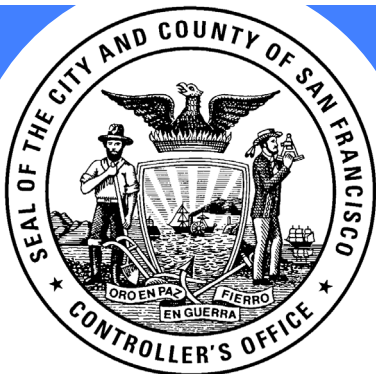


Status of the San Francisco Economy: April 2023



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
Office of Economic Analysis

May 1, 2023

Highlights of the April Report

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- The San Francisco Controller's Office has been tracking the state of the city's economy with monthly reports on a variety of local economic indicators.
- The San Francisco metropolitan division had another month of slow job growth in March, adding 1,500 jobs.
- Leisure and Hospitality led job growth in March with 3,600 jobs, whereas the Professional and Business Services sector – mainly tech - led job losses with 2,100 jobs. Despite troubles at local banks, job losses in Financial Services have been mild.
- The city's unemployment rate rose slightly, a 0.1 percentage point increase to 3.0% in March. San Francisco's jobless rate continues to be the second lowest in the state.
- The city's weak return-to-office has led to rising office vacancy, which rose 26.4% in the first quarter, according to JLL. Office asking rents remain sticky, dropping only 2.5% in the past eight quarters.
- Housing markets are beginning to level off after several months of falling prices, though prices in San Francisco are still falling faster than the state as a whole. Building permit activity has been very low in 2023, with only 22 units permitted from January to March. Building permits are a volatile indicator, however, and roughly 500 units were permitted in both November and December.

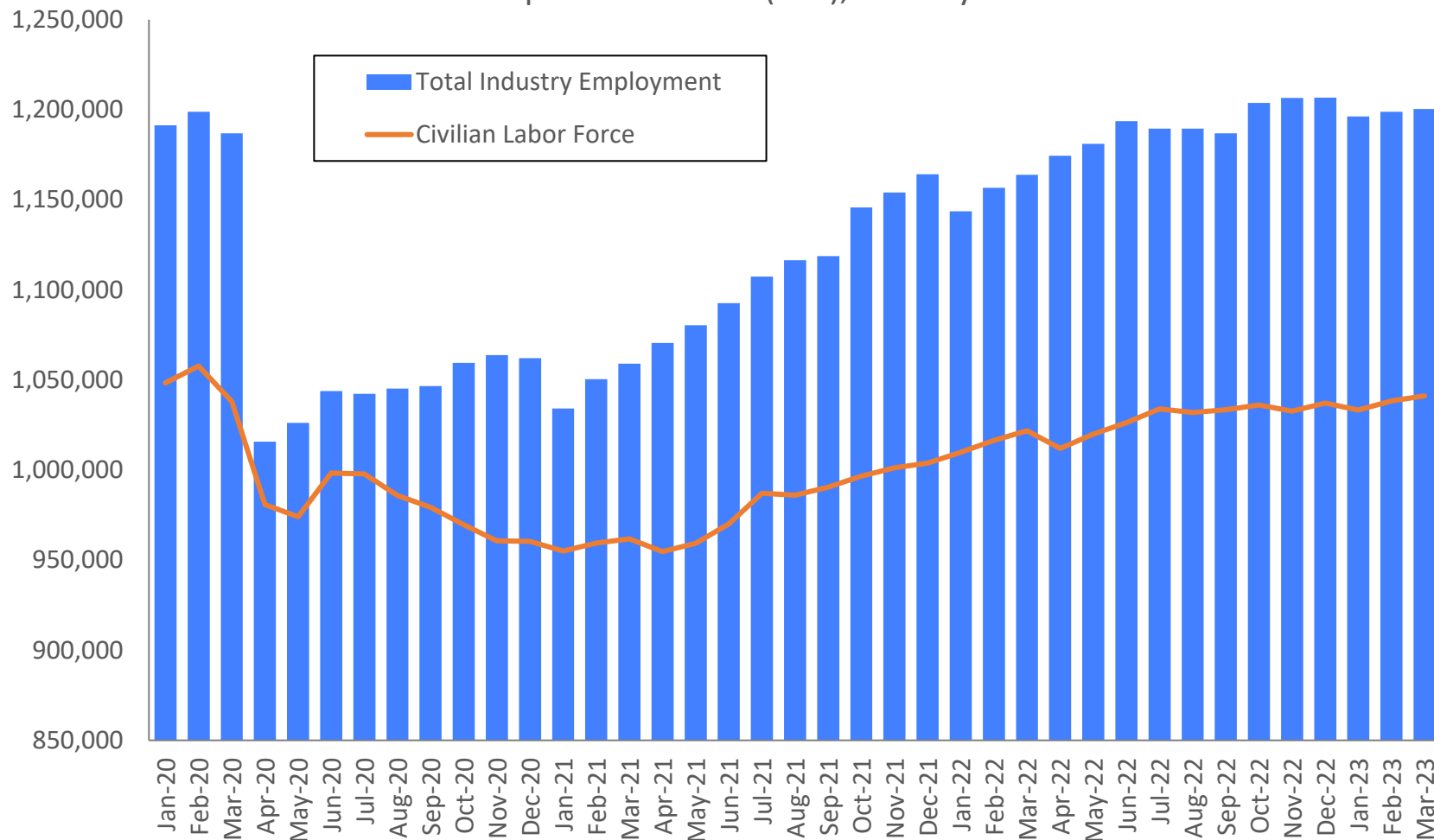
List of Economic Indicators

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

Job Growth Continuing to Slow – 1,500 Gained in March

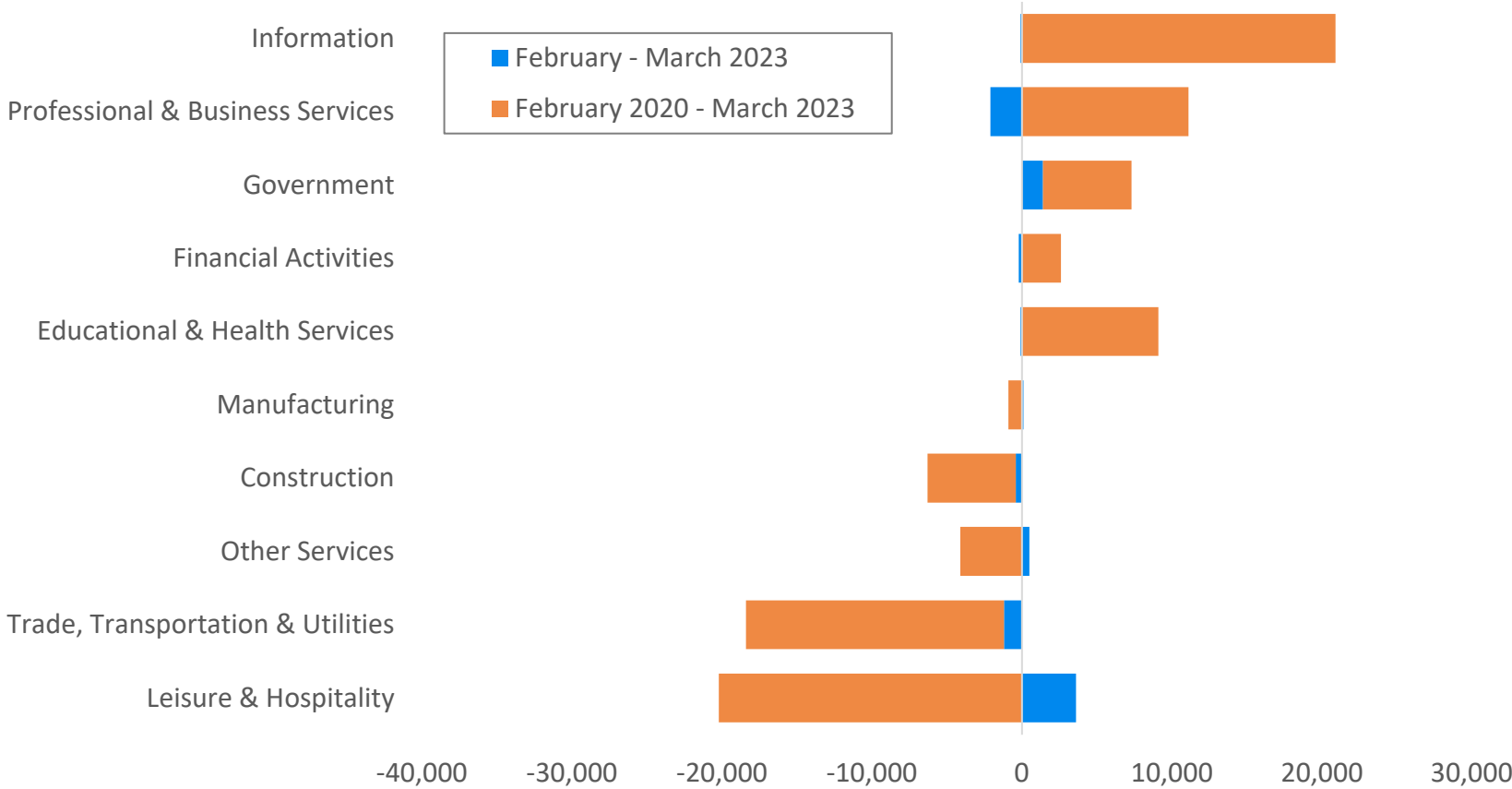
Total Industry Employment and Civilian Labor Force,
San Francisco Metropolitan Division (MD), January 2020-March 2023



Source: EDD, SF Metro Division includes San Francisco and San Mateo counties.

Leisure & Hospitality Led Employment Growth; Tech Down

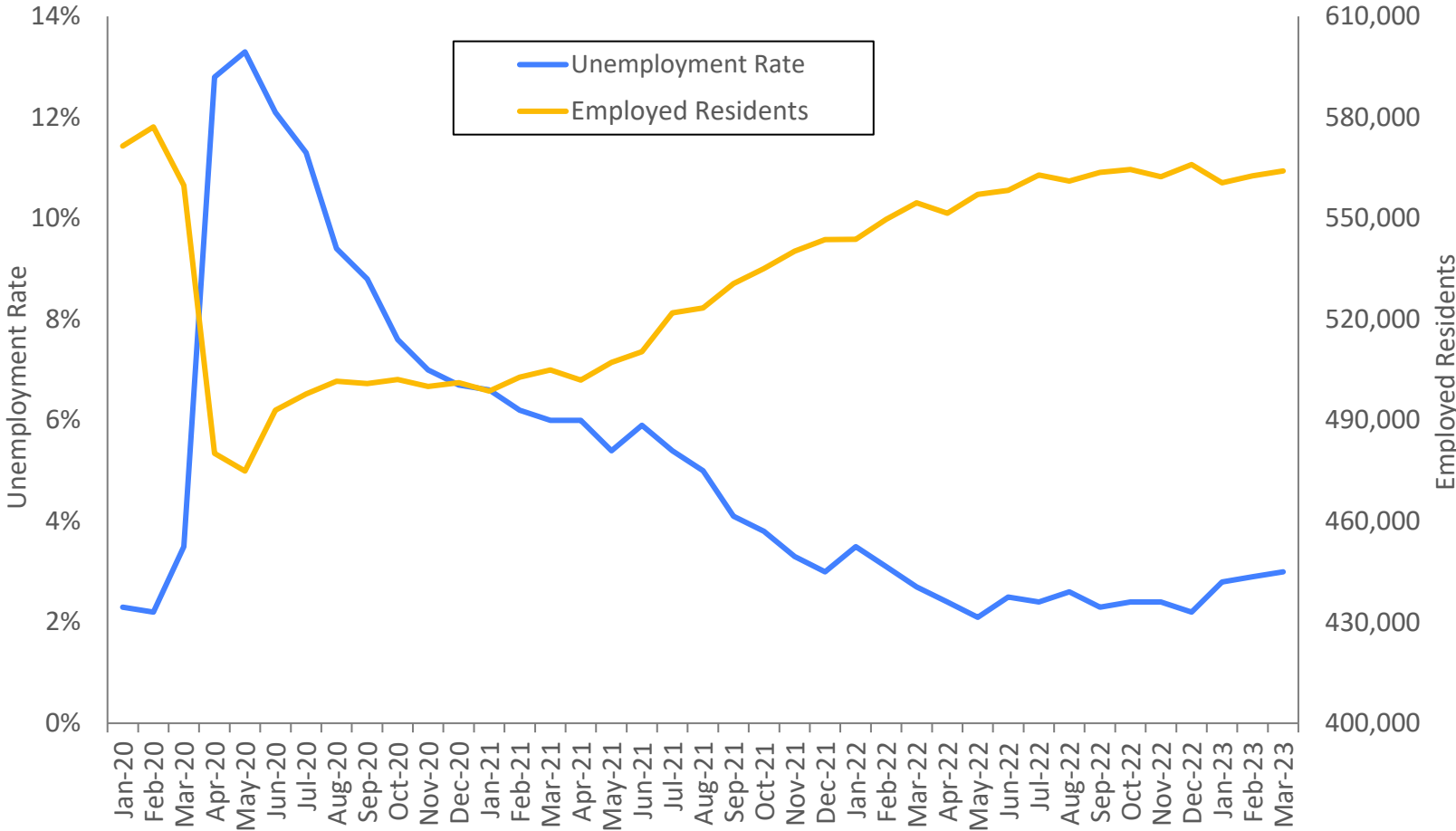
Employment Change by Industry Sector, San Francisco Metro Division:
Since the Start of the Pandemic, and the Most Recent Two Months



Source: EDD

Unemployment Rate Edged Slightly Higher, to 3.0%

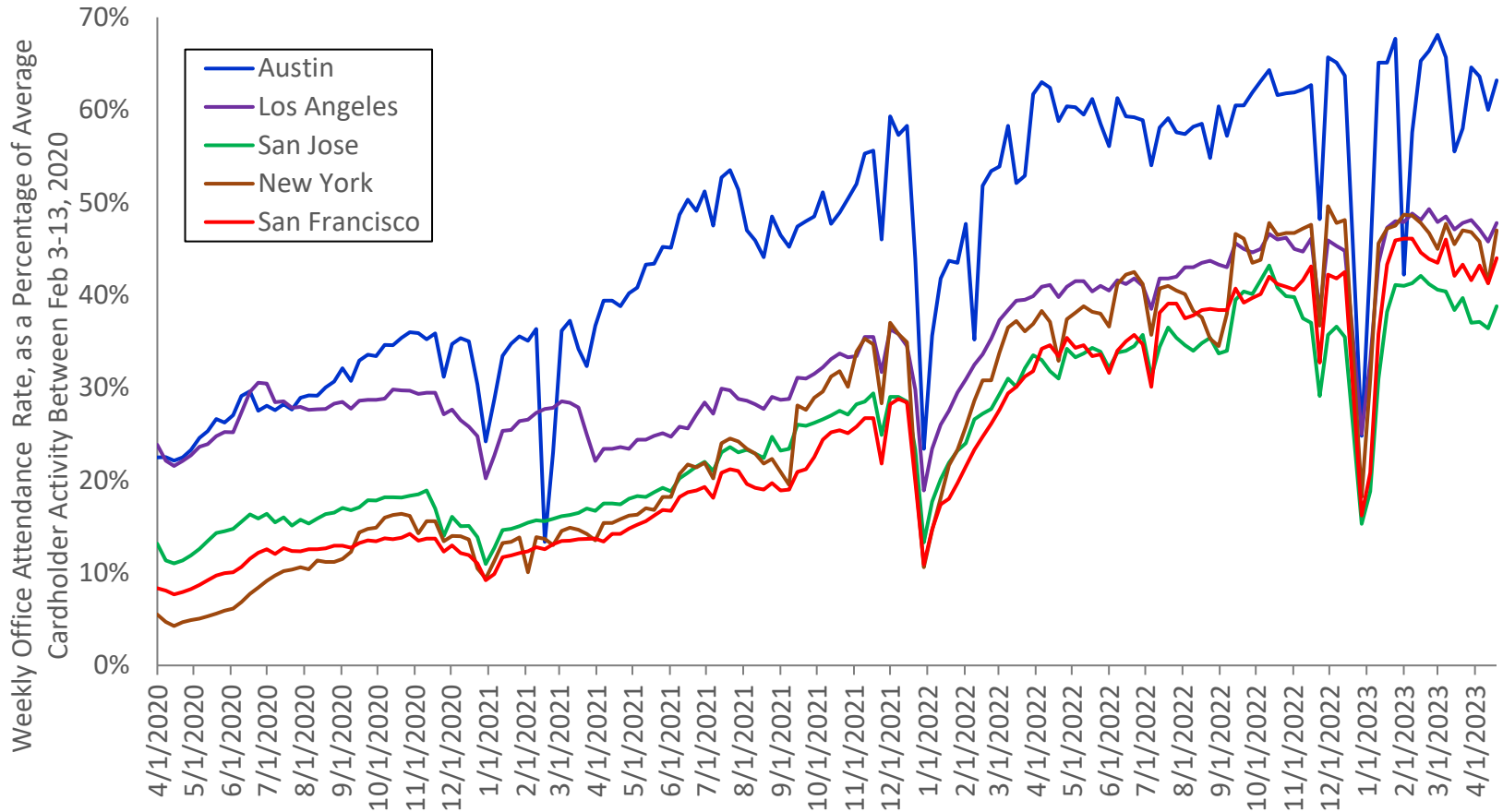
Monthly Unemployment Rate and Employed Residents, San Francisco, Through March 2023



Source: EDD

Through Mid-April, Office Attendance Has Been Slipping

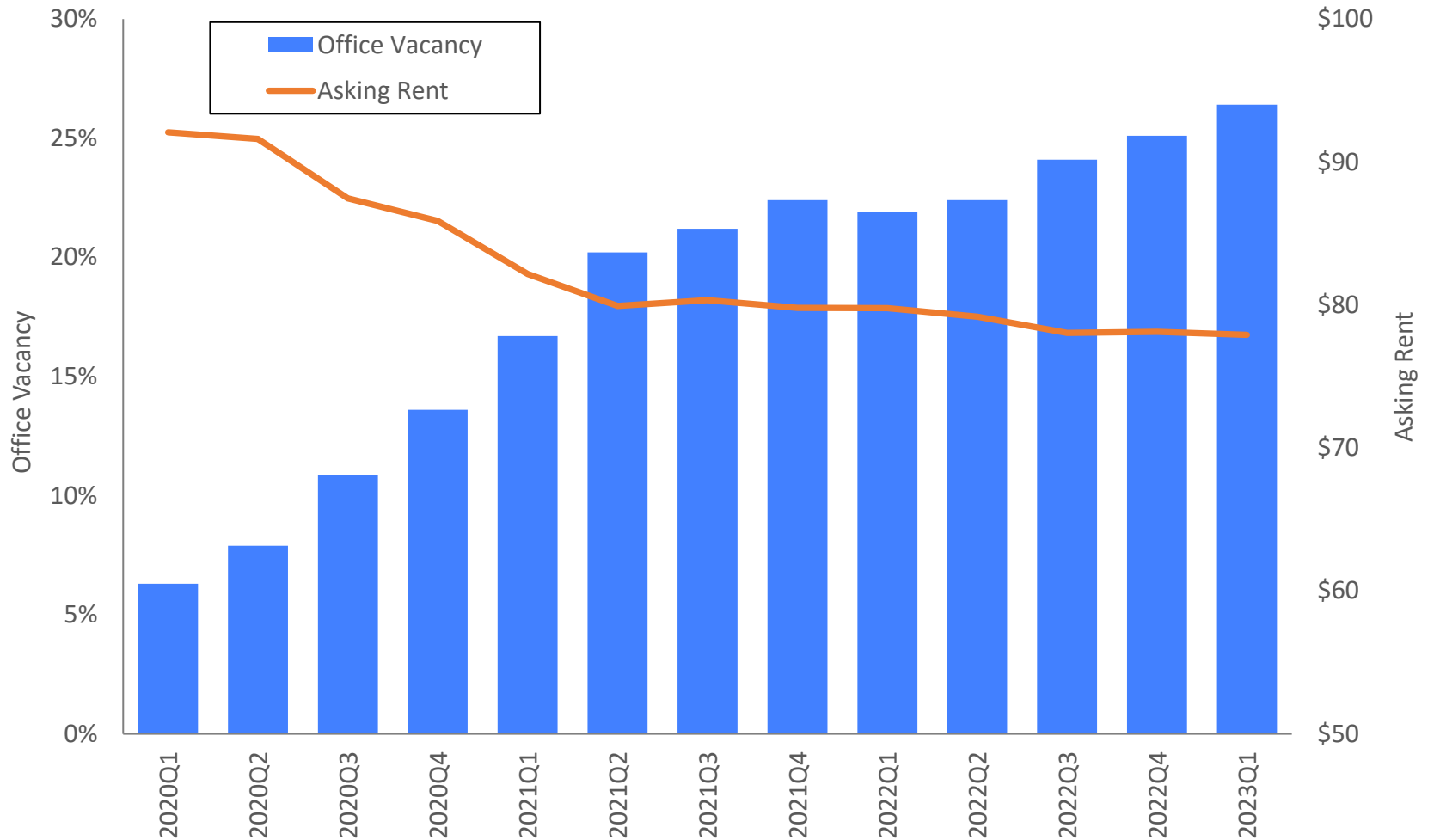
Weekly Office Attendance in San Francisco and Other Selected Metros, Through April 19, 2023



Through March, Office Vacancy Rising; Rents Flat

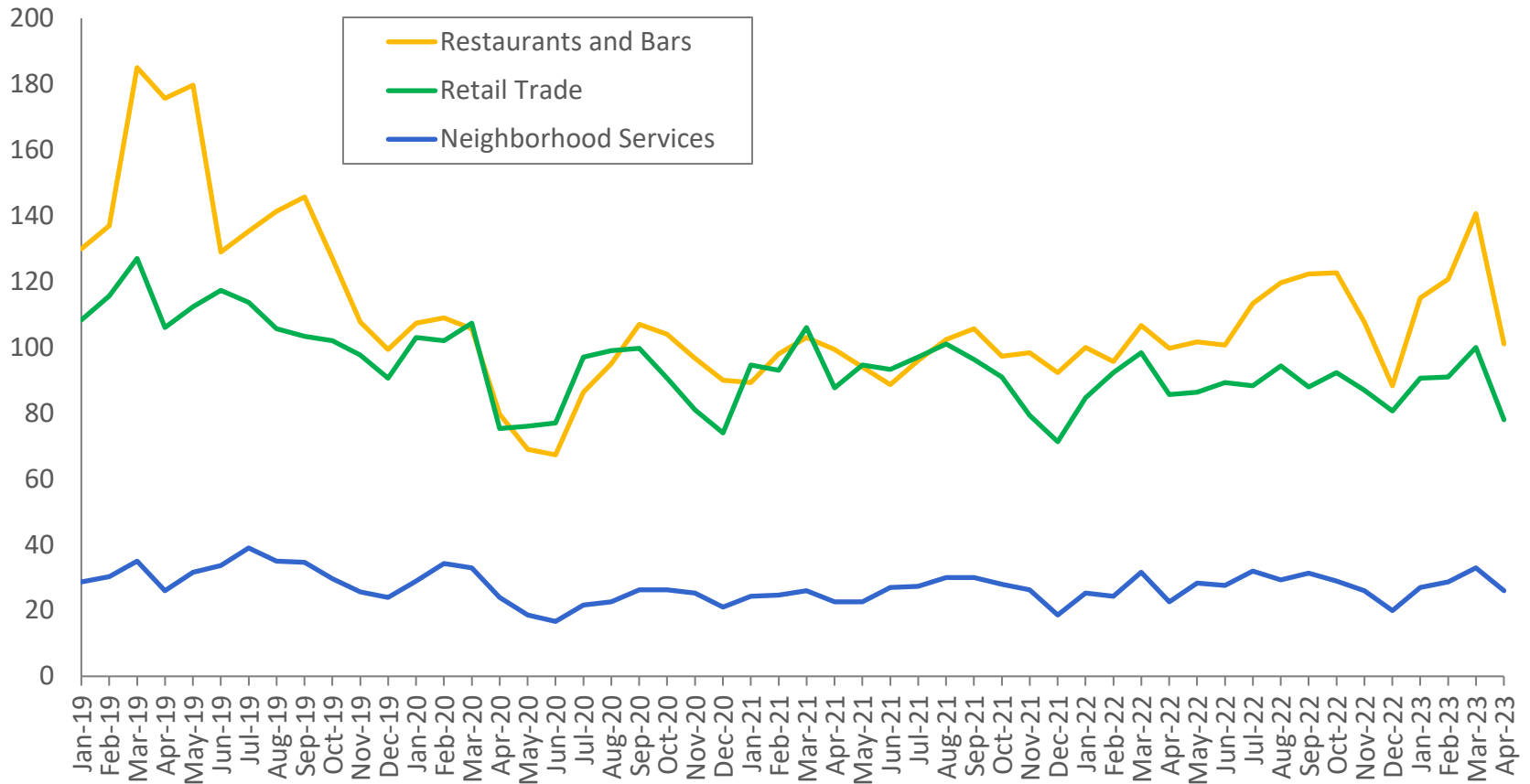
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Office Vacancy and Asking Rent
San Francisco, Through 2023Q1



New Business Formation Pace Slipped in April

New Business Locations in San Francisco, 3-month Moving Average,
Selected Industries: January 2019 - April 2023

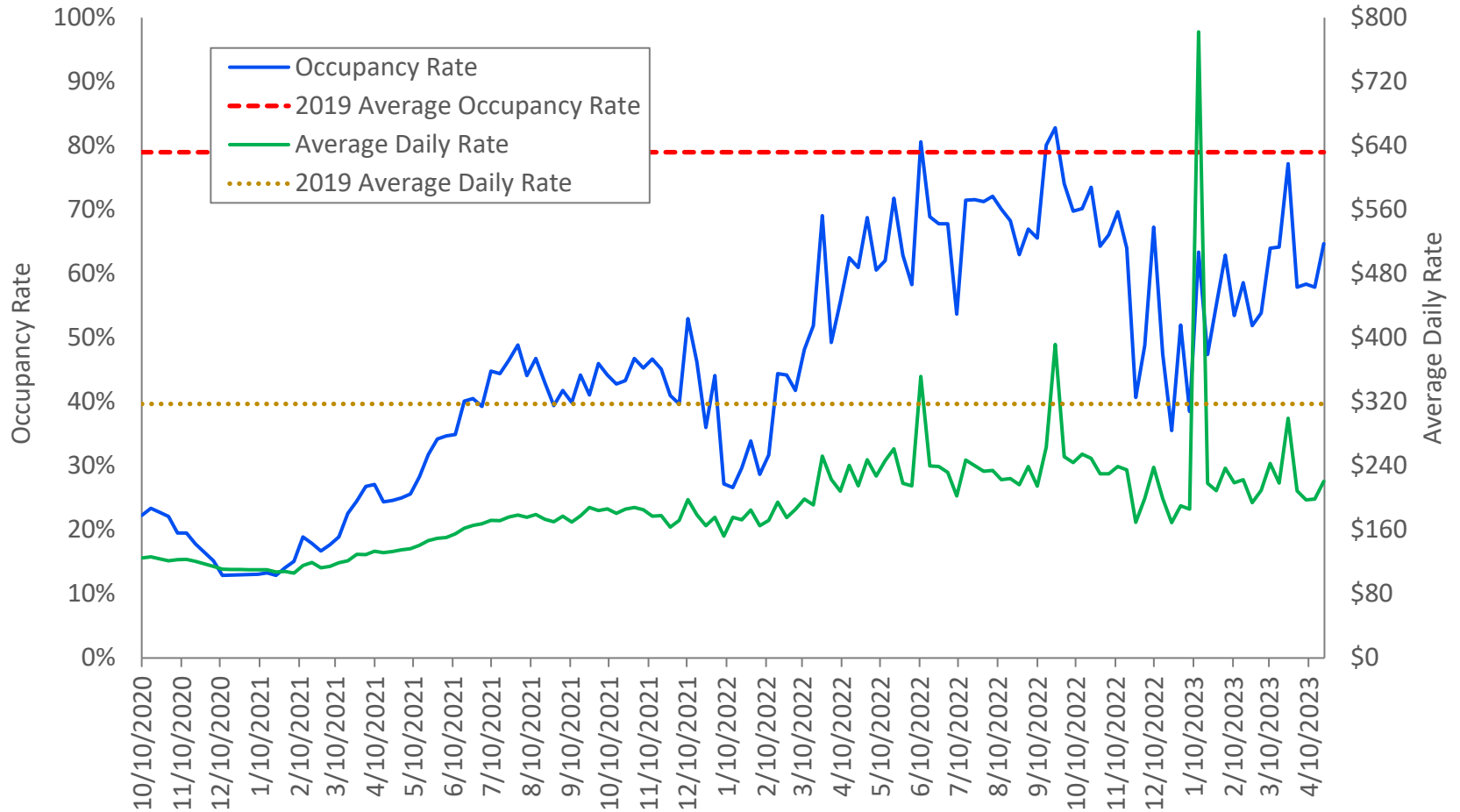


Source: Treasurer & Tax Collector, City and County of San Francisco

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)".

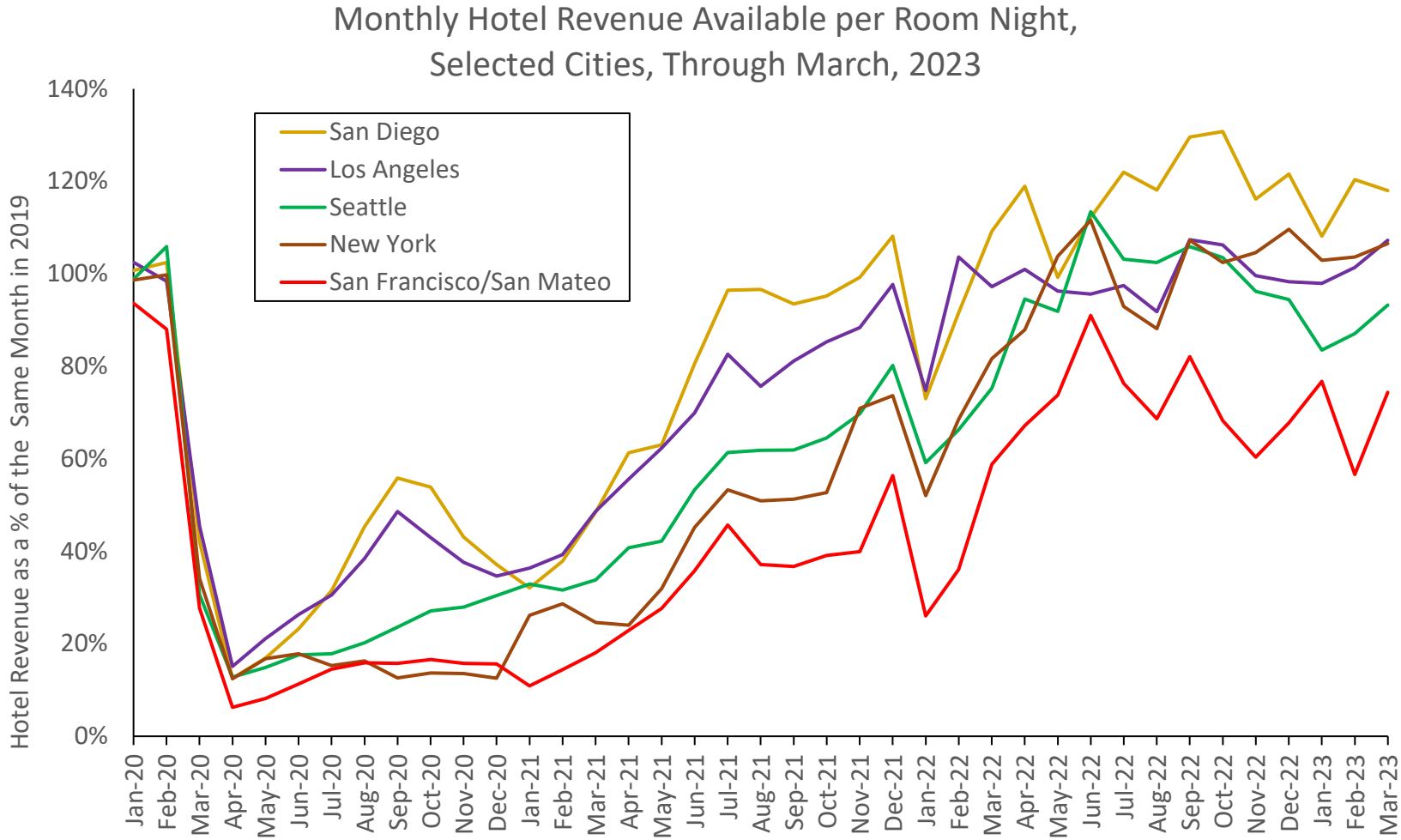
Hotel Rates Steady, Occupancy Volatile in April

Weekly San Francisco Hotel Occupancy Rate and Average Daily Room Rate, Through April 22, 2023



Source: STR

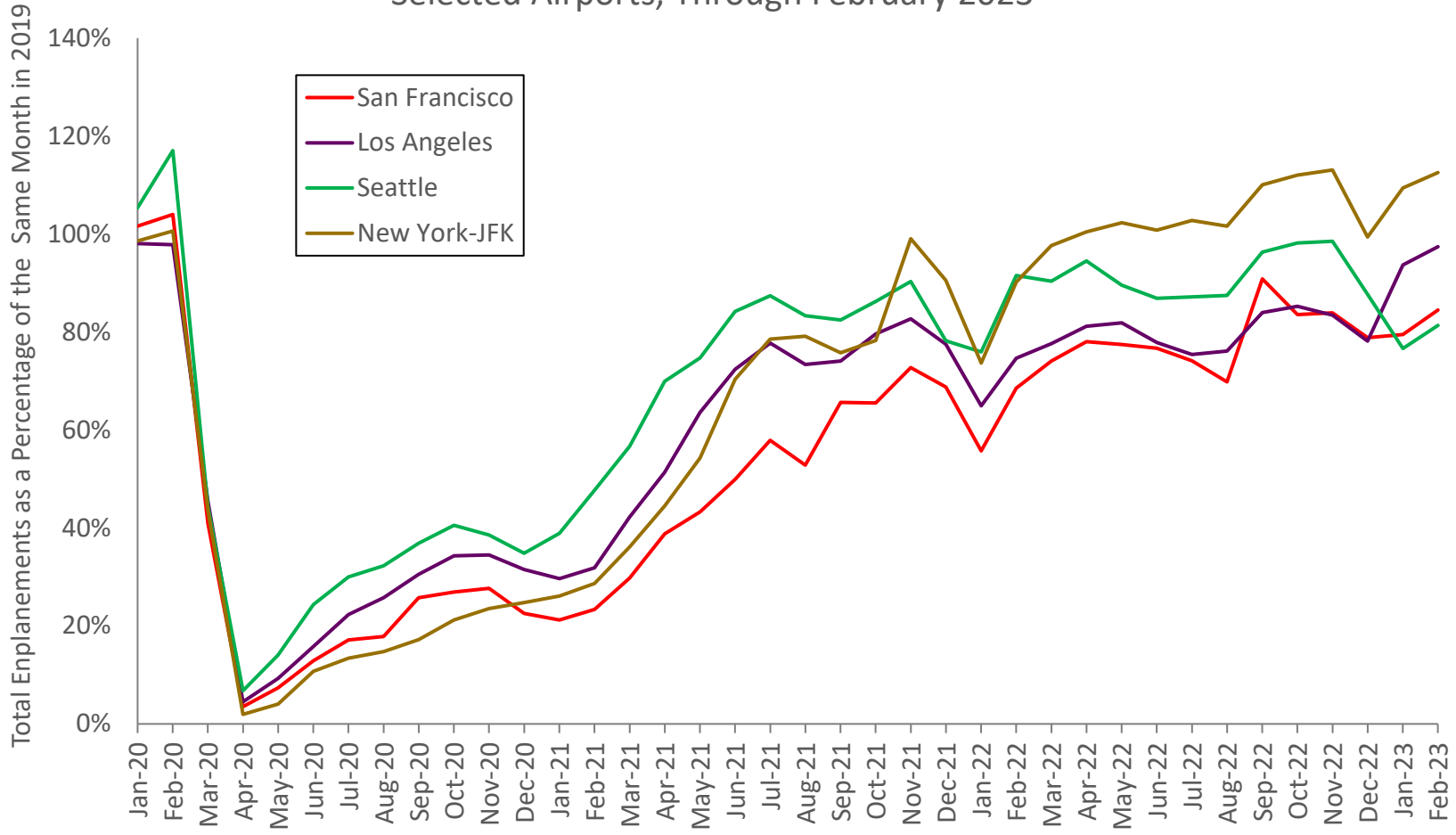
SF Hotel Revenues Still Lag, Recovery Improved in April



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

Domestic Air Travel Recovery Improved in February

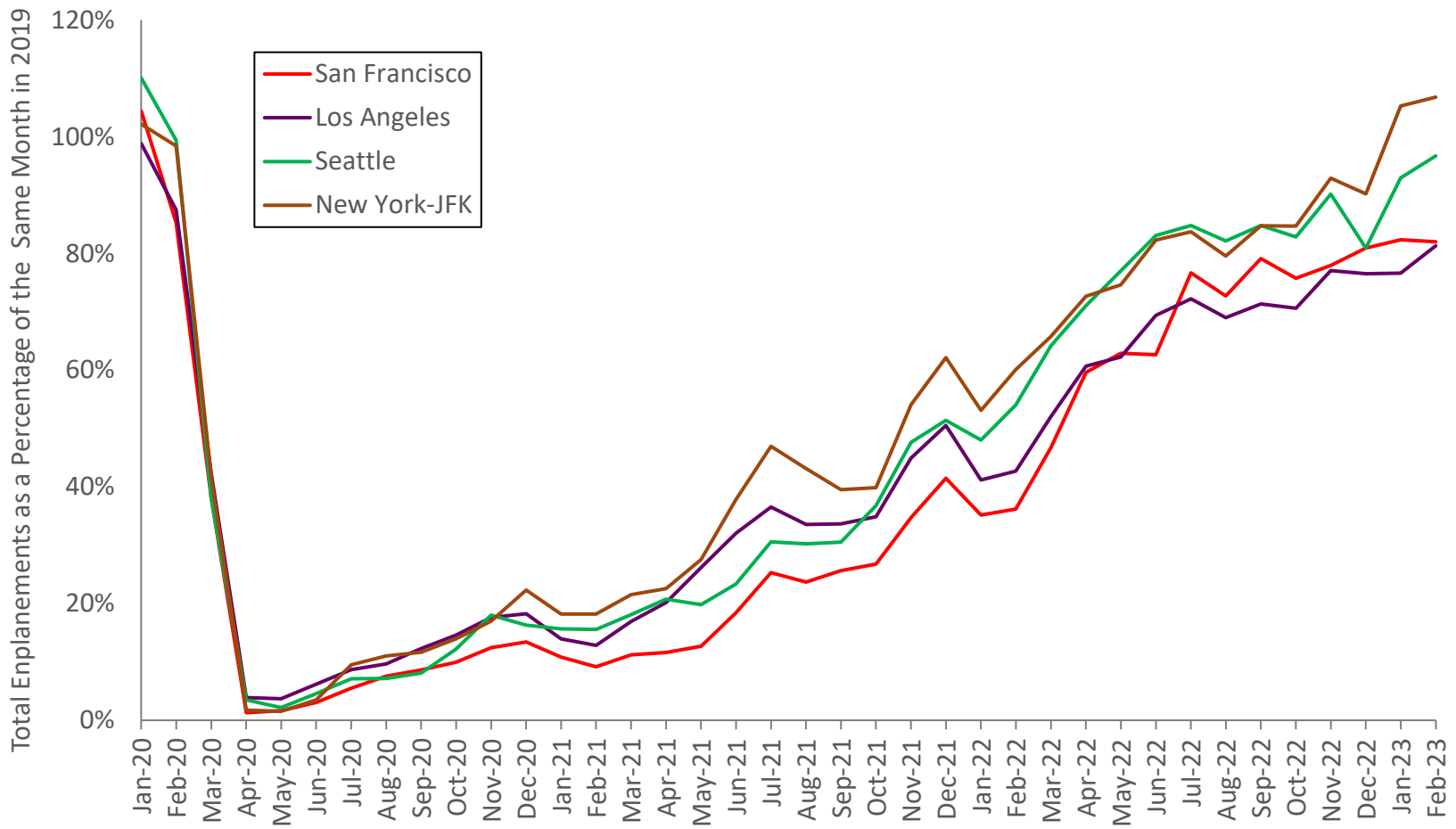
Domestic Enplanements, Selected Airports, Through February 2023



Source: Individual airports

International Travel Recovery Also Improving

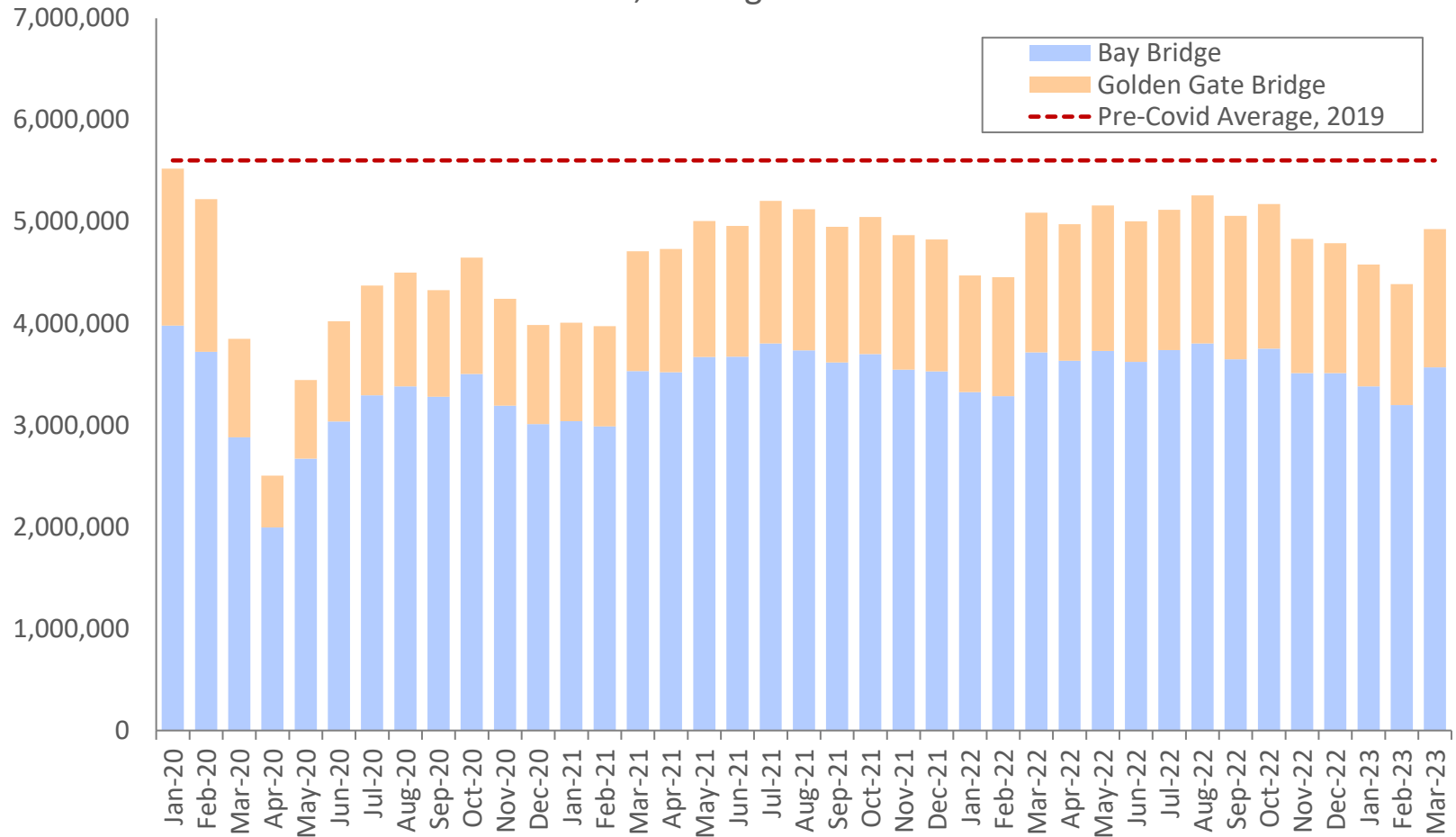
International Enplanements as % of 2019, Selected Airports, Through February 2023



Source: Individual airports

Sudden Uptick in Volume on Both Bridges in March

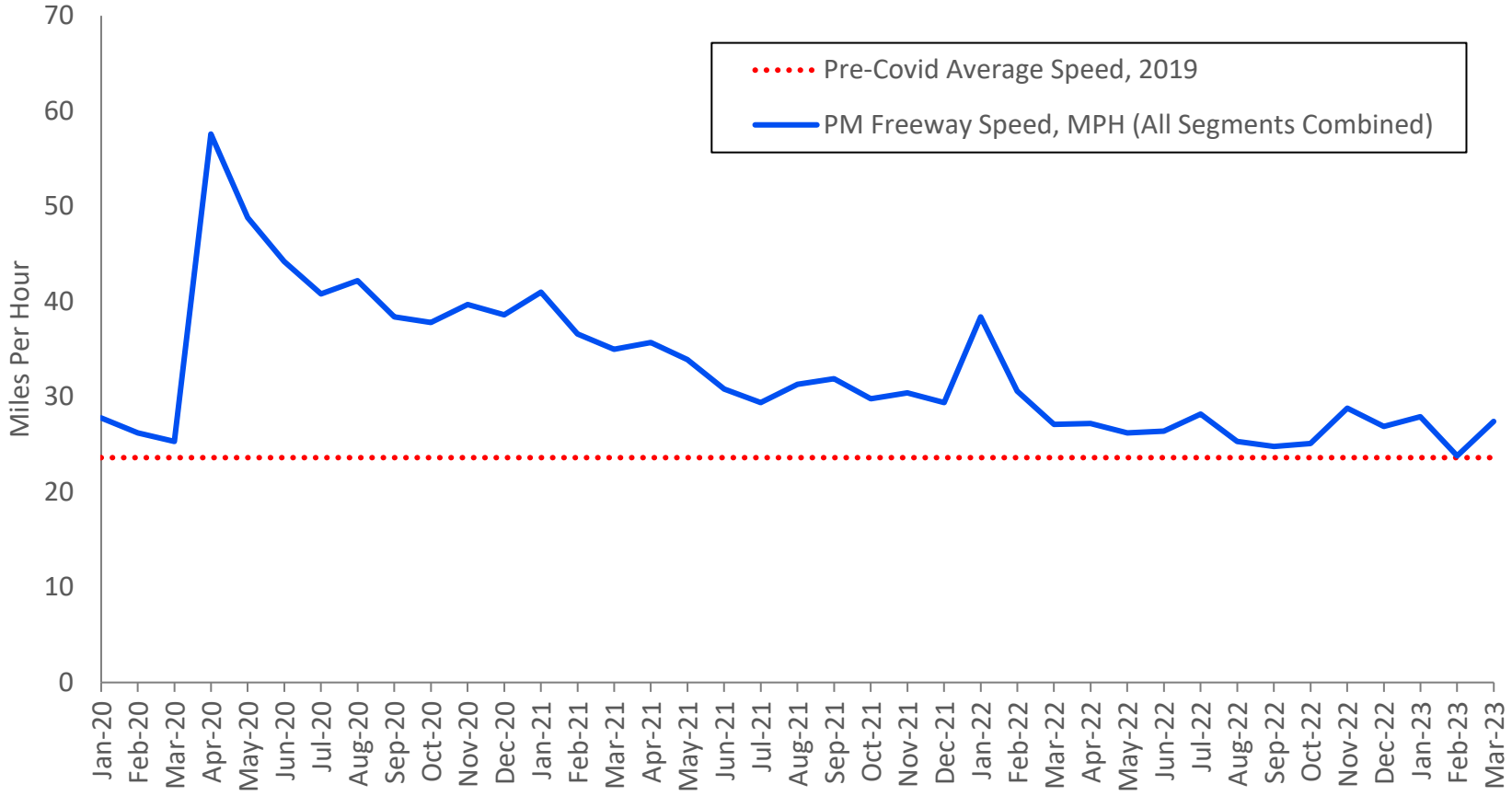
Bay Bridge and Golden Gate Bridge Monthly Traffic Volume, San Francisco, Through March 2023



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

PM Freeway Speeds in the City Rose Slightly in March

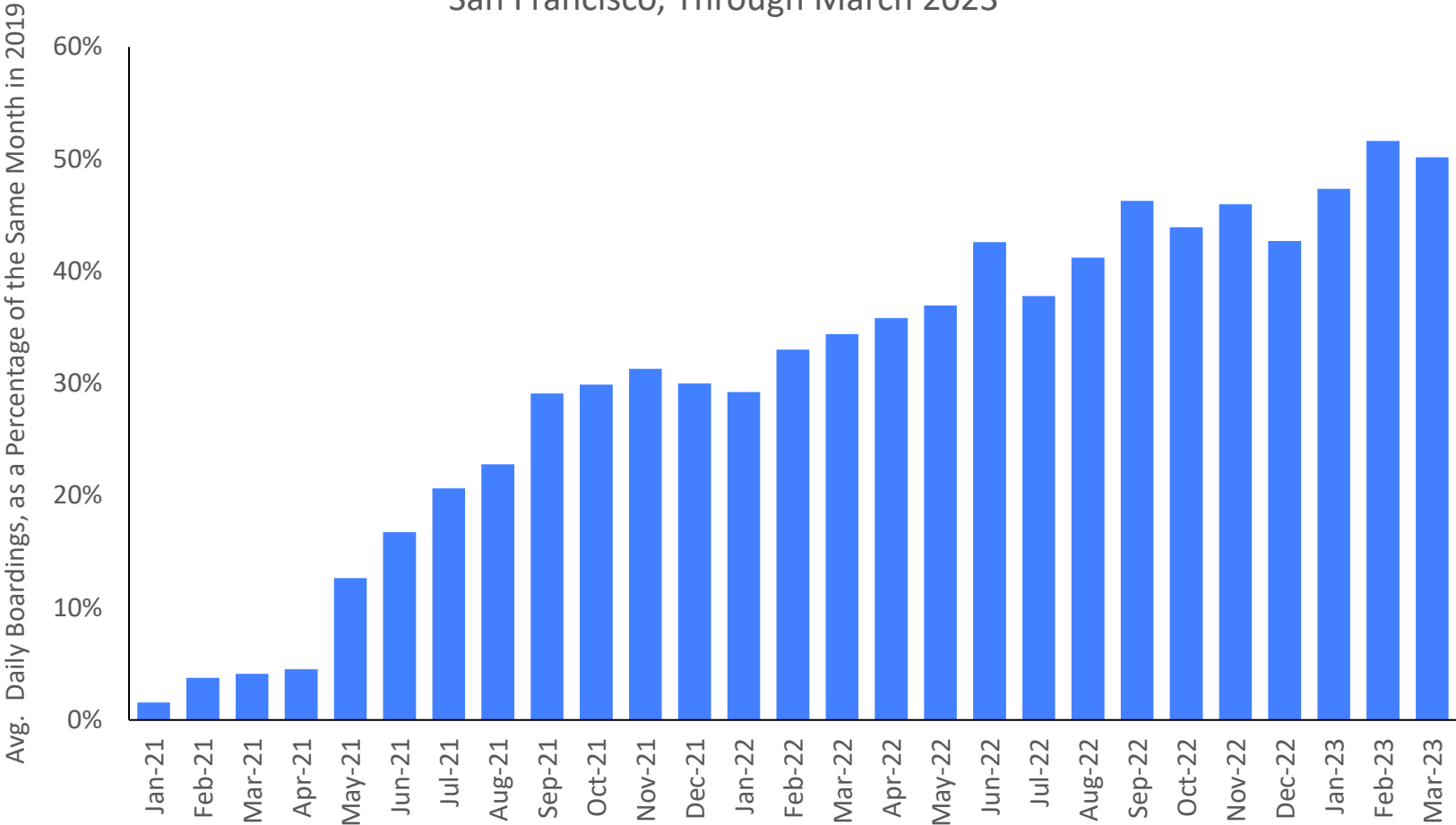
Average Monthly PM Freeway Speed in San Francisco, Through March, 2023



Source: SF County Transportation Authority

Muni Metro Ridership Recovery Dropped in March

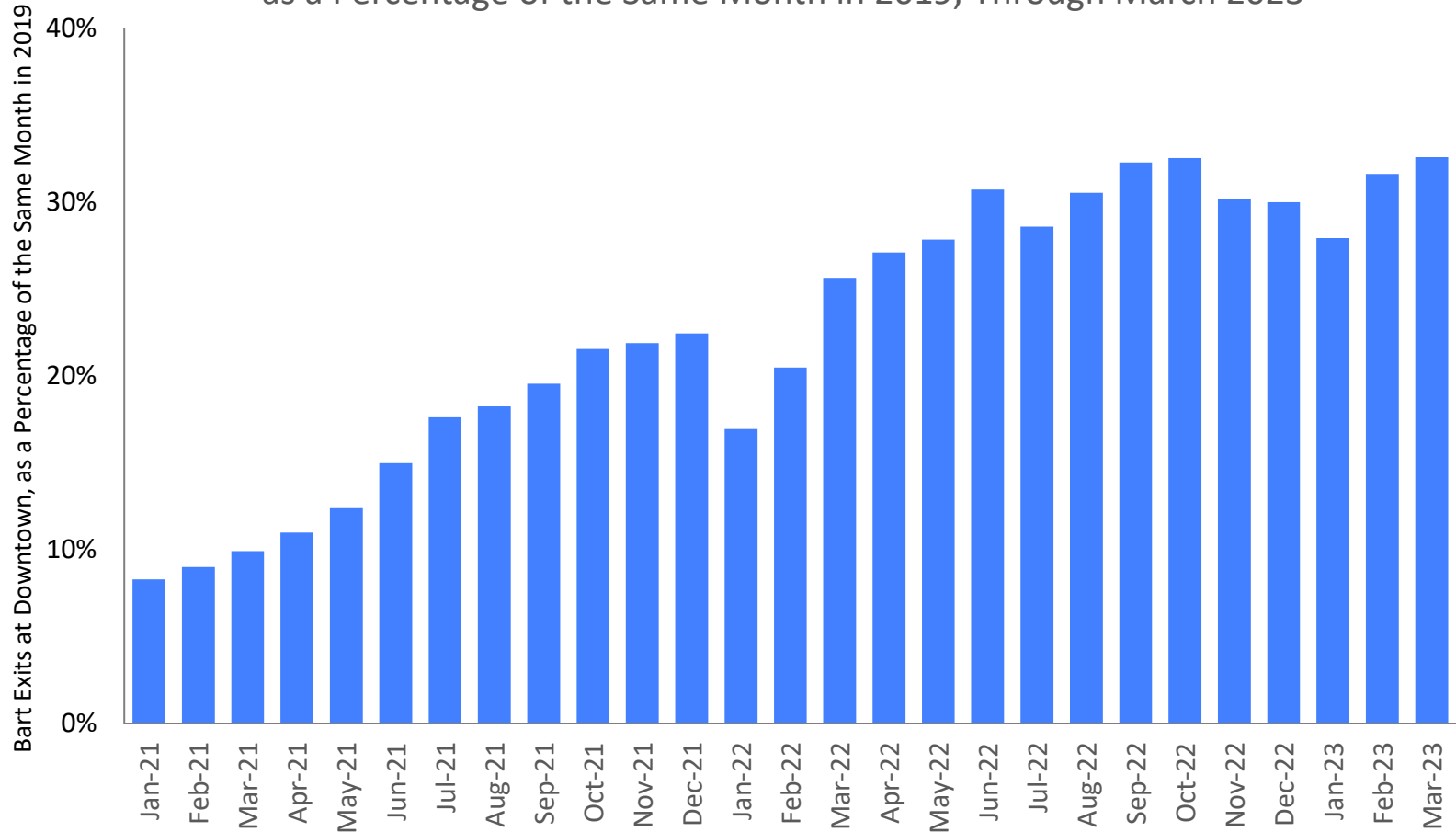
Average Daily Boardings, Muni Metro (Subway),
as a Percentage of the Same Month in 2019,
San Francisco, Through March 2023



Source: SFMTA

While Downtown BART Ridership Recovery Improved

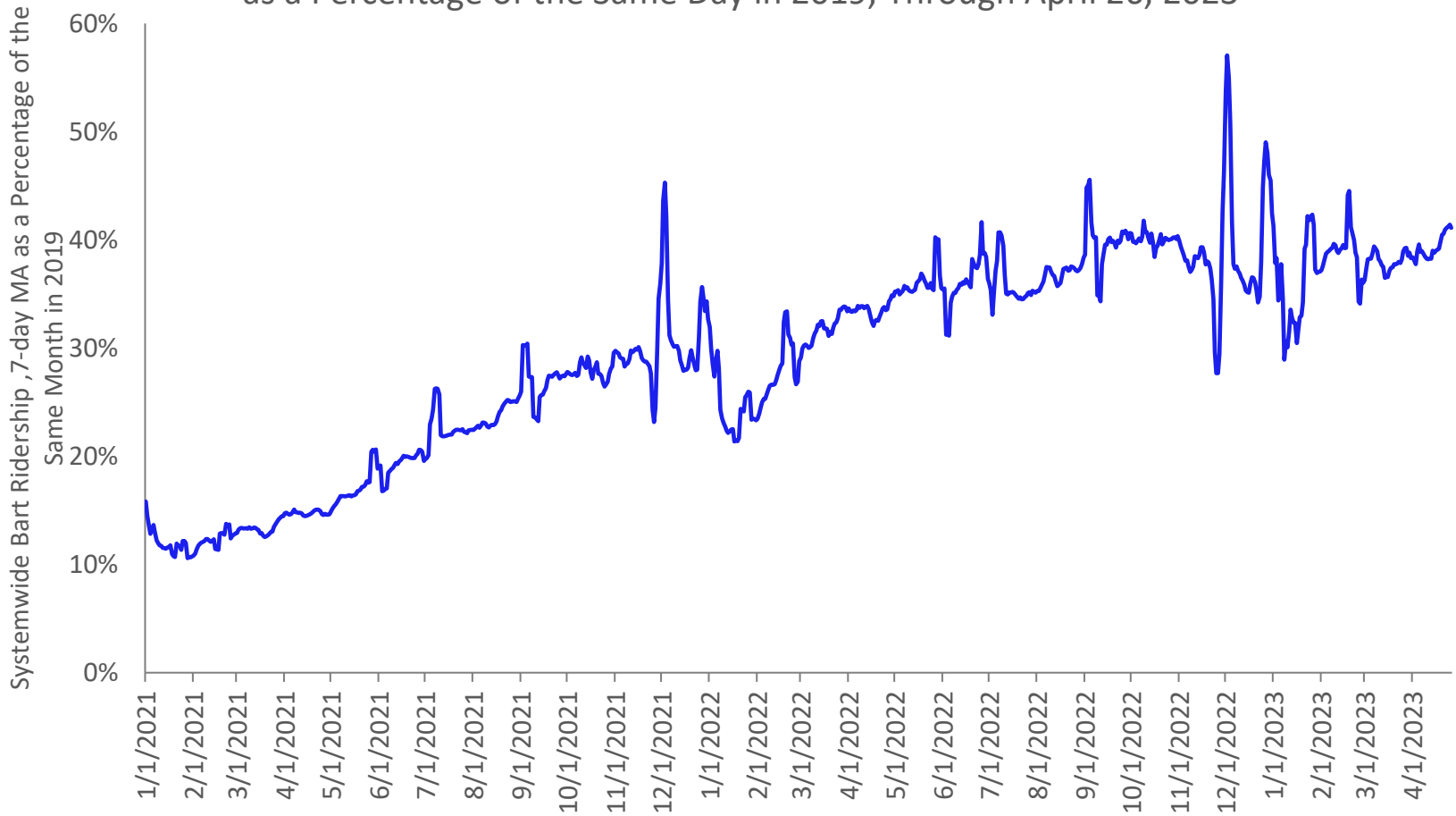
BART Exits At Downtown San Francisco Stations,
as a Percentage of the Same Month in 2019, Through March 2023



Source: BART

Systemwide BART Recovery Improved Through April

System-Wide BART Ridership, 7-day Moving Average,
as a Percentage of the Same Day in 2019, Through April 26, 2023

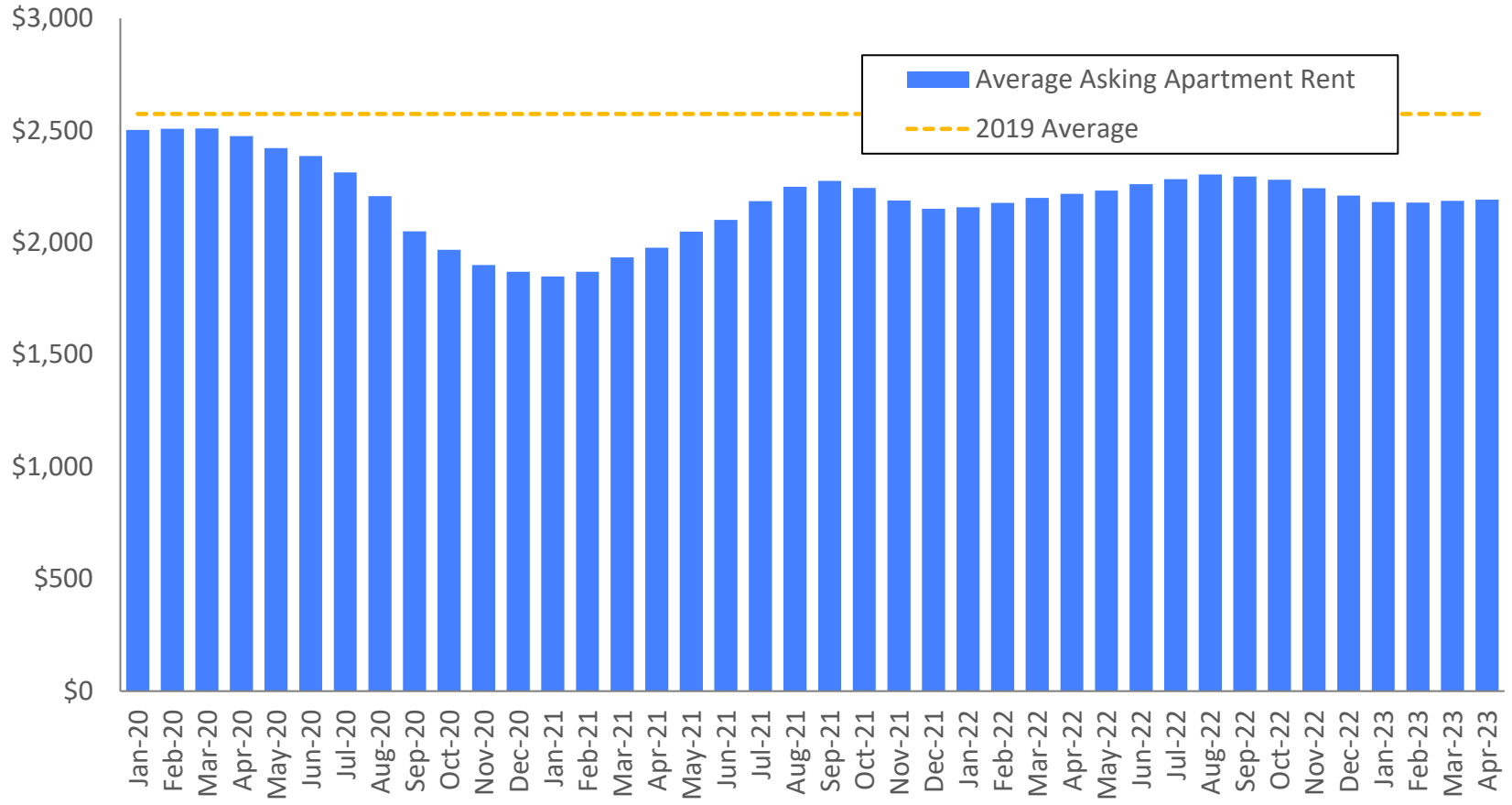


Source: BART

Apartment Asking Rents Grew Slowly in April

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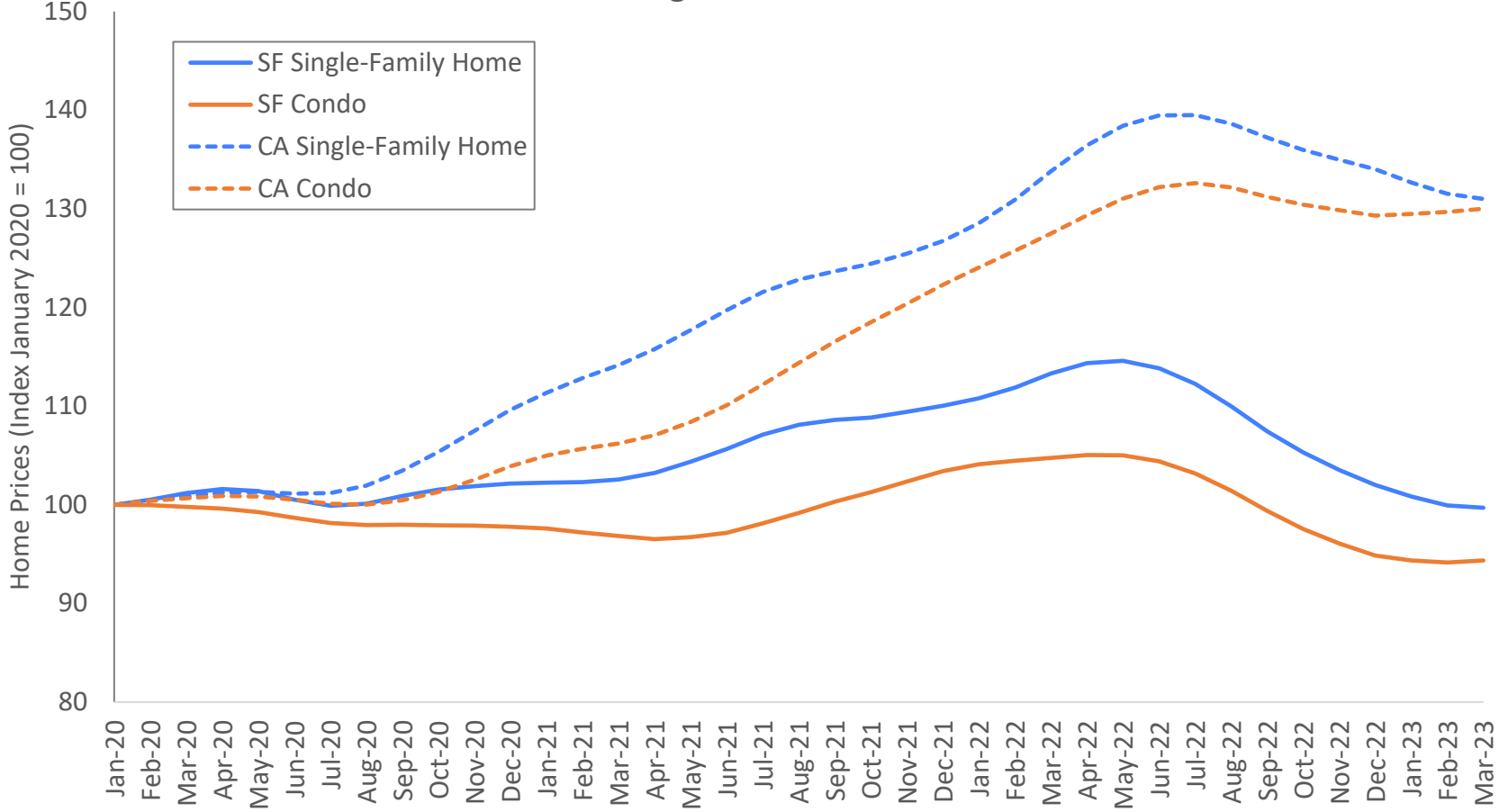
Median Asking Apartment Rents (All Unit Sizes),
San Francisco, Through March 2023



Source: Apartment List

Housing Price Declines are Slowing; Still Faster Than State

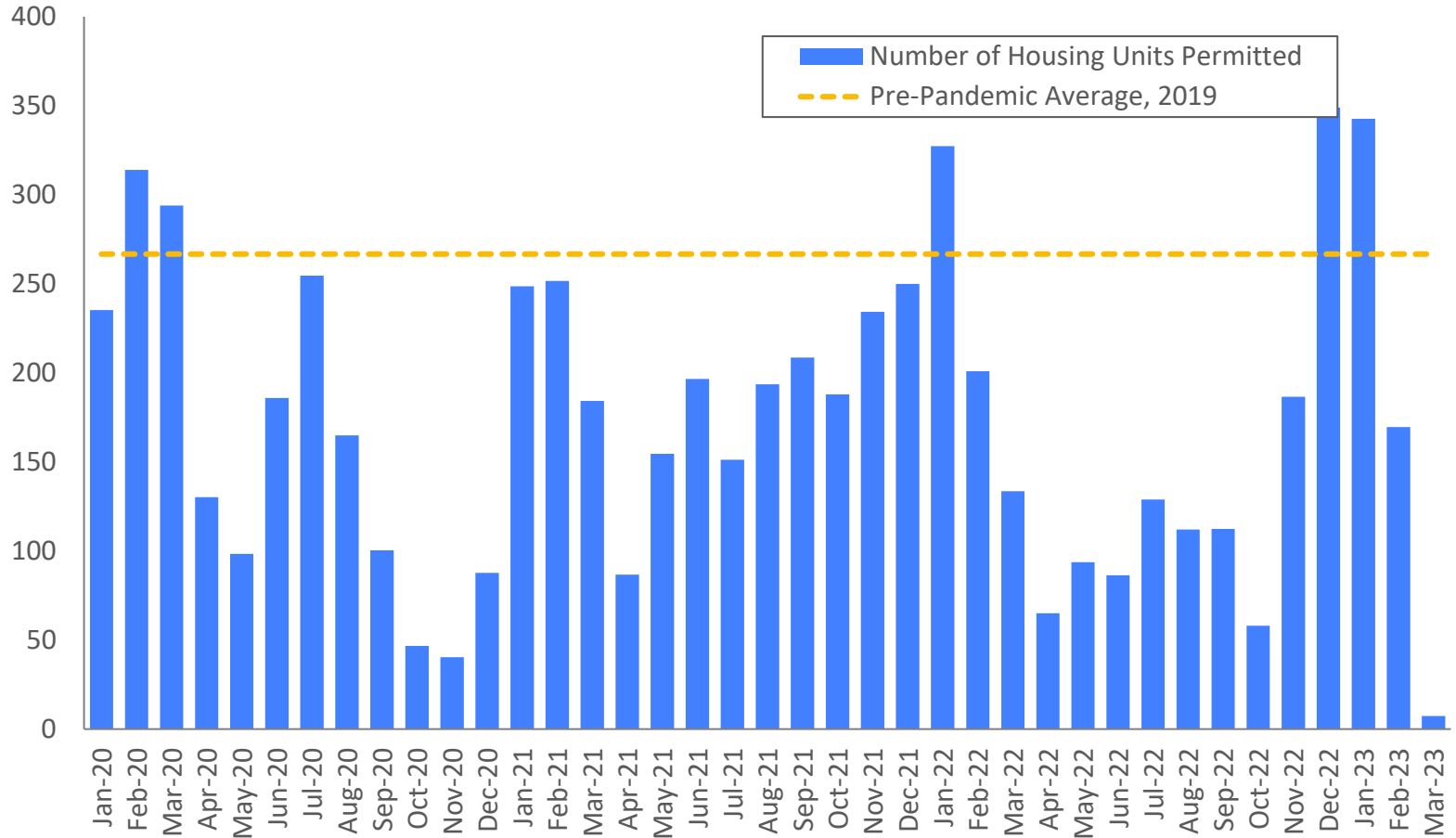
Condo and Single-Family Home Prices in San Francisco and California, Through March, 2023



Source: Zillow

Sharp Drop-Off in Housing Permits in Early 2023

Number of Housing Units Permitted (3 Month Moving Average), San Francisco, Through March 2023



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

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