

High-End Residential Housing Development Placement

San Jose, California

Jonny

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San Jose is conveniently located in the San Francisco Bay Area, and is a cultural, political, and technological hub of Silicon Valley

It is the tenth most populous city in the United States, with a wide variety of neighborhoods that house some of the wealthiest executives in Silicon Valley tech



Almaden Valley

Alum Rock-East Foothills

Berryessa

Blossom Valley

Cambrian Park

Downtown

East San Jose

Edenvale - Seven Trees

Evergreen

Fairgrounds

North San Jose

North Valley

Rose Garden

Santa Teresa

West San Jose

Willow Glen

Neighborhoods in San Jose

San Jose consists of many neighborhoods, but for the purposes of this project, we will analyze these 15 main regions of San Jose

We will be looking at the top 5% mean household incomes, mean housing valuation, and a created 'venue diversity' metric, as a way of finding the optimal neighborhood

Residential Development

The aim of this project is to aid a high-end residential real estate developer in finding the ideal location for a luxury living community

The statistics were chosen in order to identify areas where citizens have higher than average incomes, but live in lower than average valued housing. The reason for this is so that a developer could provide a luxury living alternative that it is assumed they could afford

The diversity score will look at the diversity of venues surrounding the venue, which we believe is a meaningful statistic given the diverse range of people that San Jose is both home to and attracts

Diversity Score

The venue diversity score uses the Foursquare API and gives a value that is representative of the unique venues in the immediate surrounding area of a given neighborhood. The highest value would be 100, and the lowest value could theoretically be as low as 1.

Data Sources

Data for the house-hold incomes by neighborhood : StatisticalAtlas

2. Data for the median housing prices by neighborhood by neighborhood: Zillow
3. Venue data based on location of each neighborhood: Foursquare

Methodology

1. Gather all necessary data and load into dataframes
2. Sort the data and take only wanted statistics, namely, the current housing valuation, top 5% household income, diversity score and name for each neighborhood
3. Combine the created dataframes and narrow down the neighborhoods in order to find the optimal neighborhood(s) for development

Narrowing Process

Starting with all 16 neighborhoods, we narrowed them down on the basis of above average income and below average housing prices. This left four possible neighborhoods.

Neighborhood	Mean Top 5% Household Income	(Housing Price,)	Diversity Score
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0	Almaden Valley	598.5	1431400	37
1	Alum Rock-East Foothills	292.9	783400	24
2	Berryessa	346.3	1110600	48
3	Blossom Valley	364.8	923200	60
4	Cambrian Park	478.5	1198700	60
5	Downtown	361.6	858000	59
6	East San Jose	285.9	719800	52
7	Edenvale - Seven Trees	260.9	749700	58
8	Evergreen	448.2	1036100	48
9	Fairgrounds	297.4	735900	60
10	North San Jose	326.4	949400	62
11	North Valley	332.1	924700	37
12	Rose Garden	508.2	1153300	64
13	Santa Teresa	375.8	888700	59
14	West San Jose	446.7	1444100	66
15	Willow Glen	629.1	1234900	53

Neighborhood	Mean Top 5% Household Income	(Housing Price,)	Diversity Score
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3	Blossom Valley	364.8	923200	60
5	Downtown	361.6	858000	59
8	Evergreen	448.2	1036100	48
13	Santa Teresa	375.8	888700	59

Final Four

With the final four, using some Subject Matter Expertise regarding the city, downtown and Blossom Valley were removed because of the infeasibility of buying vacant land in order to develop on.

This left two final contenders.

Conclusion

After narrowing to the final two neighborhoods, by taking into account the diversity score metric, as well as noting the differences in incomes and housing price, the most ideal neighborhood to develop in is Santa Teresa.