# Crime, Poverty, and Median Home Values

We hypothesize that a decrease in the violent crime rate correlates with reductions in the poverty rate and a simultaneous increase in median home prices. The target confidence level is 95% or a p-value of 0.05. We hypothesize that the p-value of these statistics in Oak Park, zip codes 95817 and 95820, is statistically different from Sacramento County. The data consists of the crime rate, poverty rate, and median home prices for Sacramento County. Based on the observed versus the expected values, we can calculate the p-value. If the p-value is less than 0.05, we will accept the hypothesis. This analysis matters as police forces could use it to understand better where to assign resources.

#### Questions

- 1. What are the overall crime trends in Sacramento County and Oak Park in particular?
- 2. What are the crime rates for Oak Park for 2014-2018?
- 3. How would a heat map of the crime rate for each zip code in Sacramento County appear?
- 4. How would a heat map of the poverty rate for each zip code in Sacramento County appear?
- 5. What are the overall personal crimes for Sacramento county for 2014-2018?
- 6. Is there a correlation between the poverty rate and the crime rate?
- 7. Is there a correlation between median home prices and the crime rate?

## Data Sources and Data Cleaning

Our first data source is <a href="http://www.ciclt.net/sn/clt/capitolimpact/gw\_ziplist.aspx?FIPS=06067">http://www.ciclt.net/sn/clt/capitolimpact/gw\_ziplist.aspx?FIPS=06067</a>. This website contains a simple web page that lists the zip codes in Sacramento County. By manually creating a CSV file, it eliminated the need for data cleaning.

Our second data source was the Census API. The Census was more problematic. The Census required two different types of API calls:

- One through the request/JSON path; we needed this difference because the API changed for the acs5 path
- One through the Census.acs5 path

The Census data needed the following cleaning steps:

- dropna
- Drop housing prices that are outside of a normal range
- Drop zip codes that had incomplete data

Our third data set is <a href="https://data.saccounty.net/datasets/9a7f2df25a584ff9b55db274704ad7c9\_0/geoservice">https://data.saccounty.net/datasets/9a7f2df25a584ff9b55db274704ad7c9\_0/geoservice</a>. This site provided a CSV file with all of the reported crimes from 2003-2019. We only used a subset of this data, 2014-2018, as this is the latest five-year period we could get from the Census data. This data was pretty raw and needed a lot of cleaning. The steps involved included:

- Removing bad zip codes, including empty zip codes, zip codes that were a single space, truncated zip codes, and null zip codes
- Renaming columns
- Creating a Year Column by parsing out the year from the time stamp
- Filtering to just 2014-2018
- Creating a "PC" column that only contained the Penal Code Violation number as a float
  - o This process involved running many regular expressions over the column to eliminate non-PC violations

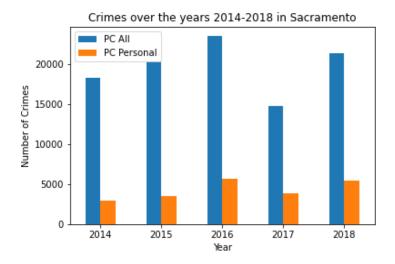
Our fourth data set was the Google Maps API. Google Maps only needed cleaning through try/except blocks.

## **Question Analysis**

Our analysis begins with this question:

1. What are the overall crimes and personal crimes for Sacramento county for 2014-2018?

To answer this question, we look at the following graph, which shows the total crime and crimes against the person (rapes, murders, etc.) for Sacramento over 2014-2018.

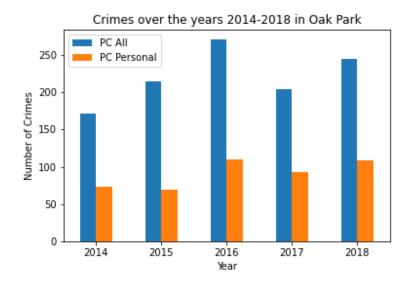


The diagram above shows that crime is overall flat in Sacramento County.

The next question is:

2. What are the Oak Park crimes and crimes against the person for 2014-2018?

The following graph shows what is happening in Oak Park over 2014-2018.

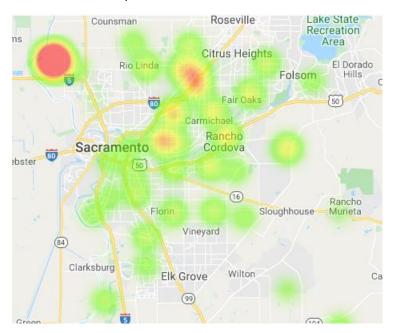


The diagram above shows that crime is overall flat in Oak Park as well.

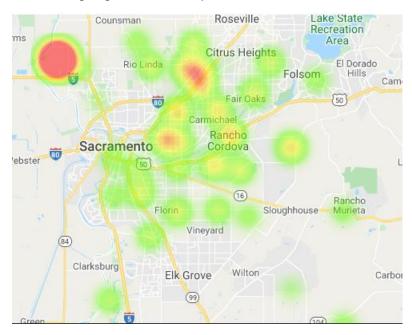
3. How would a heat map of the crime for each zip code in Sacramento County appear?

The thought is, what does crime look like over Sacramento when looking at a heat map. Are there any hot spots? Did crime change significantly between 2014 and 2018? The following diagrams show us this.

The first is a heat map of crimes in 2014.



The following diagram is a heat map of crimes in 2018.



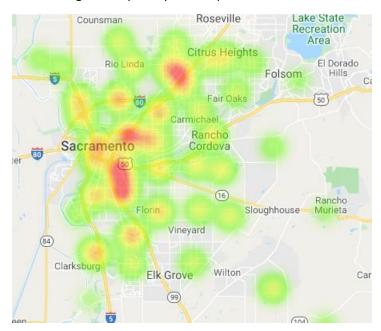
These two heat maps show us two things:

- Crime did not change overall across the County from 2014-2018
- There seems to be a huge hot spot in one of the zip codes when it comes to crime

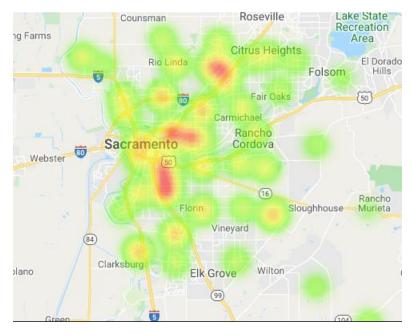
4. How would a heat map of the poverty rate for each zip code in Sacramento County appear?

If heat maps for crime have not changed, can we say the same for poverty?

The first diagram is a poverty heat map for 2014.



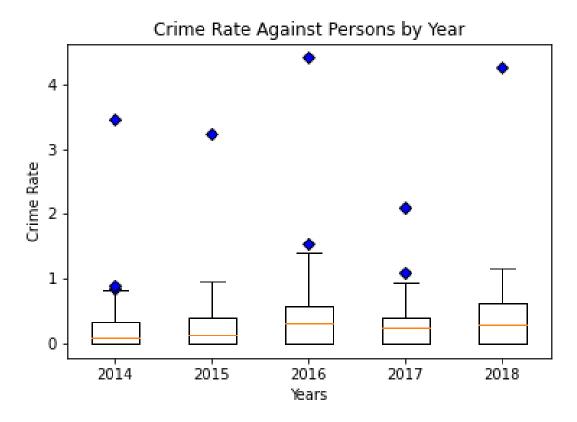
The following diagram is a heat map of poverty in 2018.



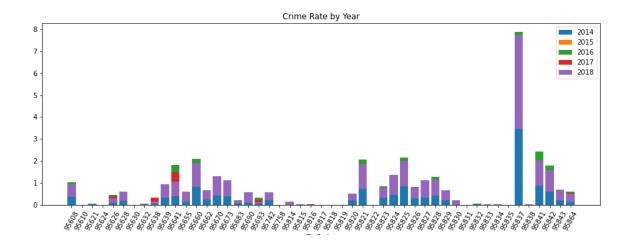
So, these heat maps show that poverty also has not changed significantly over this period.

5. What are the overall personal crimes for Sacramento county for 2014-2018?

The next step in the analysis is to look for outliers over the years. We show this with a box plot below.



The box plot shows us there is at least one significant outlier each year. We need to dive down a little further by using a bar plot across all Sacramento County zip codes to see the outlier. The bar graph below illustrates this.

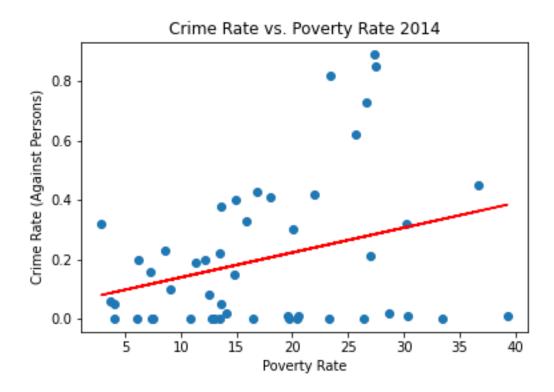


The bar graph above clearly illustrates we have an outlier, zip code 95837. The zip code is removed from further analysis as it will throw off subsequent calculations.

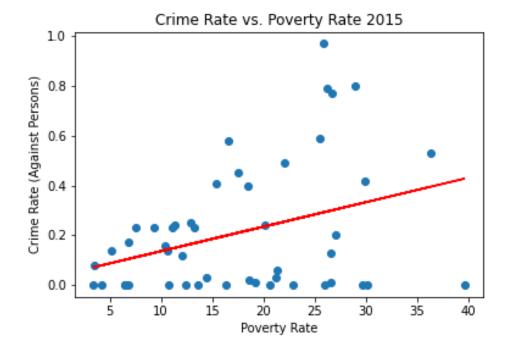
#### The next question is:

6. Is there a correlation between the poverty rate and the crime rate?

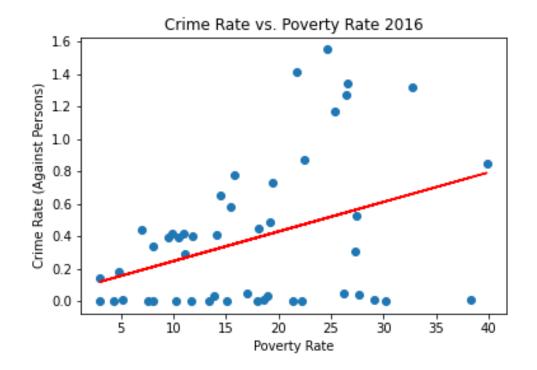
Using the data without the crime rate outlier, we create scatter plots for Poverty Rate versus Crime Rate for 2014-2018. All of the graphs are shown below with their p-value and  $r^{**2}$  value. We provide further analysis after the charts. The expectation is that as the poverty rate goes up, the crime rate goes up.



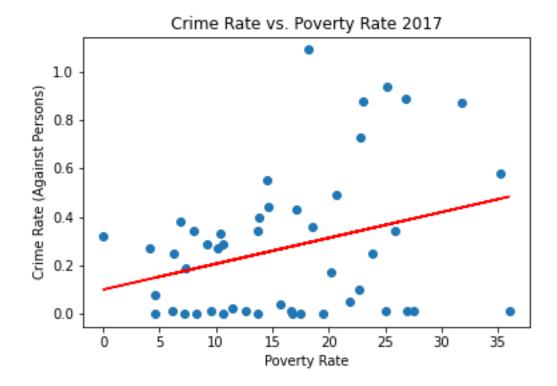
p-value = 0.03



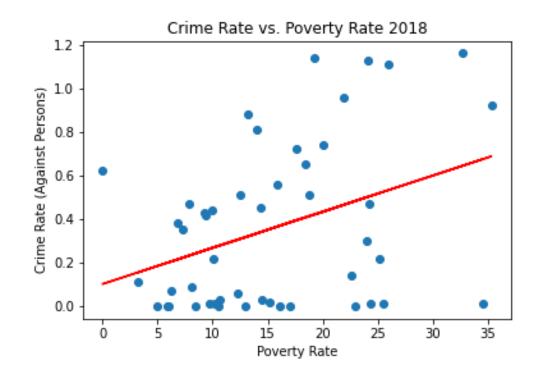
r\*\*2 value = 0.12



p-value = 0.01



r\*\*2 value = 0.09

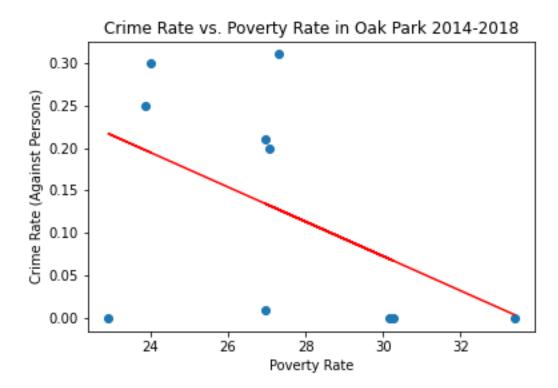


p-value = 0.01

#### r\*\*2 value = 0.13

Note: the average p-value is 0.02 and, the average r\*\*2 value is 0.12. Given these values and the diagrams' linear regression, we can see that, in general, as the poverty rate goes up, crime rate also goes up.

Now, we want to examine what happens specifically in Oak Park. The diagram below illustrates the Crime Rate versus Poverty Rate over 2014-2017 in Oak Park.



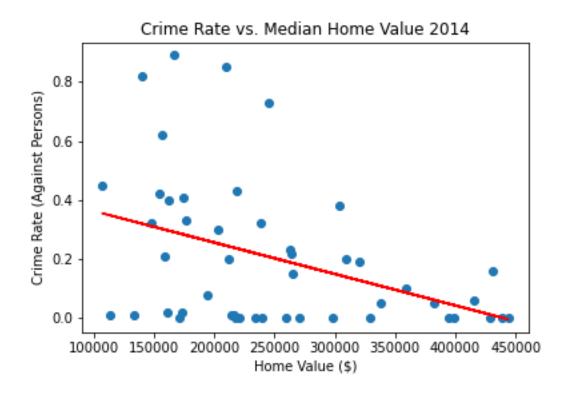
p-value = 0.23

r\*\*2 value = 0.16

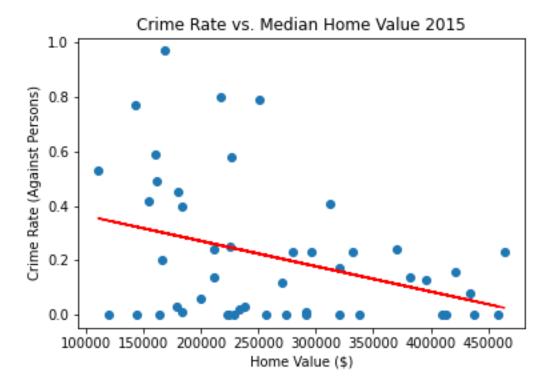
This diagram shows that Oak Park bucks the trend in Sacramento County as a whole. As the Crime Rate decreases, the Poverty Rate increases

7. What are the overall personal crimes versus home prices for Sacramento County for 2014-2028?

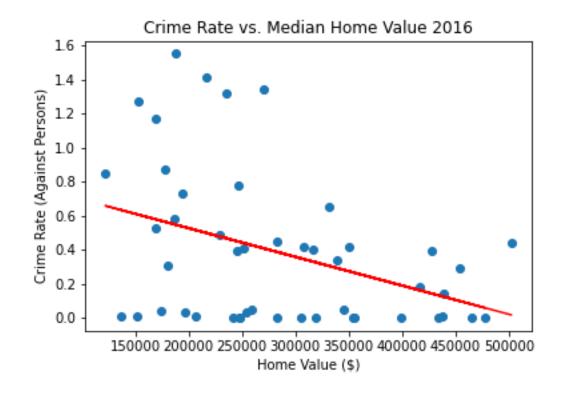
Using the data without the crime rate outlier, we create scatter plots for Median Home Value versus Crime Rate for 2014-2018. All of the graphs are shown below with their p-value and r\*\*2 value. We provide further analysis after the charts. The expectation is that as the Median Home Value goes up, the crime rate goes down.



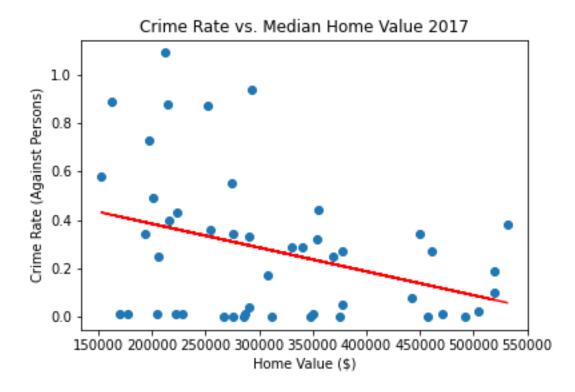
p-value = 0.00

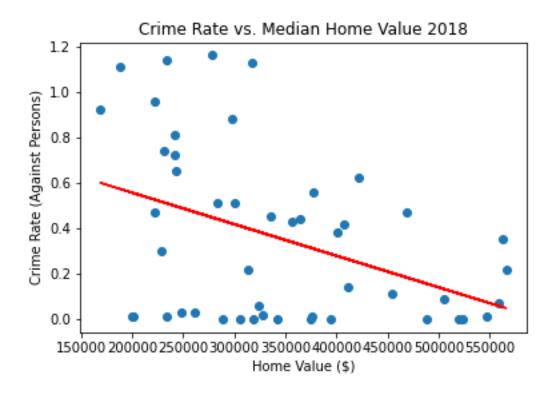


r\*\*2 value = 0.13



p-value = 0.01

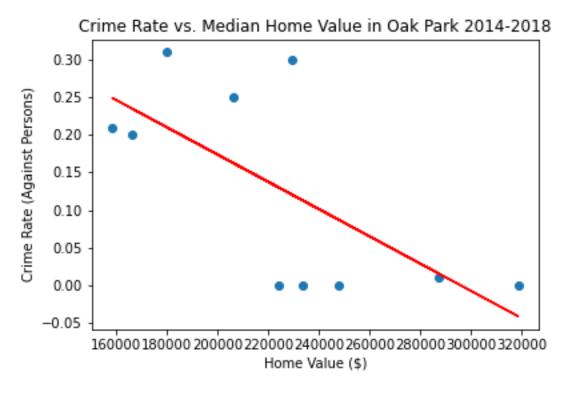




r\*\*2 value = 0.17

Note: the average p-value is 0.01 and the average  $r^{**2}$  value is 0.15. Given these values and the diagrams' linear regression, we can see that, in general, as Median Home Price goes up, crime rate goes down.

Now, we want to examine what happens specifically in Oak Park. The diagram below illustrates the Crime Rate versus Poverty Rate over 2014-2017 in Oak Park.



p-value = 0.03

r\*\*2 value = 0.46

The Oak Park diagram shows that Oak Park follows the overall trend of rising Median Home Values equating to lower crime rates.

## **Overall Analysis**

We had two main hypotheses:

- Rising Median Home Prices correlate with Lower Crime Rates
- Rising Poverty Rates correlate with Higher Crime Rates

The data for Sacramento County overall met these expectations. When we looked exclusively at Oak Park, results from the data were mixed. Oak Park had a decreasing Crime Rate as Median House Price went up, as expected. In contrast, Oak Park had a decreasing Crime Rate even as the Poverty Rate went up, which went against our expectations. More research into Oak Park is needed to understand this observation better.