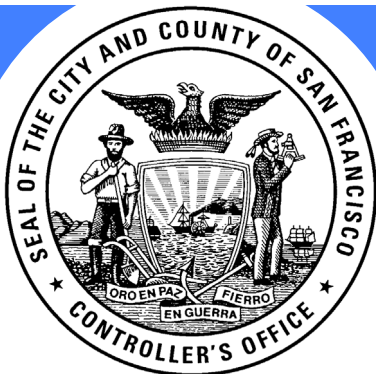


Status of the Re-Opening of the San Francisco Economy: October 2021



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
Office of Economic Analysis

October 29, 2021

Highlights of the October Report

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- As the COVID-19 restrictions have been lifted, the Controller's Office is tracking the pace of re-opening of the city's economy. This is the fifth monthly report examining a variety of local economic indicators.
- The city's economic recovery has been slowed by the Delta Variant in recent months, though some indicators trended positive in September. Office attendance, in particular, had its strongest month to date, though the office vacancy rate continued to rise over the July-September period.
- For most of 2021, employment in the San Francisco metropolitan division has been rising while the resident labor force has been shrinking, indicating a developing labor shortage. In September, once again, the hard-hit Leisure & Hospitality led private-sector hiring.
- With the re-opening of public schools, the public sector added 2,600 jobs, focused in public K-12 and post-secondary education.
- After strong growth in early 2021, apartment rents have begun to stall, with asking rents still 13% below pre-pandemic levels.

List of Economic Indicators

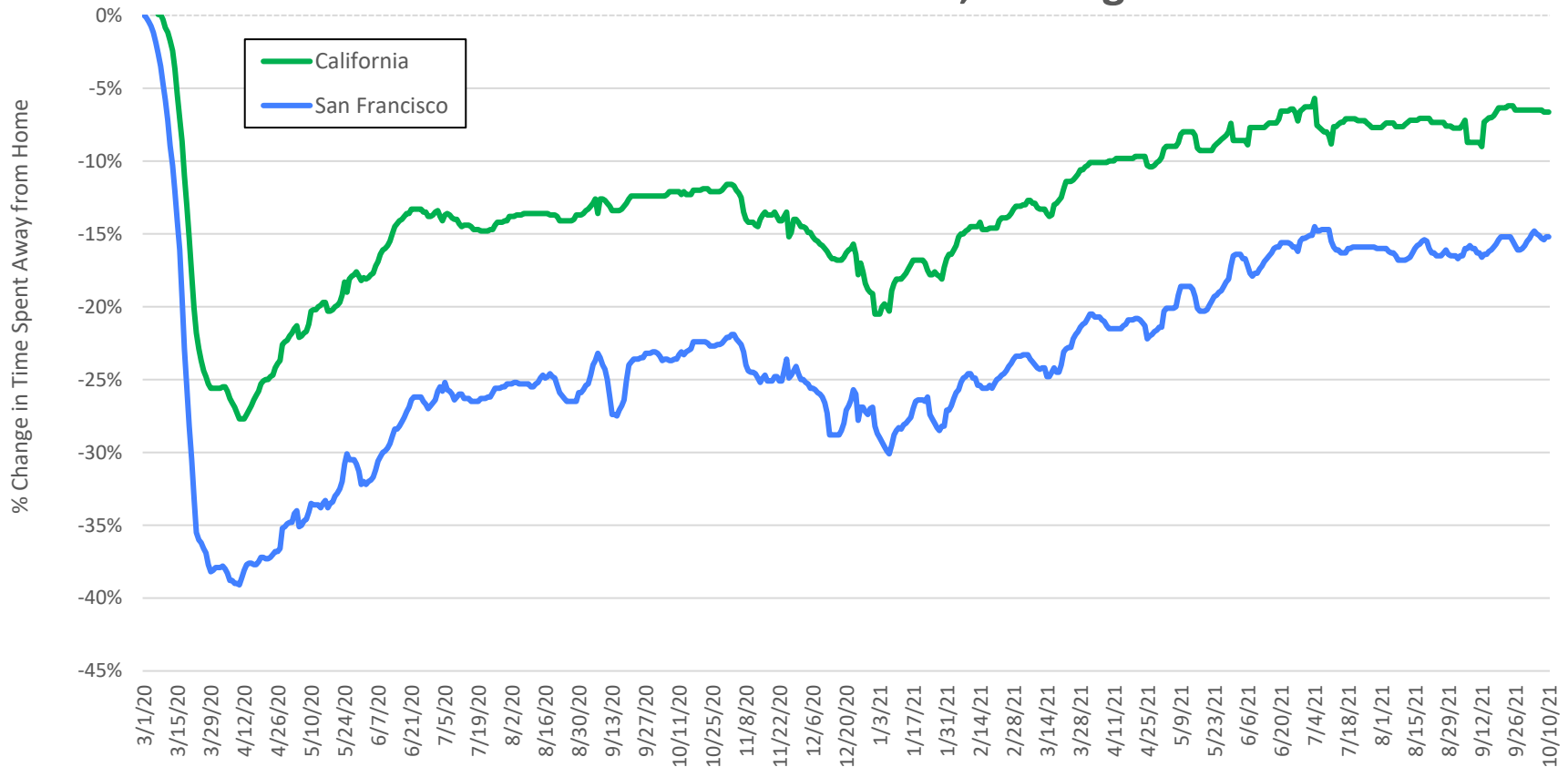
3

1. Time Spent Outside of the Home
2. Office Attendance
3. Office Vacancy Rate
4. Small Business Sentiment: Expected Recovery Index
5. New Business Registration, Selected Sectors
6. Total Industry Employment and Resident Labor Force, San Francisco Metropolitan Division
7. Employment Change by Industry Sector, San Francisco Metropolitan Division
8. Hotel Occupancy Rate
9. Hotel Average Daily Rate (ADR) per Night
10. Hotel Revenue Available per Room Night (RevPar): Selected Cities Comparison
11. Airport Enplanements: Selected Cities Comparison
12. Convention Bookings At Moscone Center
13. PM Freeway Speed
14. Bay Bridge and Golden Bridge Traffic
15. BART Exits at Downtown SF Stations
16. Average Asking Rents for Apartments
17. Building Permits

Time Outside the Home Remains Steady

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% Change in Time Spent Outside Home, San Francisco and California, Through October 10



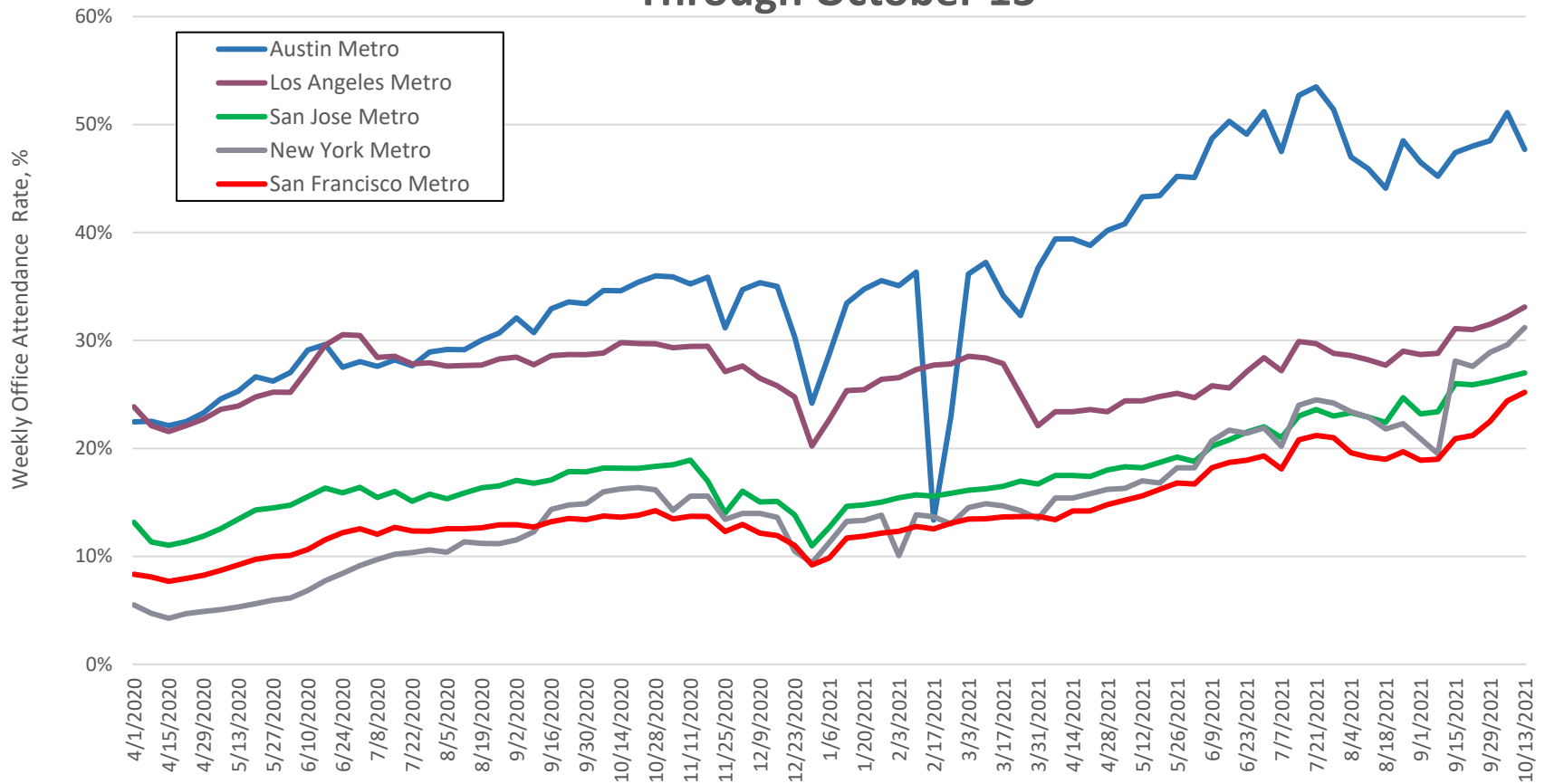
Change relative to the January 2020 index period, not seasonally adjusted.

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

Sharp Increase in Office Attendance in September

5

Weekly Office Attendance Across Selected Metros, Through October 13

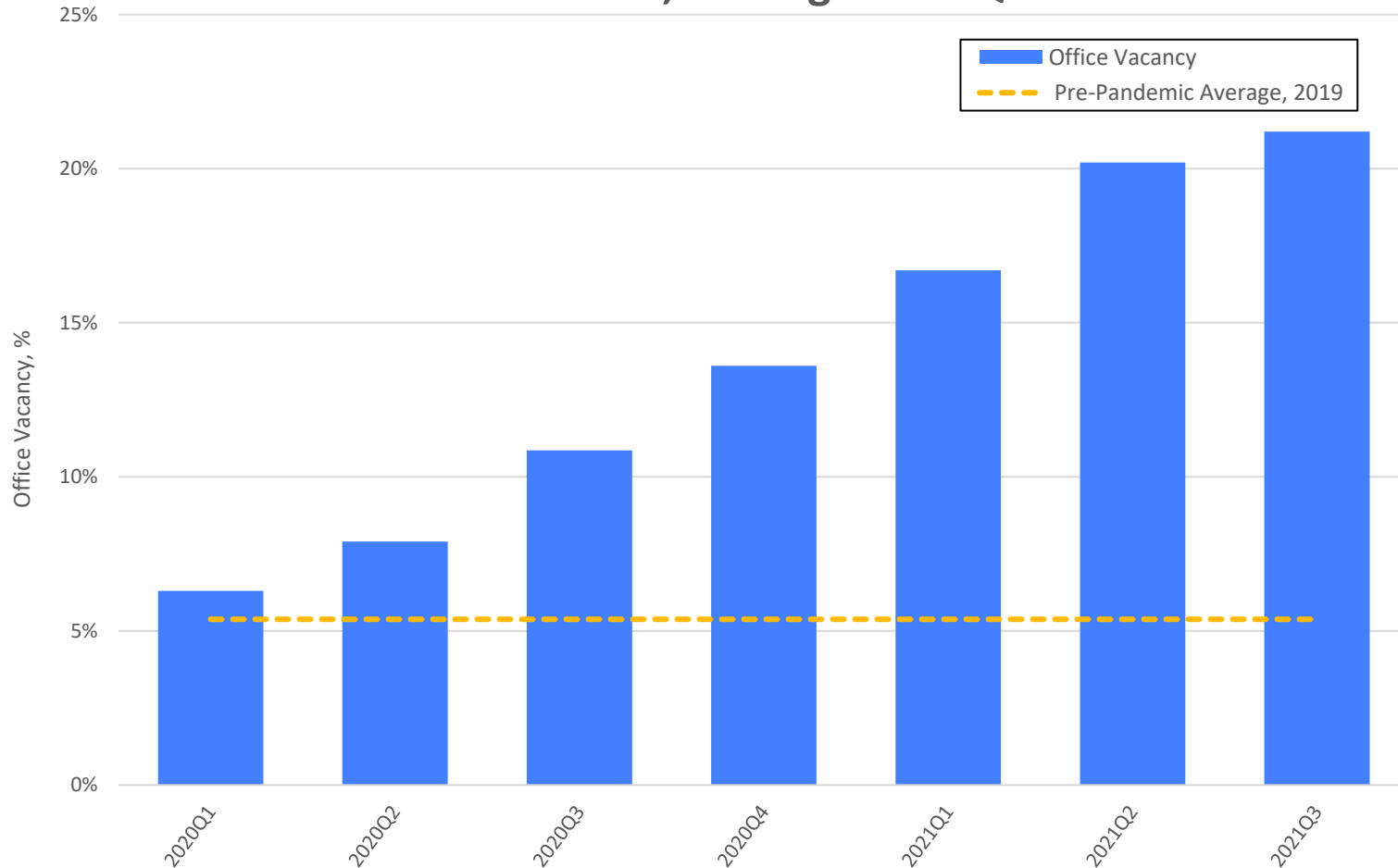


Kastle Back to Work Barometer reflects unique authorized user entries in a market relative to its pre-COVID baseline, averaged weekly. The San Francisco Metro Area includes San Francisco, Alameda, Contra Costa, San Mateo, and Marin counties.

Though Office Vacancy Continued to Rise in Q3

6

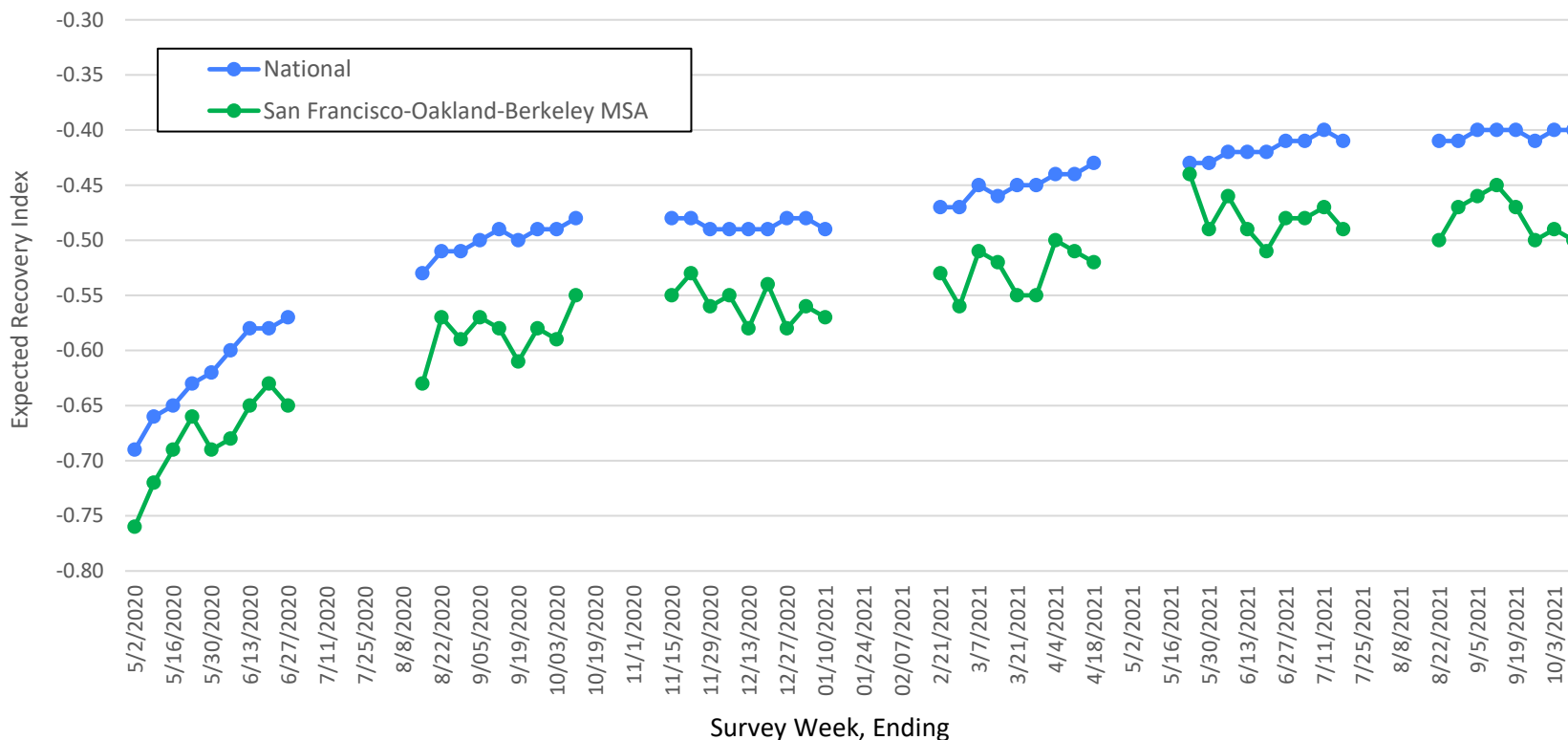
Office Vacancy, San Francisco, Through 2021Q3



Small Business Recovery Expectations Remain Flat

7

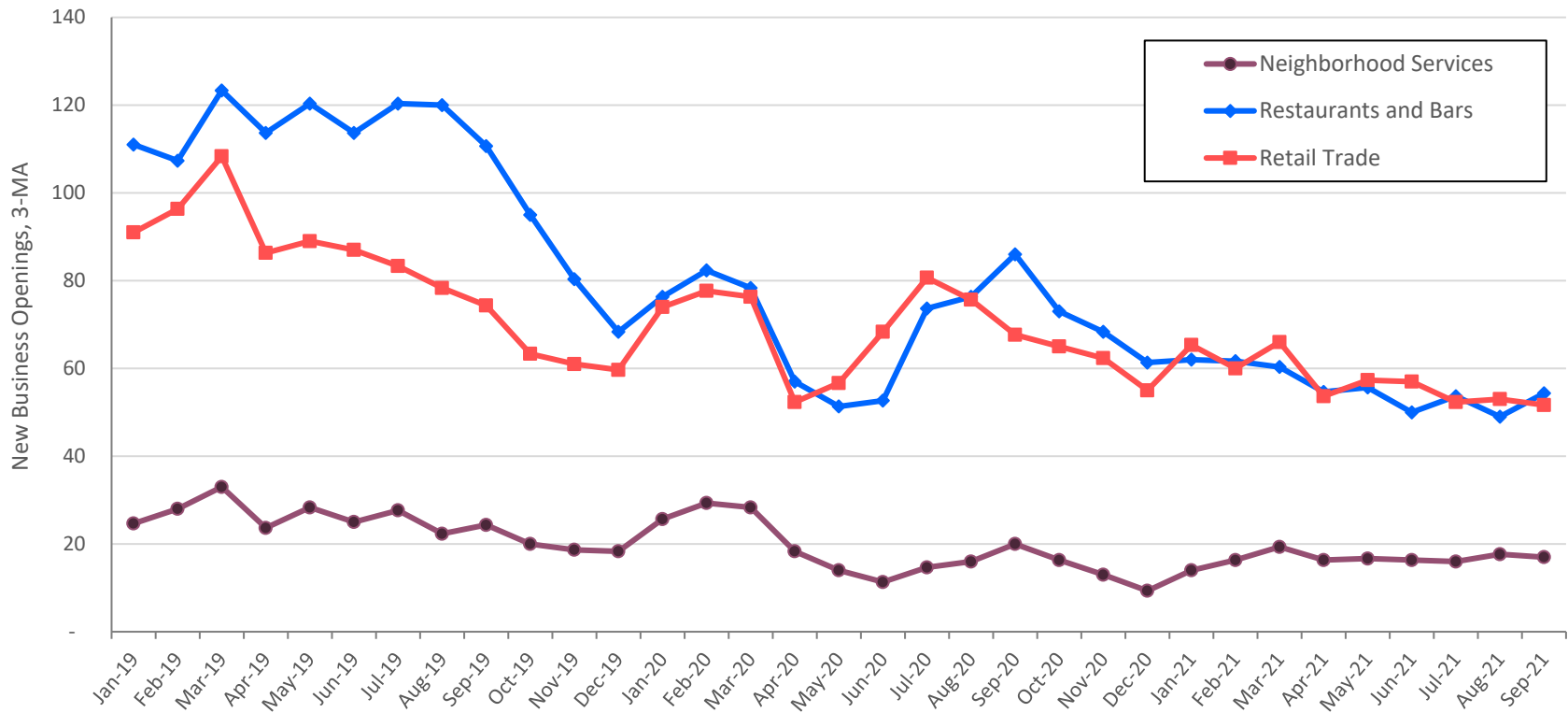
Expected Recovery Index National & Regional Surveys, Through October 10



The San Francisco Metro Area includes San Francisco, Alameda, Contra Costa, San Mateo, and Marin counties.
Index value range from [-1, 0], with -1 representing the longest recovery, whereas 0 representing the shortest recovery.

No Uptick in New Small Business Formation

Monthly New Business Openings in San Francisco, Selected Industries: January 2019 - September 2021 (3-month moving average)

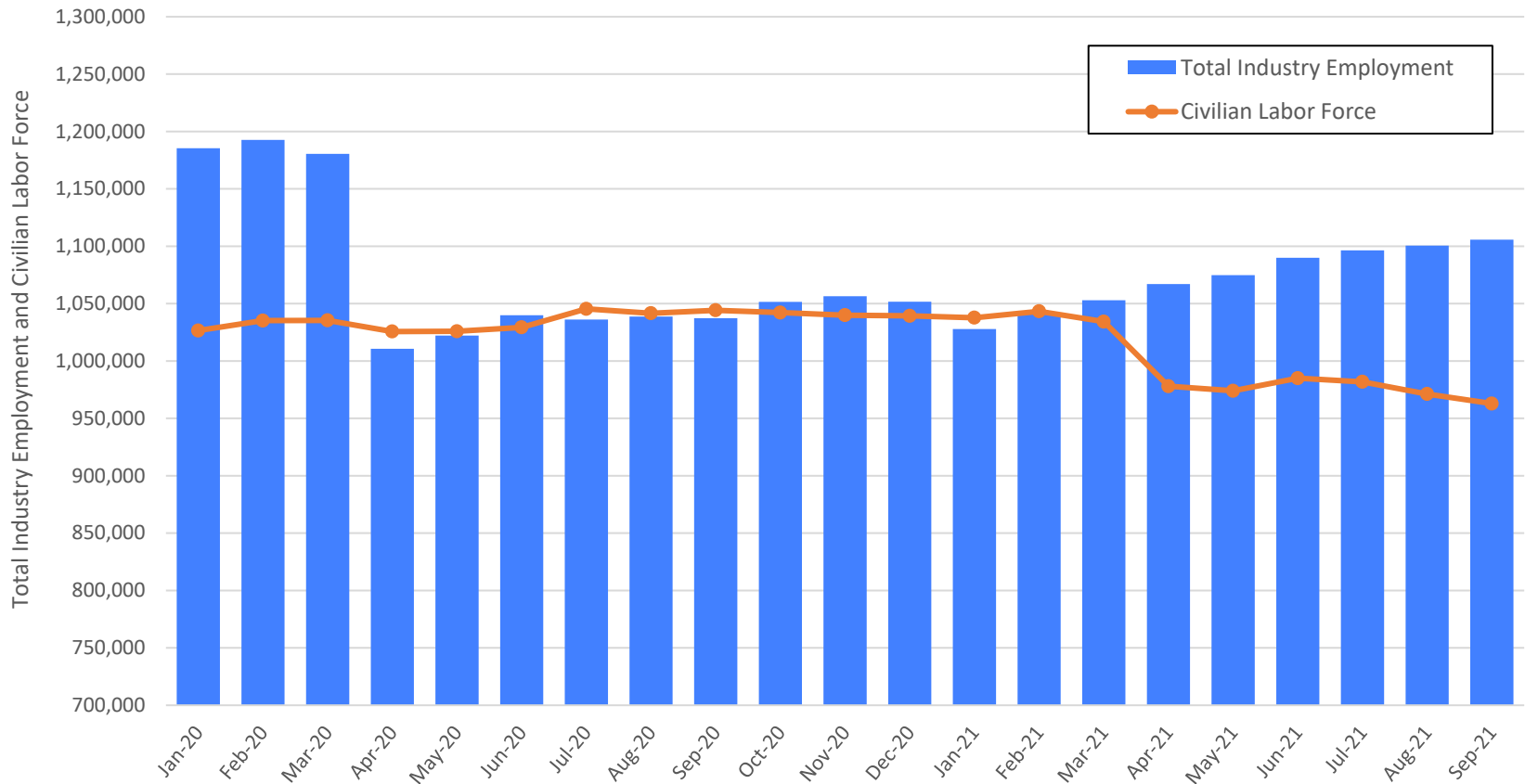


Source: Treasurer & Tax Collector, City and County of San Francisco

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", excluding non-profit organizations.

Jobs Continuing to Grow, Labor Force Shrinking

Total Industry Employment and Civilian Labor Force, San Francisco Metro Division, Through September



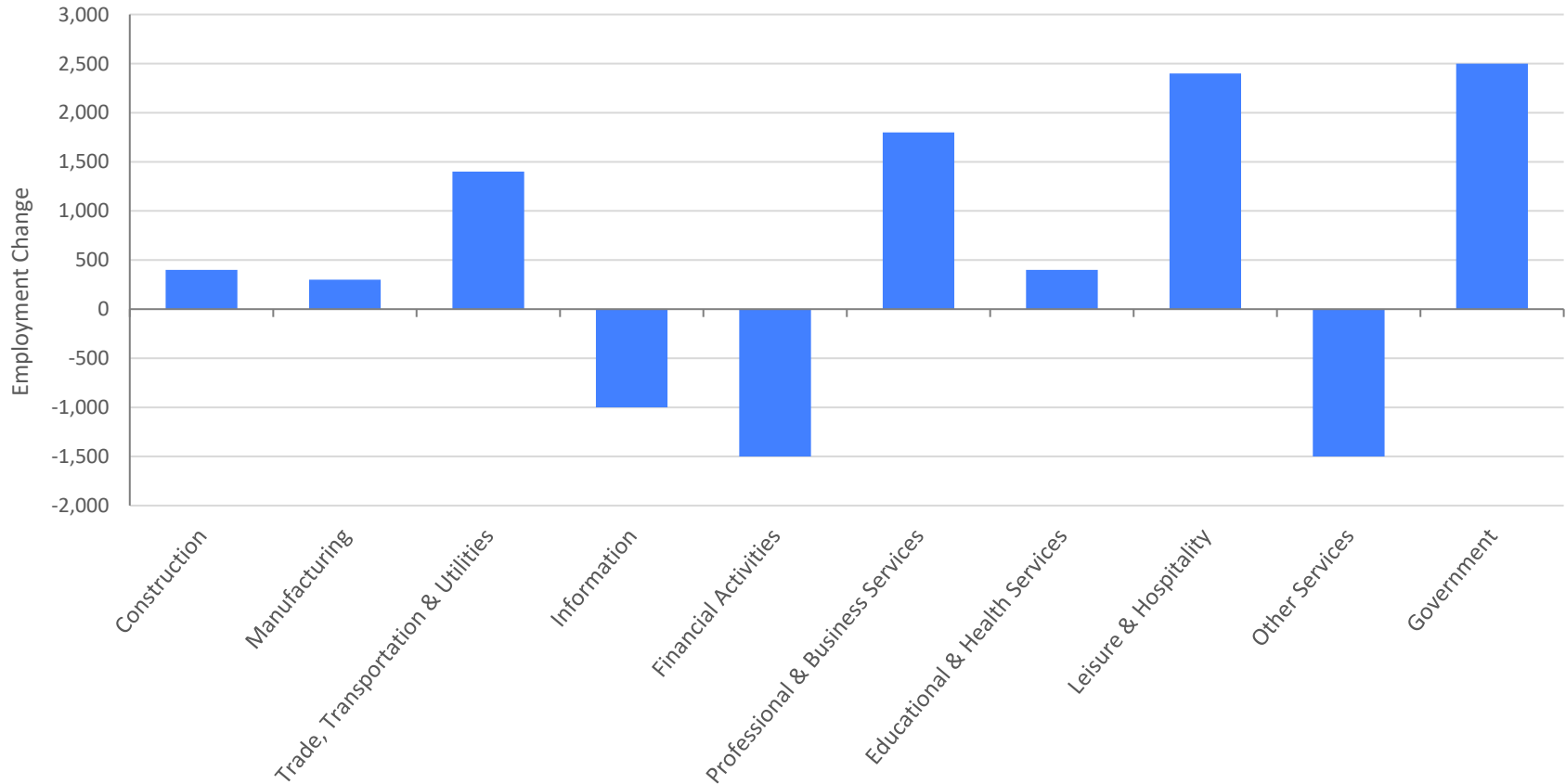
The San Francisco Metro Division includes San Francisco and San Mateo counties.

Source: California Employment Development Department (EDD)

Hospitality and Government Lead Job Growth

10

Employment Change by Industry Sector, Aug-Sep 2021: San Francisco Metropolitan Division

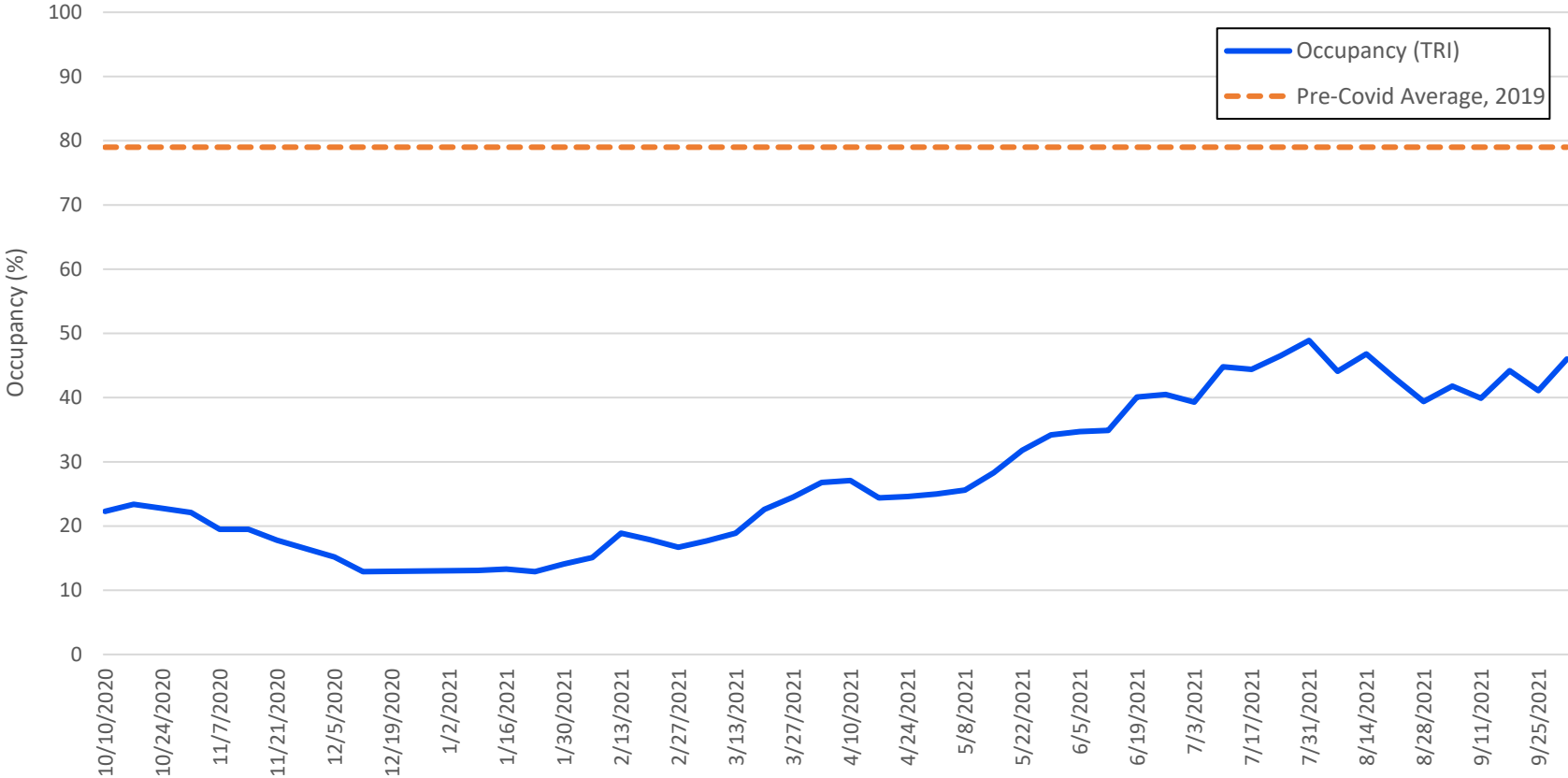


The San Francisco Metro Division includes San Francisco and San Mateo

Source: California Employment Development Department (EDD)

Hotel Occupancy Picked Up Again in September

Hotel Occupancy, San Francisco, Through October 2

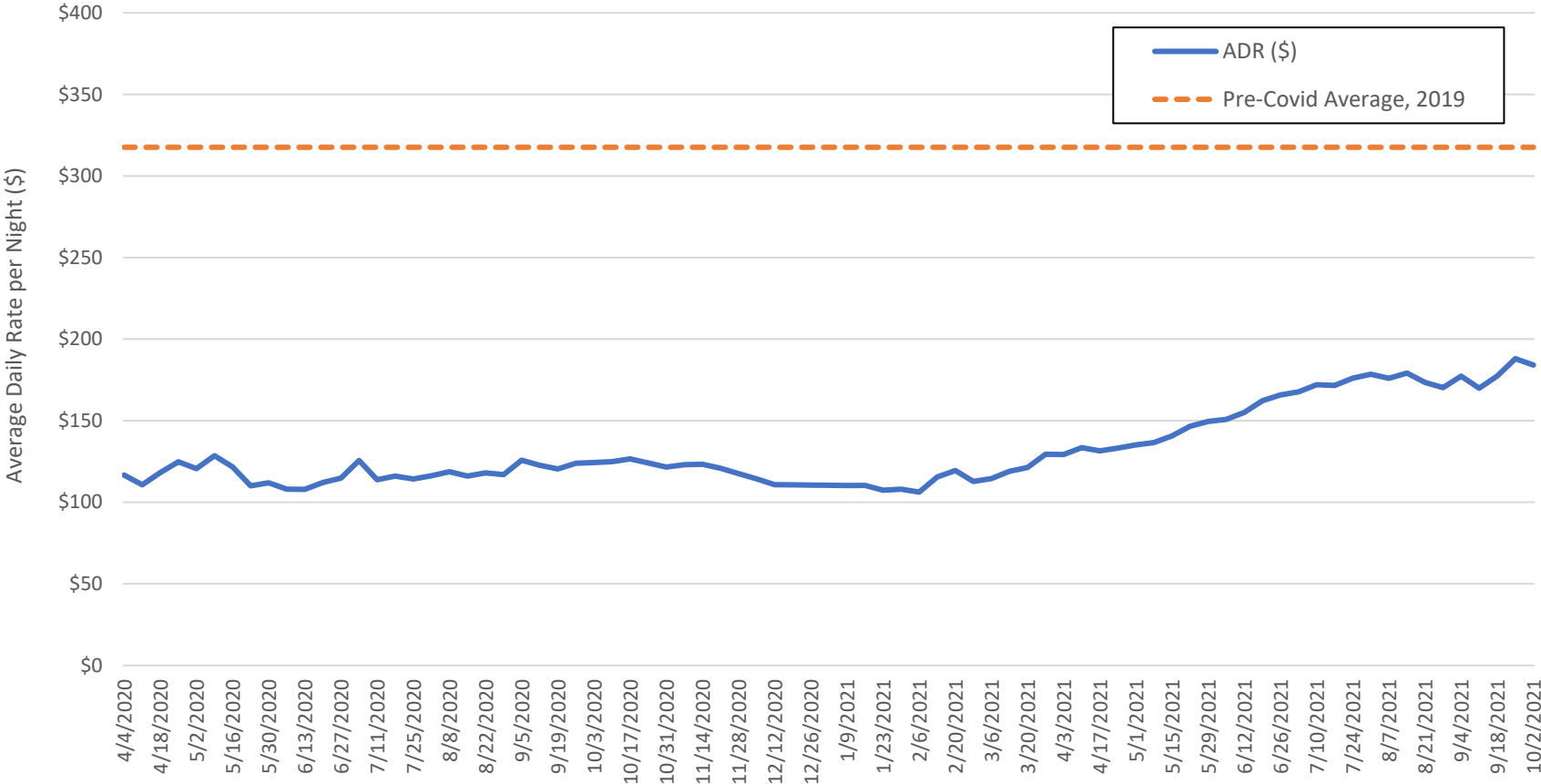


TRI (Total Room Inventory) takes in to account all the hotel rooms in the city, whether open or

Source: STR

Hotel Rates Also Recovered Slowly

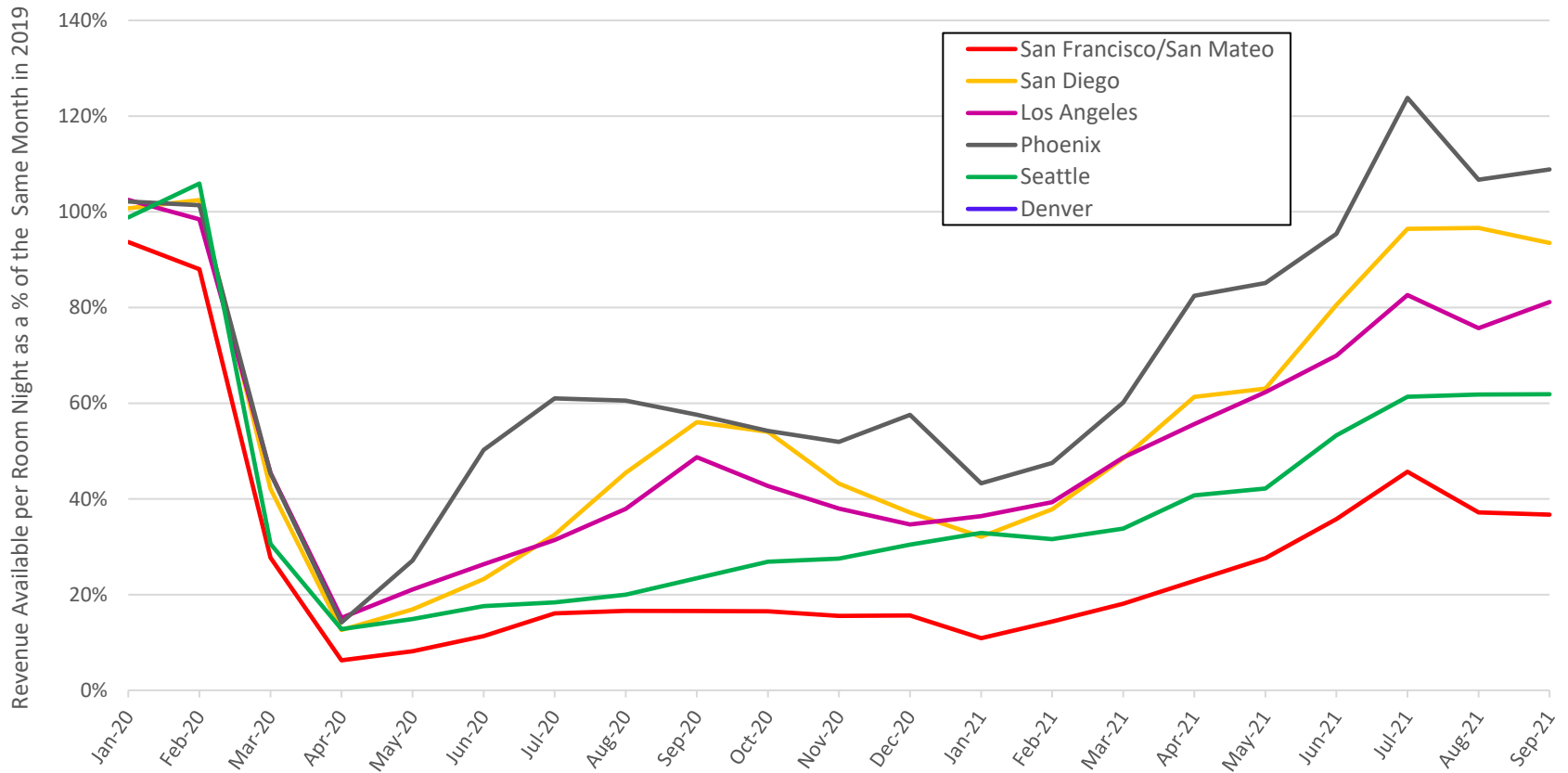
Hotel Average Daily Rate (ADR) per Night, San Francisco, Through October 2



Source: STR

However, Local Hotels Still Lag Peer Cities

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

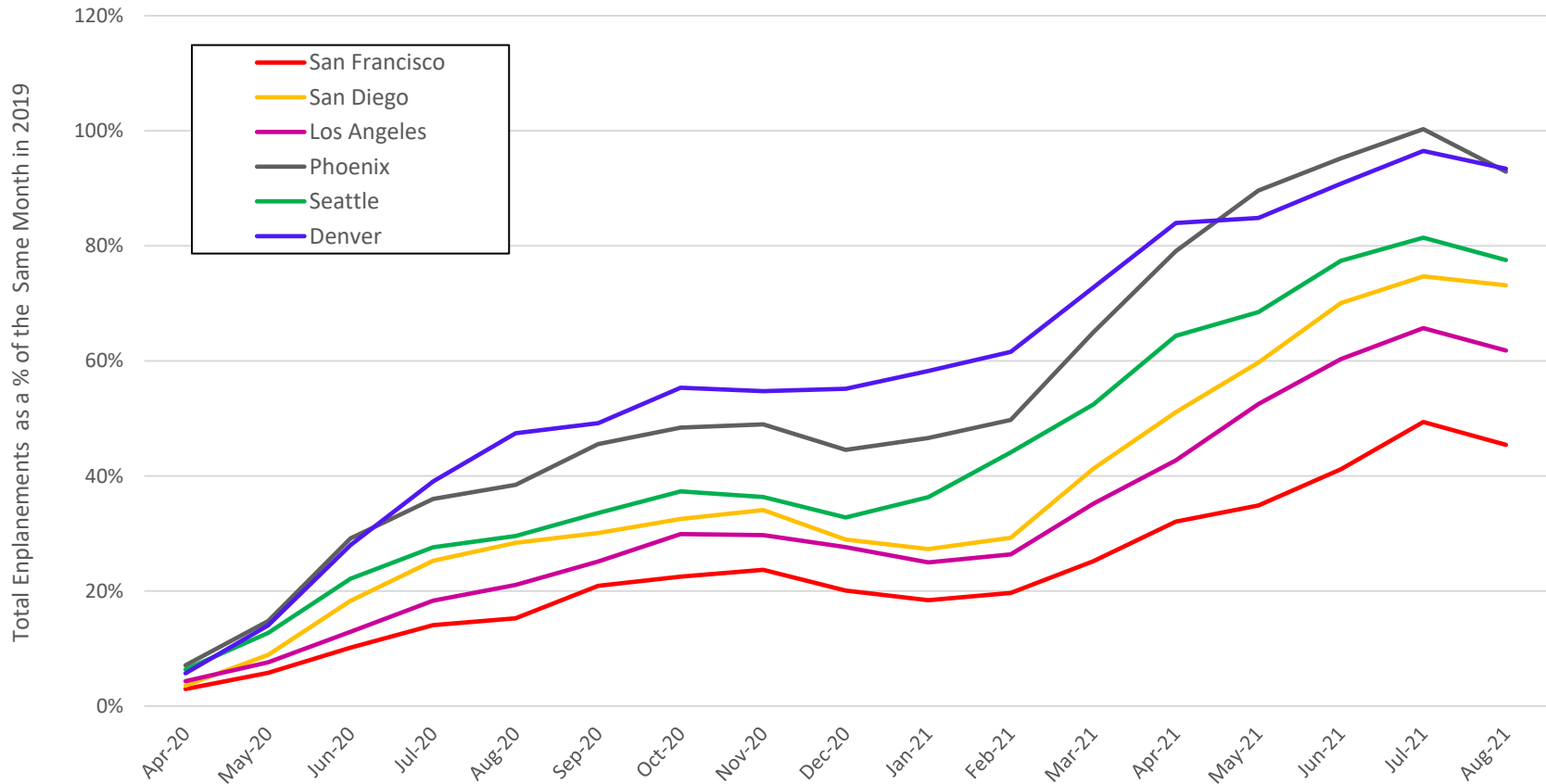


TRI (Total Room Inventory) takes in to account all the hotel rooms in the city, whether open or closed.

And SFO Traffic Also Lags Other Western Airports

14

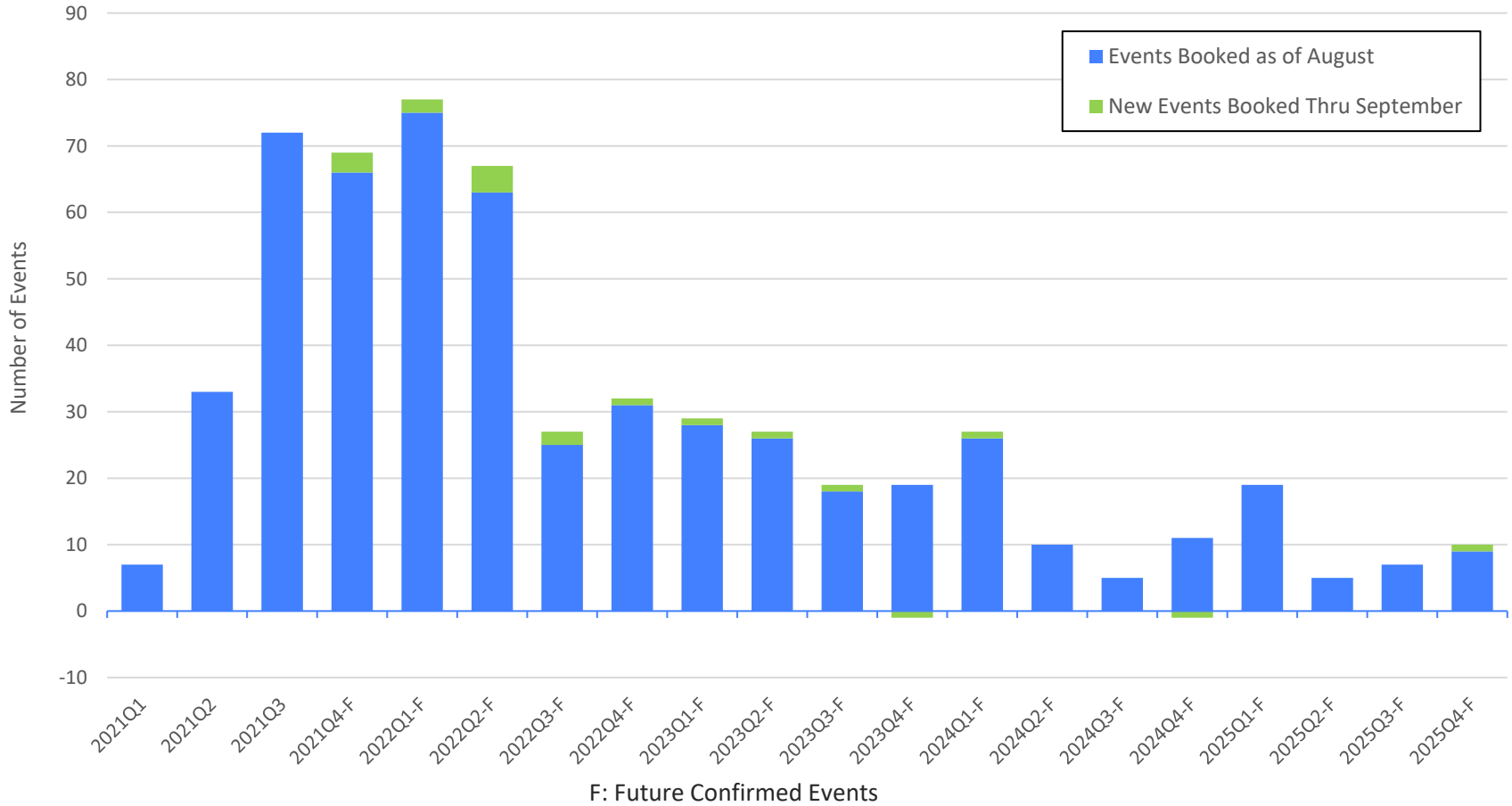
Total Enplanements (Domestic and International), Selected Airports, Through August



Source: SFO, SAN, LAX, PHX, SEA, DEN

Slow Recovery in Moscone Bookings

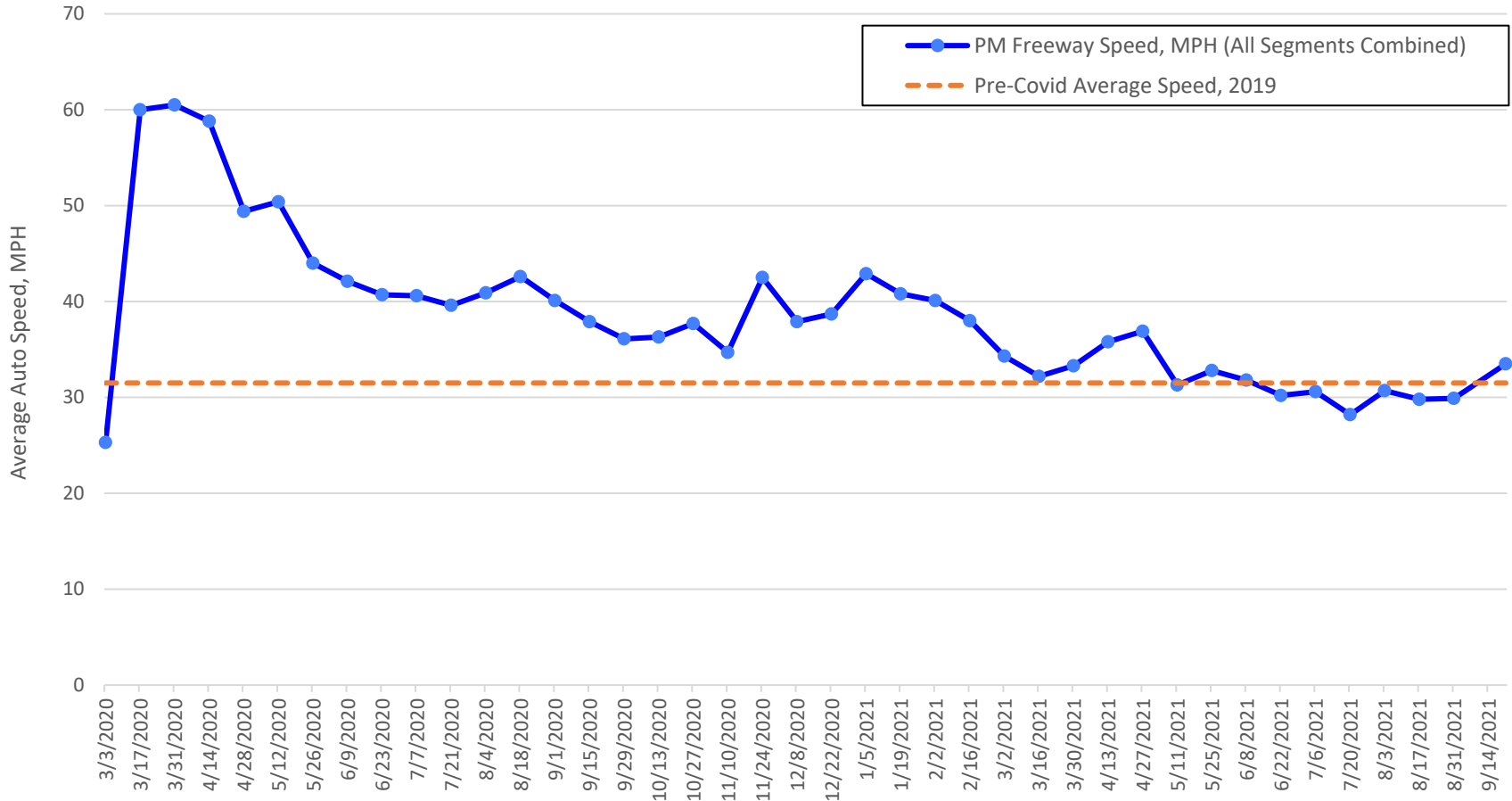
Convention Bookings at Moscone, Through SF Travel



The numbers include both Moscone events and Self-Contained events that were booked through SF Travel.

Slight Rise in Freeway Speeds: Easing Congestion

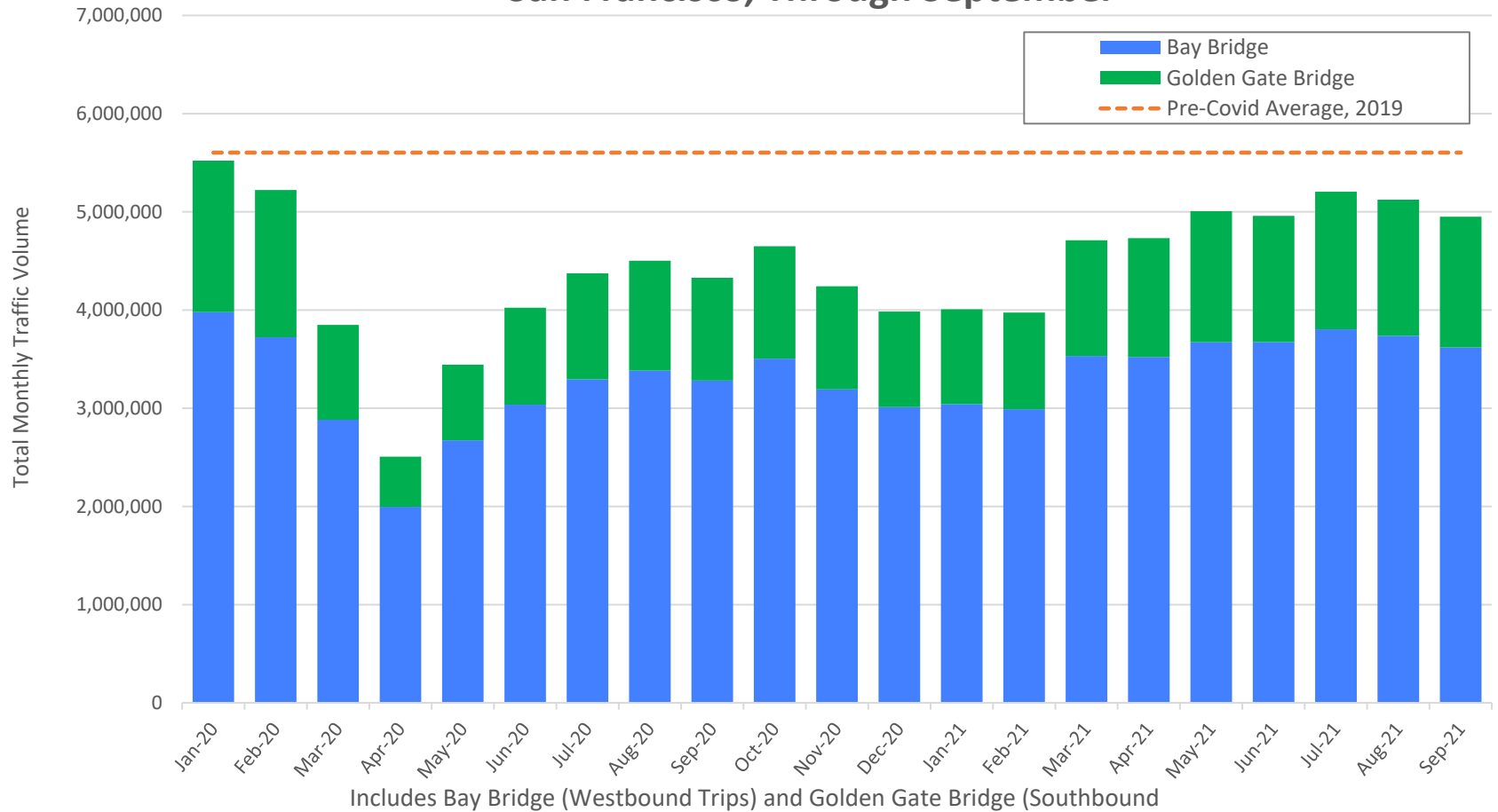
Average PM Freeway Speed, San Francisco, Through September 21



Source: San Francisco County Transportation Authority (SFCTA)

And Bridge Traffic Also Dropped Slightly

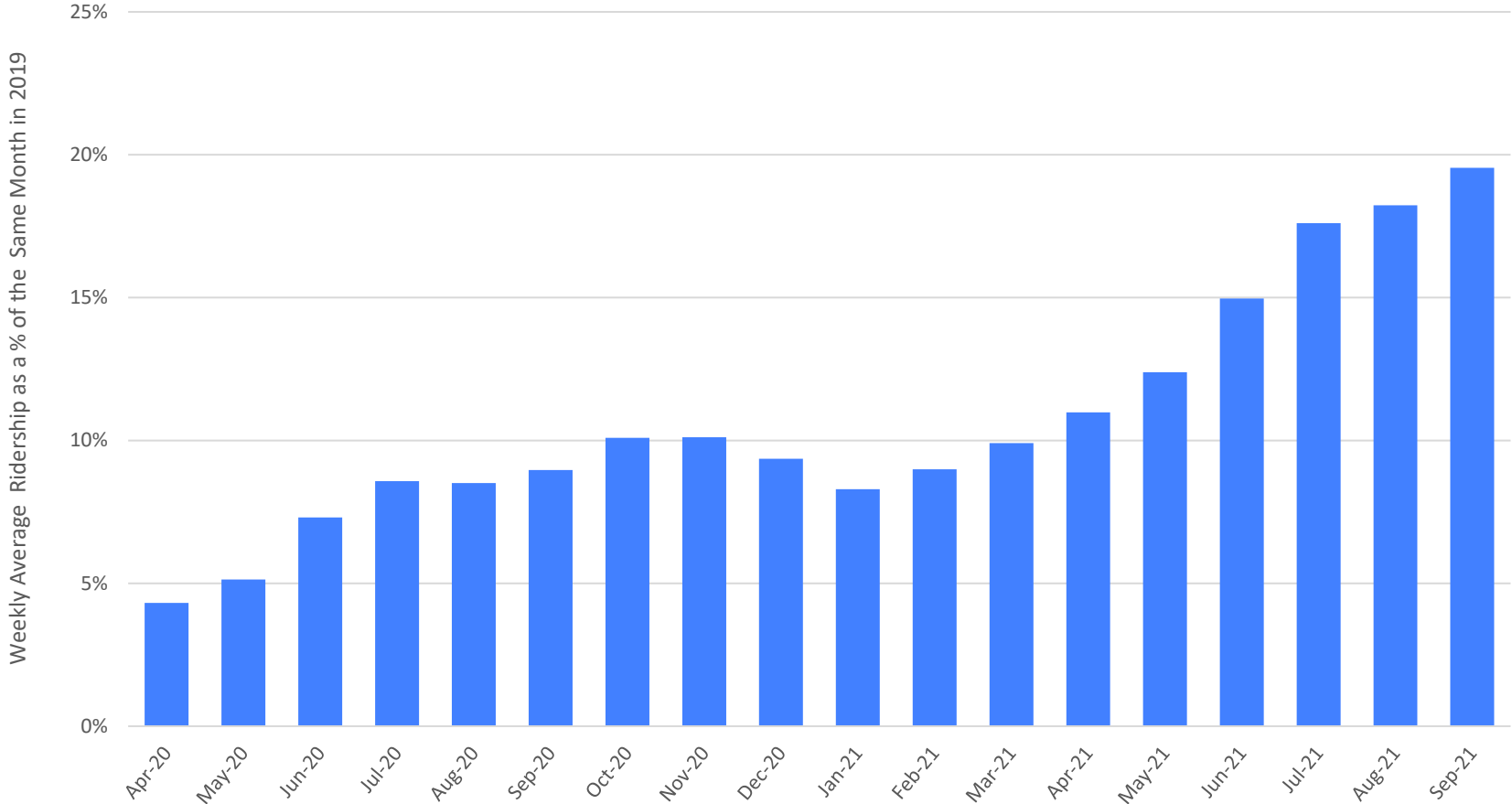
Bay Bridge and Golden Gate Bridge Monthly Traffic Volume, San Francisco, Through September



Source: Bay Area Toll Authority (BATA), Golden Gate Bridge Highway & Transportation District

BART Ridership Rose Again: 20% of Normal

BART Exits At Embarcadero, Montgomery, Powell and Civic Center Stations, Through September

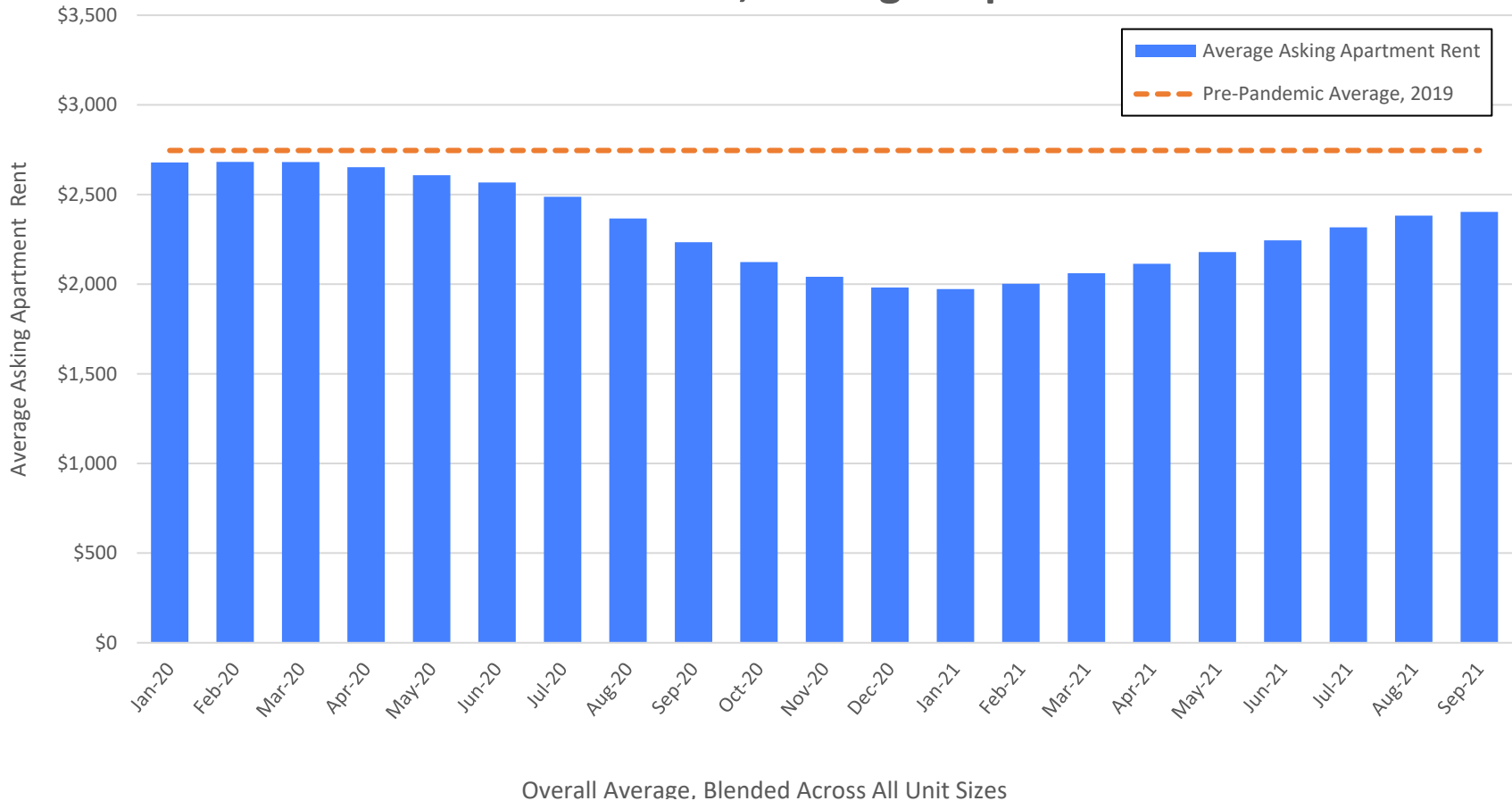


Source: BART

Apartment Rents Levelling Off, Still Down 13%

19

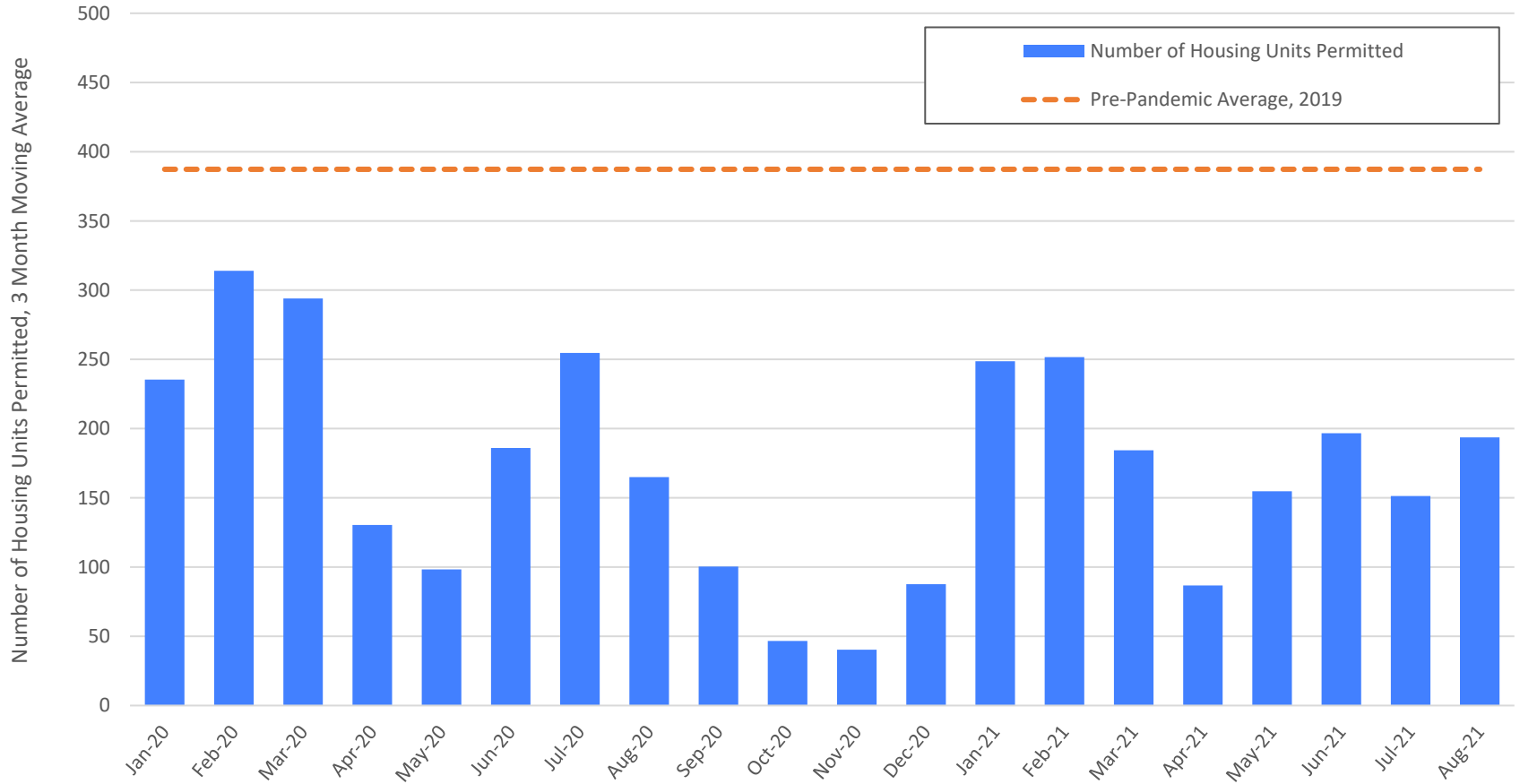
Average Asking Apartment Rent, San Francisco, Through September



Source: Apartment List

Slight Uptick in Building Permits for August

Number of Housing Units Permitted (3 Month MA), San Francisco, January 2020 - August 2021



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

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