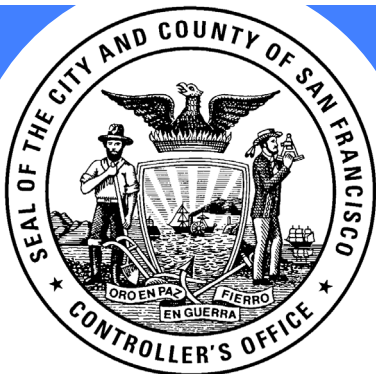


Status of the San Francisco Economy: January 2024



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
Office of Economic Analysis

February 2, 2024

Highlights of the January Report

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- The San Francisco Controller's Office has been tracking the city's economy with bi-monthly reports on various local economic indicators.
- The San Francisco Metro Division had a decent period of job growth from October to December, with 7,700 jobs gained over the two months. Hiring was mostly seasonal though, with large gains in Retail Trade to support holiday shopping, along with Health Care.
- The city's unemployment rate held steady at a healthy 3.5%, below both the State and Federal levels.
- However, other indicators suggest the economy may be slowing. Both MUNI metro and downtown BART ridership were off summer highs. Indicators of auto use – bridge crossings and freeway speed – both indicate less traffic.
- City hotel revenues have been steady at about 70 – 75% of 2019 levels, despite close-to-full recovery of ridership through San Francisco International Airport.
- While there are no signs yet of a local housing price recovery, housing building permits spiked up in late 2023, with an average of 283 units permitted over the three months ending November.

List of Economic Indicators

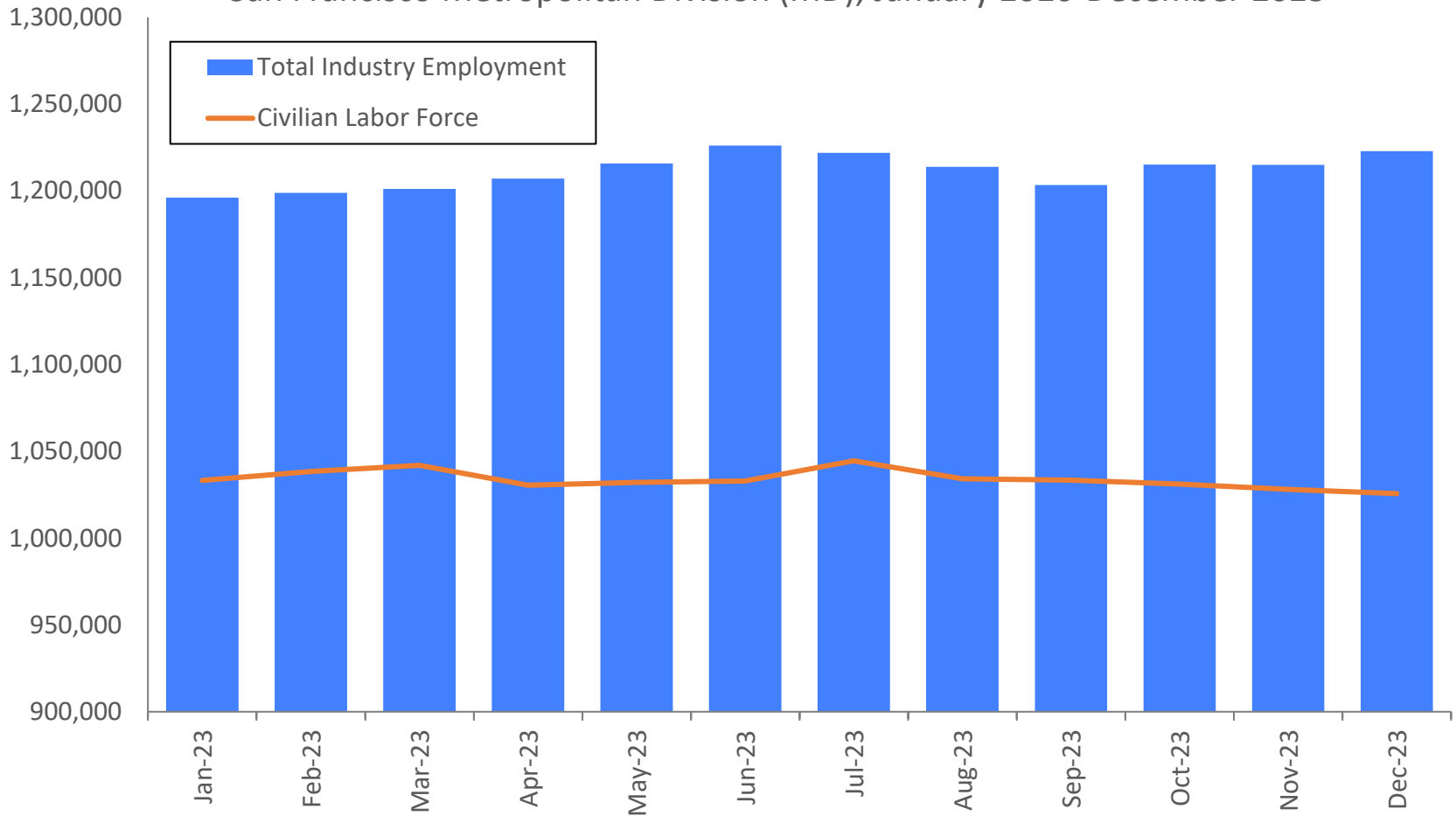
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1. Industry Employment and Civilian Labor Force
2. Employment Change by Industry Sector
3. Unemployment Rate and Employed Residents in San Francisco
4. Indeed Job Postings Index
5. Office Attendance
6. Office Vacancy and Office Rents
7. New Business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

Job Growth in December Was Mainly Seasonal

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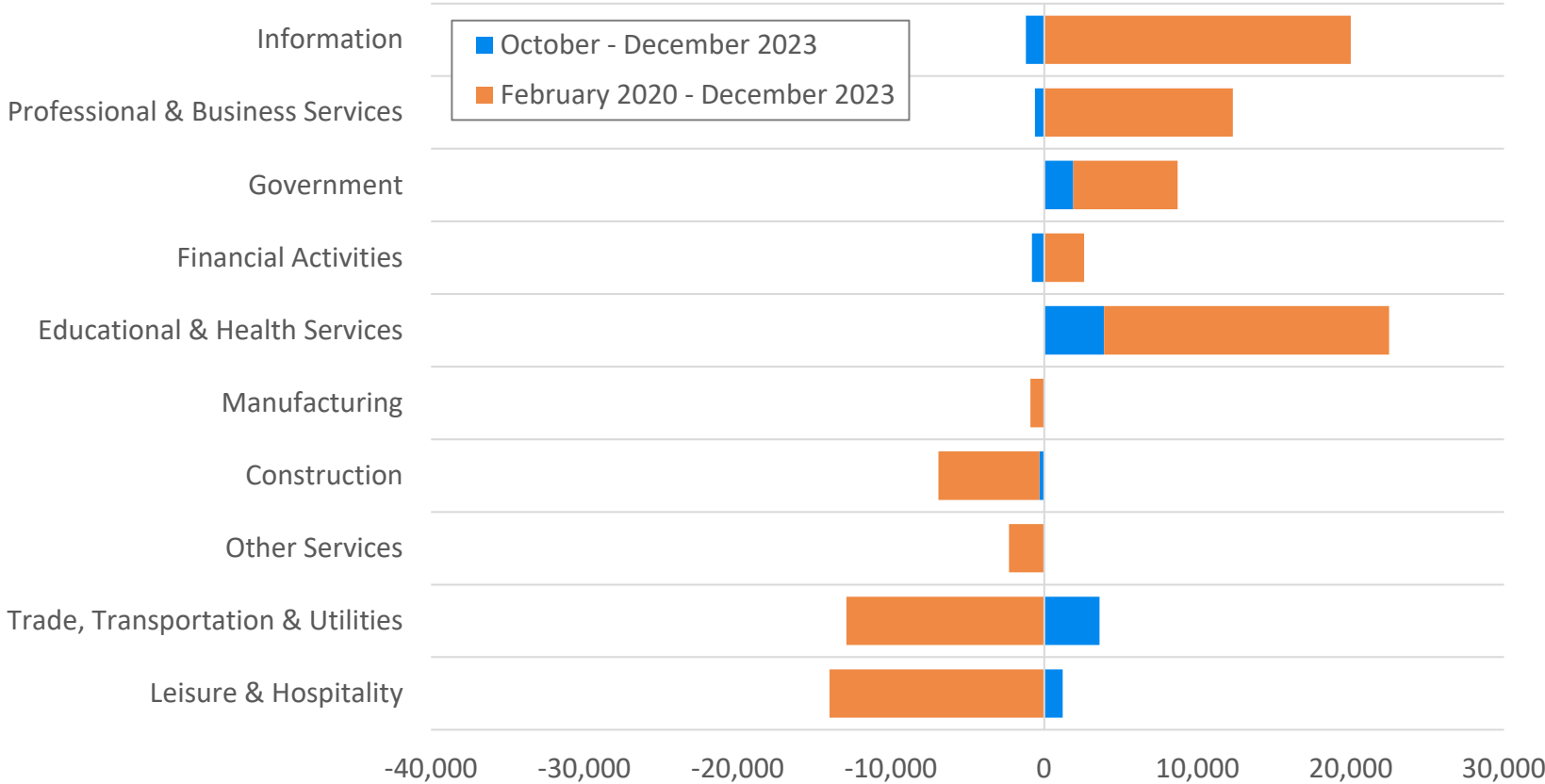
Total Industry Employment and Civilian Labor Force,
San Francisco Metropolitan Division (MD), January 2020-December 2023



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

Health, Holiday Retail Hiring Led Job Growth

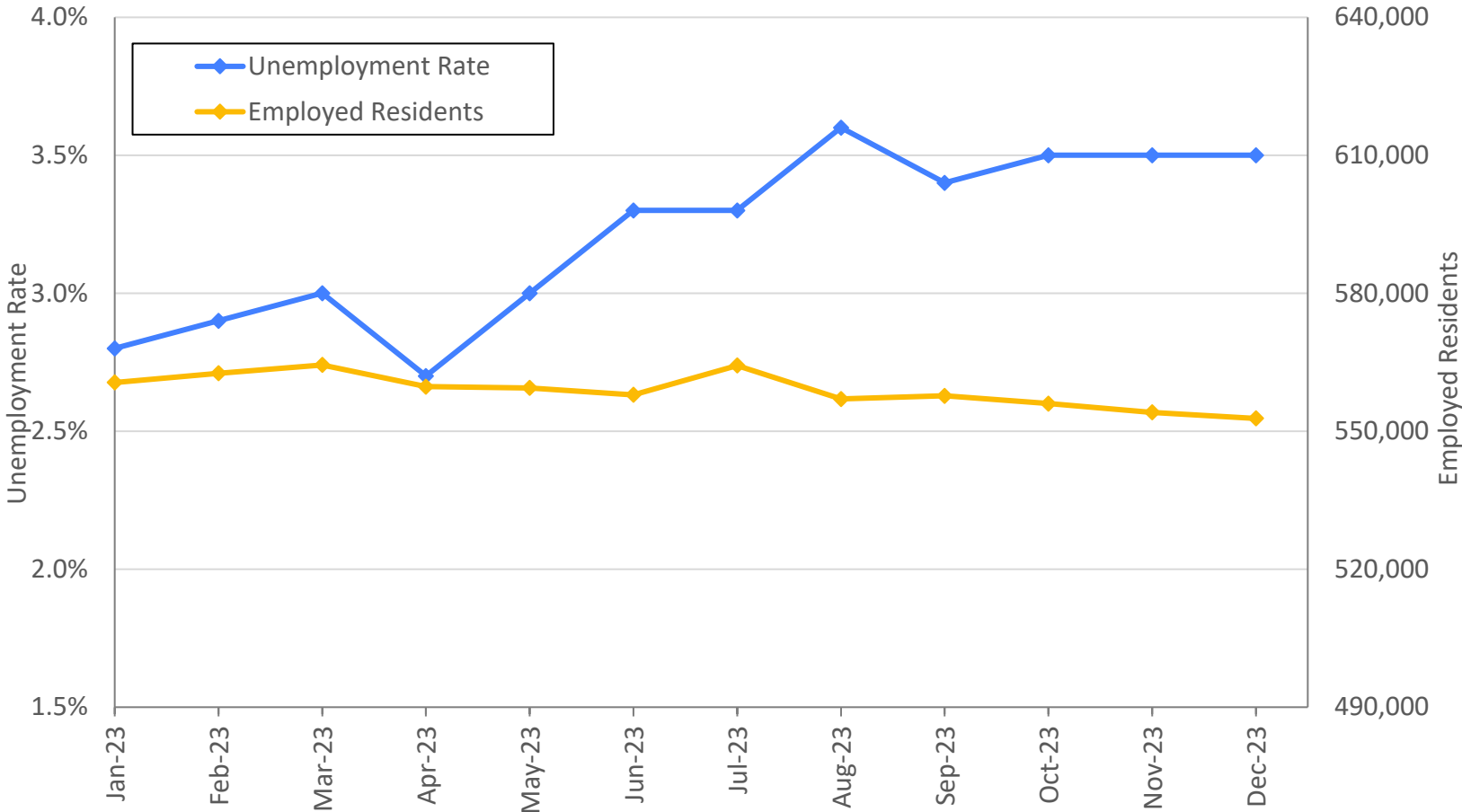
Employment Change by Industry Sector, San Francisco Metro Division:
Since the Start of the Pandemic, and the Most Recent Months



Source: EDD

City's Jobless Rate Has Stayed Unchanged at 3.5%

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

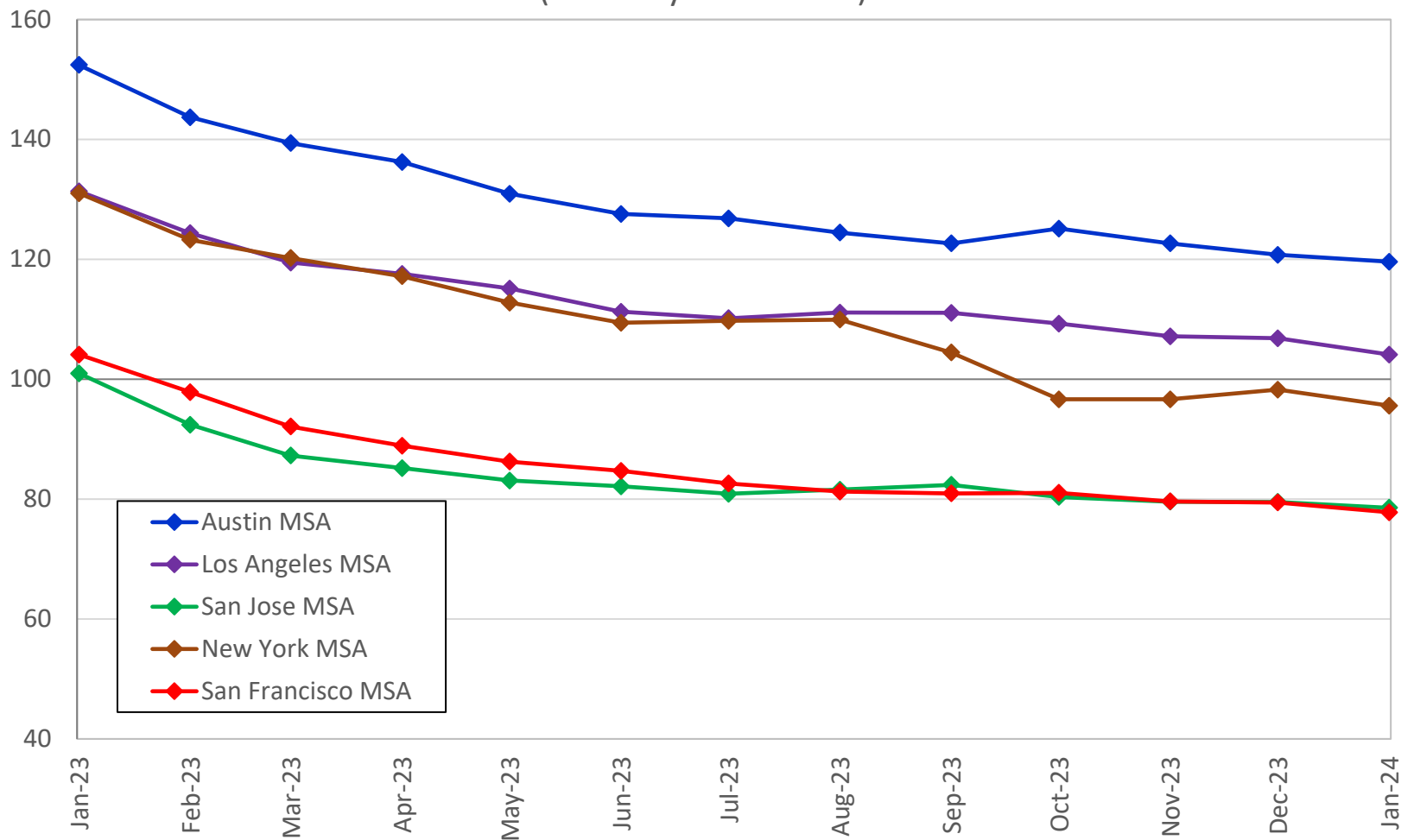


Source: EDD

Indeed Job Postings Show Slowing Hiring in SF & Elsewhere

7

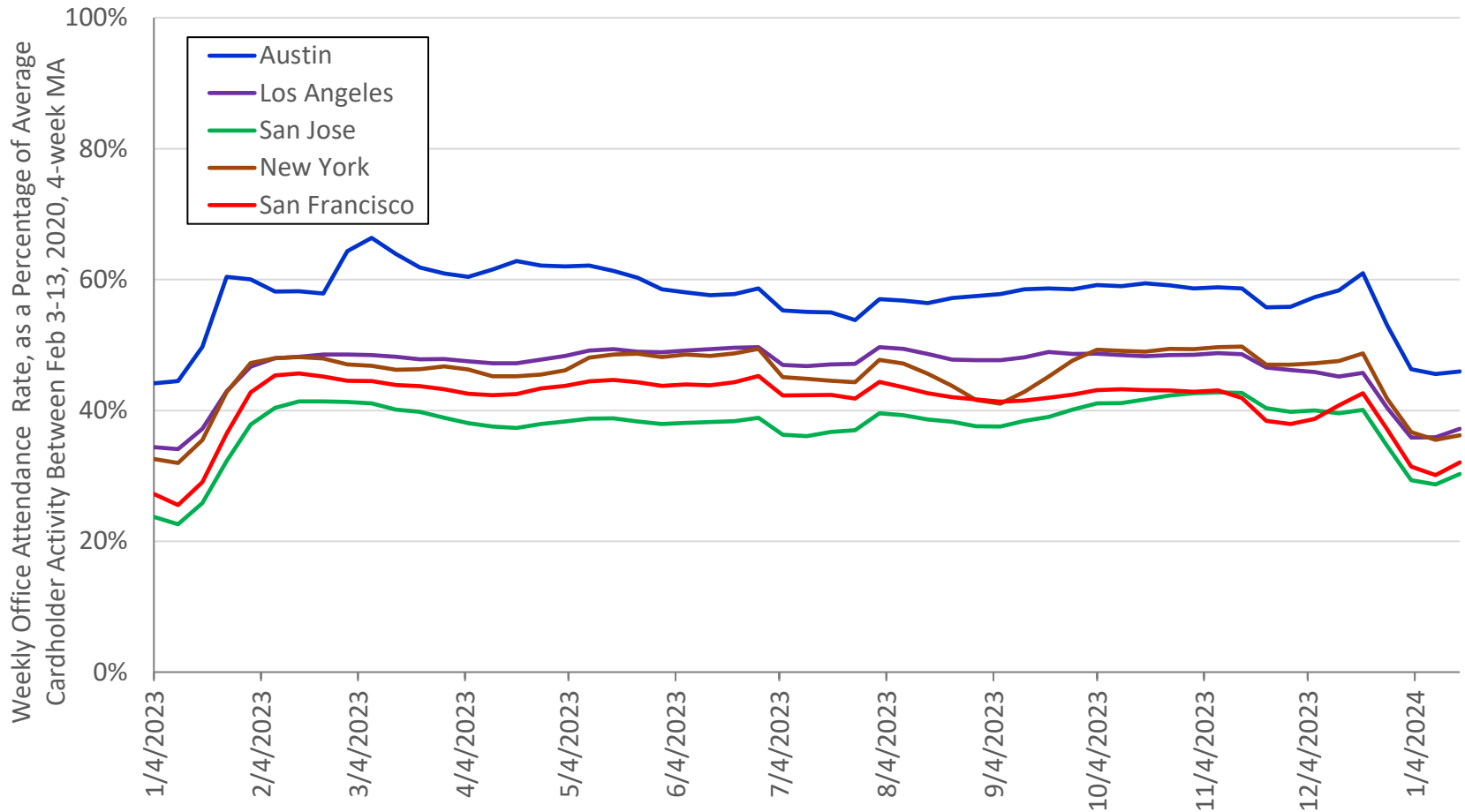
Indeed Real-Time Daily Job Posting Index, Monthly Average
Selected Metros, January 2023 - January 2024
(February 2020 = 100)



Source: Indeed. Data for January averaged through January 19.

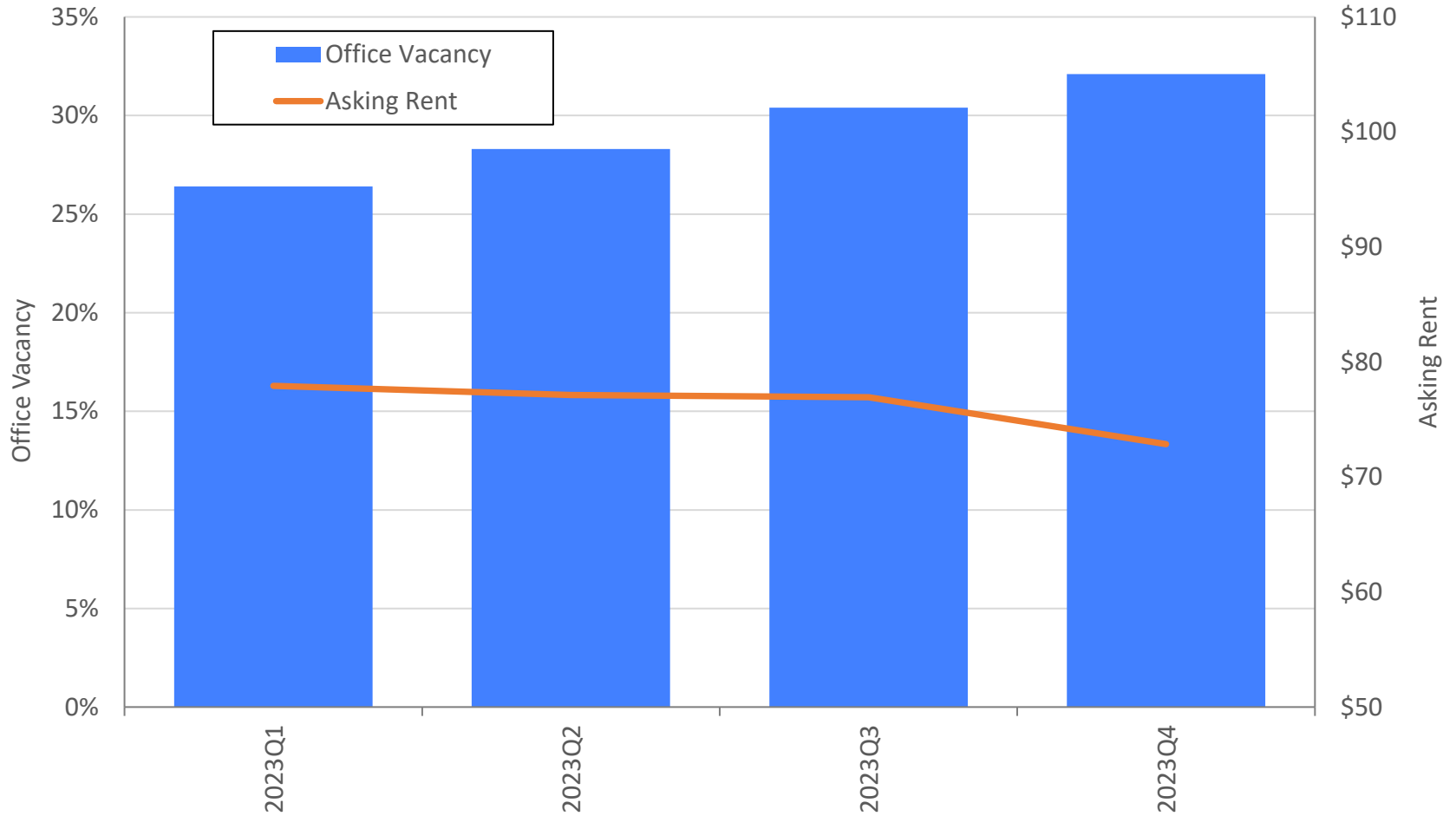
No Upward Movement in Return-to-Office

Weekly Office Attendance in San Francisco and Other Selected Metros, 4-Week Moving Average, Through January 17, 2024



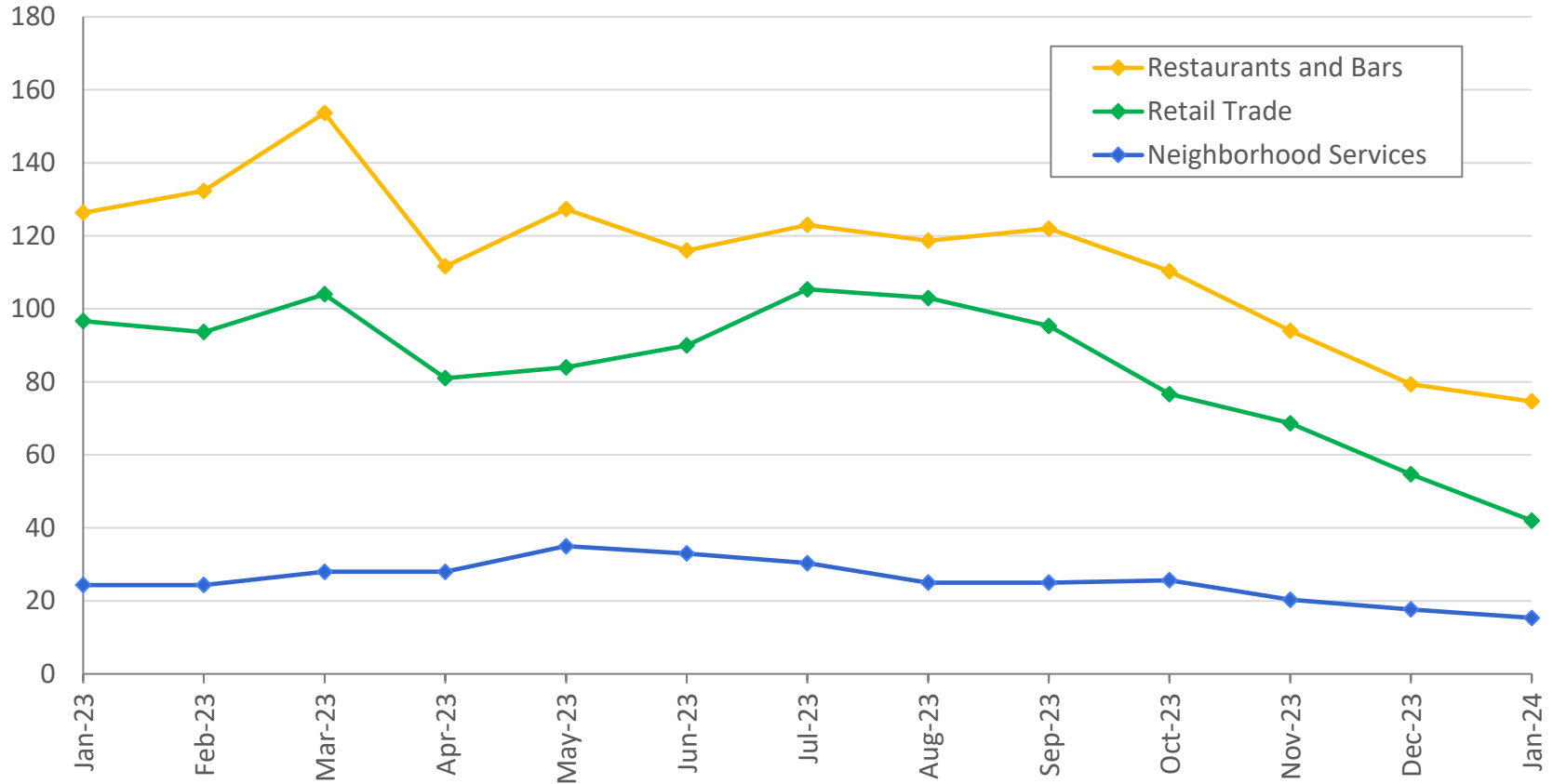
Office Vacancy Rose to 32.1% in Q4; Rents Fell by 5.3%

Office Vacancy and Asking Rent San Francisco, Through 2023 Q4



New Business Formation Continues to Slow Since Summer

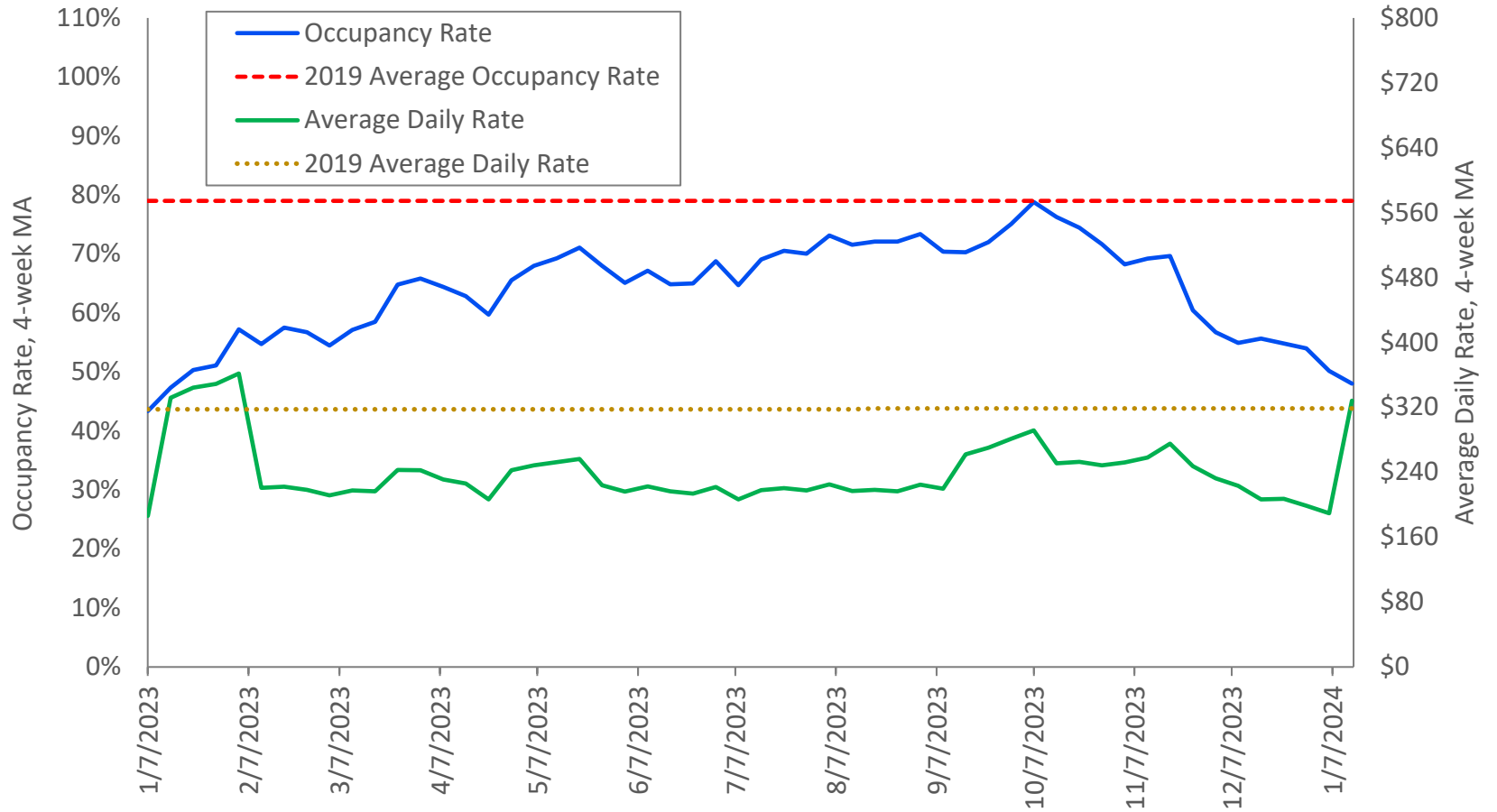
New Business Locations in San Francisco, 3-month Moving Average,
Selected Industries: January 2023 - January 2024



Source: Treasurer & Tax Collector, City and County of San Francisco
January estimated based on data available through January 15.

Seasonal Drop in Hotel Occupancy at the End of 2023

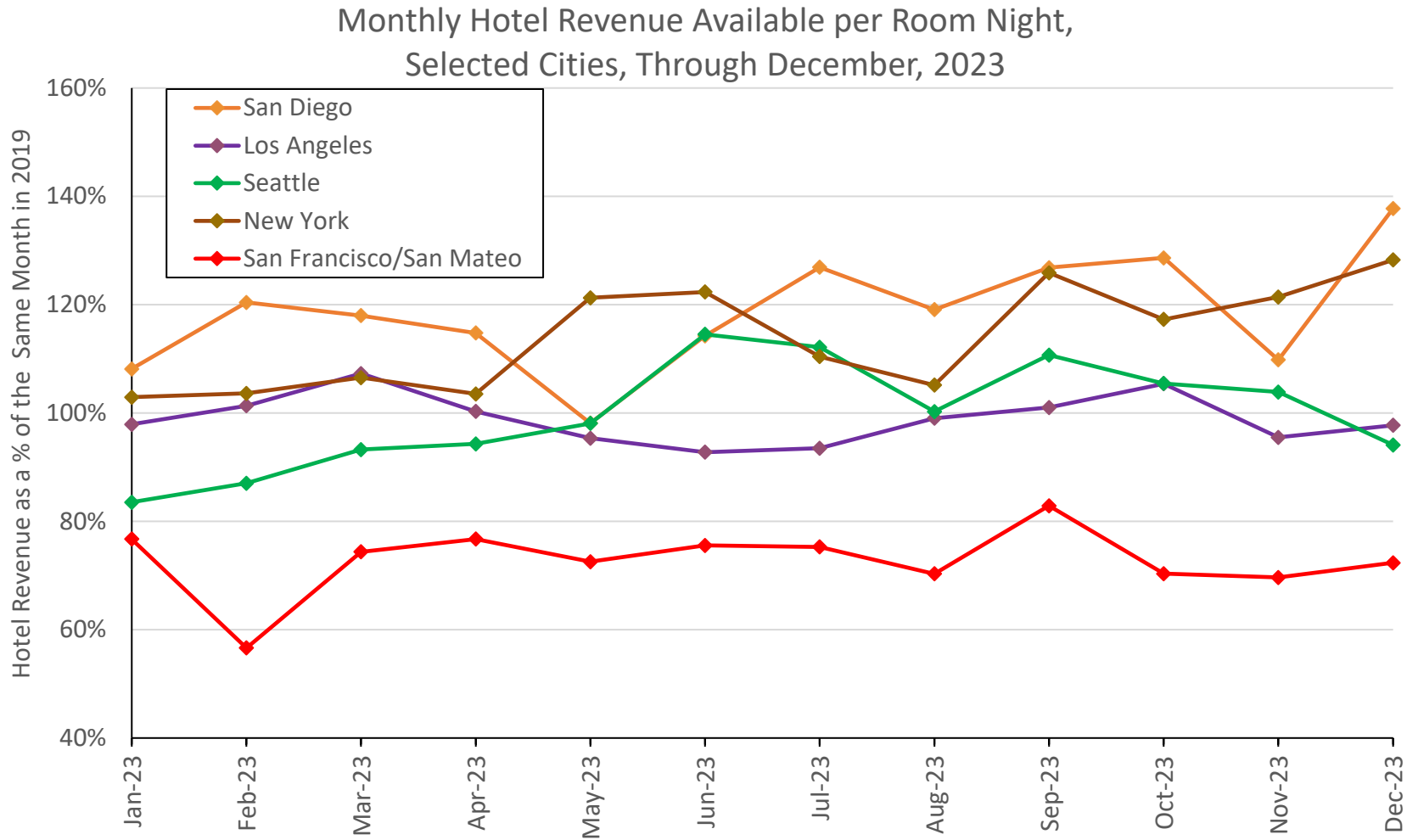
Weekly San Francisco Hotel Occupancy Rate and Average Daily Room Rate, 4-week Moving Average, Through January 13, 2024



Source: STR

Little Movement in Hotel Revenue Recovery: 72% of Normal

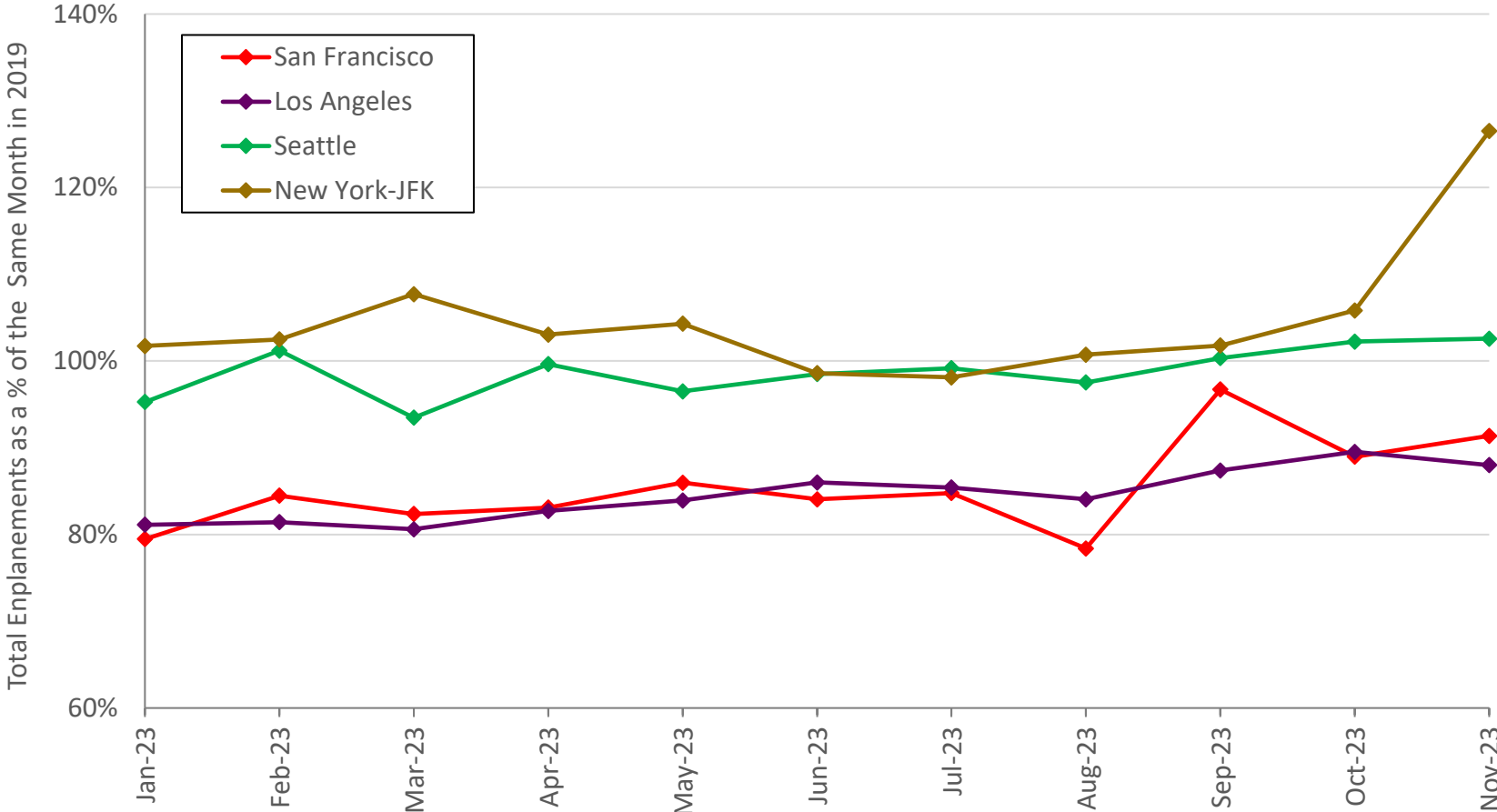
12



Source: STR.

Domestic Air Travel Slips Back to 91% of 2019 Levels

Domestic Enplanements, Selected Airports, Through November 2023

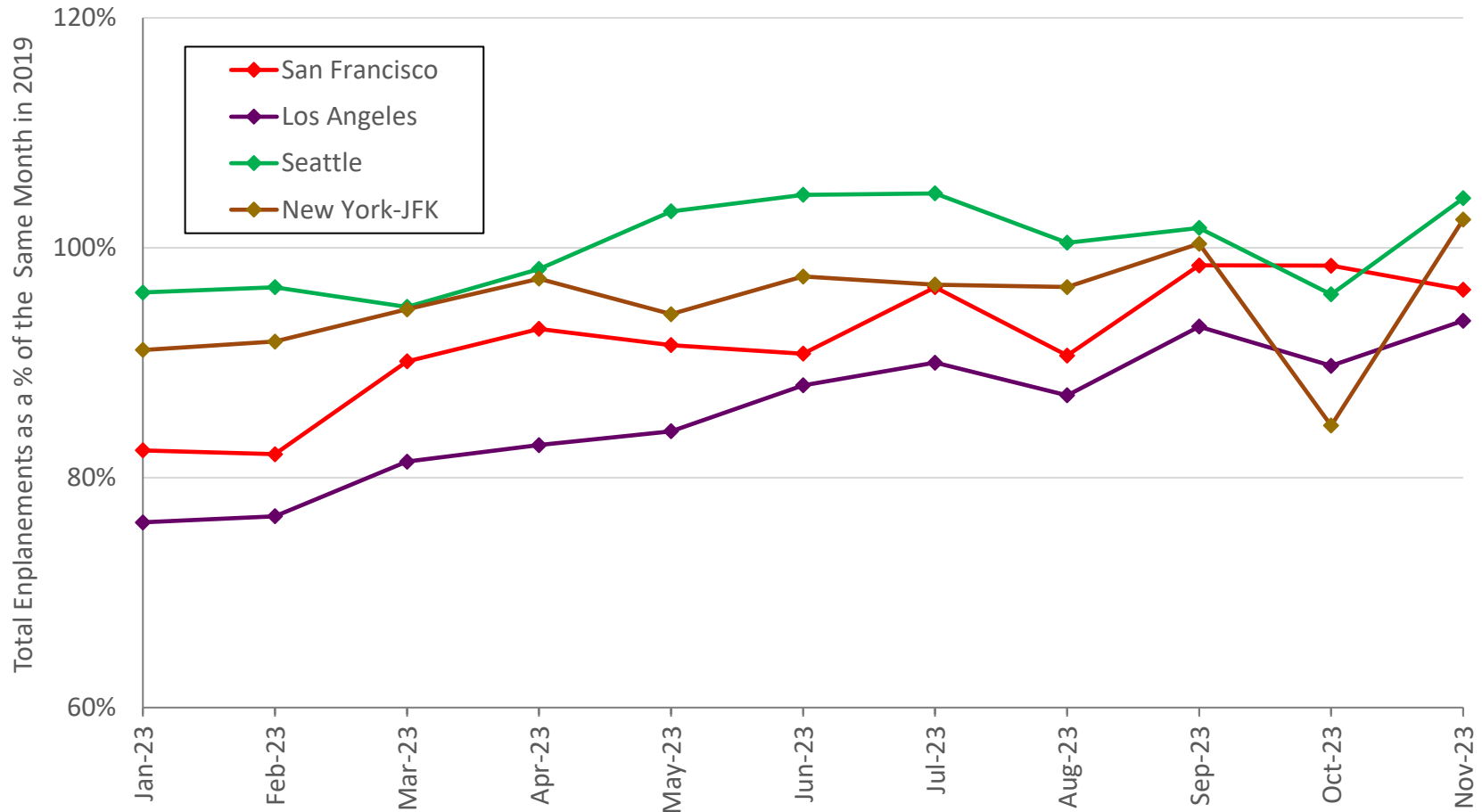


Source: Individual airports

While International Travel Holds at 96% of Normal

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

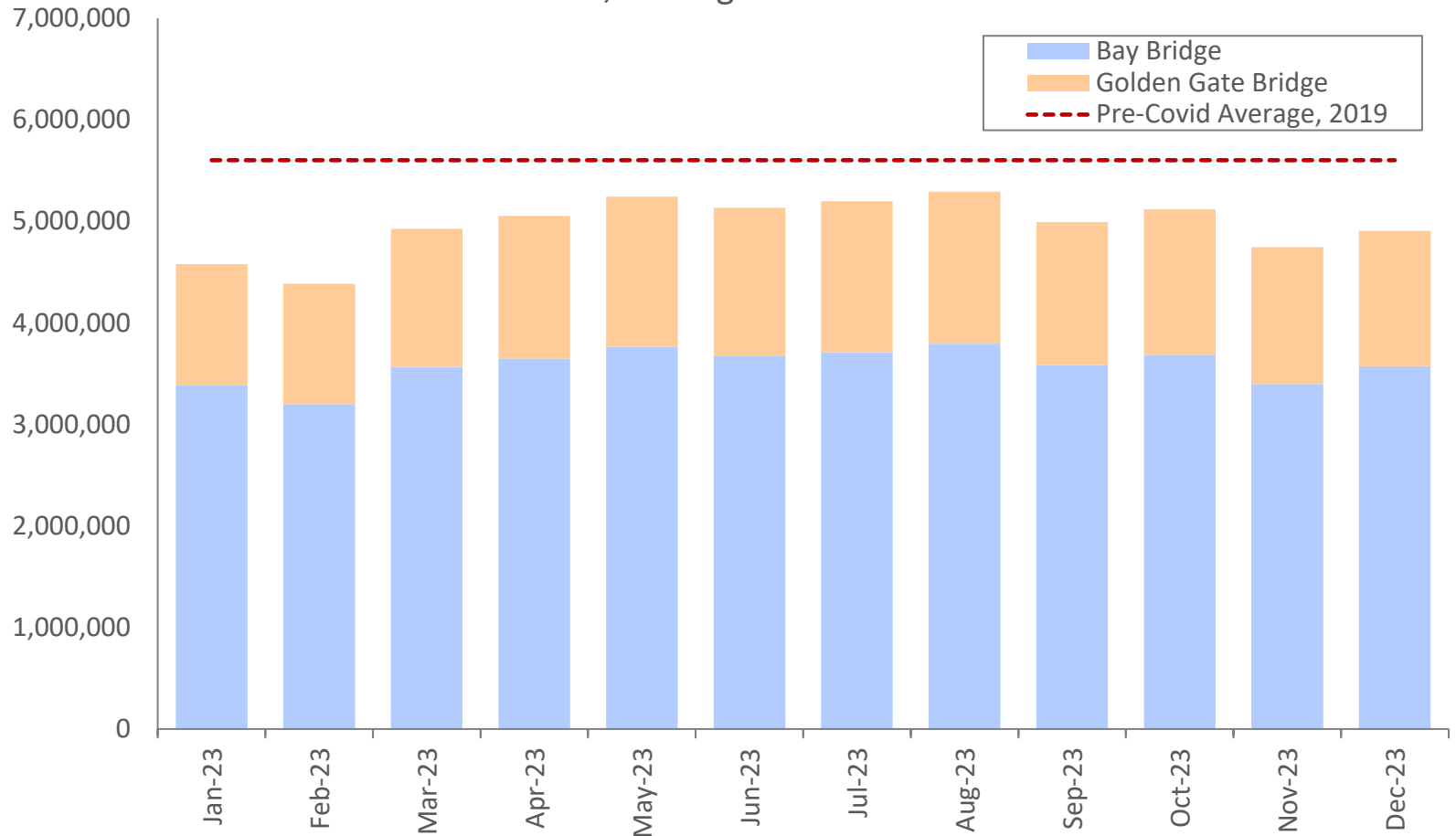


Source: Individual airports

Lower Bridge Traffic Another Sign of Slowing Economy

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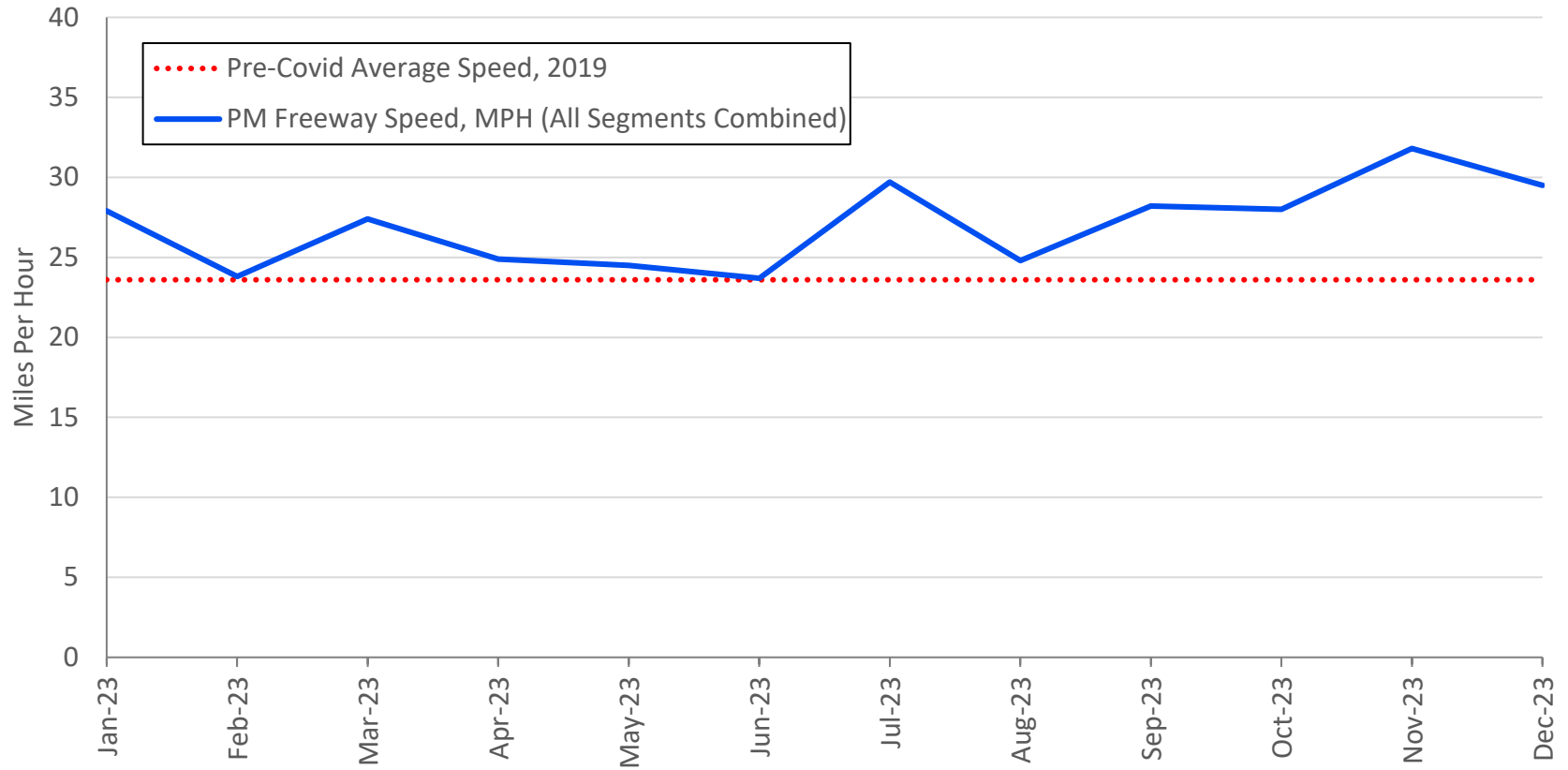
Bay Bridge and Golden Gate Bridge Monthly Traffic Volume, San Francisco, Through December 2023



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

While Freeway Speeds Were Higher than Early 2023

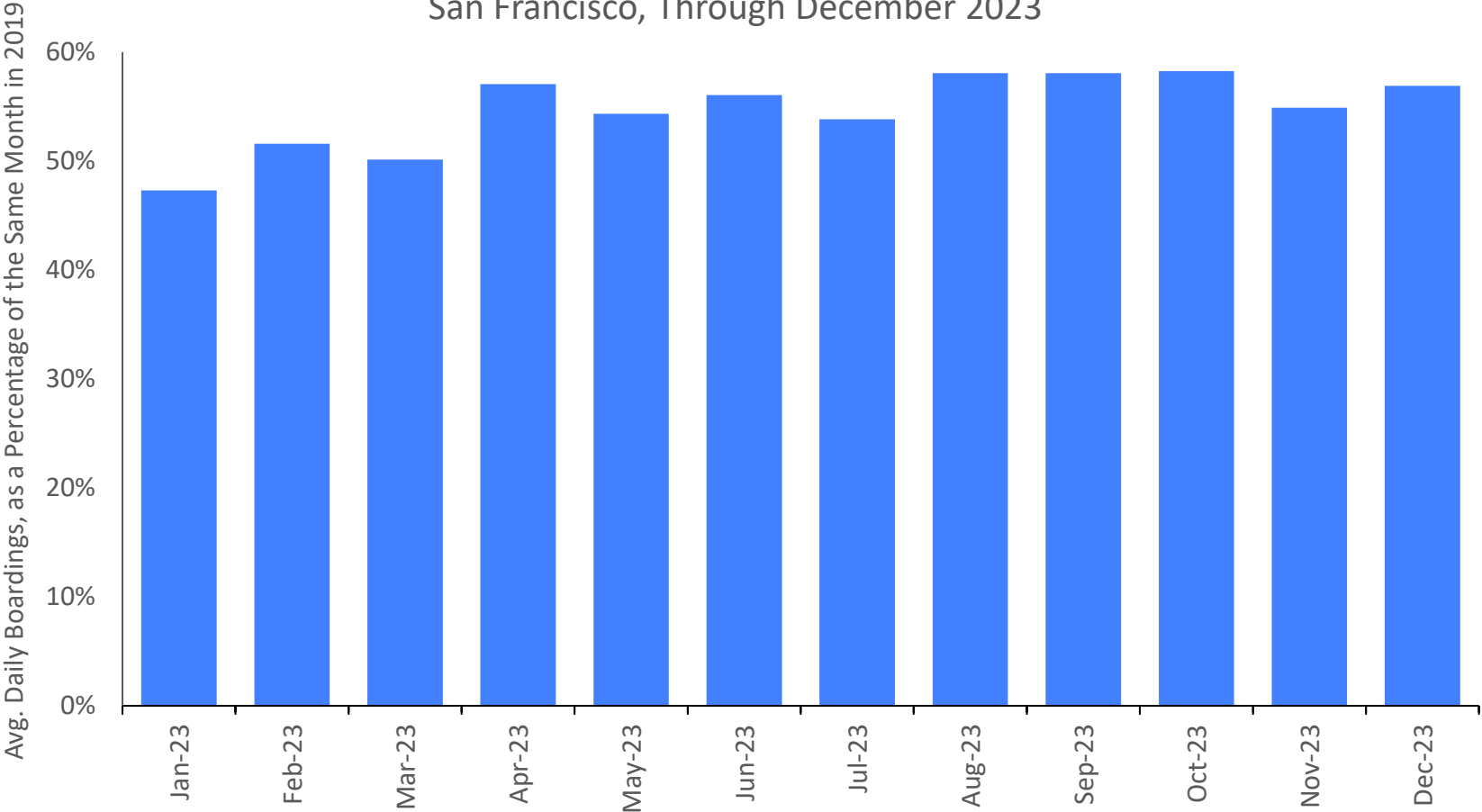
Average Monthly PM Freeway Speed in San Francisco, Through November, 2023



Source: SF County Transportation Authority

Muni Metro Ridership Also Dropped Since the Summer

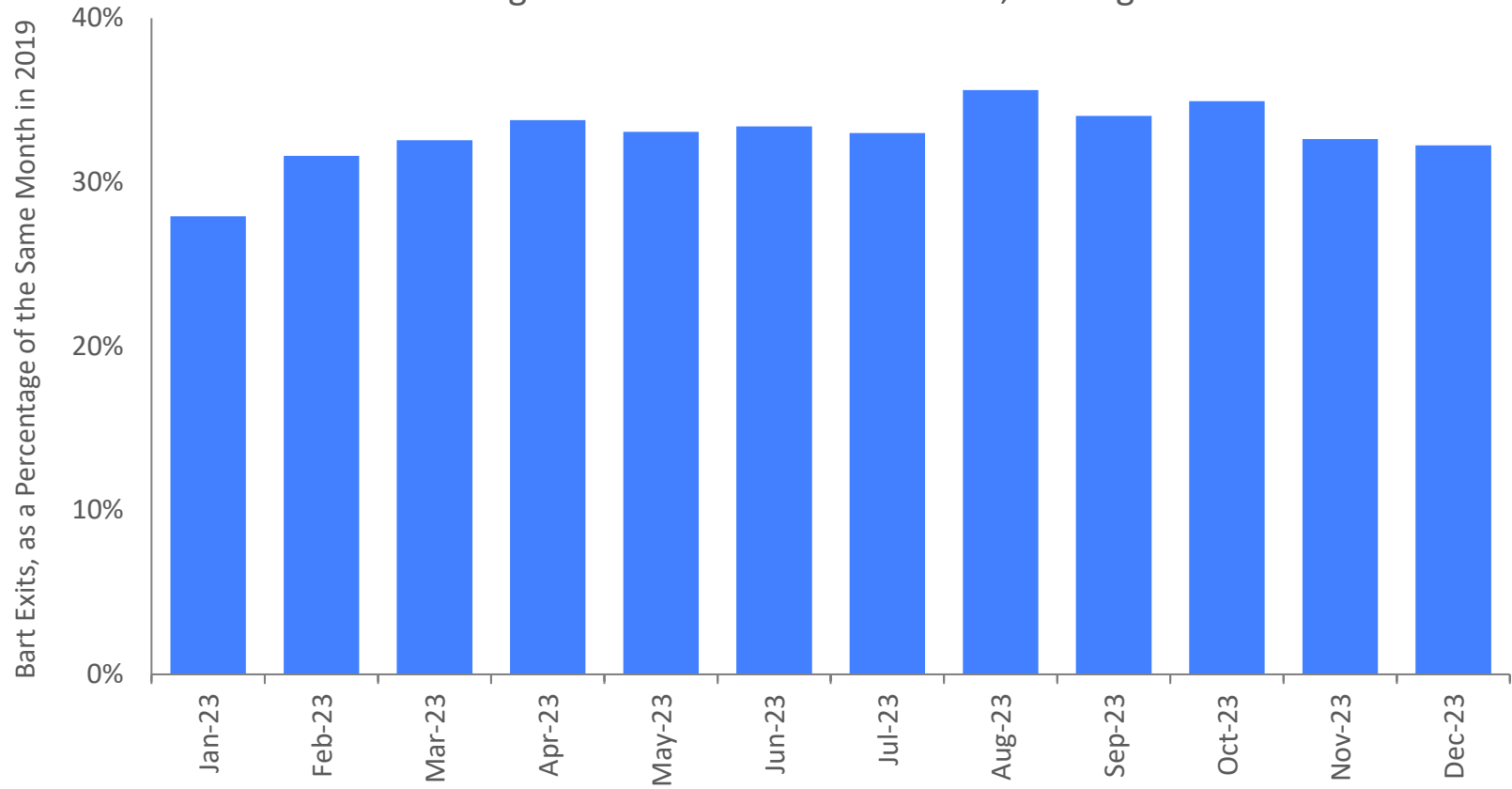
Average Daily Boardings, Muni Metro (Subway),
as a Percentage of the Same Month in 2019,
San Francisco, Through December 2023



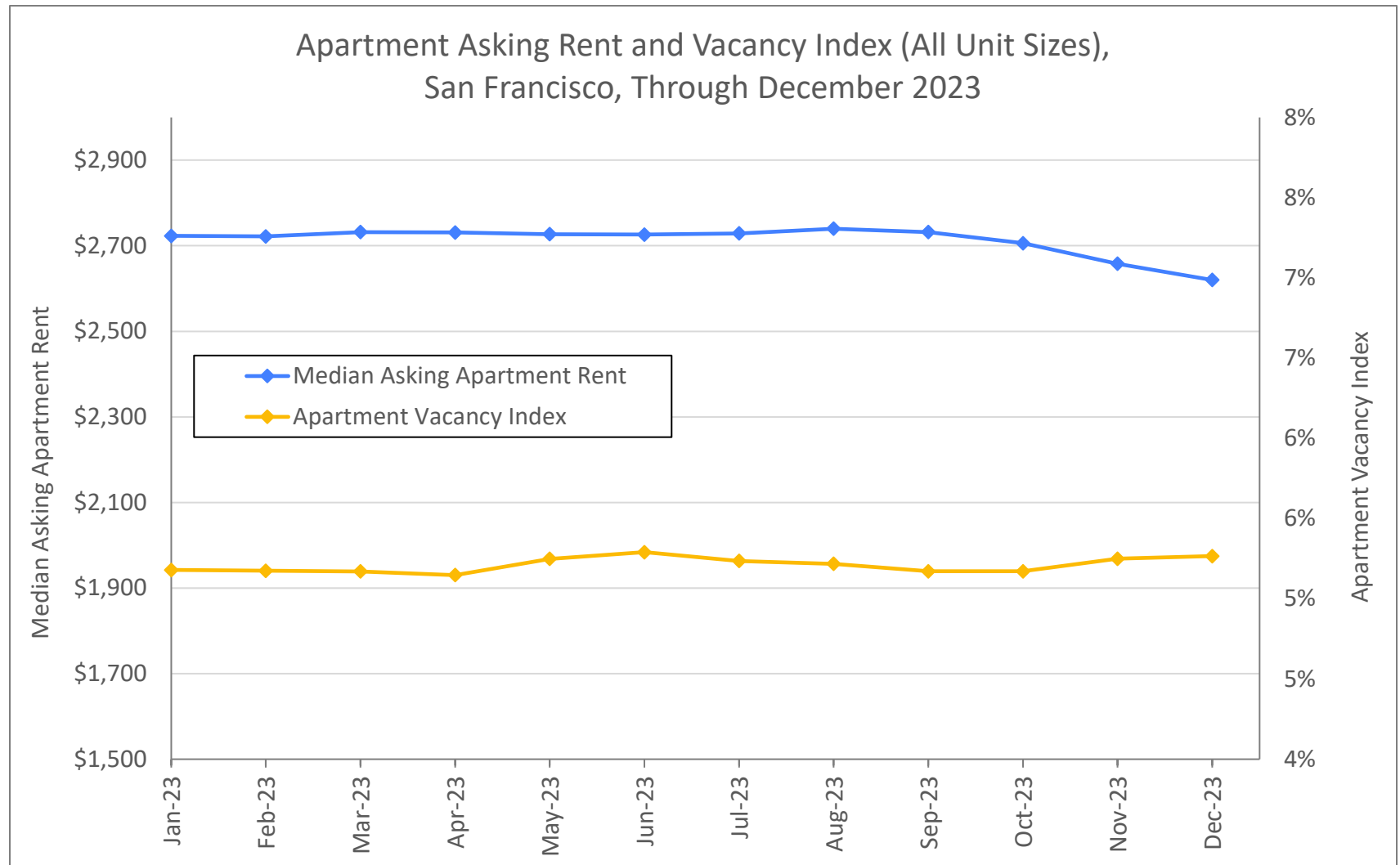
Source: SFMTA

As Did BART Ridership to Downtown

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



Apartment Rents Have Dropped 4.4% Since August

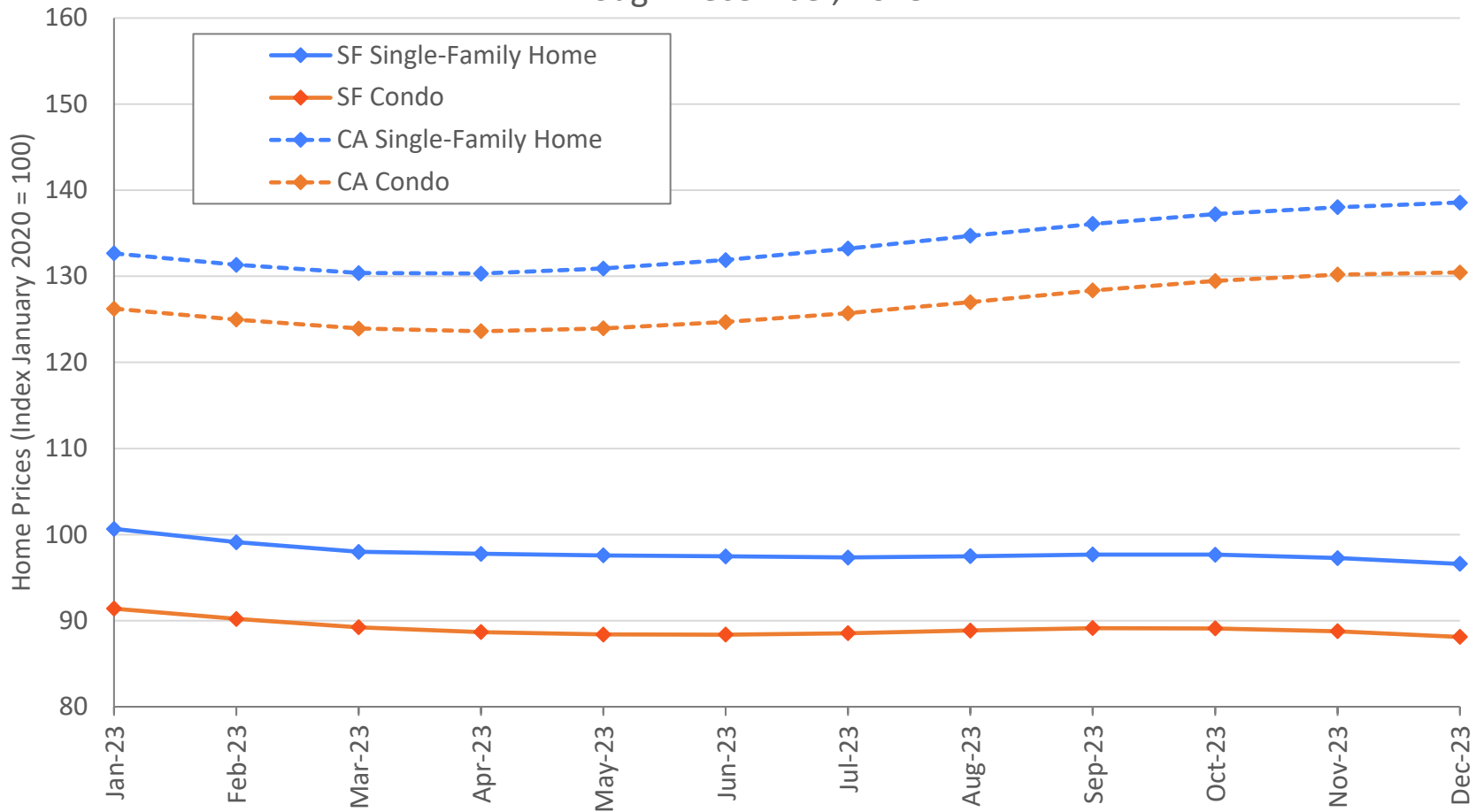


Source: Apartment List

City and State Housing Prices Continue to Diverge

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

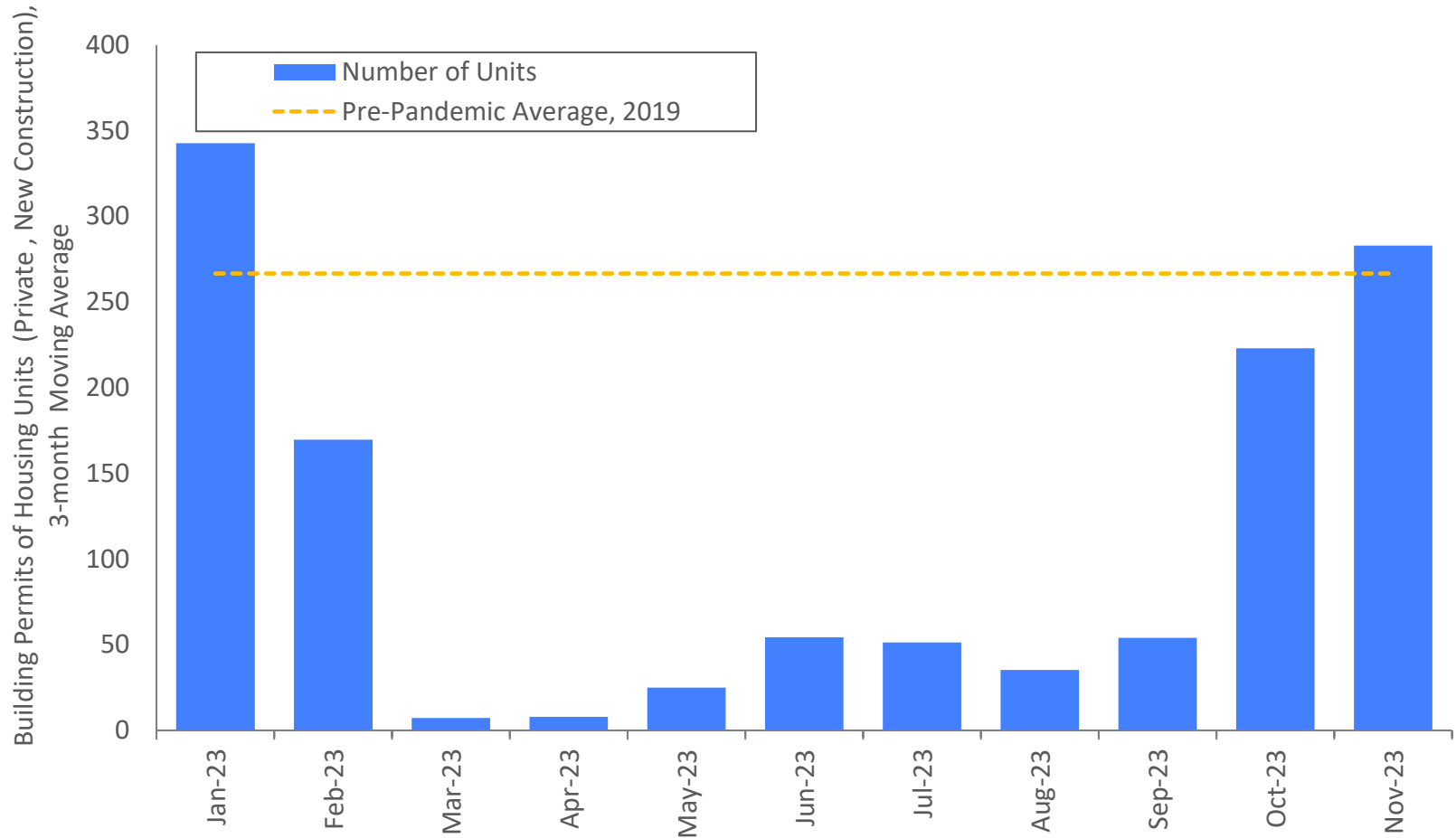


Source: Zillow

Uptick in Housing Permits in Late 2023

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Number of Housing Units Permitted (Private, New Construction),
(3-Month Moving Average), San Francisco, Through November 2023



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

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