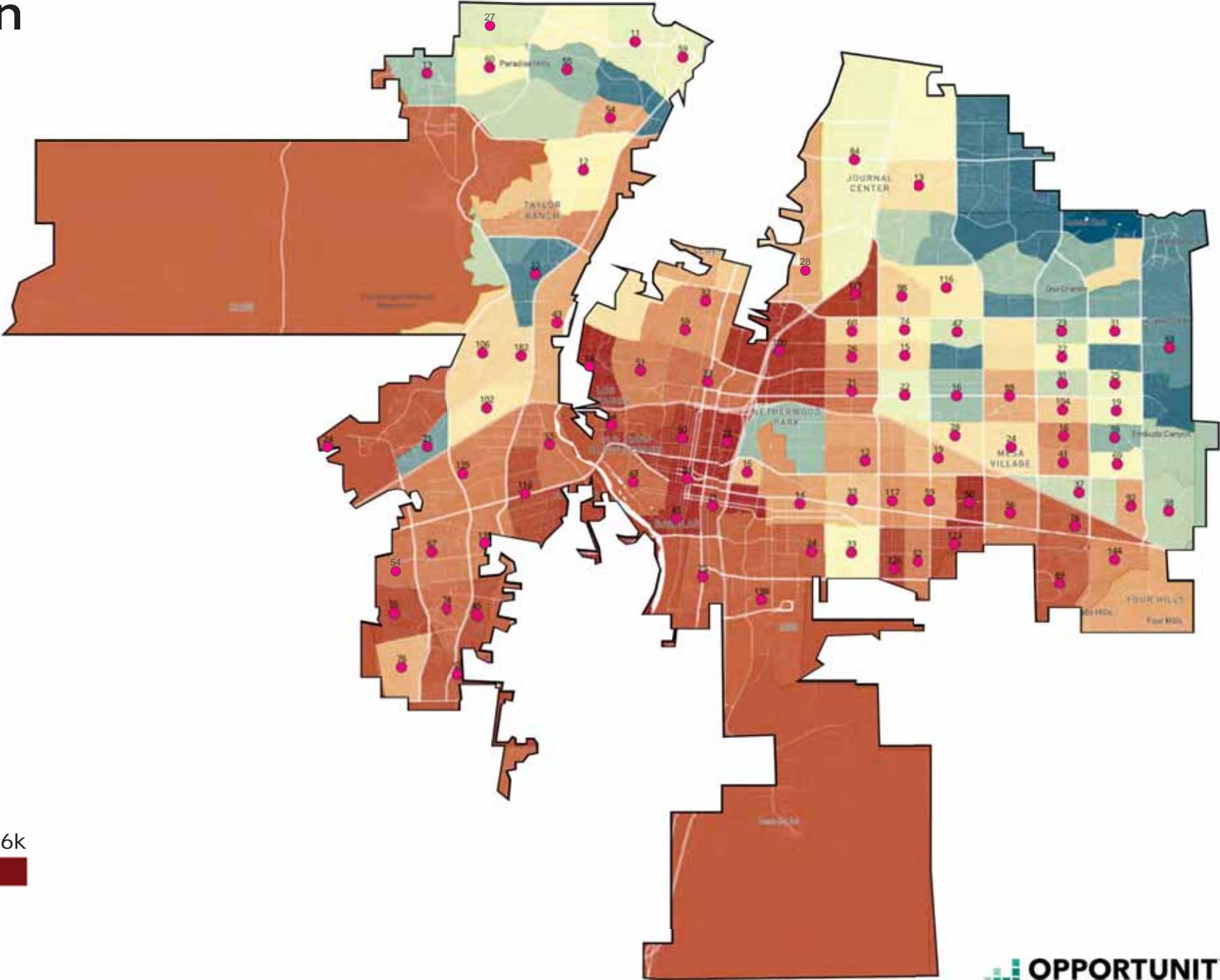


# Where HCV-Occupied Units are >10% of All Renter-Occupied Housing Units: Percents



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# All HCV-Occupied Units in Albuquerque

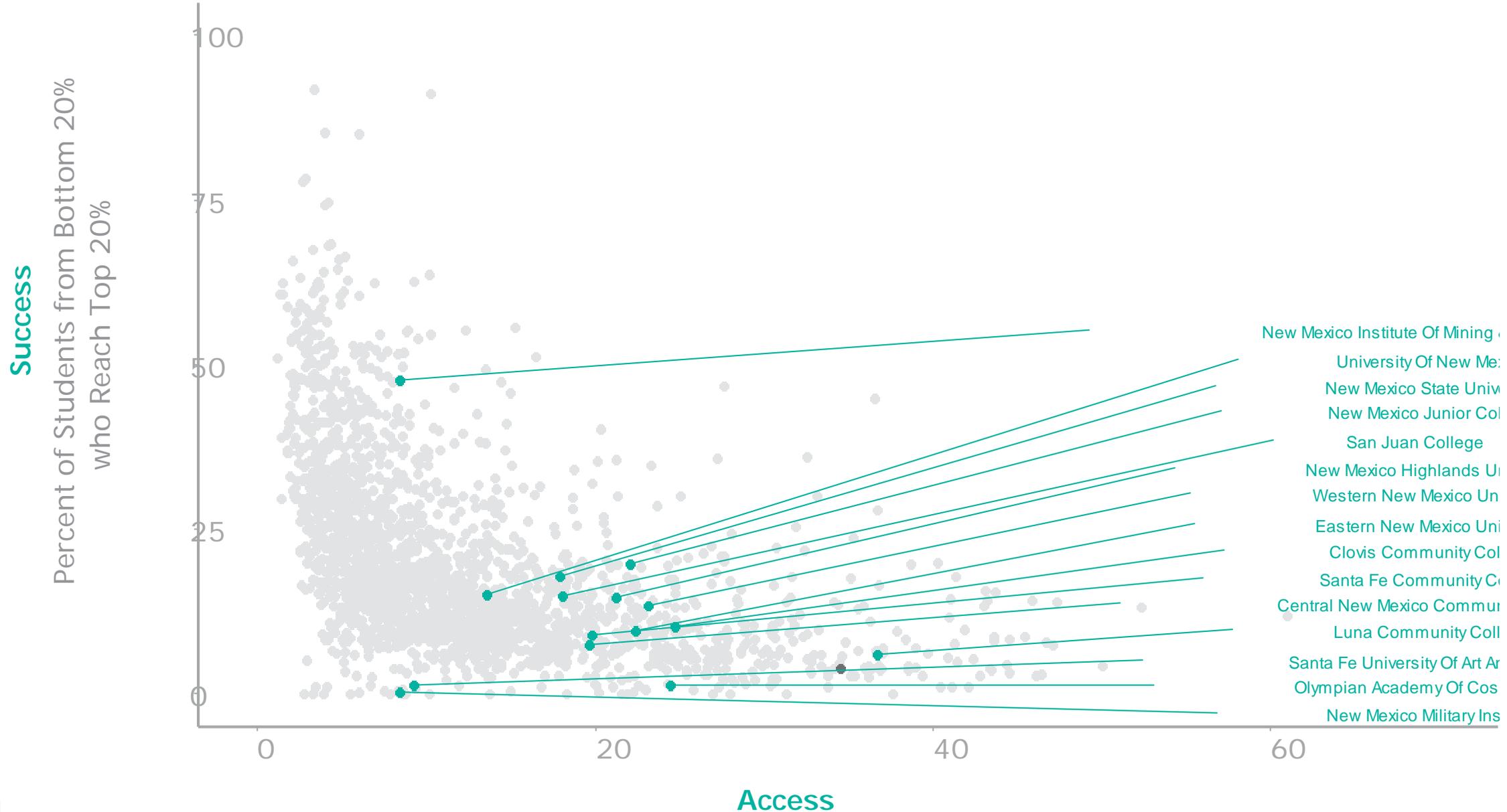


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Subgroup Scaling, Low-Income, All Races | Census Tracts

# All Area Institutions Have Lower Access Rates Compared to the Nation

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



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Percent of Students from Families in Bottom 20%

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

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

