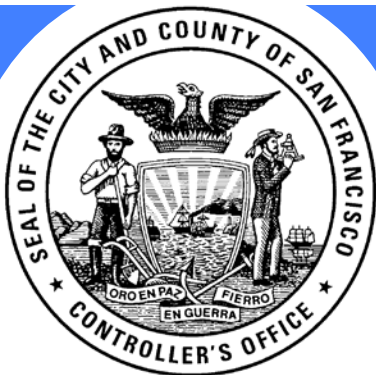


# San Francisco Economic Update



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller

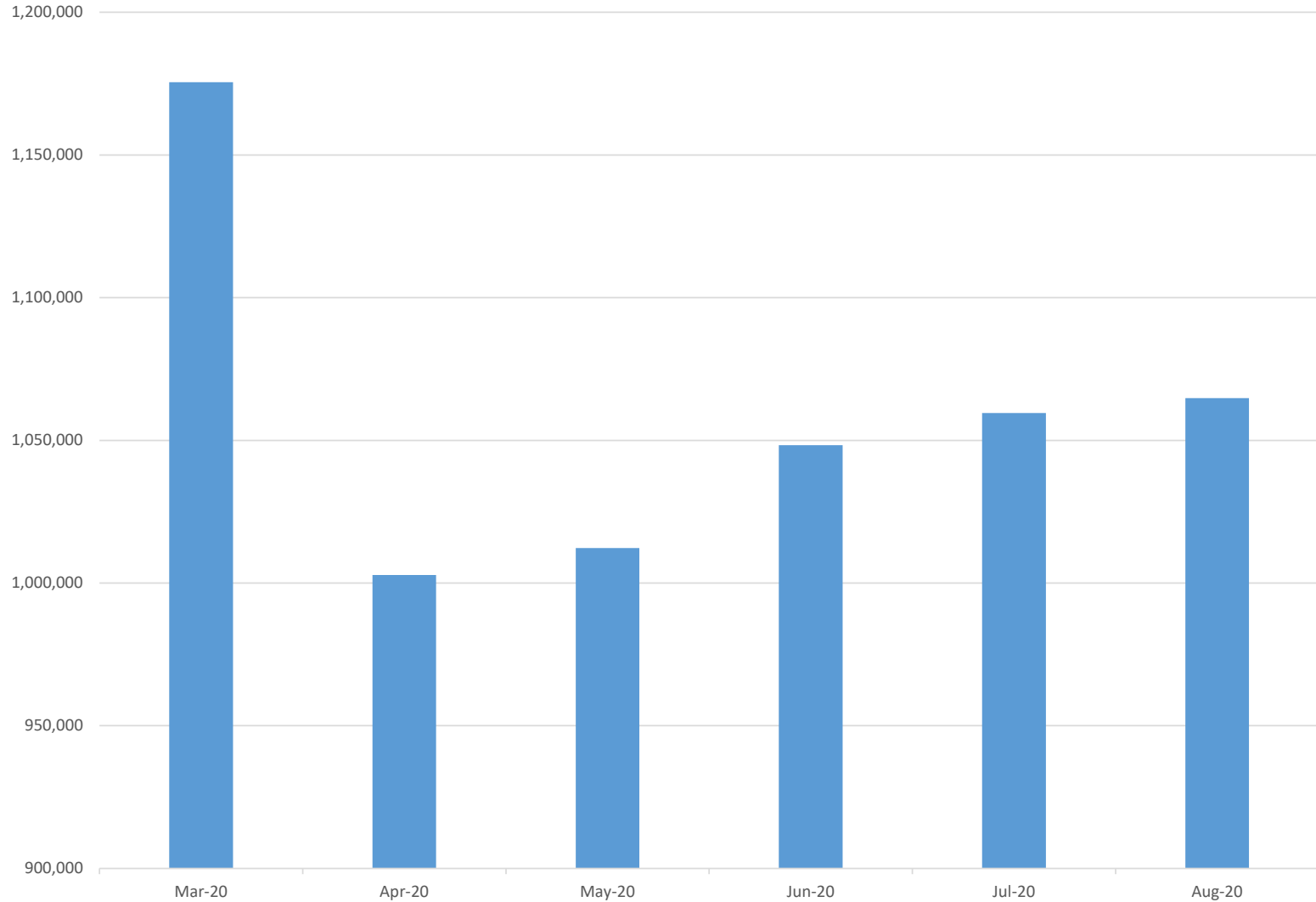
Ted Egan, Ph.D, Chief Economist

October 1, 2020

# Local Jobs: 62K Recovered from 175K Lost

2

Total Non-Farm Employment in the San Francisco Metro Division, March-August 2020

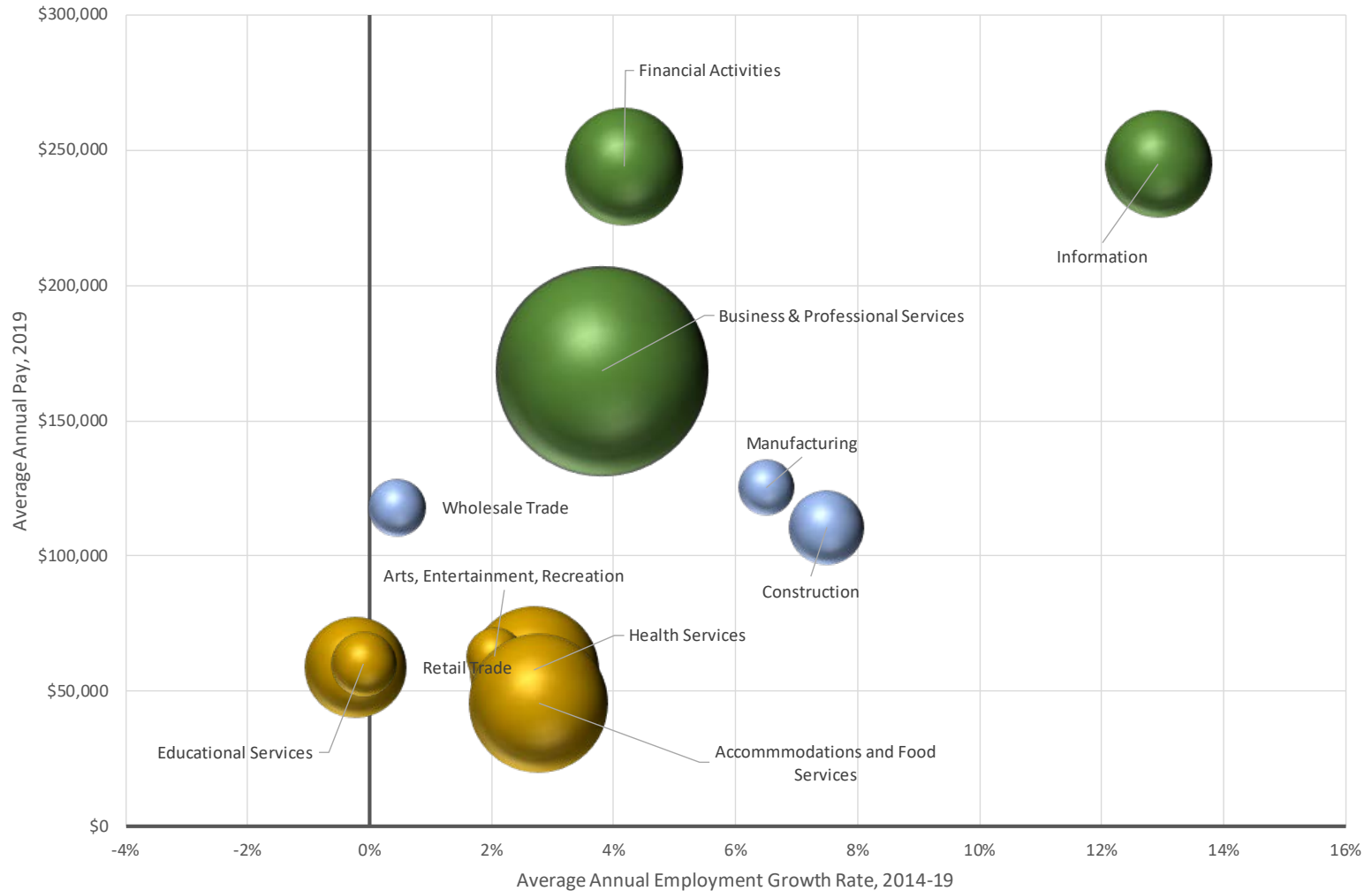


Source: Bureau of Labor Statistics

# Pre-COVID, High Wage Industries Grew Fastest

3

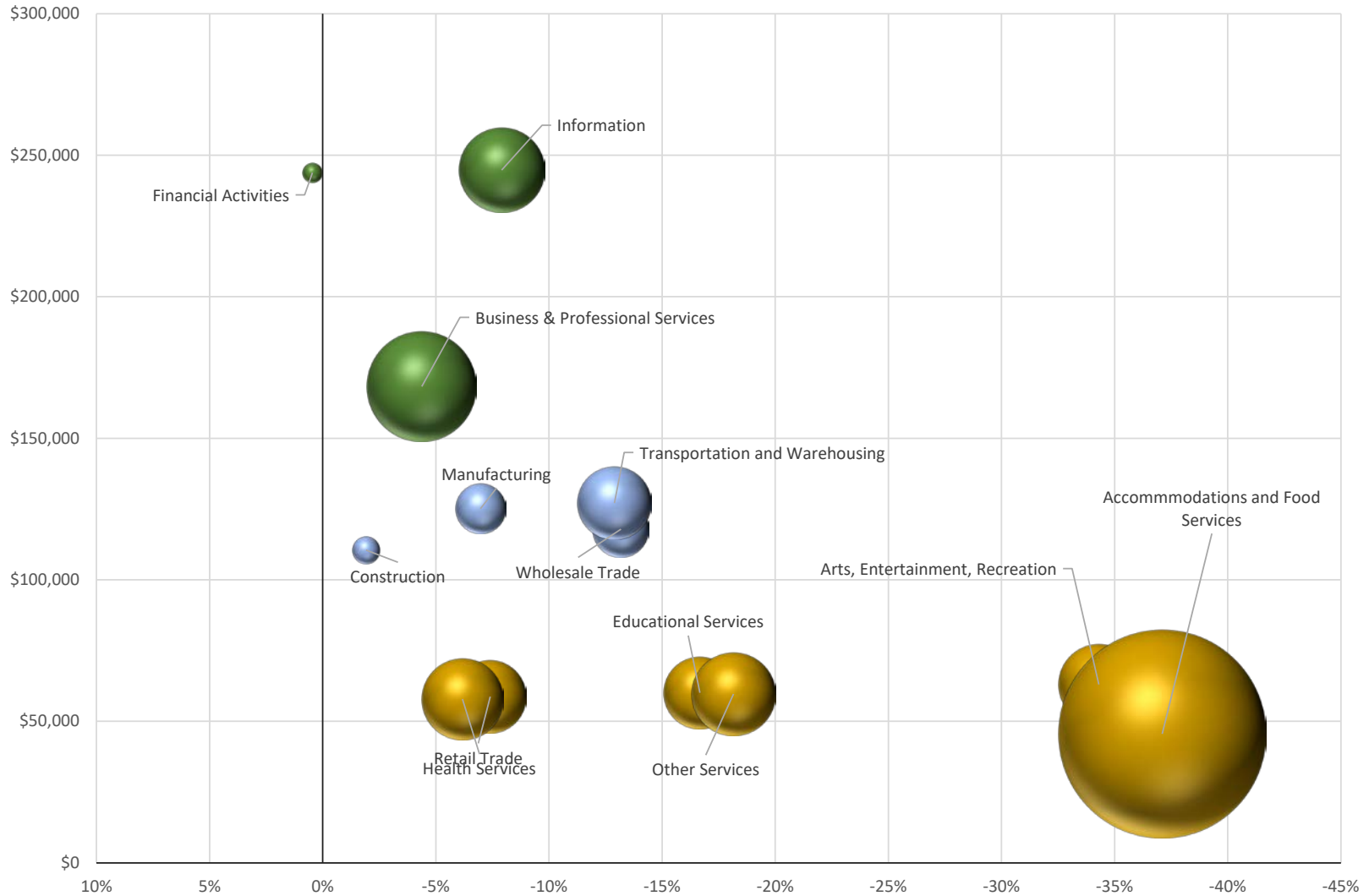
Average Wages, Relative Size, and Employment Growth Rate:  
Industry Sectors in San Francisco



# COVID Has Intensified That Trend

4

Average Wages by Percentage Change in Employment, February-August 2020:  
San Francisco Industry Sectors

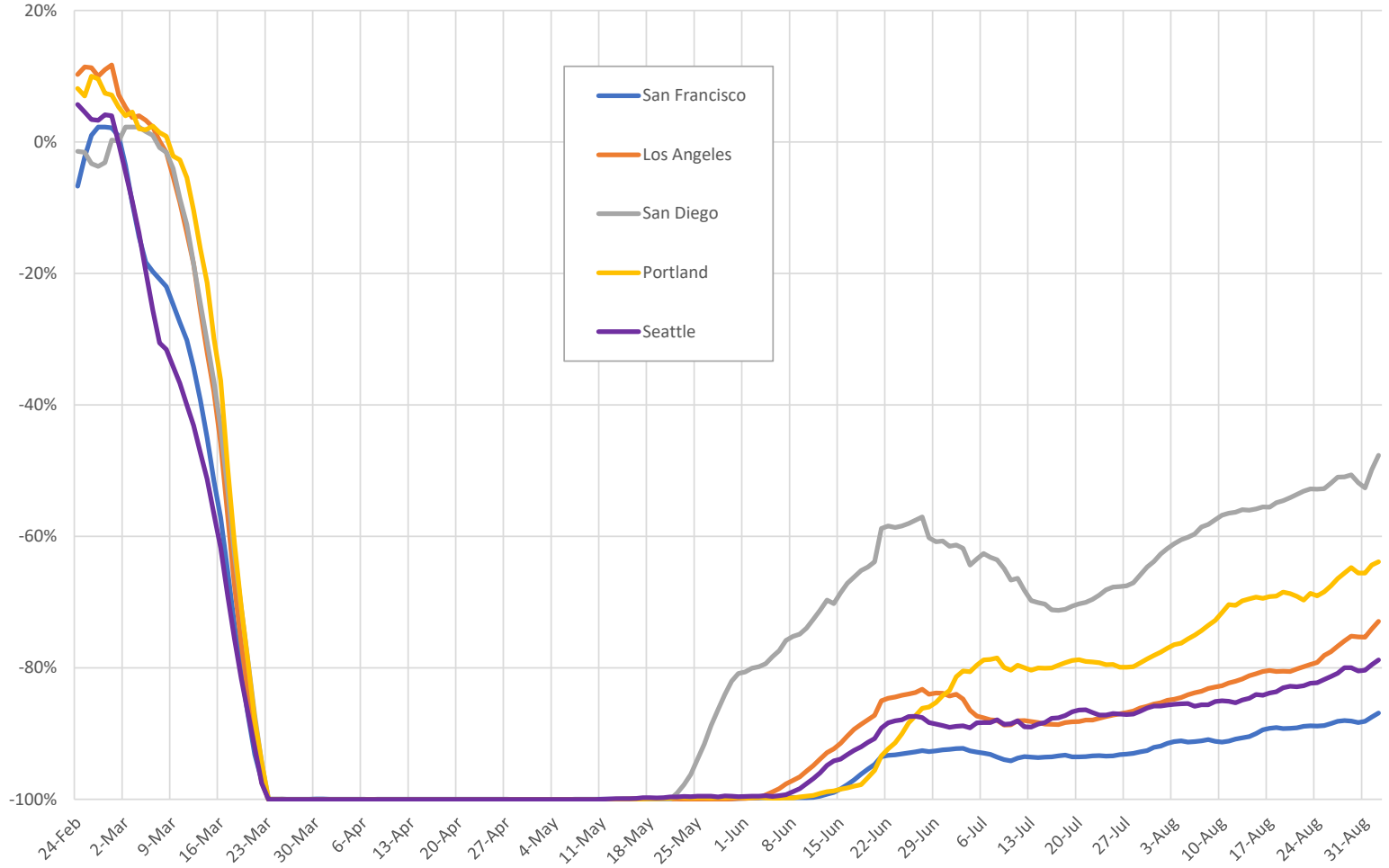


Source: Bureau of Labor Statistics

# OpenTable Shows Weak Restaurant Recovery in SF

5

Seated Restaurant Diners from Reservations: % Change from 1 year before  
San Francisco and Four Other West Coast Cities (through September 2)



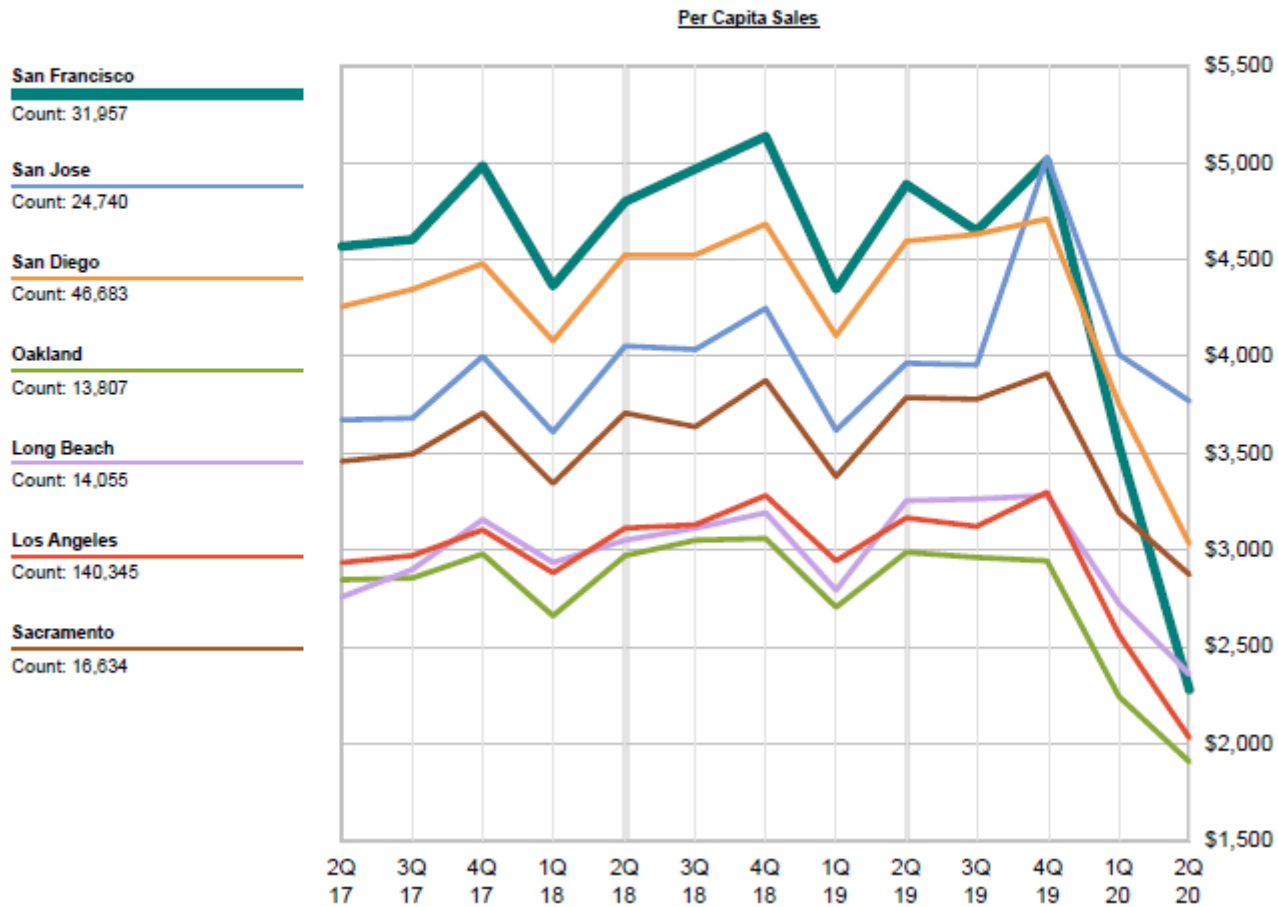
# 43% Annual Drop in Sales Tax: Worst in the State

6



## CITY OF SAN FRANCISCO AGENCY COMPARISONS

Page 14



# Large Brick & Mortar Losses– No Online Sales Gain

7



## CITY OF SAN FRANCISCO MAJOR INDUSTRY GROUPS

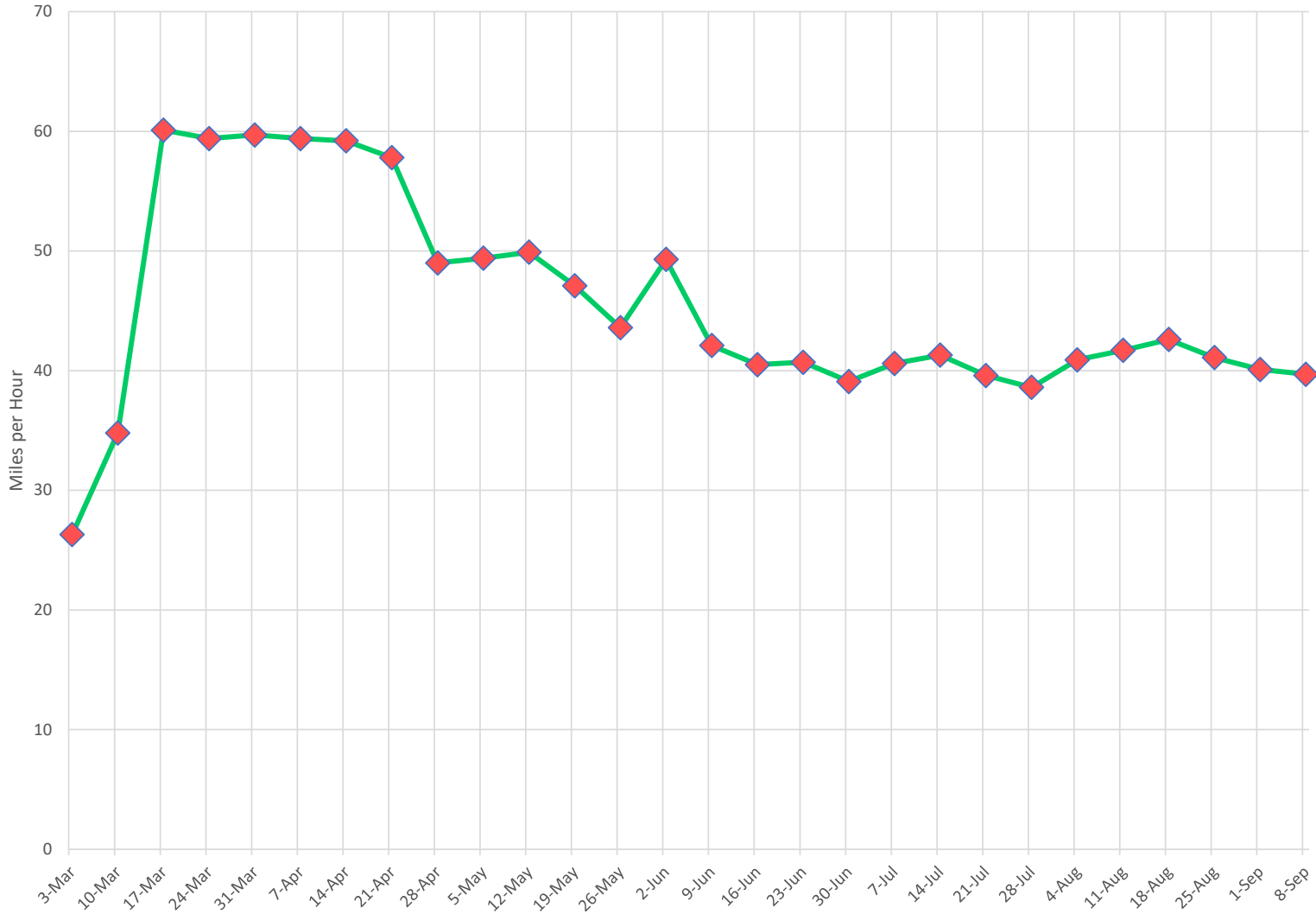
Page 15

<u>Major Industry Group</u>	<u>Count</u>	<u>2Q20</u>	<u>2Q19</u>	<u>\$ Change</u>	<u>% Change</u>
State and County Pools	-	10,343,467	10,237,656	105,811	1.0%
Restaurants and Hotels	5,683	5,145,716	14,527,526	(9,381,810)	-64.6%
General Consumer Goods	13,217	3,734,432	10,714,327	(6,979,894)	-65.1%
Business and Industry	9,043	3,665,864	6,927,721	(3,261,857)	-47.1%
Food and Drugs	1,541	2,881,773	3,141,360	(259,587)	-8.3%
Building and Construction	682	2,378,572	3,166,378	(787,806)	-24.9%
Autos and Transportation	833	1,932,742	2,485,940	(553,198)	-22.3%
Fuel and Service Stations	139	624,989	2,445,216	(1,820,227)	-74.4%
Transfers & Unidentified	819	82,803	144,347	(61,545)	-42.6%
<b>Total</b>	<b>31,957</b>	<b>30,790,357</b>	<b>53,790,470</b>	<b>(23,000,113)</b>	<b>-42.8%</b>

# Freeway Speeds Fall As Drivers Return to Work...

8

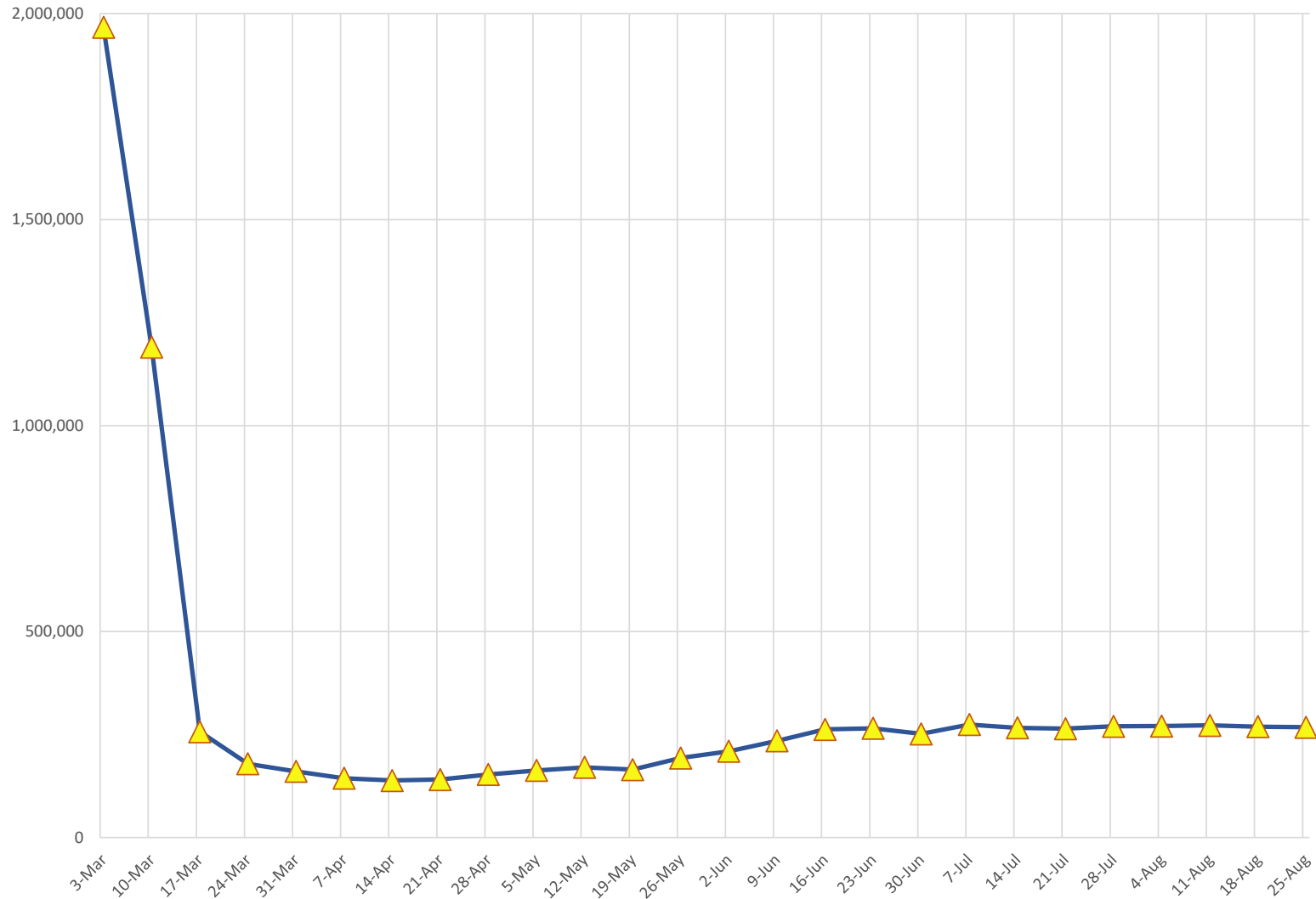
Average Weekly PM Freeway Speeds in San Francisco: All Segments, March 3-September 8





# ...But Transit Riders are Still Staying Away

Weekly BART Ridership: March 3 through August 25

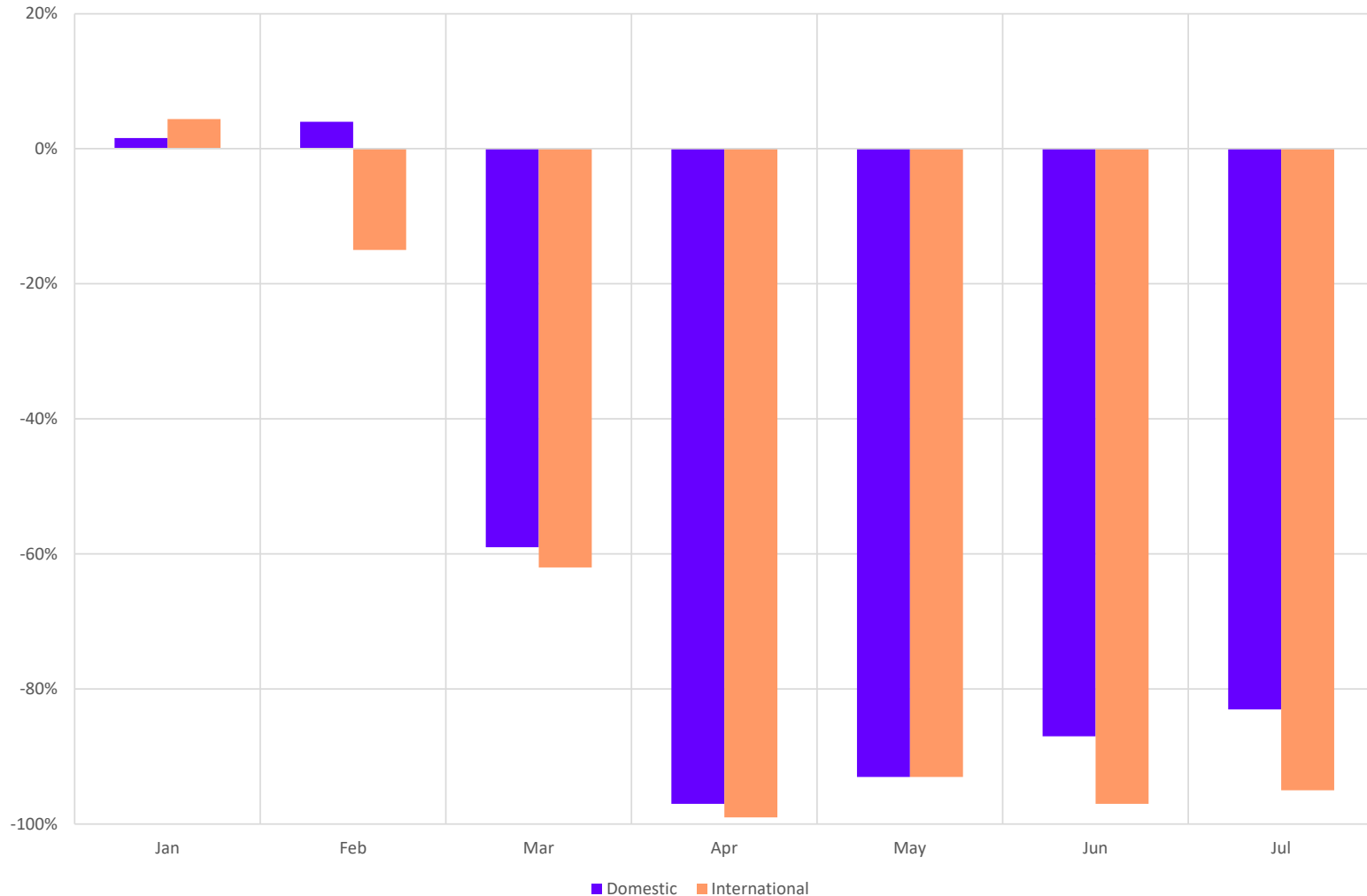


Source: Bay Area Rapid Transit (BART)

# Airport Statistics Show a Similar Dropoff

10

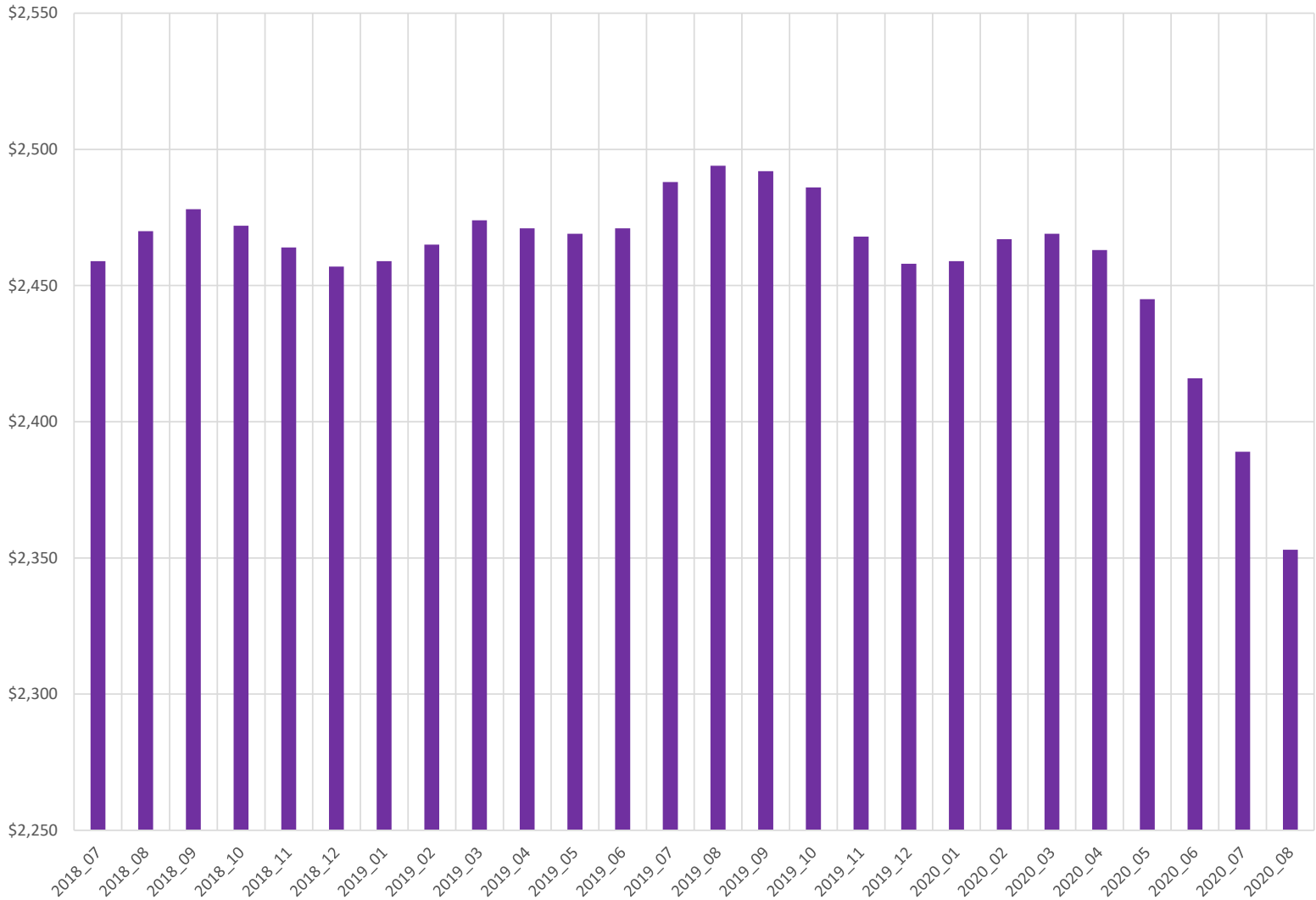
Monthly Domestic & International Enplanements at San Francisco International Airport:  
Percent Change from 1 Year Ago



# SF's Drop in Asking Rents is Sharpest in the U.S.

11

Average 1BR Asking Rents in San Francisco: July 2018 - August 2020



# Tech Cities Seeing Largest Rent Drops in the Bay Area

12

### Bay Area Residential Asking Rents: Change Since March vs. March Average



Source: ApartmentList

- This recession is unprecedented not just because of its speed and severity, but because of the role of mandated shutdowns and consumer attitudes to the virus.
- As the mandated shutdowns are gradually lifted – what remains are mass layoffs, worsened consumer sentiment, lingering community spread of the virus, and an avoidance, for many, of travel and large groups.
- Three main conclusions emerge from the data so far:
  1. The recession has exacerbated pre-existing imbalances in our economy
  2. Mandated shutdowns no longer explaining all of the job loss
  3. What activities will come back when?
    - Small business, tourism, downtown office work
    - Not only a question of economic recovery