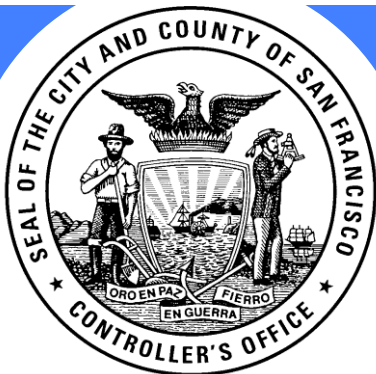


Status of the Re-Opening of the San Francisco Economy: April 2022



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
Office of Economic Analysis

April 28, 2022

Highlights of the April Report

2

- As San Francisco's COVID-19 restrictions are lifted, the San Francisco Controller's Office has been tracking the pace of the city's recovery with monthly reports on a variety of economic indicators.
- Many local economic indicators reached pandemic-era highs in March, as the city continues its slow recovery. Industry employment and employed residents both reached levels not seen since early 2020, and the unemployment rate is nearing pre-pandemic levels.
- Office attendance improved in April, with San Francisco now on par with New York and above San Jose, though still at only 35% of 2019 attendance levels.
- Elevated office vacancy remains an issue, as Q1 data shows only a mild improvement, with little movement on asking rents.
- In housing, condo and single-family home prices in San Francisco have begun to grow at rates approaching the state-wide average, for the first time since the pandemic began. However, apartment rents remain relatively flat, and still 15% below pre-pandemic levels.

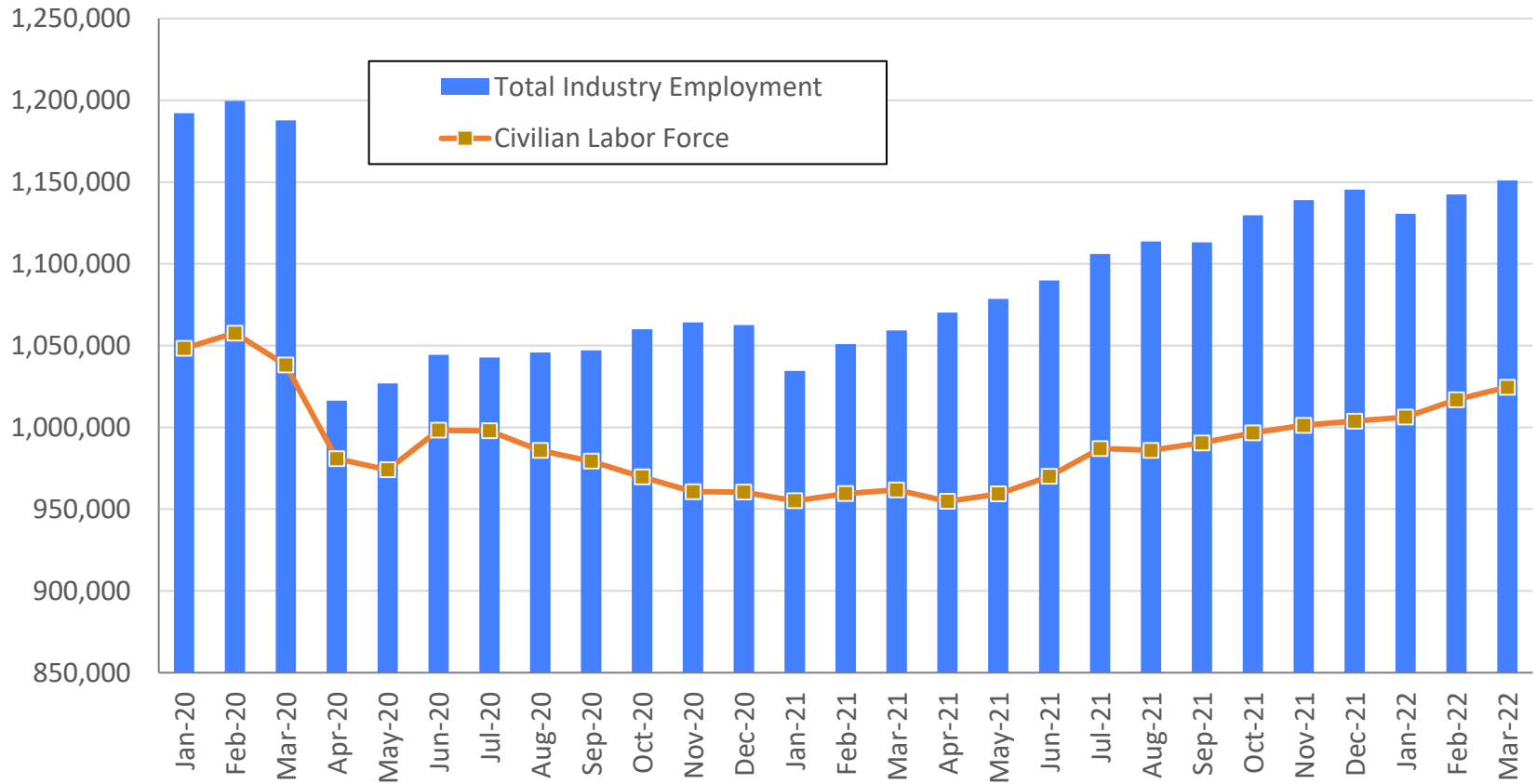
List of Economic Indicators

3

1. Industry Employment and Civilian Labor Force
2. Employment Change by Industry Sector
3. Unemployment Rate and Employed Residents in San Francisco
4. Time Spent Outside of the Home
5. Time Spent at Workplace
6. Office Attendance
7. Office Vacancy
8. Small Business Sentiment: Expected Recovery Index
9. New Business Registration, Selected Sectors
10. Hotel Occupancy Rate and Average Daily Rate
11. Hotel Revenue Available per Room Night: Selected Cities Comparison
12. Domestic Enplanements: Selected Cities Comparison
13. International Enplanements: Selected Cities Comparison
14. Bay Bridge and Golden Gate Bridge Traffic
15. BART Exits at Downtown SF Stations
16. System-wide BART Ridership
17. Average Asking Rents for Apartments
18. Single Family Home and Condo Prices
19. Building Permits for Housing

Employment and Labor Force Highest Since 2020

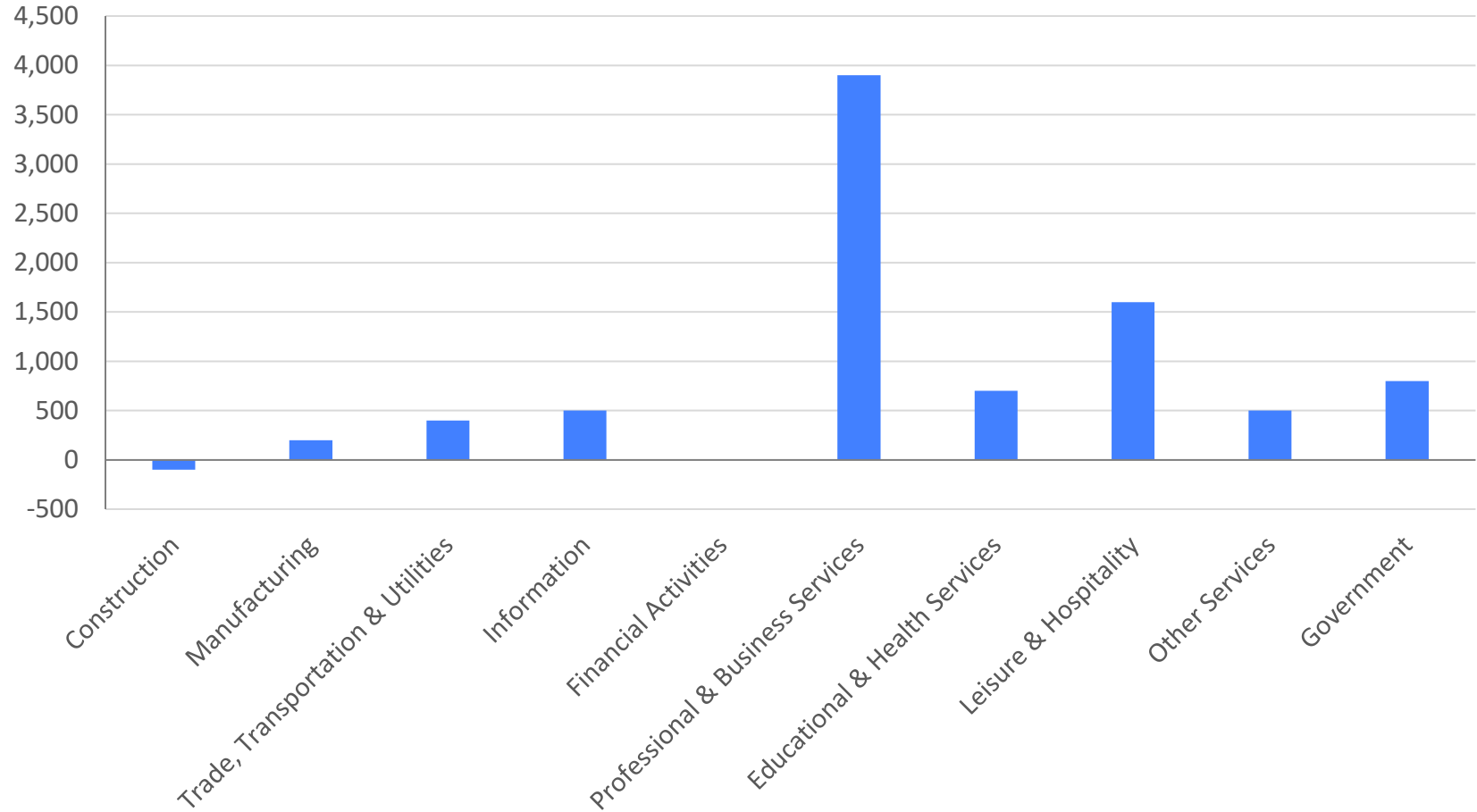
Total Industry Employment and Civilian Labor Force, San Francisco Metropolitan Division, January 2020-March 2022



Professional & Business Services Led Job Growth in March

5

Employment Growth by Industry Sector,
San Francisco Metro Division, February-March 2022

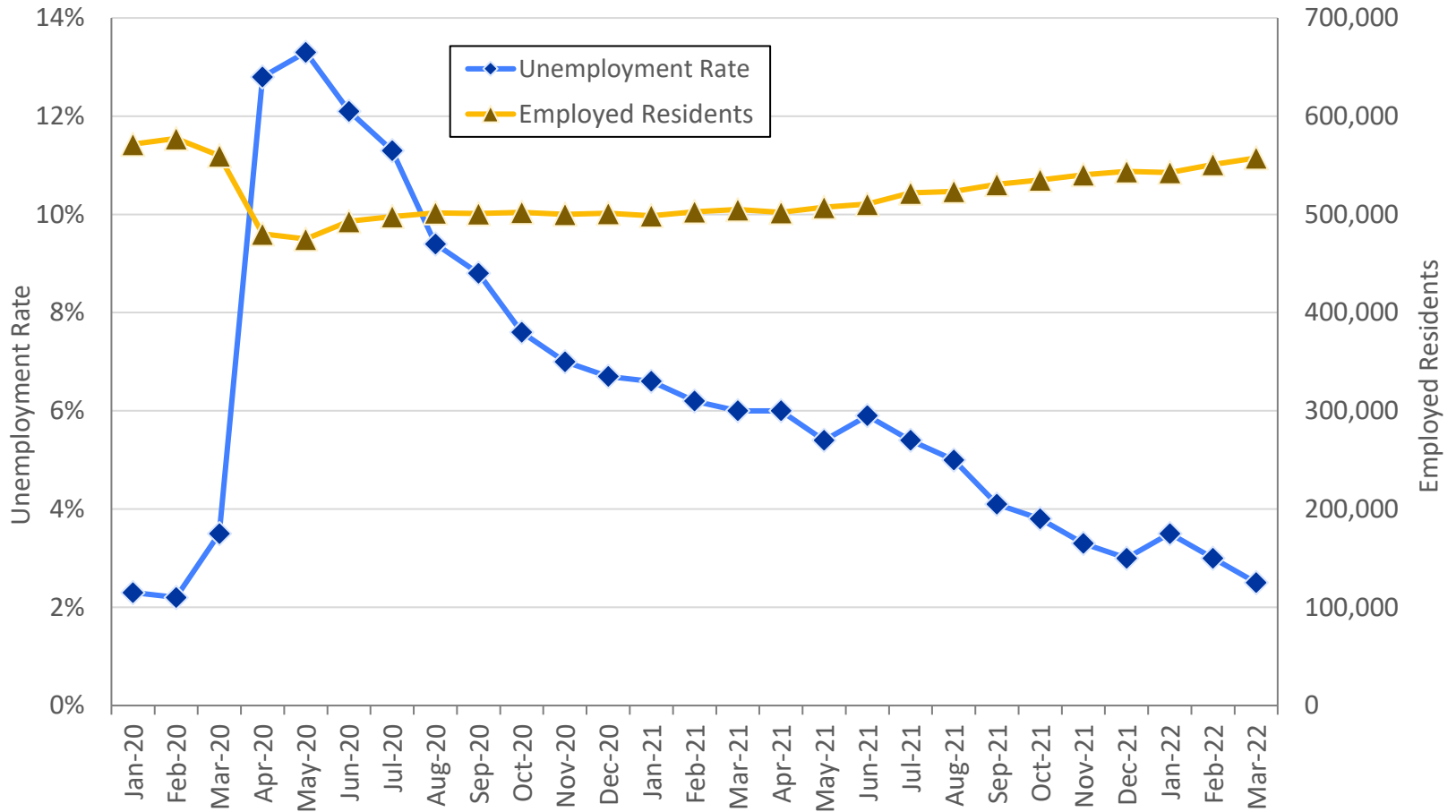


Source: EDD

Jobless Rate Fell to 2.5%; Still 20k Fewer Employed Residents

6

Unemployment Rate and Employed Residents, San Francisco, Through March 2022

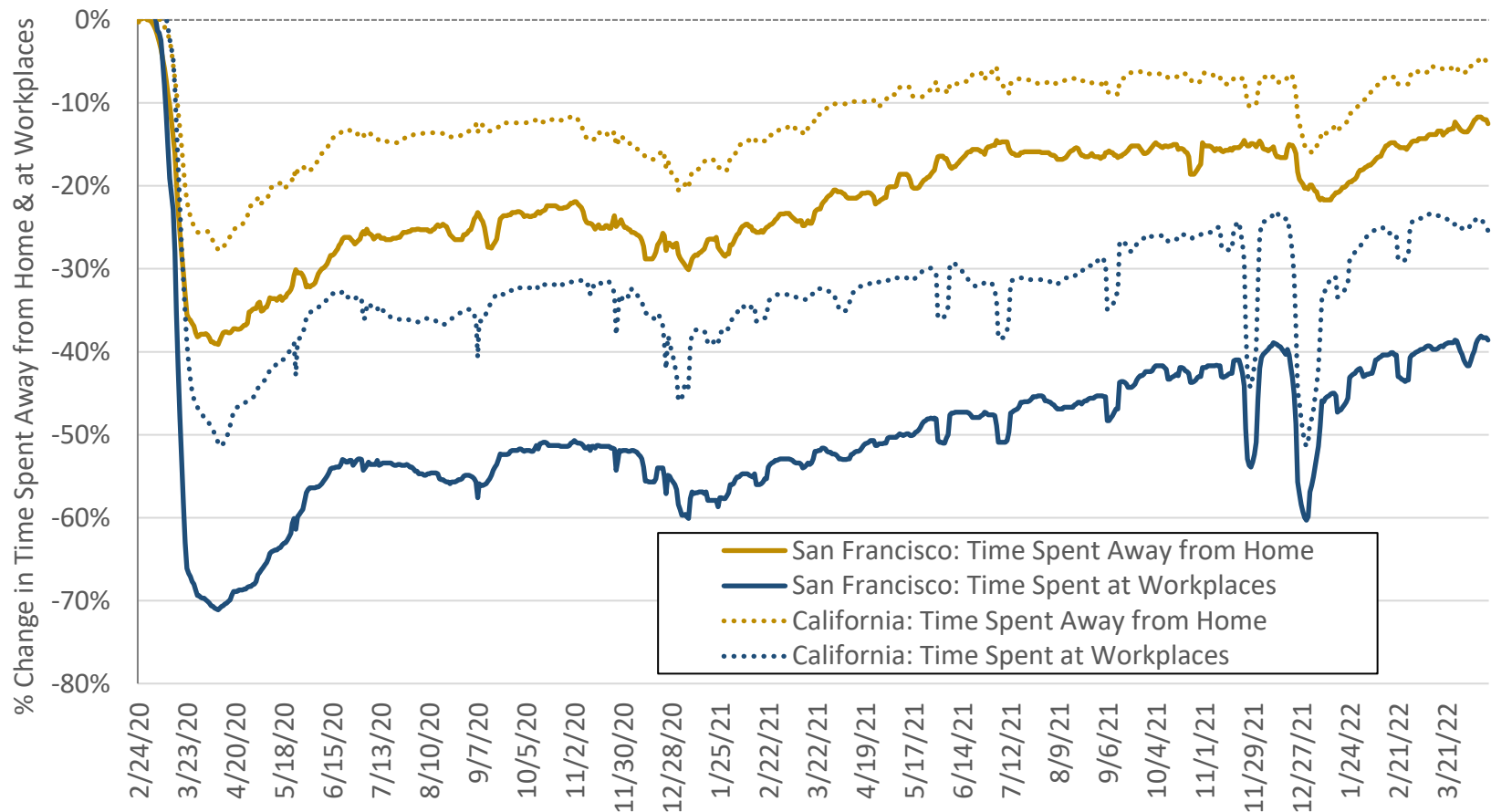


Source: EDD

Recovery of Local Mobility Has Been Slower than Local Jobs

7

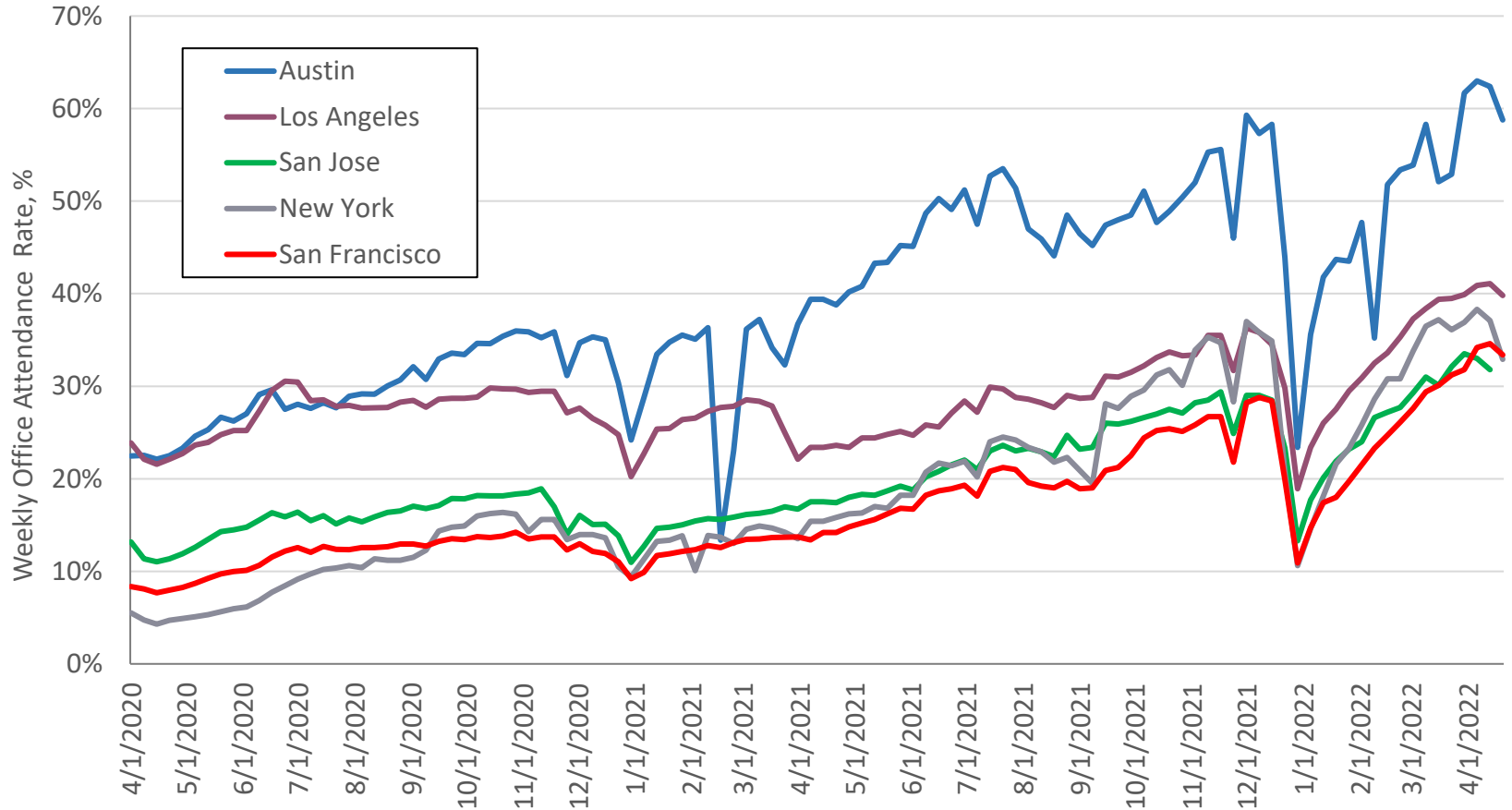
% Change in Time Spent Outside Home and at Workplaces,
San Francisco and California, Through April 14



Source: Google Mobility, Opportunity Insights, <https://tracktherecovery.org>
https://opportunityinsights.org/wp-content/uploads/2020/05/tracker_paper.pdf

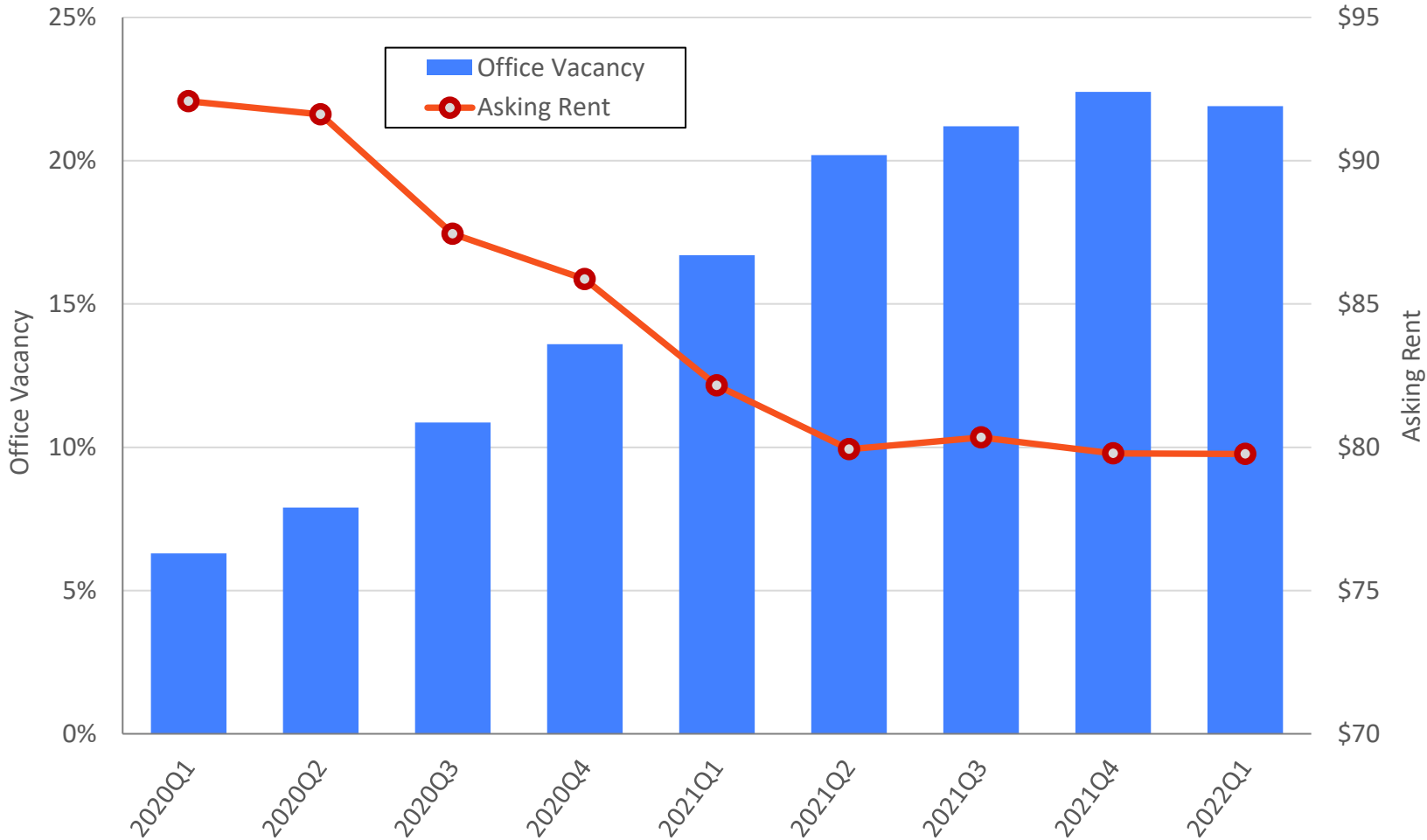
SF Office Attendance Now Tied With NY; Above San Jose

Weekly Office Attendance in San Francisco and Other Selected Metros, Through April 20



Little Movement in Office Vacancy or Rent in Q1

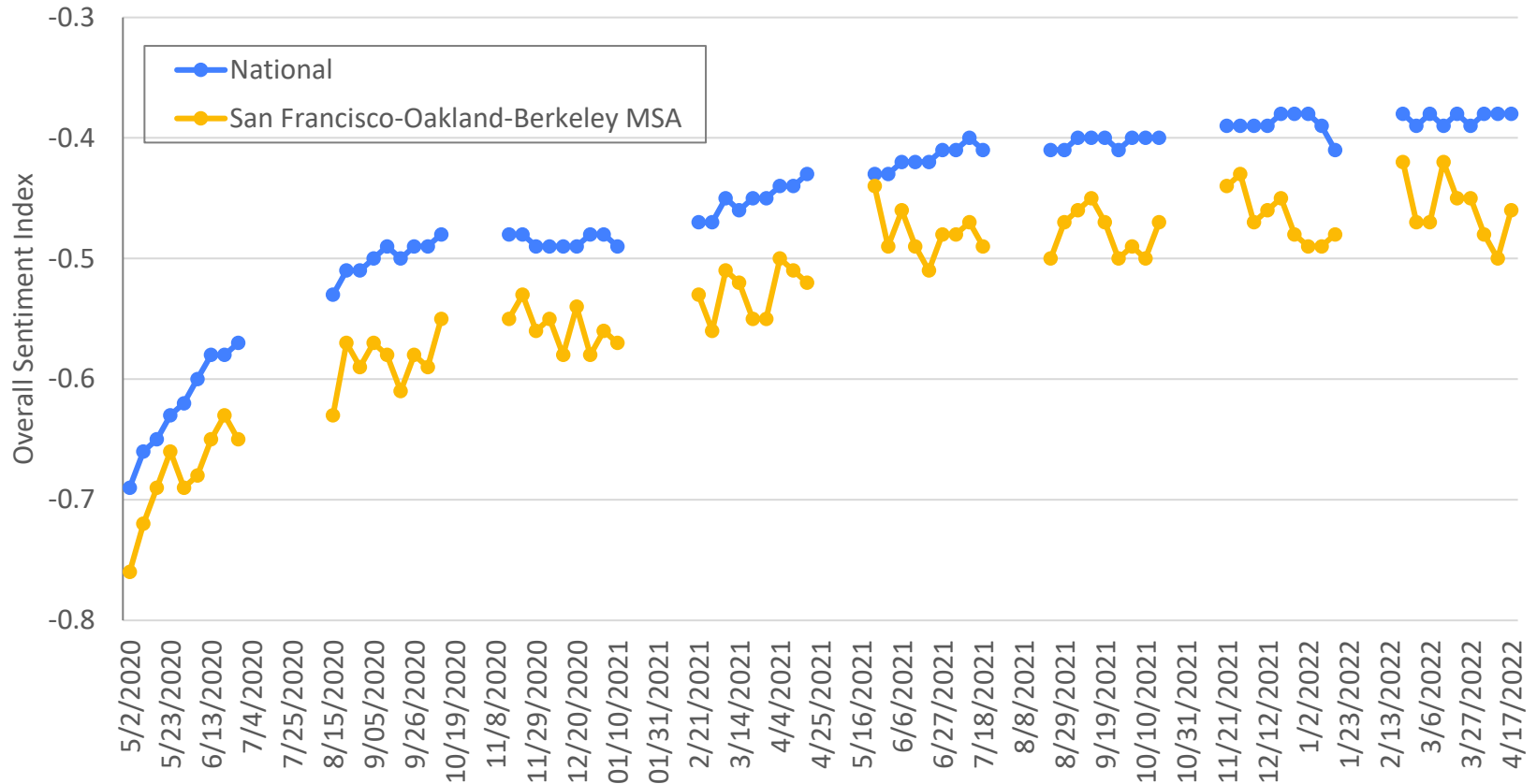
Office Vacancy and Asking Rent San Francisco, Through 2022Q1



Source: Jones Lang LaSalle (JLL)

Small Business Sentiment Remains Steady

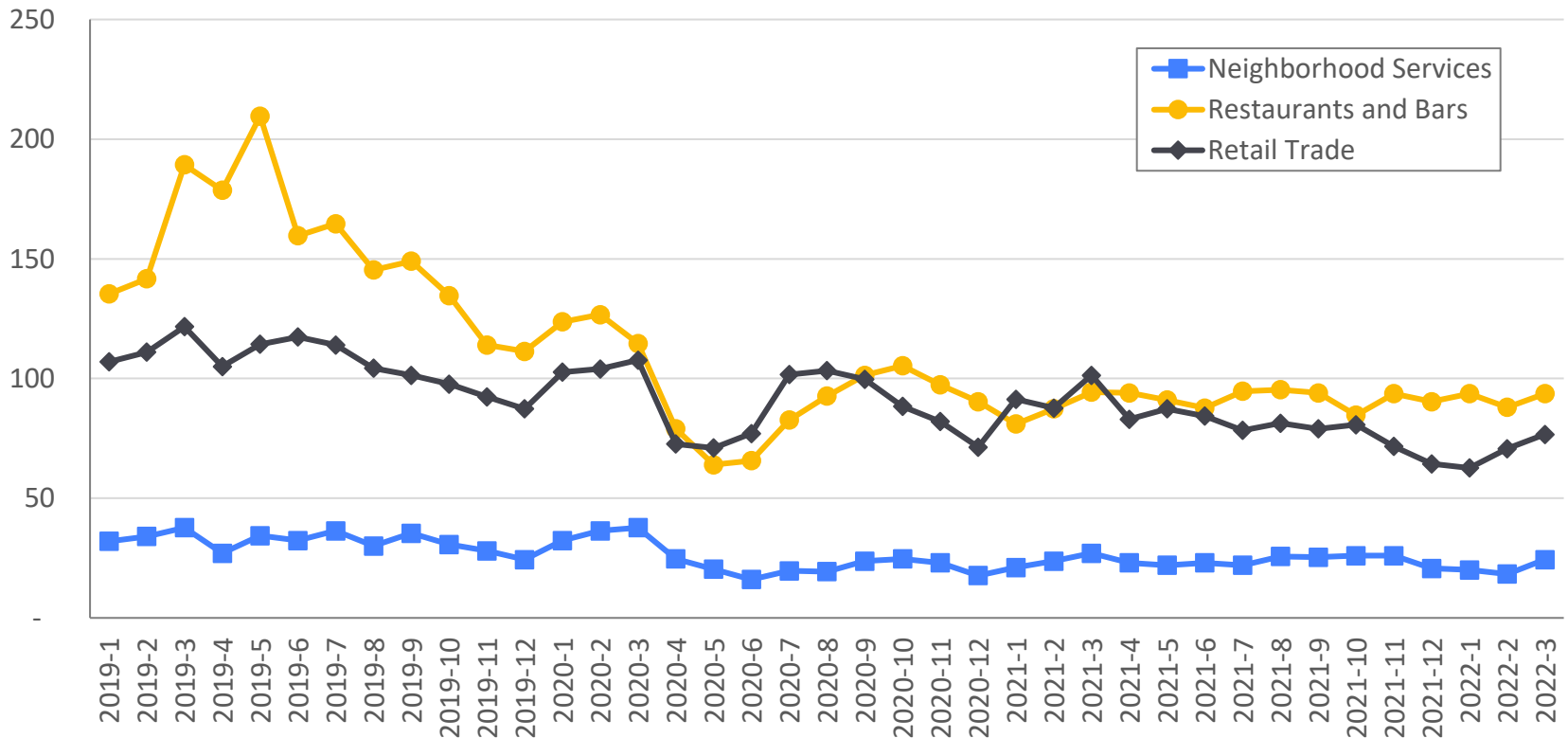
Overall Sentiment Index (OSI), Census Small Business Pulse Survey:
National and San Francisco MSA, Through April 17



Source: Small Business Pulse Survey, US Census Bureau. The OSI assesses the overall average effect of the pandemic on small businesses. It ranges from -1 (maximum negative sentiment) to +1 (maximum positive sentiment).

Continuing Slow Growth in New Business Formation

New Business Locations in San Francisco, 3-month Moving Average,
Selected Industries:
January 2019 - March 2022

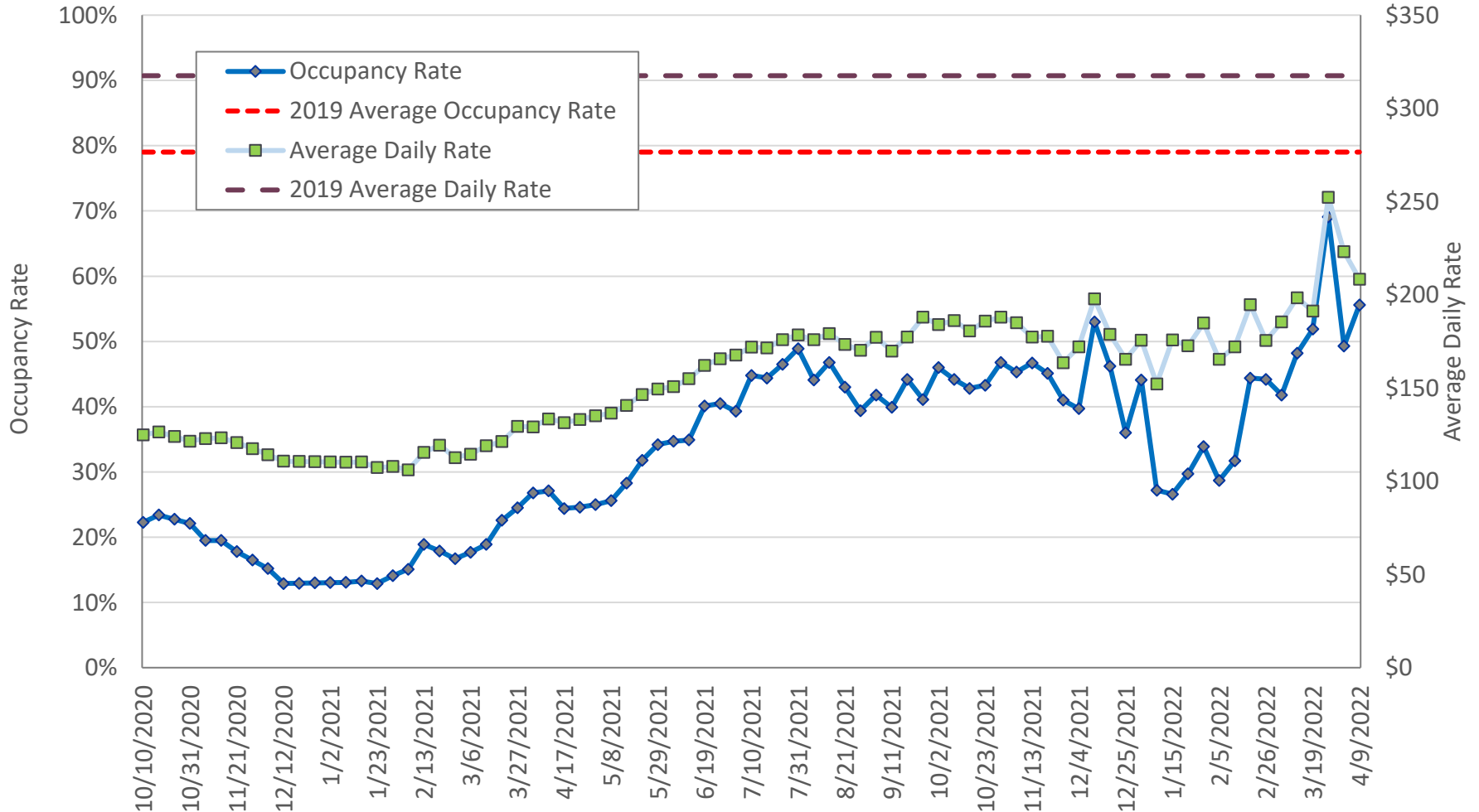


Source: Treasurer & Tax Collector, City and County of San Francisco

Note: "Restaurants and Bars" is equivalent to the NAICS Sector 722, "Food Services and Drinking Places". "Neighborhood Services" is equivalent to the NAICS sector 81, "Other Services (except Public Administration)".

Volatile Hotel Market Trending Upwards

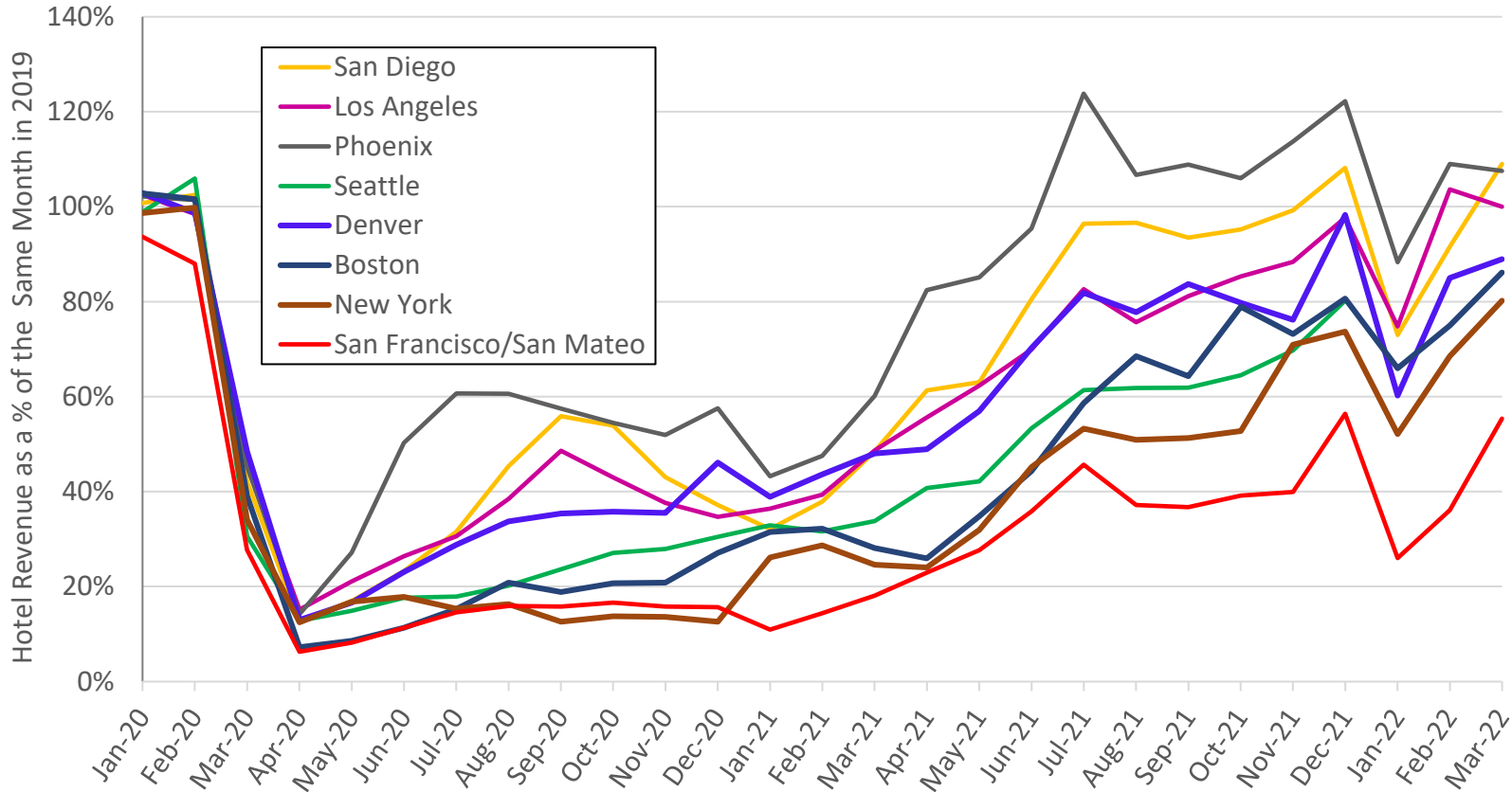
Weekly San Francisco Hotel Occupancy Rate and Average Daily Room Rate, Through April 9



Source: STR

March Hotel Revenue Data Shows SF Rising, But Still Trailing

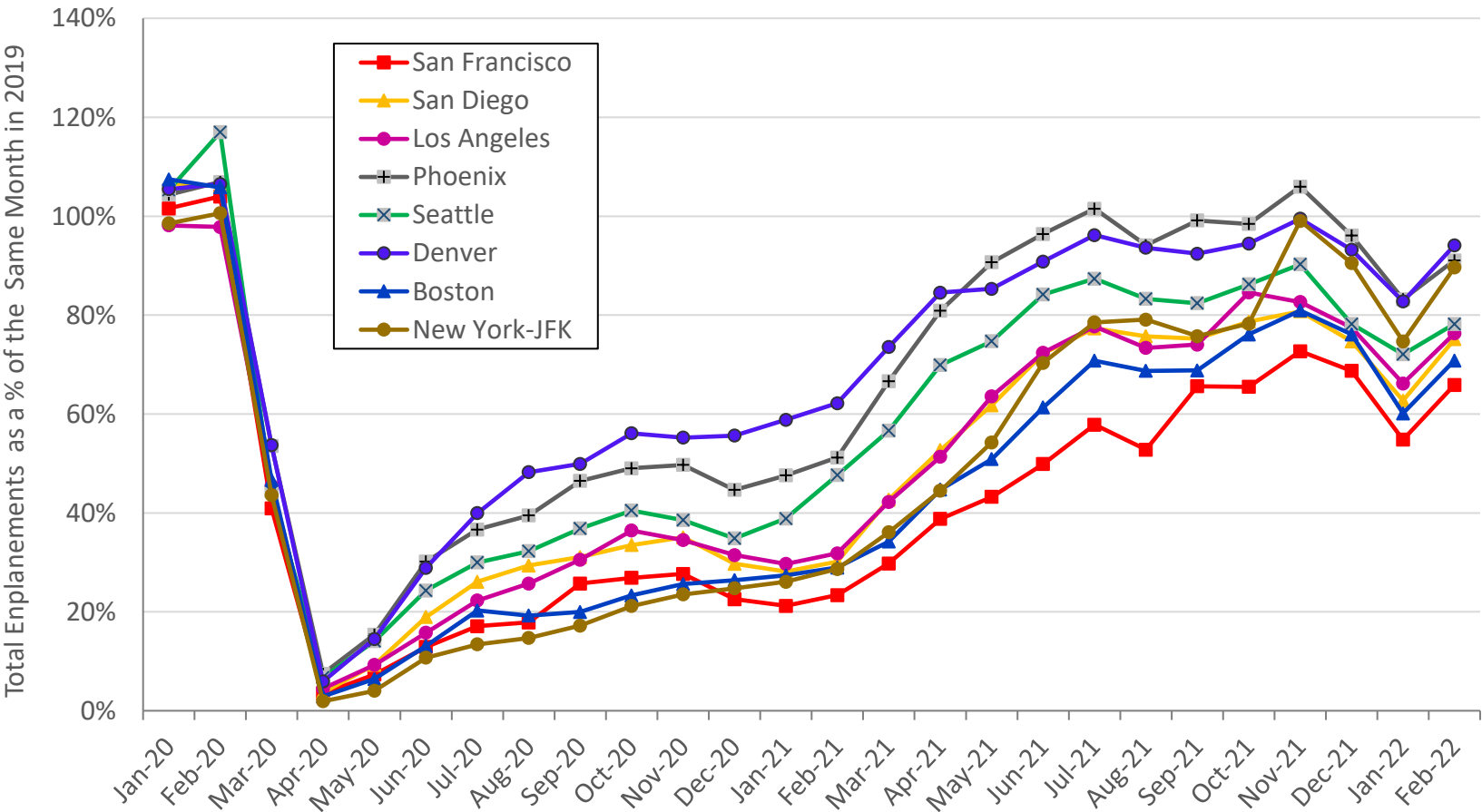
Monthly Hotel Revenue Available per Room Night, Selected Cities, Through March



Source: STR. All the hotel rooms in a city are considered, whether they are open or closed.

February Data Shows Domestic Air Travel Recovery...

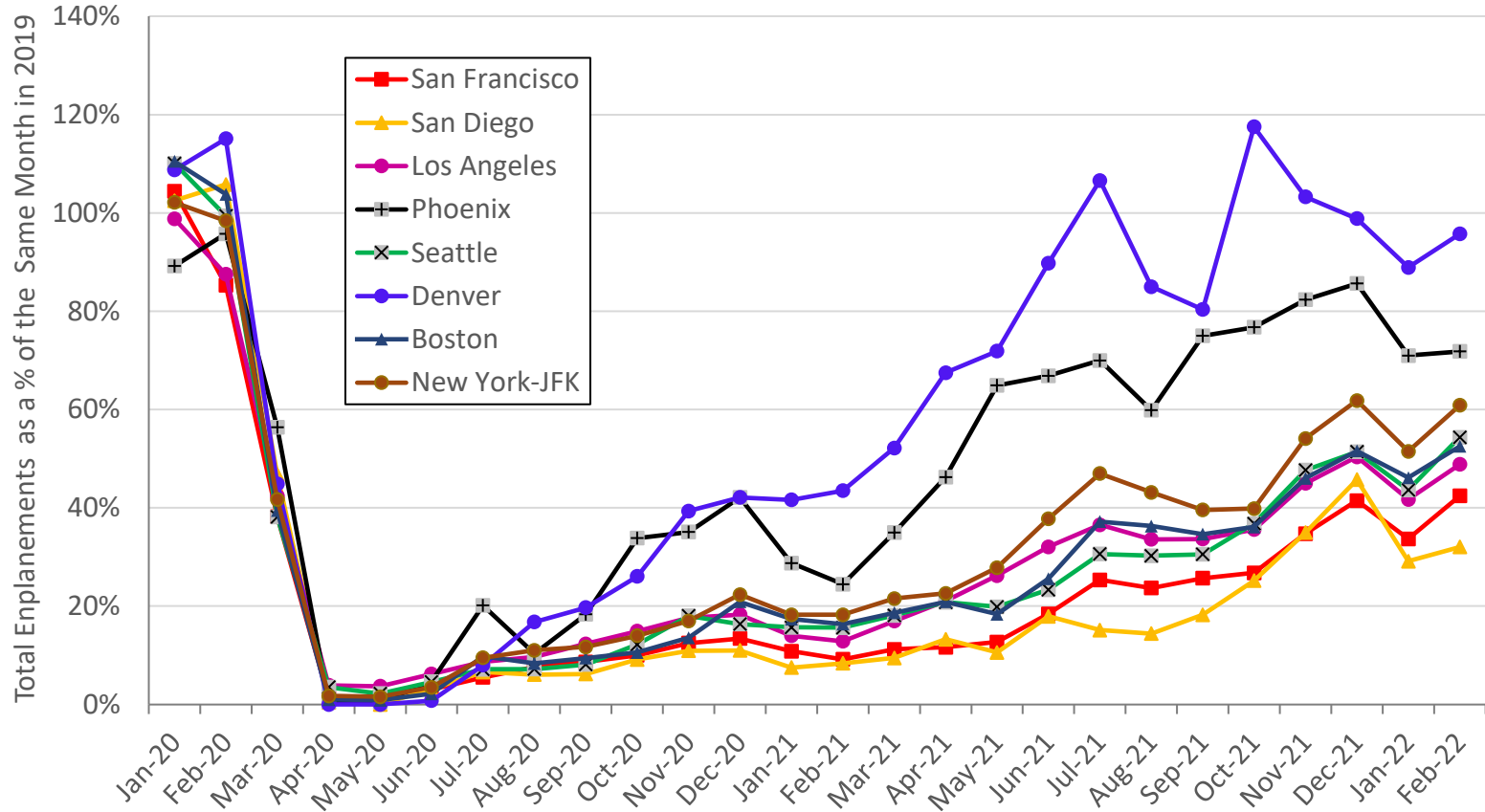
Domestic Enplanements, Selected Airports, Through February 2022



Source: Individual airports

...And SF Keeping Pace in International Travel As Well

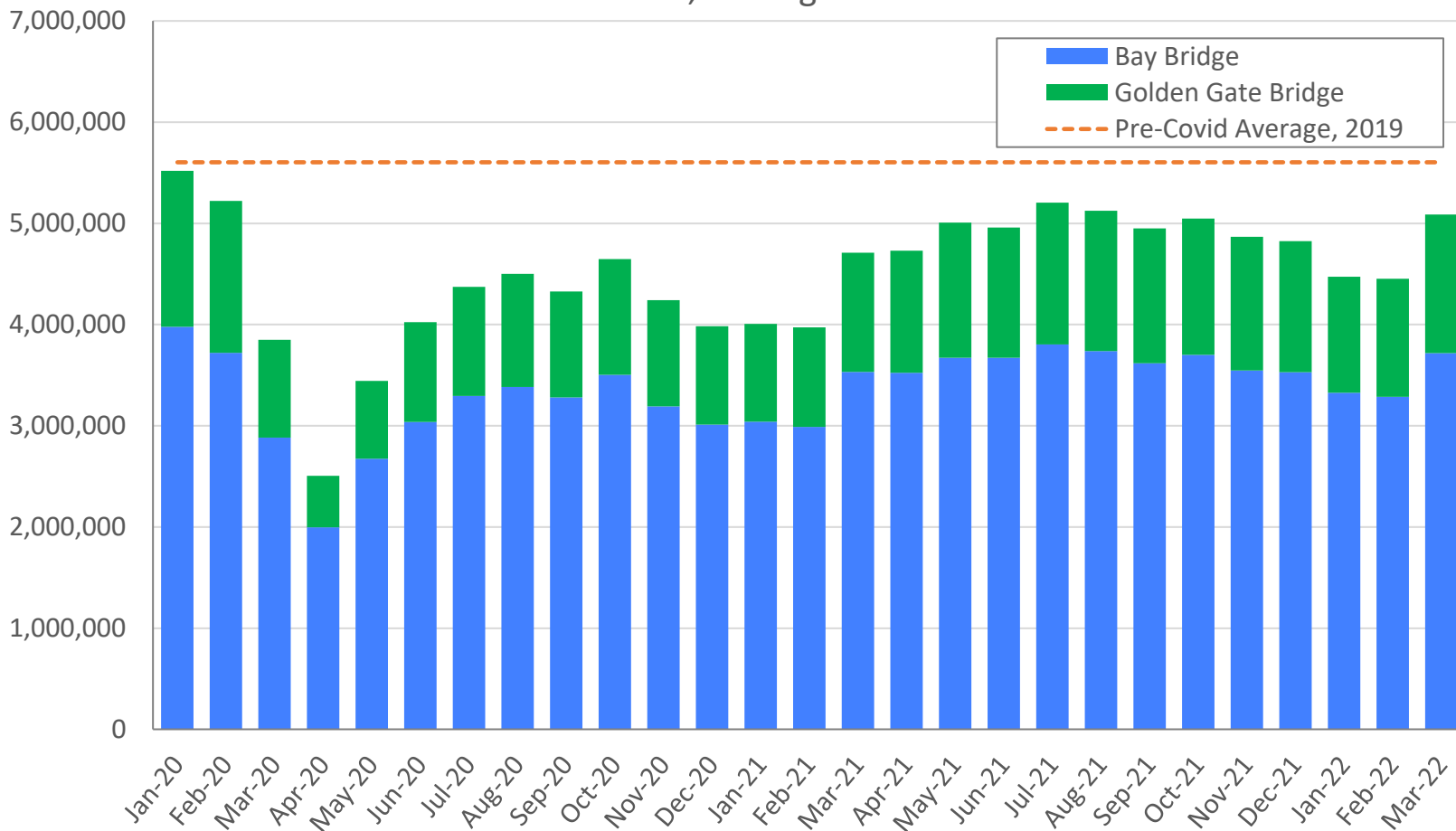
International Enplanements as % of 2019, Selected Airports, Through February 2022



Source: Individual airports

Bridge Traffic Returned to 90% of Normal in March

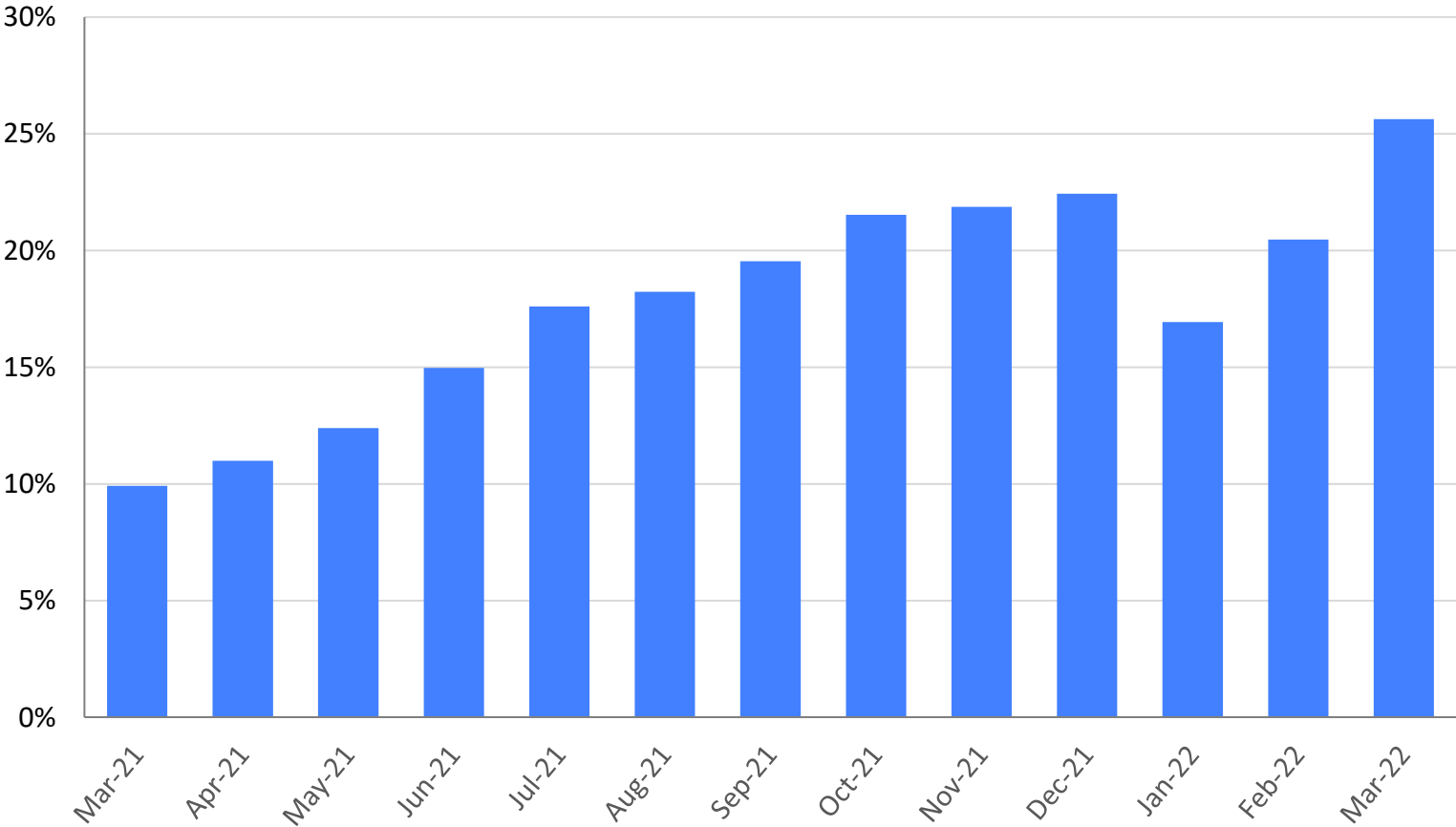
Bay Bridge and Golden Gate Bridge Monthly Traffic Volume, San Francisco, Through March



Source: Bay Area Toll Authority (BATA), Golden Gate Bridge Highway & Transportation District. Includes westbound Bay Bridge traffic and southbound Golden Gate Bridge traffic.

BART Was Also Up in March, to 25% of Normal in Downtown

BART Exits At Downtown San Francisco Stations, as a % of the Same Month in 2019, Through March 2022

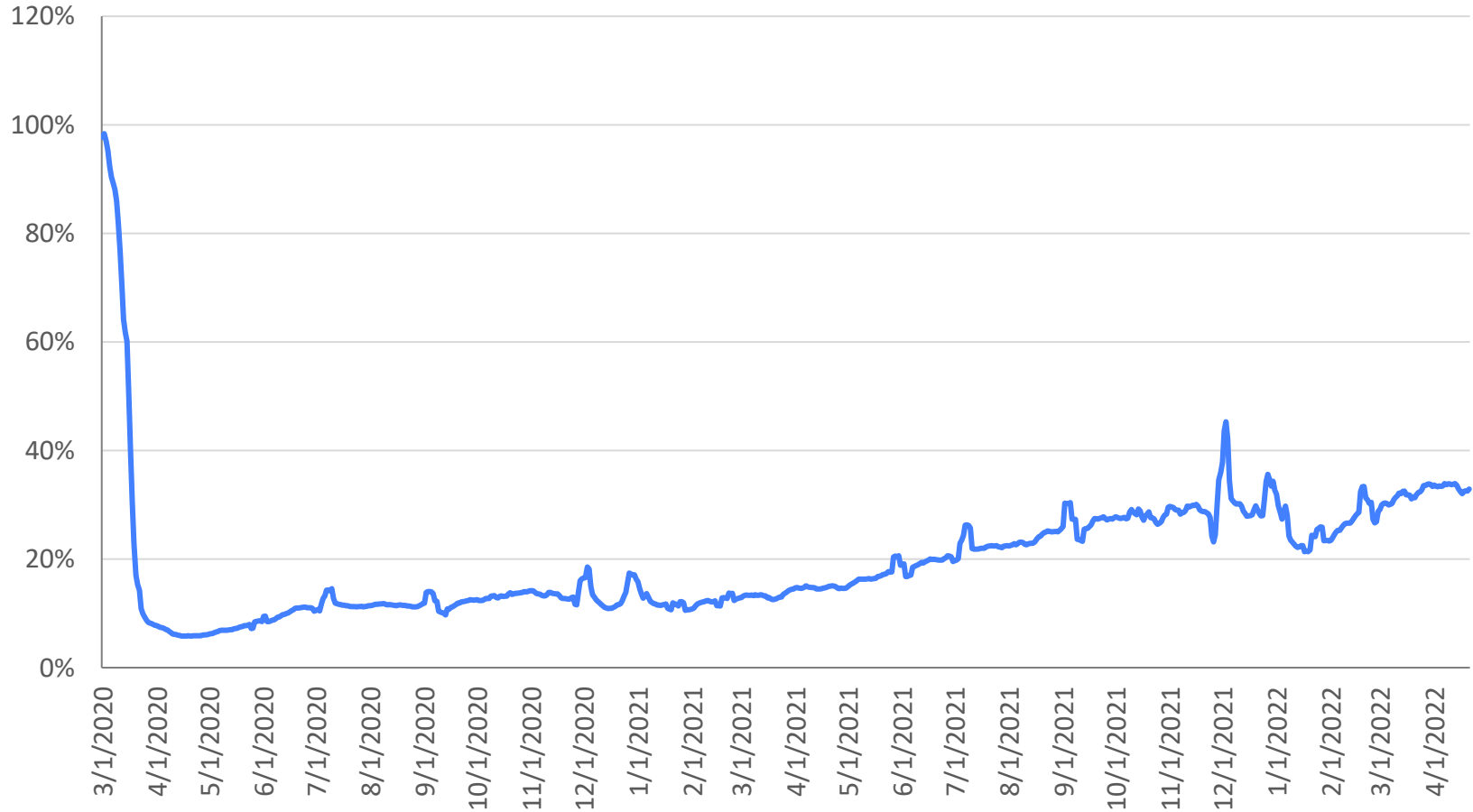


Source: BART, SF MTA

...But System-Wide BART Ridership Has Been Flat in April

18

BART Total Ridership, 7-day Moving Average, as a Percentage of the Same Day in 2019, Through April 21

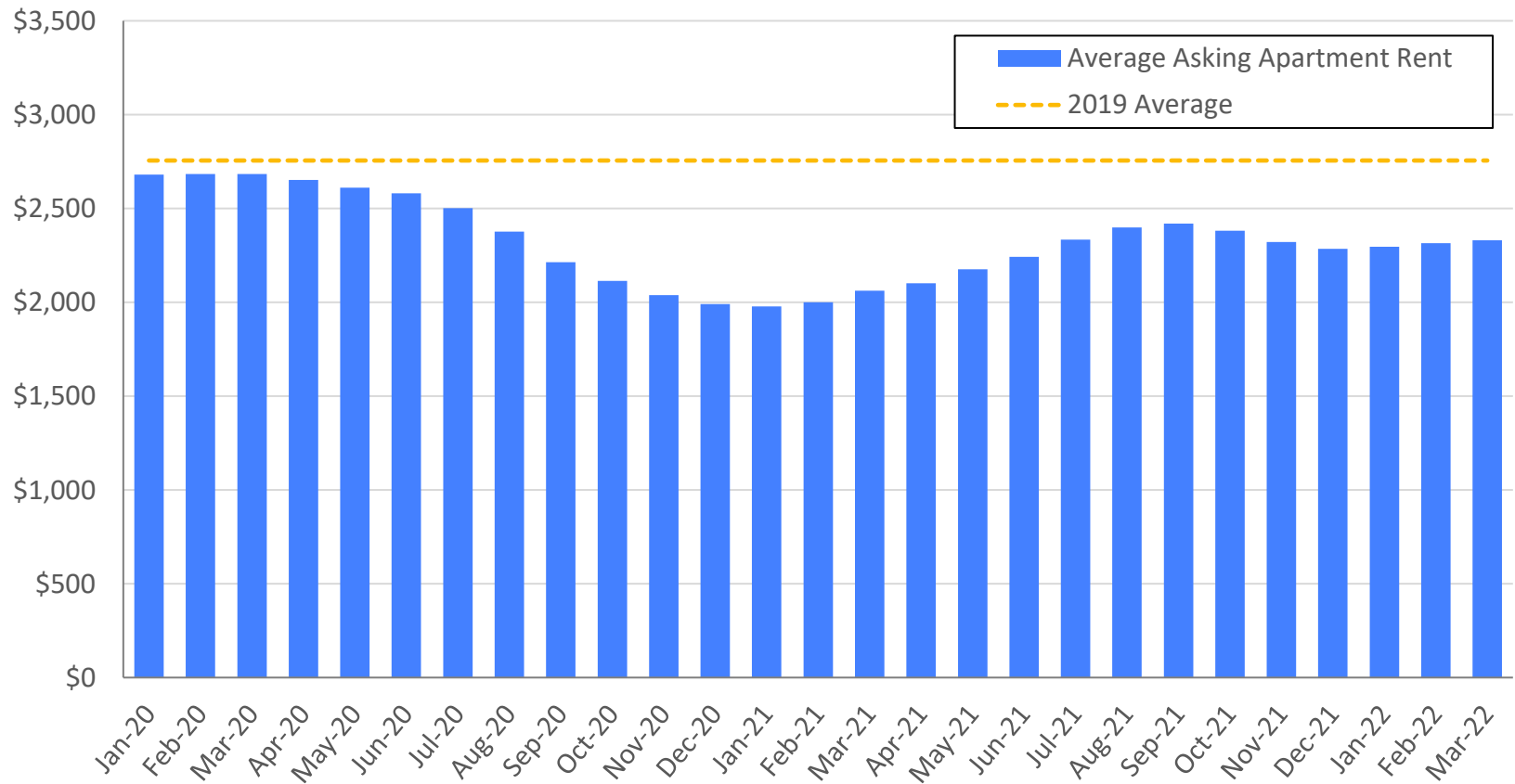


Source: BART

Little Movement in Apartment Asking Rents in March

19

Average Asking Apartment Rents (Overall Units),
San Francisco, Through March 2022

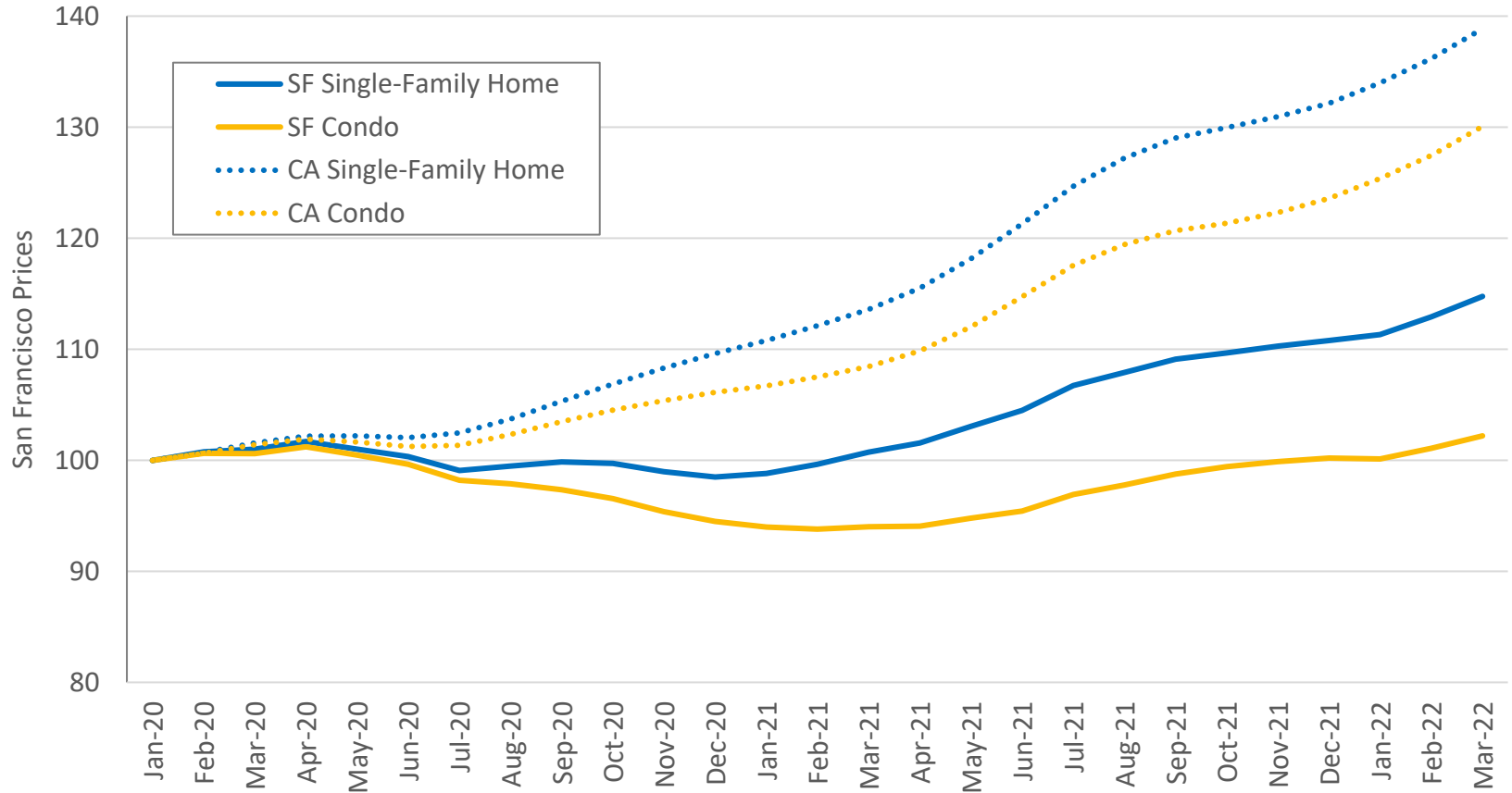


Source: Apartment List

Local Housing Prices Accelerating in 2022

20

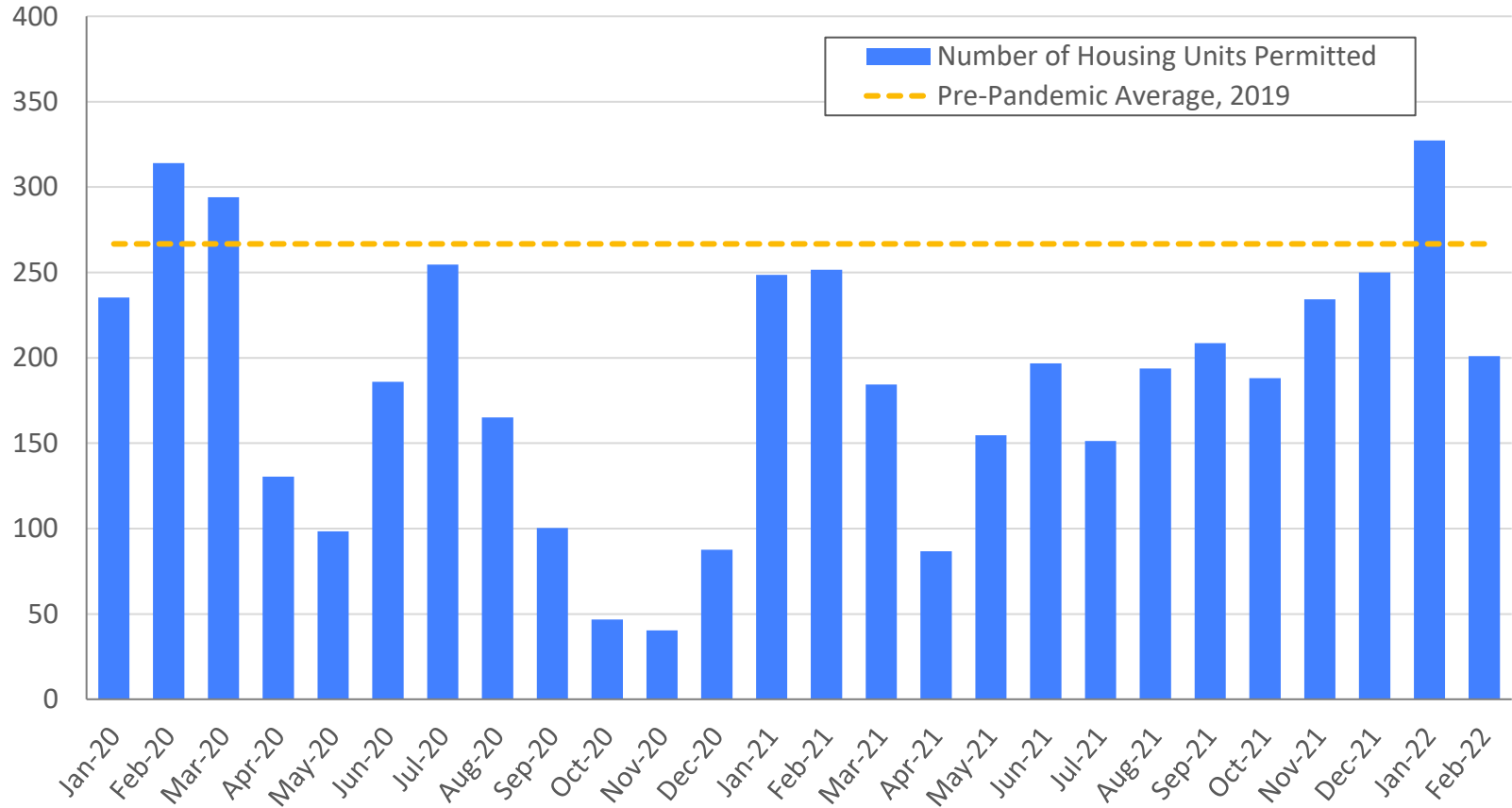
Condo and Single-Family Home Prices in San Francisco and California, Through March



Source: Zillow

Choppy Building Permits Data Showing a Drop in February

Number of Housing Units Permitted (3 Month Moving Average),
San Francisco, Through February 2022



Source: U.S. Department of Housing and Urban Development (HUD)

Ted Egan, Ph.D., Chief Economist

ted.egan@sfgov.org

Asim Khan, Ph.D., Senior Economist

asim.khan@sfgov.org