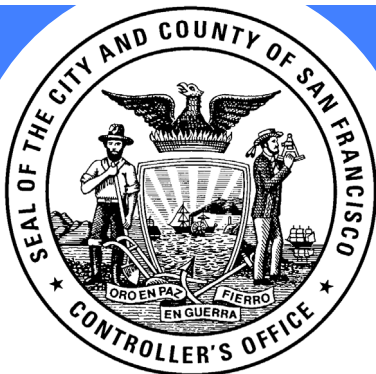


Status of the Re-Opening of the San Francisco Economy: July 2021



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
Office of Economic Analysis

July 22, 2021

Highlights of the July 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 second monthly report examining a variety of local economic indicators.
- In June, local job growth was the strongest since June 2020, with 17,200 jobs gained in San Francisco and San Mateo counties. Total employment in the San Francisco metro division is still 100,000 below the pre-pandemic level of February 2020.
- Hotel occupancy is one of the fastest-improving local indicators. 45% of all pre-COVID rooms in the city were occupied during the week of July 4, though this is well below the pre-pandemic average of close to 80%.
- Bay Area weekly office attendance continues to lag other U.S. metro areas, and the city's office vacancy rate topped 20% over the April-June period, indicating continuing weak office demand.
- BART ridership to downtown San Francisco continued its slow recovery, while measures of automobile commuting, like bridge traffic, are nearly at pre-COVID levels.

List of Economic Indicators

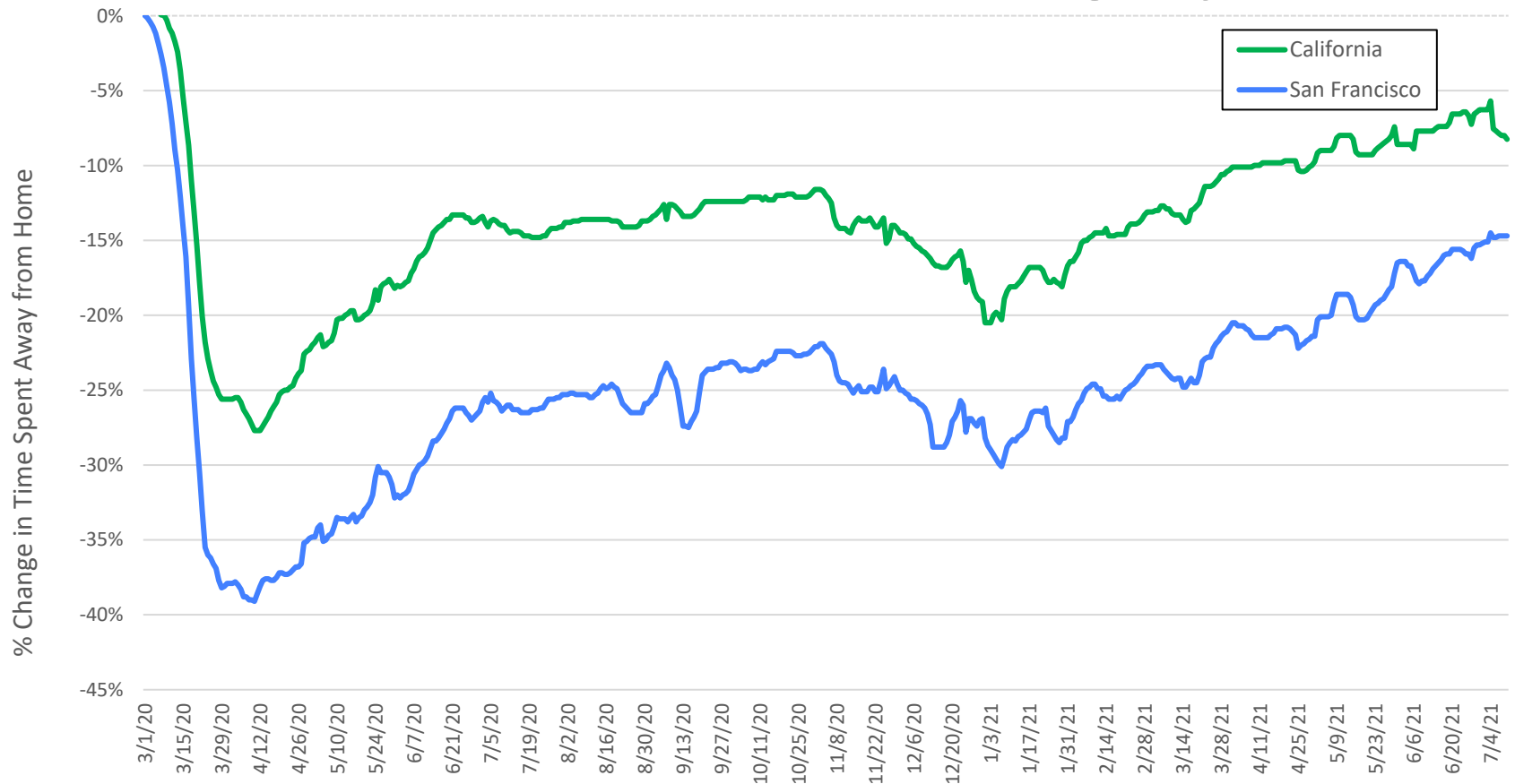
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1. Time Spent Outside of the Home
2. Office Attendance
3. Office Vacancy
4. Small Business Sentiment: Expected Recovery Index
5. New Business Registrations
6. % Change in Consumer Spending
7. Total Employment in San Francisco & San Mateo Counties
8. San Francisco Unemployment Rate
9. Hotel Occupancy Rate
10. Hotel Average Daily Rate (ADR) per Night
11. Small Business Sentiment: Expected Future Business Travel
12. San Francisco International Airport Enplanements
13. Convention Bookings At Moscone Center
14. PM Freeway Speed
15. Bay Bridge and Golden Bridge Traffic
16. BART Exits at Downtown SF Stations
17. Average Asking Rents for Apartments
18. Building Permits

Time Spent Outside Home Approaching Normal

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

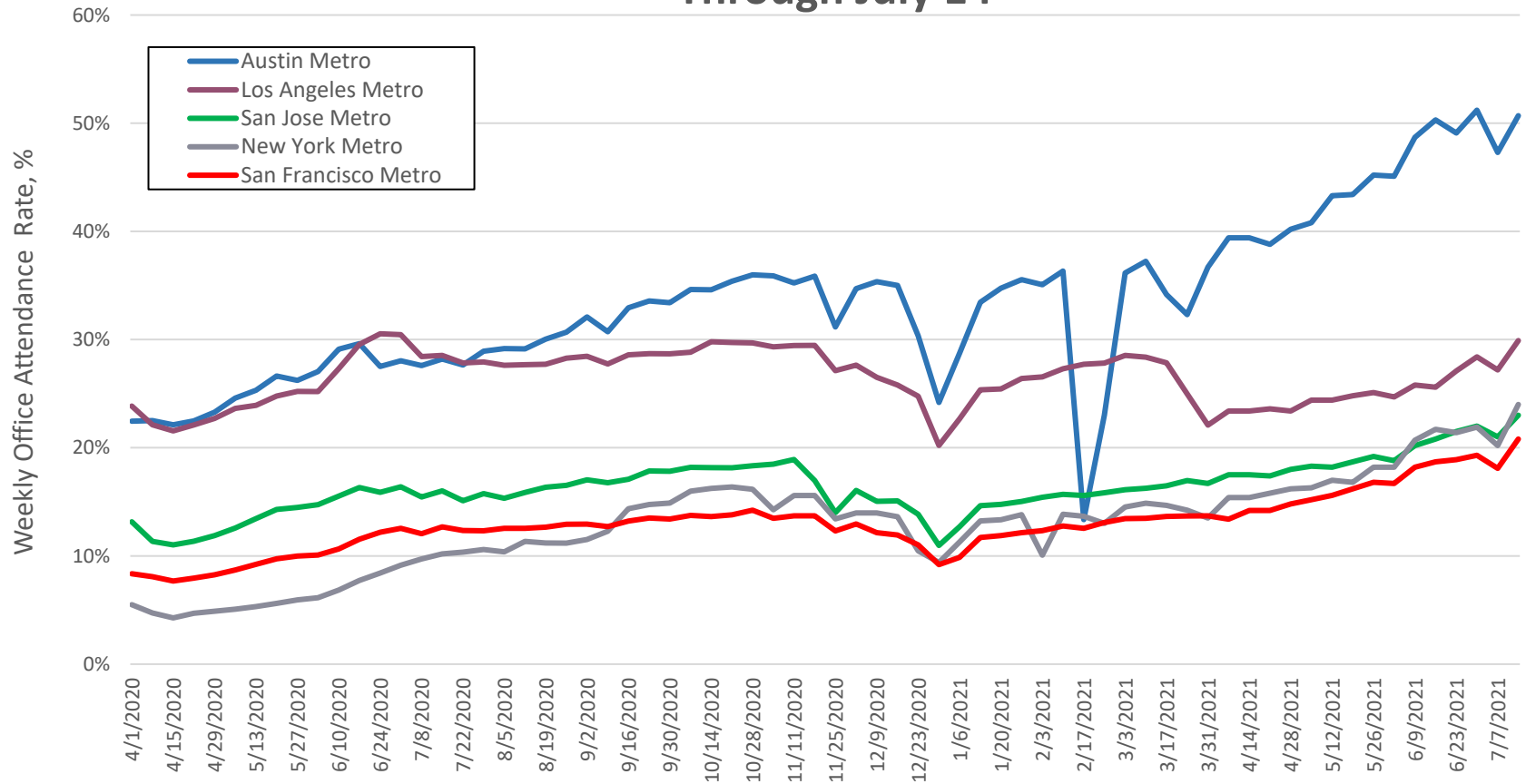


Change relative to the January 2020 index period, not seasonally adjusted.

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

Office Workers Slowly Returning; SF Metro Lags

Weekly Office Attendance Across Selected Metros, Through July 14

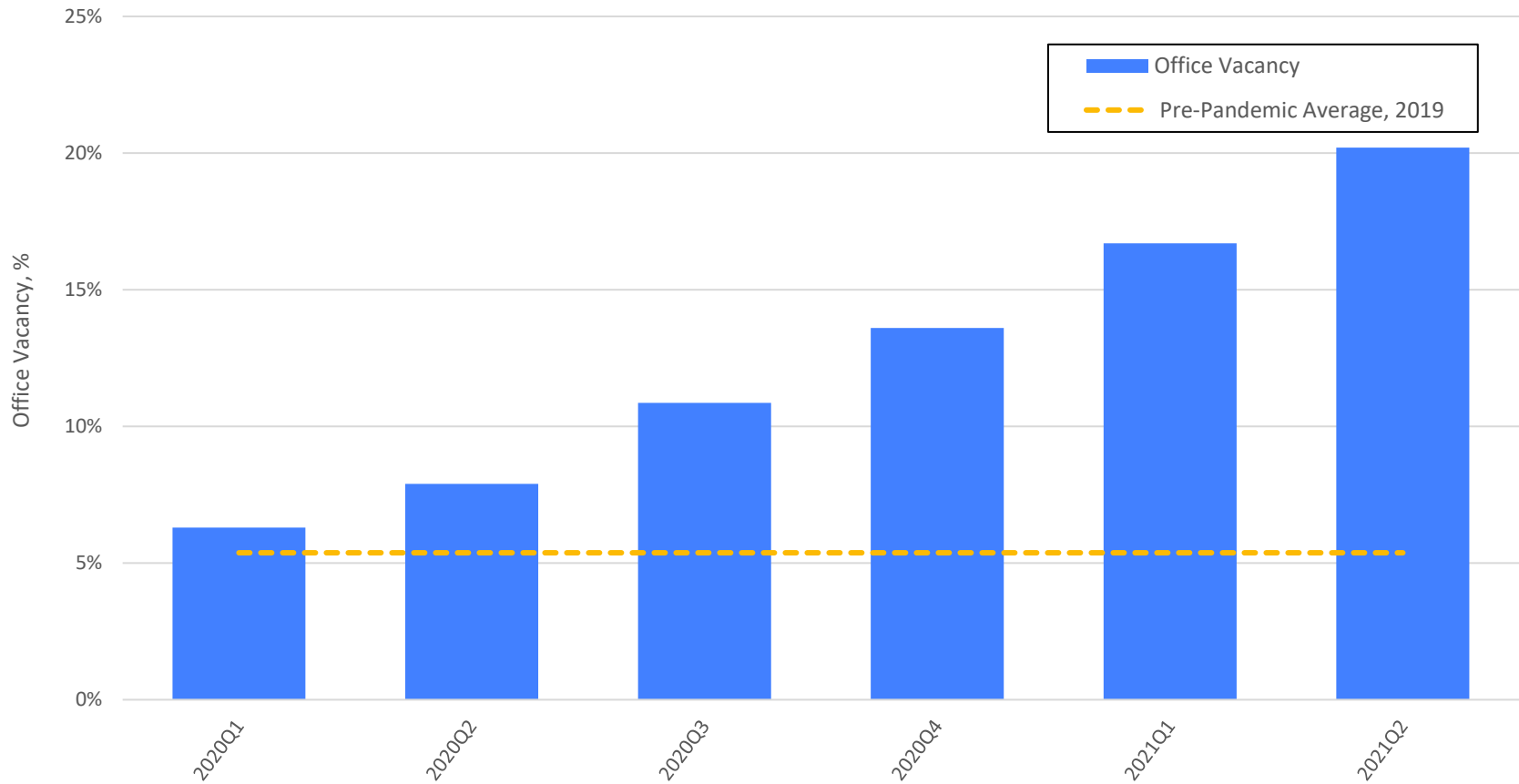


Kastle Back to Work Barometer reflects unique authorized user entries in a market relative to its pre-COVID baseline, averaged weekly. The San Francisco Metro Area includes San Francisco, Alameda, Contra Costa, San Mateo, and Marin counties.

April-June Saw a Further Rise in Office Vacancy

6

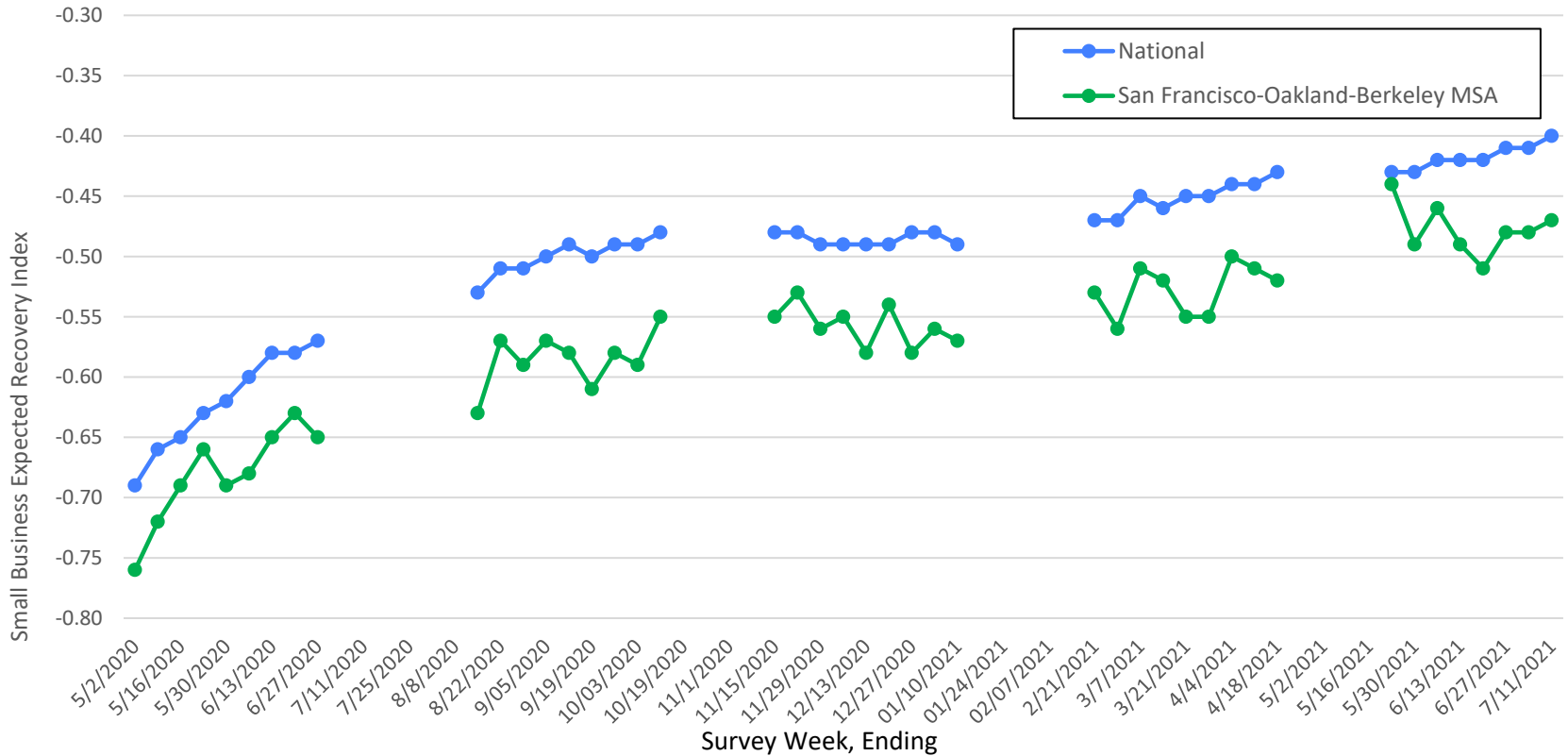
Office Vacancy, San Francisco, Through 2021Q2



Source: Jones Lang LaSalle

Local Business Sentiment Still Lagging U.S.

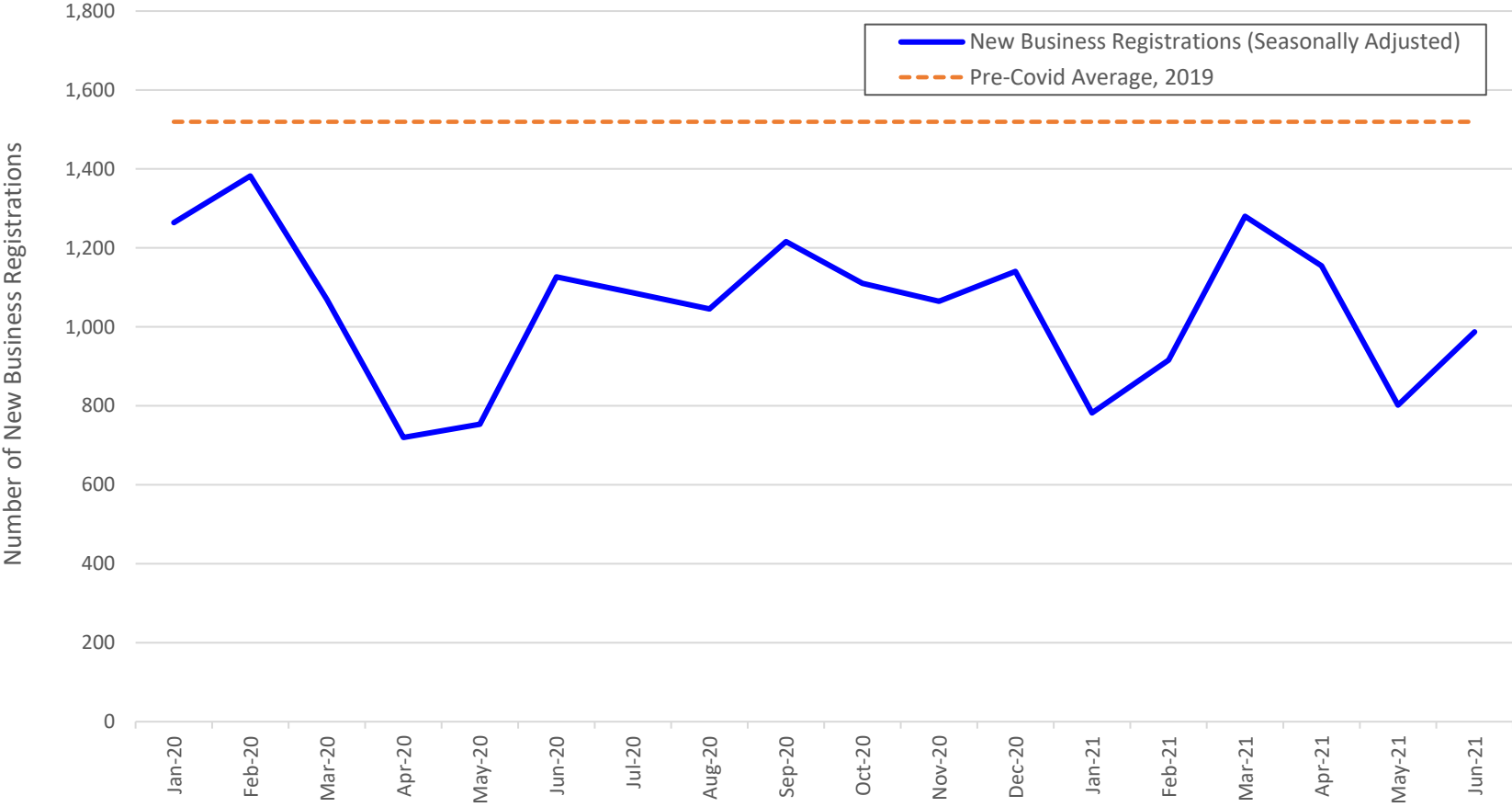
Small Business Expected Recovery Index San Francisco Metro Area and U.S., Through July 11



The Expected Recovery Index measures the average expected recovery time of businesses. The index ranges from -1 to 0, with 0 indicating normal conditions.

New Business Formation Remaining Steady

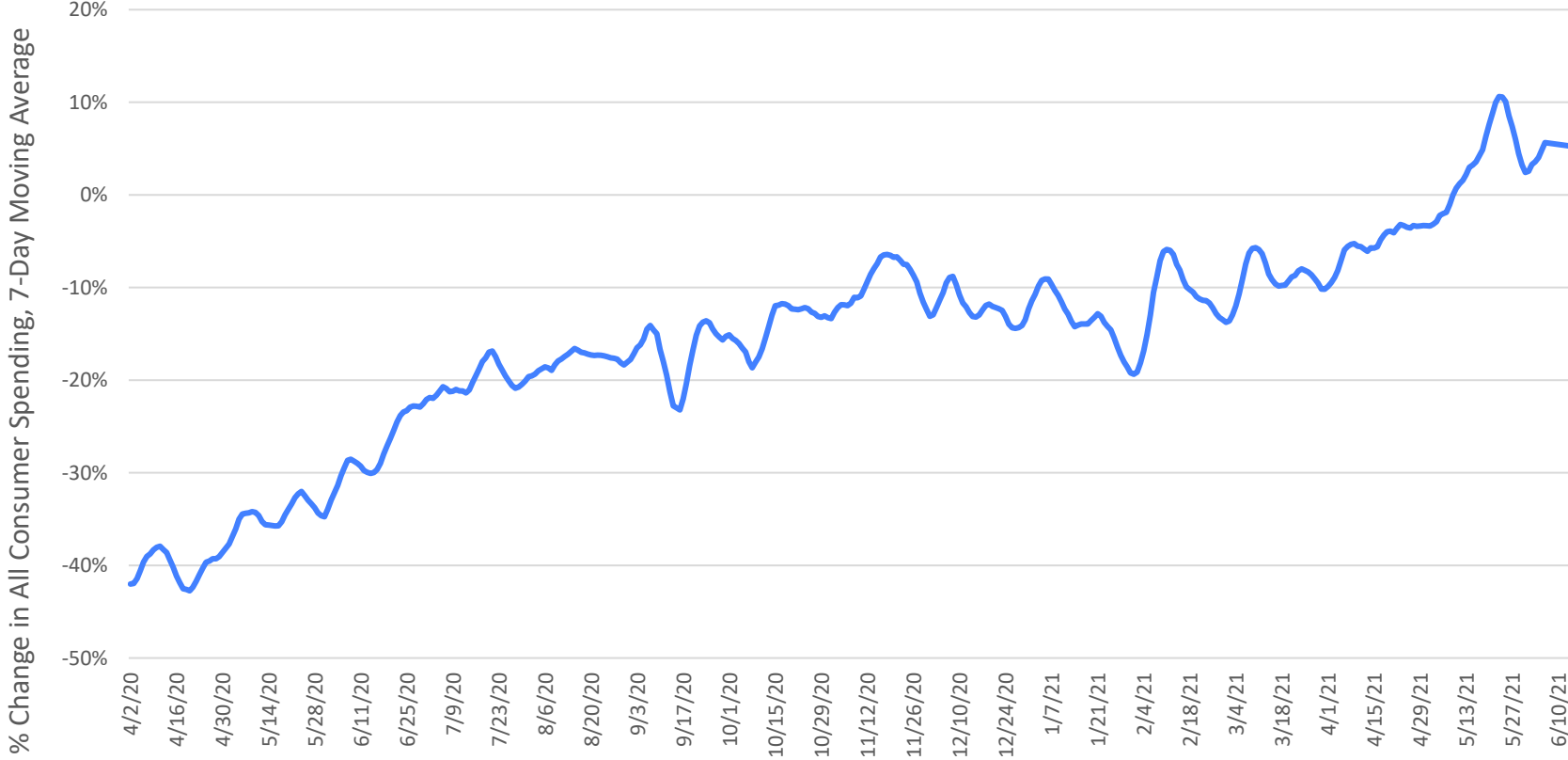
Monthly New Business Registrations, San Francisco, Through June



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

Local Consumer Spending Above Pre-COVID Levels

Consumer Spending, San Francisco, Through June 13

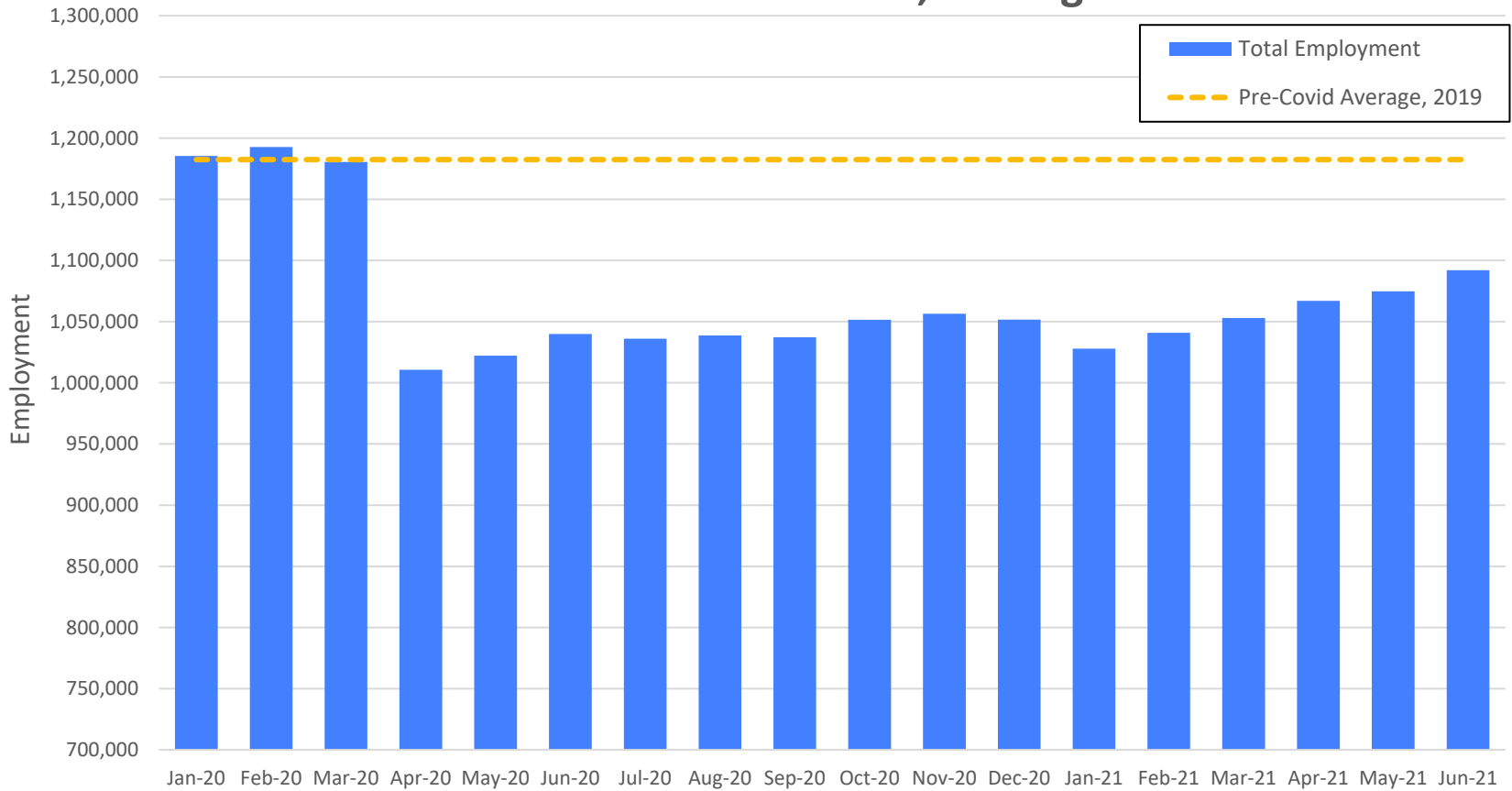


Seasonally adjusted credit/debit card spending relative to baseline spending of January 4-31, 2020.

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

Strong Job Growth in June With 17,600 Gained

Total Employment, San Francisco Metro Division, Through June

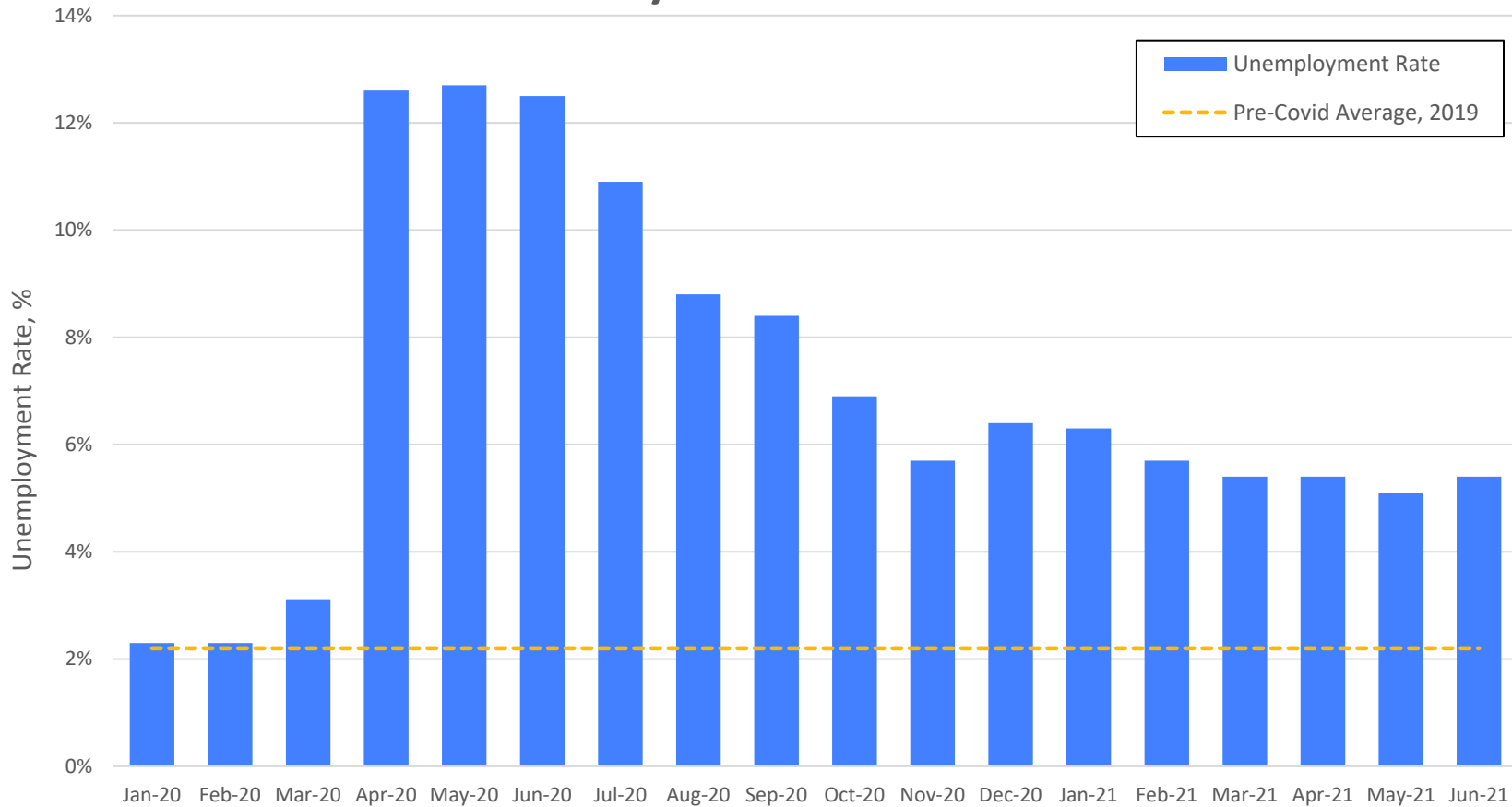


The San Francisco Metro Division includes San Francisco and San Mateo counties.

Unemployment Steady at 5% (Seasonally Adjusted)

11

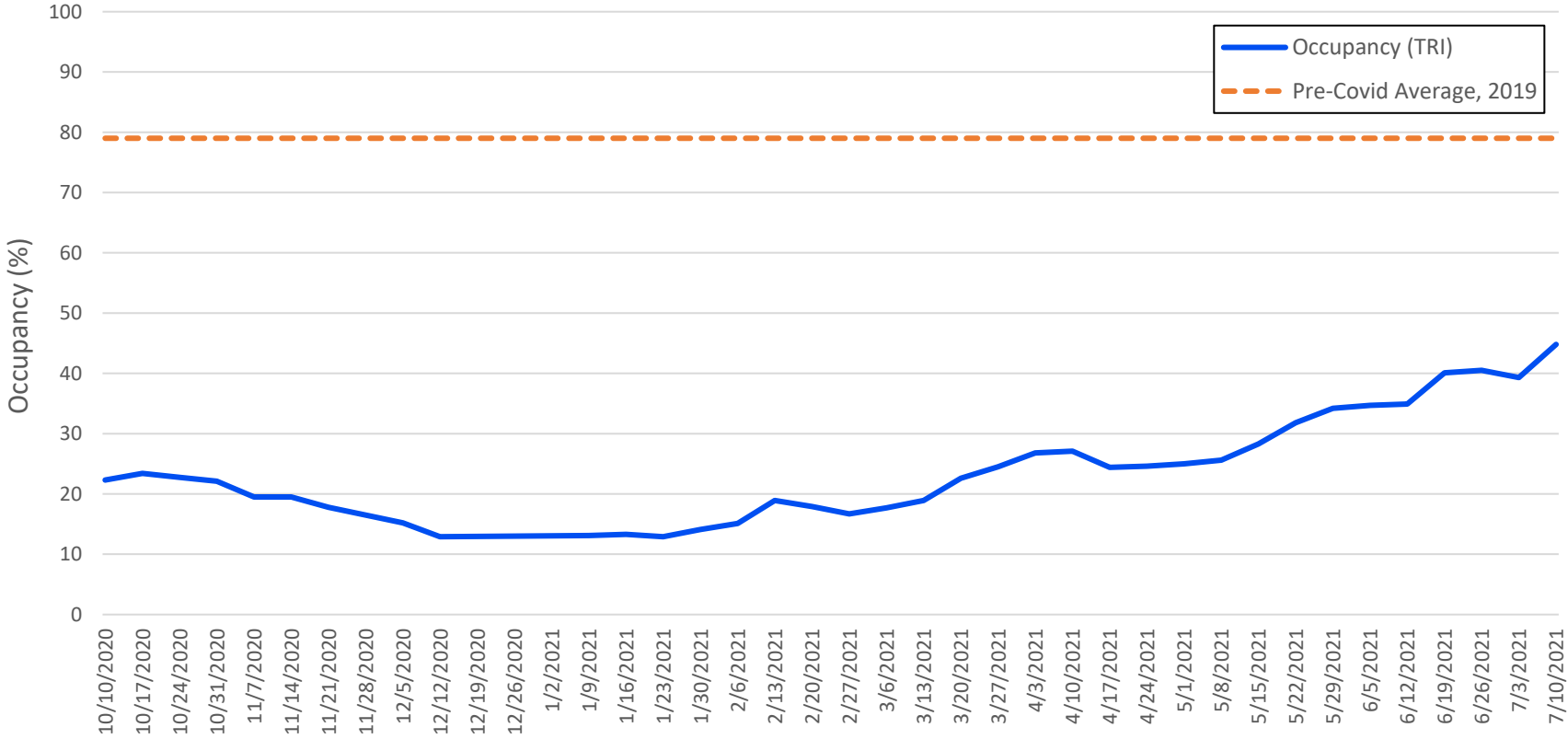
San Francisco Unemployment Rate, January 2020 – June 2021



Source: California Employment Development Department (EDD)

Hotel Occupancy Rate Has Continued to Rise

Hotel Occupancy, San Francisco, From October 10, 2020 to July 10, 2021



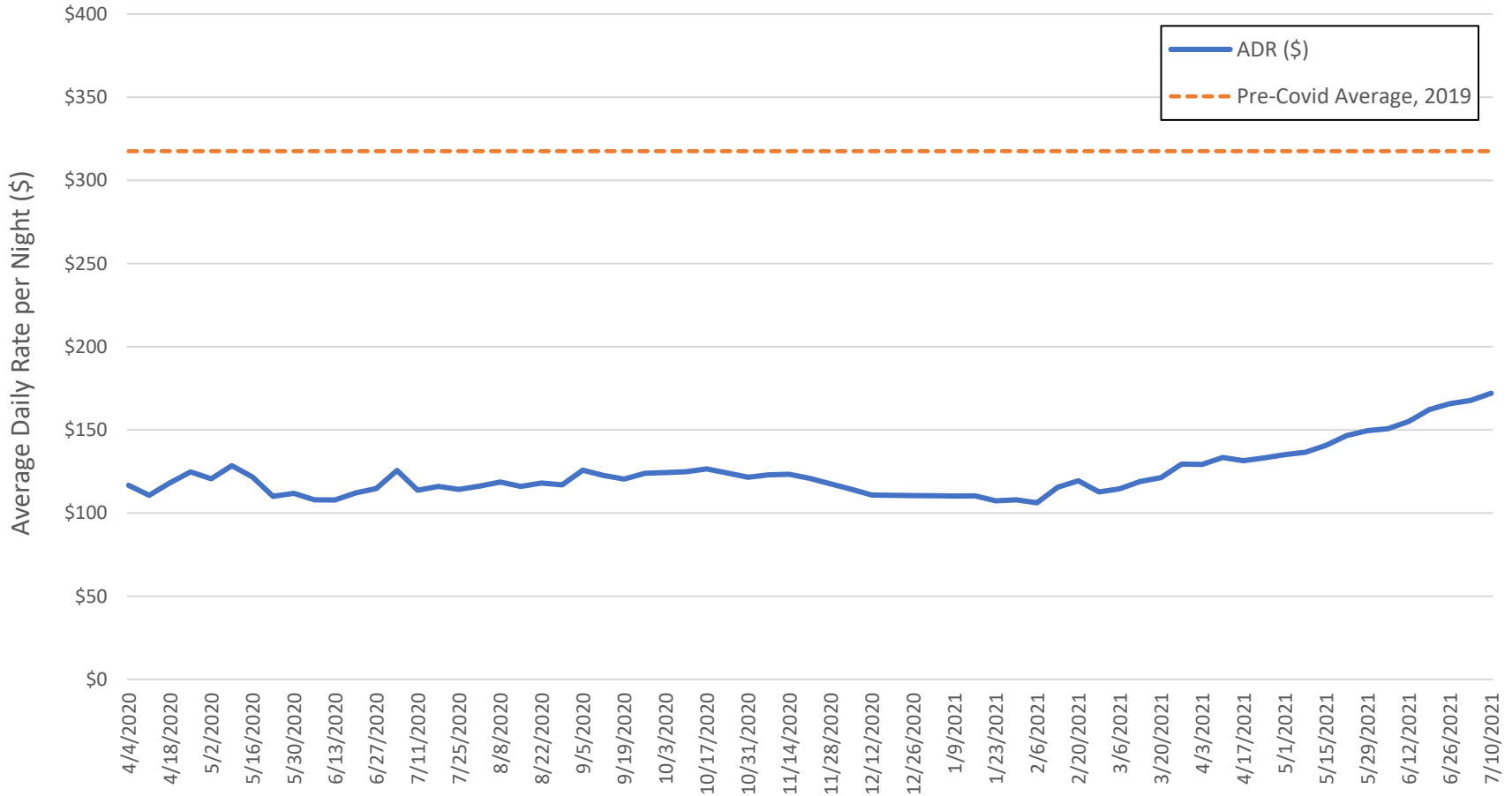
TRI (Total Room Inventory) takes in to account all the hotel rooms in the city, whether open or closed.

Source: STR

Average Hotel Rates Are Also Rising

13

Hotel Average Daily Rate (ADR) per Night, San Francisco, Through July 10

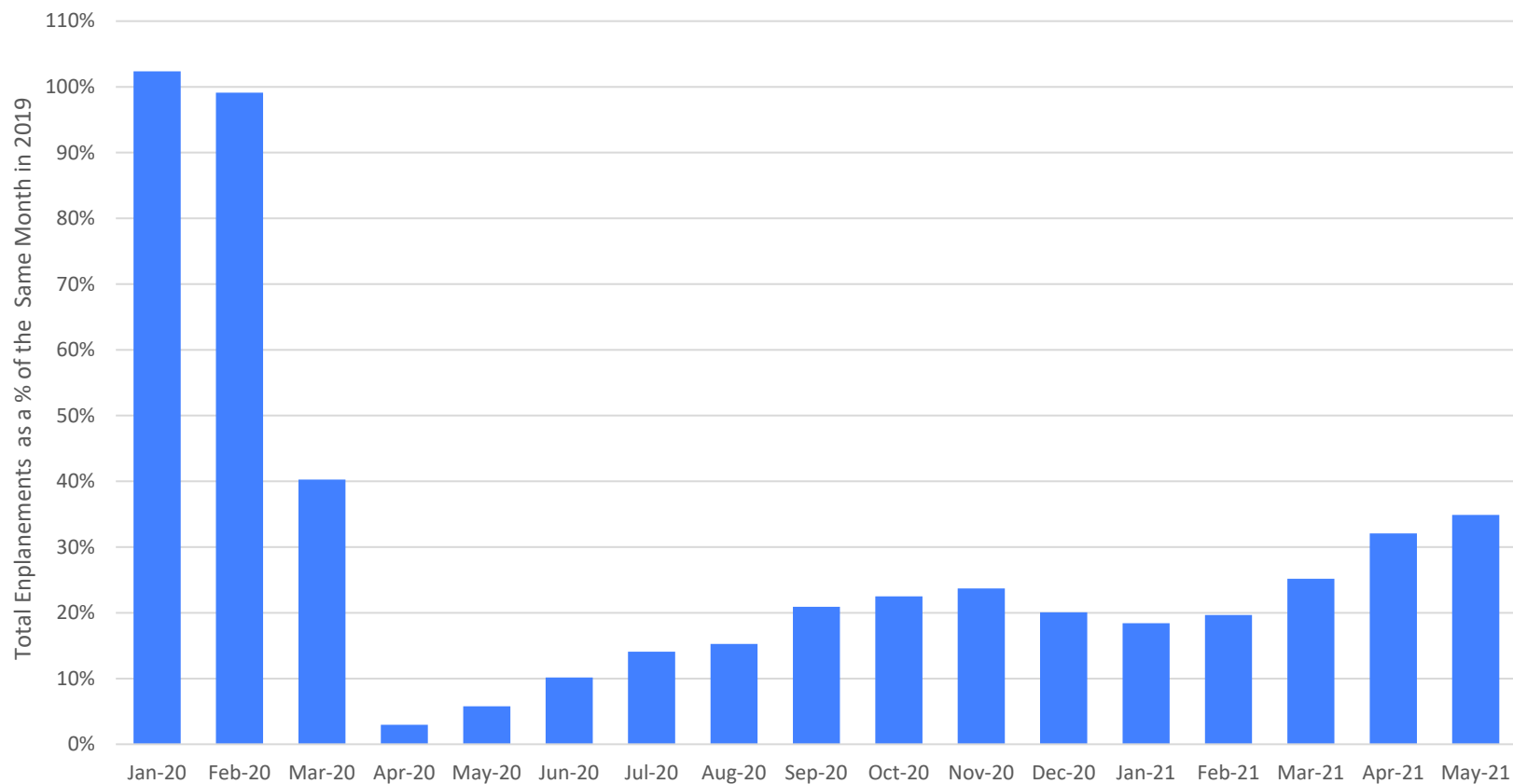


Source: STR

Air Passengers Rising, But Well Below Normal

14

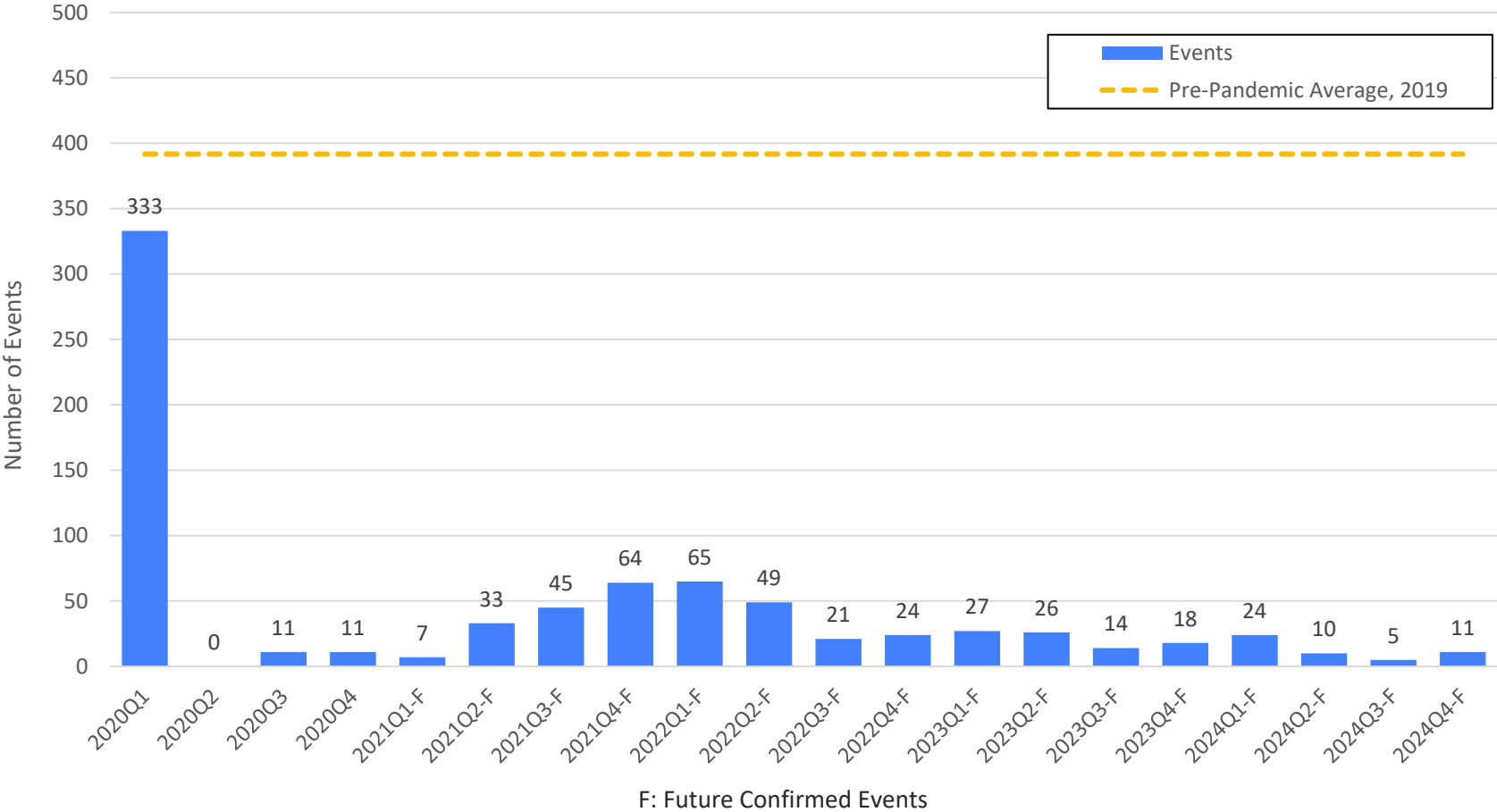
Total Enplanements (Domestic and International), San Francisco International Airport, Through May



Source: San Francisco International Airport (SFO)

Little Change in Moscone Bookings

Convention Bookings at Moscone, Through SF Travel



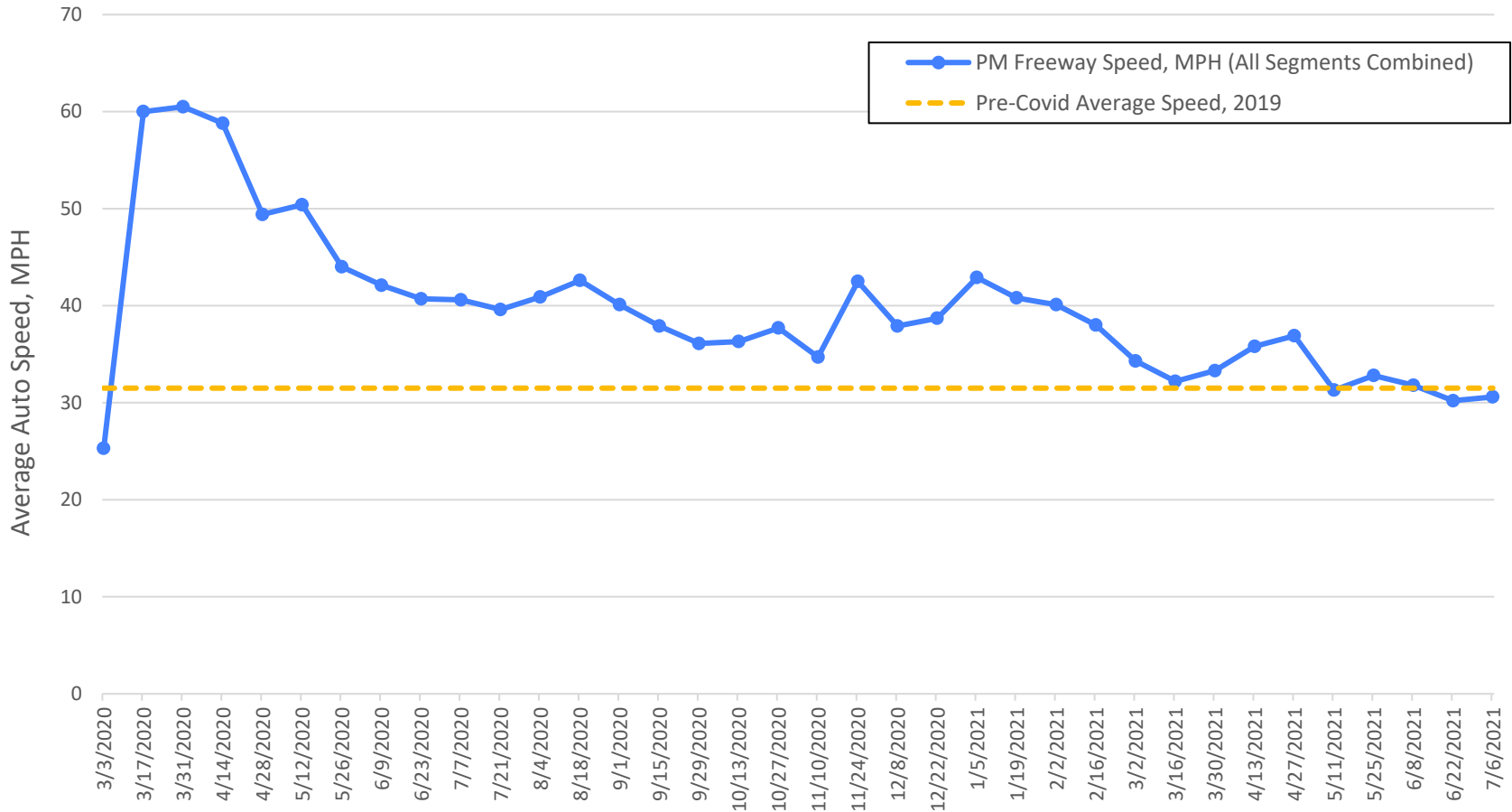
The numbers include both Moscone events and Self-Contained events that were booked through SF Travel.

Source: SF Travel

Transportation: Pre-COVID Traffic Has Returned

16

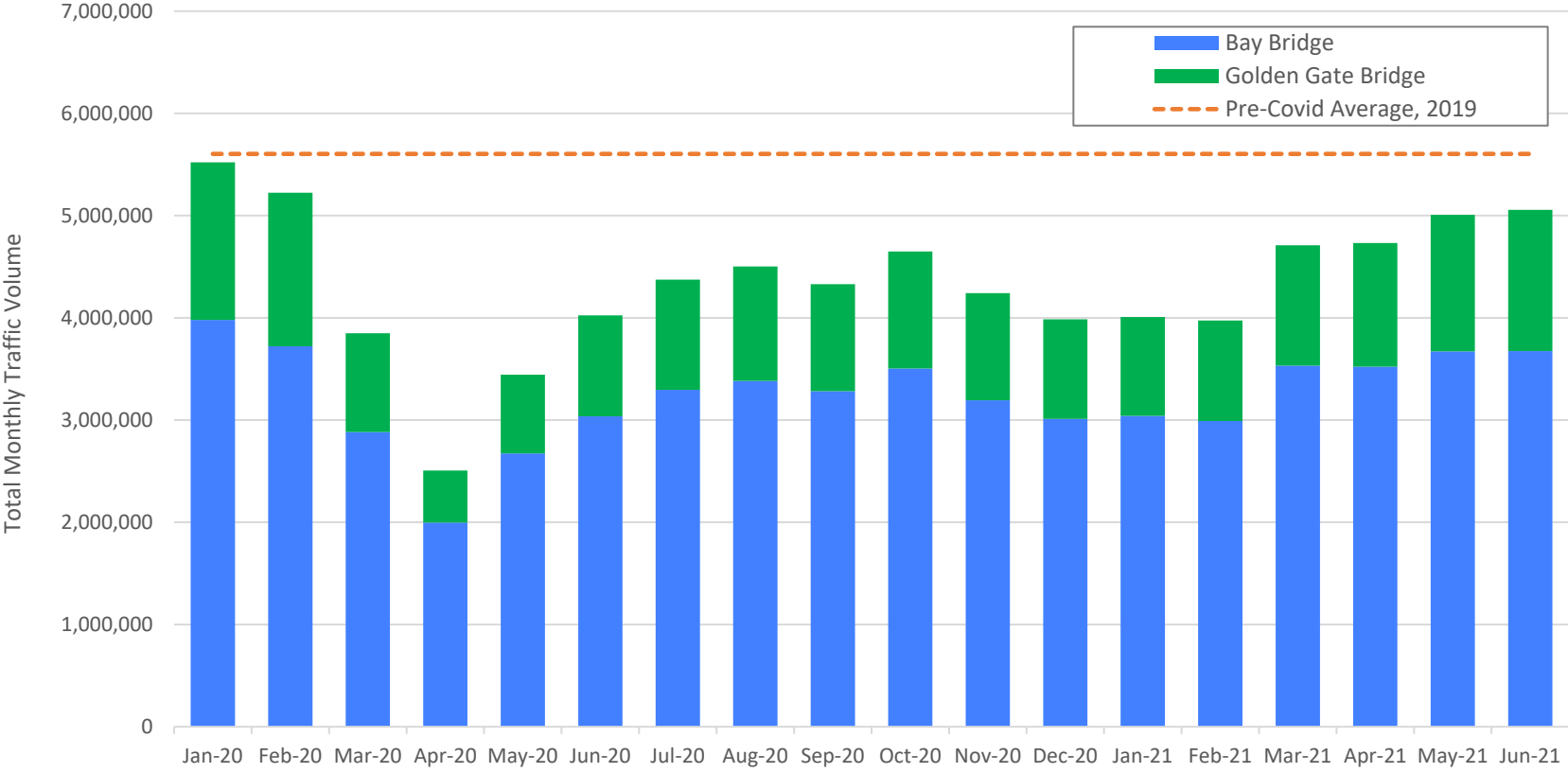
Average PM Freeway Speed, San Francisco, Through July 6



Source: San Francisco County Transportation Authority (SFCTA)

Monthly Bridge Traffic Now 90% of Normal

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



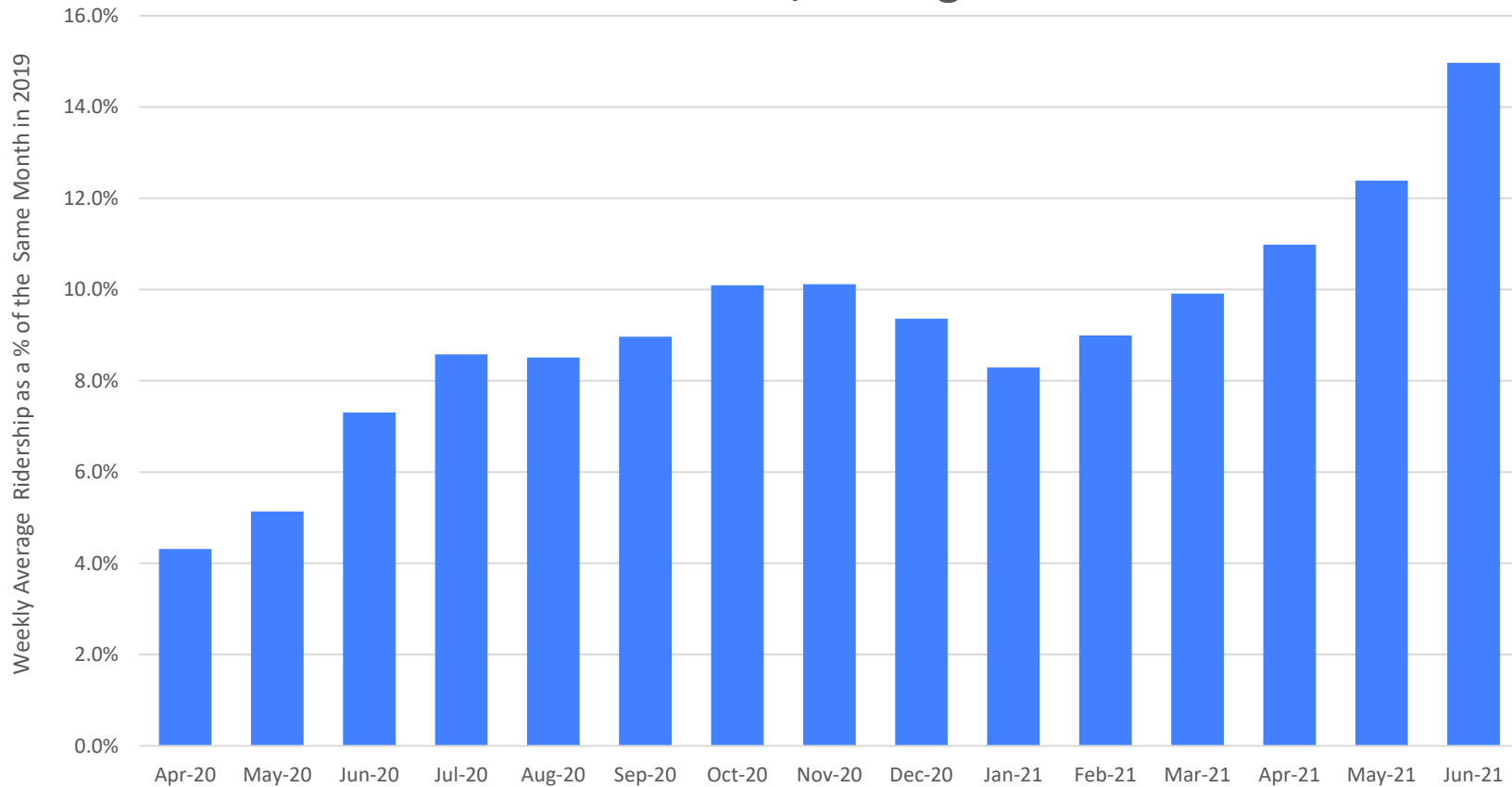
Includes Bay Bridge (Westbound Trips) and Golden Gate Bridge (Southbound)

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

BART Ridership Returning, But Still Below Normal

18

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

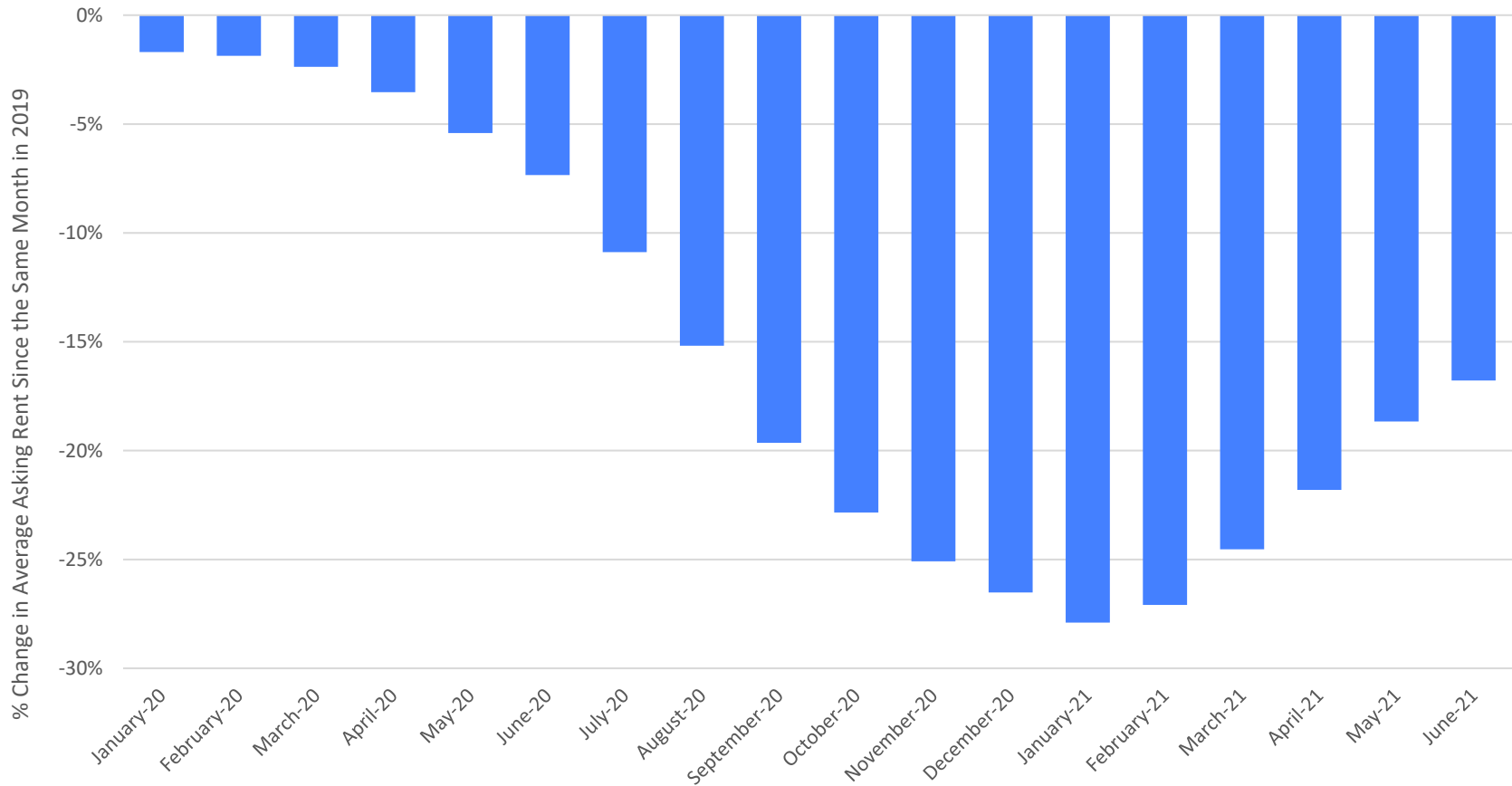


Source: BART

Apartment Rents Continuing Their 2021 Recovery

19

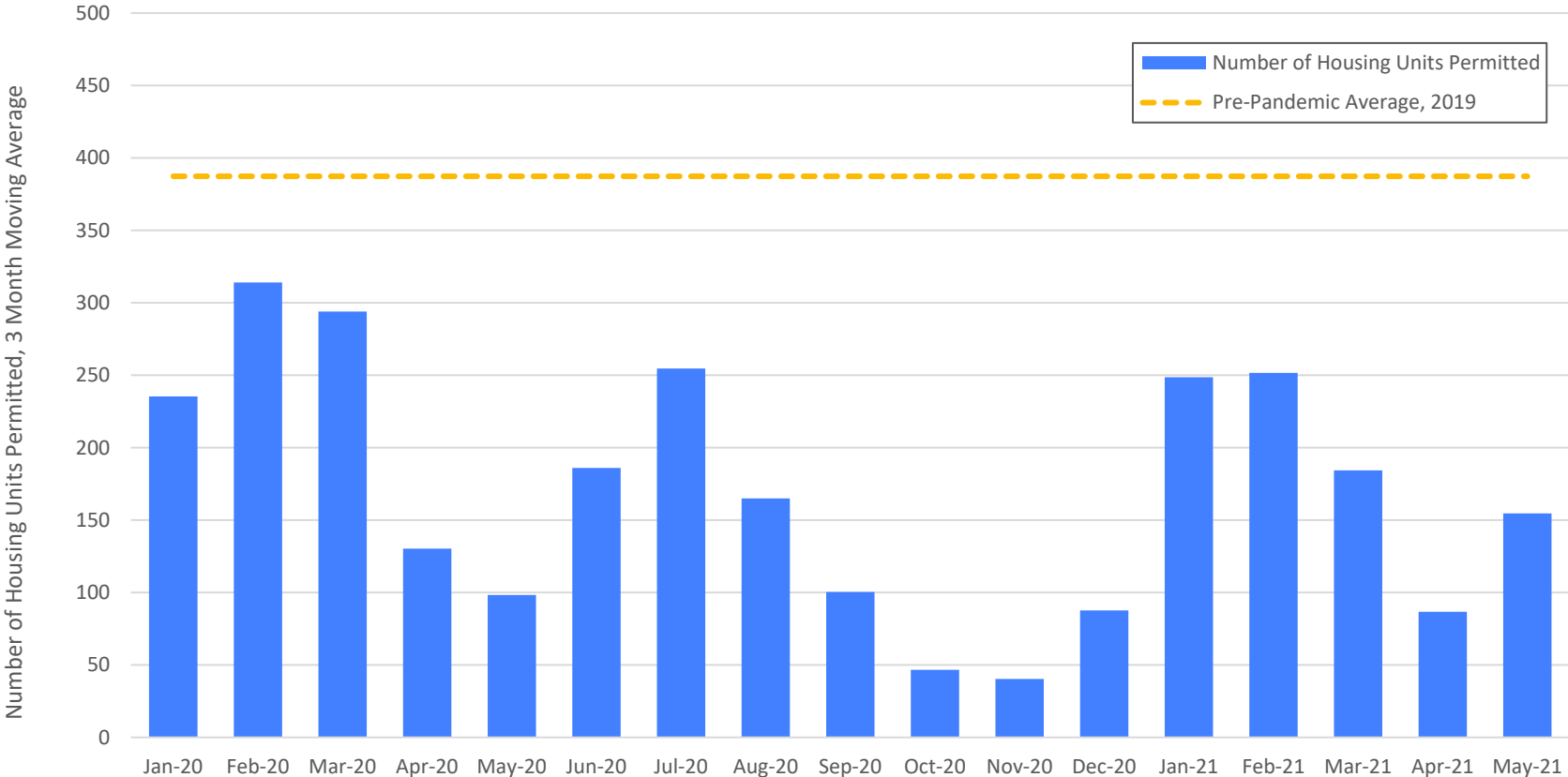
Average Asking Apartment Rent, San Francisco, Through June



Source: Apartment List

Housing Construction Remains Well Below Normal

Number of Housing Units Permitted, 3 Month Moving Average, San Francisco, January 2020 - May 2021



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

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