



# Predicting Gentrification Using Machine Learning

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## Neighborhood Characteristics Before Gentrification

- Older Housing Stock
- Long-time Residents
- High Racial Diversity
- Low Income
- High Percent of Rentals
- Use of Public Transportation



## Gentrification In Progress

- Investment Comes Into Neighborhood
  - New Housing
  - New Upscale Businesses
  - Investment in new public transportation (i.e. Light Rail Systems)
- Area Becomes More Desirable To Higher Income Buyers
- Rents Increase – Low Income Residents Get Displaced



Capture What's Happening in Neighborhood via 6 Socio-Economic Indicators (X1-X6)

We take a snapshot of the data in Year 2000 and again 10 years later to compute the % Change in each factor.

#### X Features (Timeframe 2000>2010)

- X1 - Percent Change in Rental Price
- X2 - Percent Change in Caucasian Resident
- X3 - Percent Change in Median Income
- X4 – Percent Change in Use of Public Transportation
- X5 – Present Change in Education Level

#### Additional Features Under Consideration

- X6 - Percent Change in Median Home Price



## Sample X Features from Dataframe

|       | Average Education Index 2000 | Average Education Index 2014 | Index Change | Median Cost for House 2000 | Median Cost for House 2014 | Change in Cost for House | Median Income 2000 | Median Income 2014 | Income Change | Median Rent 2000 | ... | Take Public Transp % in 2000 | Take Public Transp % in 2014 |
|-------|------------------------------|------------------------------|--------------|----------------------------|----------------------------|--------------------------|--------------------|--------------------|---------------|------------------|-----|------------------------------|------------------------------|
| zip   |                              |                              |              |                            |                            |                          |                    |                    |               |                  |     |                              |                              |
| 94305 | 17.76                        | 17.69                        | -0.07        | 3089.0                     | 4001.0                     | 912.0                    | 41313.0            | 51976.0            | 10663.0       | 843.0            | ... | 0.020                        | 0.034                        |
| 94708 | 17.01                        | 17.12                        | 0.11         | 2407.0                     | 3410.0                     | 1003.0                   | 103791.0           | 145610.0           | 41819.0       | 1527.0           | ... | 0.131                        | 0.157                        |
| 94304 | 17.00                        | 17.02                        | 0.02         | 3250.0                     | 4001.0                     | 751.0                    | 77539.0            | 101932.0           | 24393.0       | 1948.0           | ... | 0.032                        | 0.046                        |
| 94707 | 16.83                        | 17.15                        | 0.32         | 2190.0                     | 3201.0                     | 1011.0                   | 100590.0           | 136331.0           | 35741.0       | 1076.0           | ... | 0.142                        | 0.203                        |
| 94709 | 16.61                        | 16.83                        | 0.22         | 1989.0                     | 2485.0                     | 496.0                    | 38613.0            | 59150.0            | 20537.0       | 807.0            | ... | 0.193                        | 0.189                        |

5 rows × 22 columns



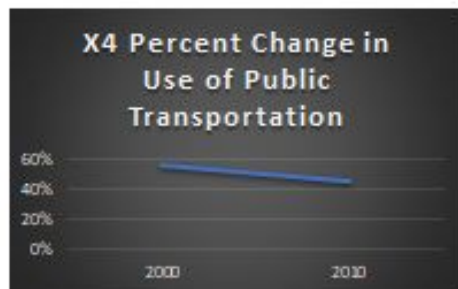
# Gentrified Neighborhoods Follow Patterns

X Features (Timeframe 2000>2010)

- X1 - Percent Change in Rental Price
- X2 - Percent Change in Caucasian Resident
- X3 - Percent Change in Median Income
- X4 – Percent Change in Use of Public Transportation
- X5 – Present Change in Education Level

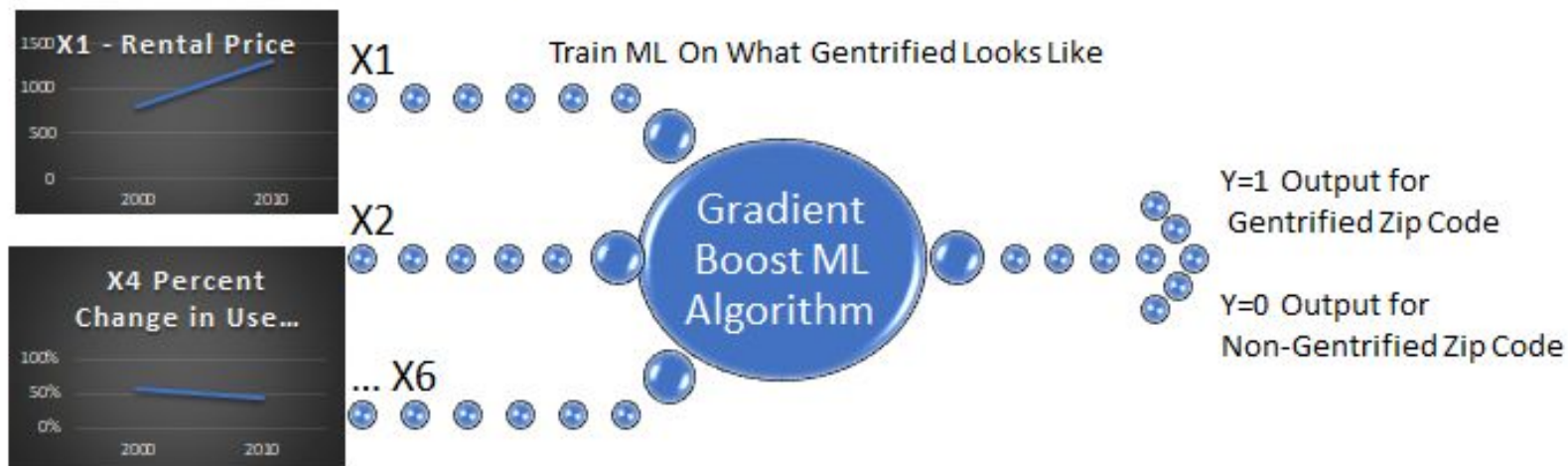
Additional Features Under Consideration

- X6 - Percent Change in Median Home Price ures (Timeframe 2000>2010)



# Training the Model

Feed Percent Change Into Machine Learning (ML) Model



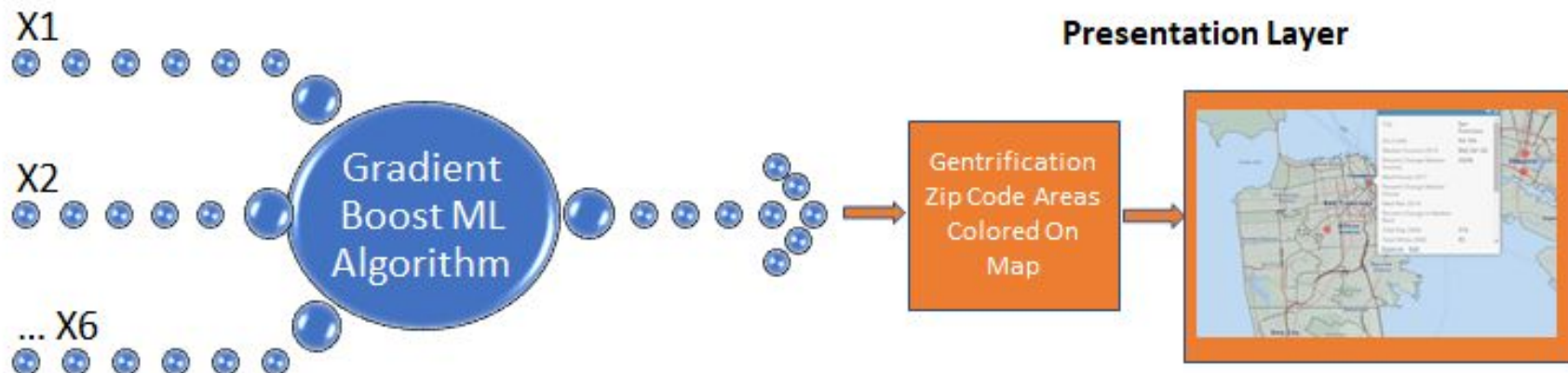
# ML identifies Gentrification via patterns in Data

- Can Machine Learning provide early notice of Gentrification?
- Would early warning enable Policy Makers to minimize Displacement while still enabling neighborhood revitalization?





# Gentrification By Zip Code Sent To Map

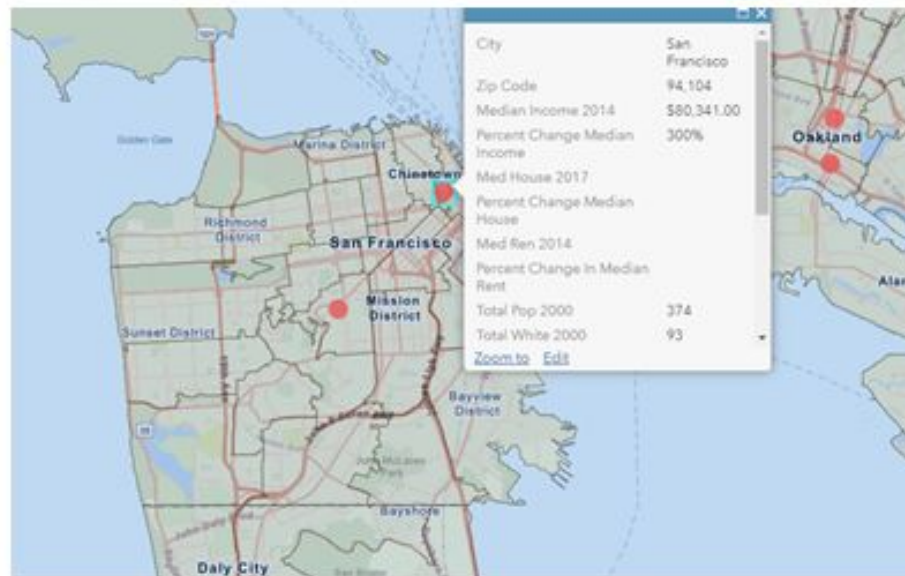


# Prototype Visualization Layer



- Color Legend
  - Red Circle Markers – Neighborhoods Predicted for Gentrifying Y=1
  - All Other Neighborhoods Y=0
- Technology/Tools To Be Used For Dashboard
  - Prototype built using ArcGIS
  - Data was imported manually via CSV file marking Gentrified Zip Codes
  - Final Version will be fed from ML Output file directly into ArcGIS API using Python.
  - Alternative Tools are Tableau.

# Prototype Visualization Layer



- Interactive User Element
  - Popup boxes for Gentrified Neighborhoods showing X1-X6 Features