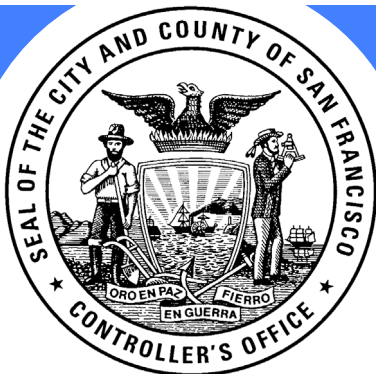


Update on the City's Economy



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller

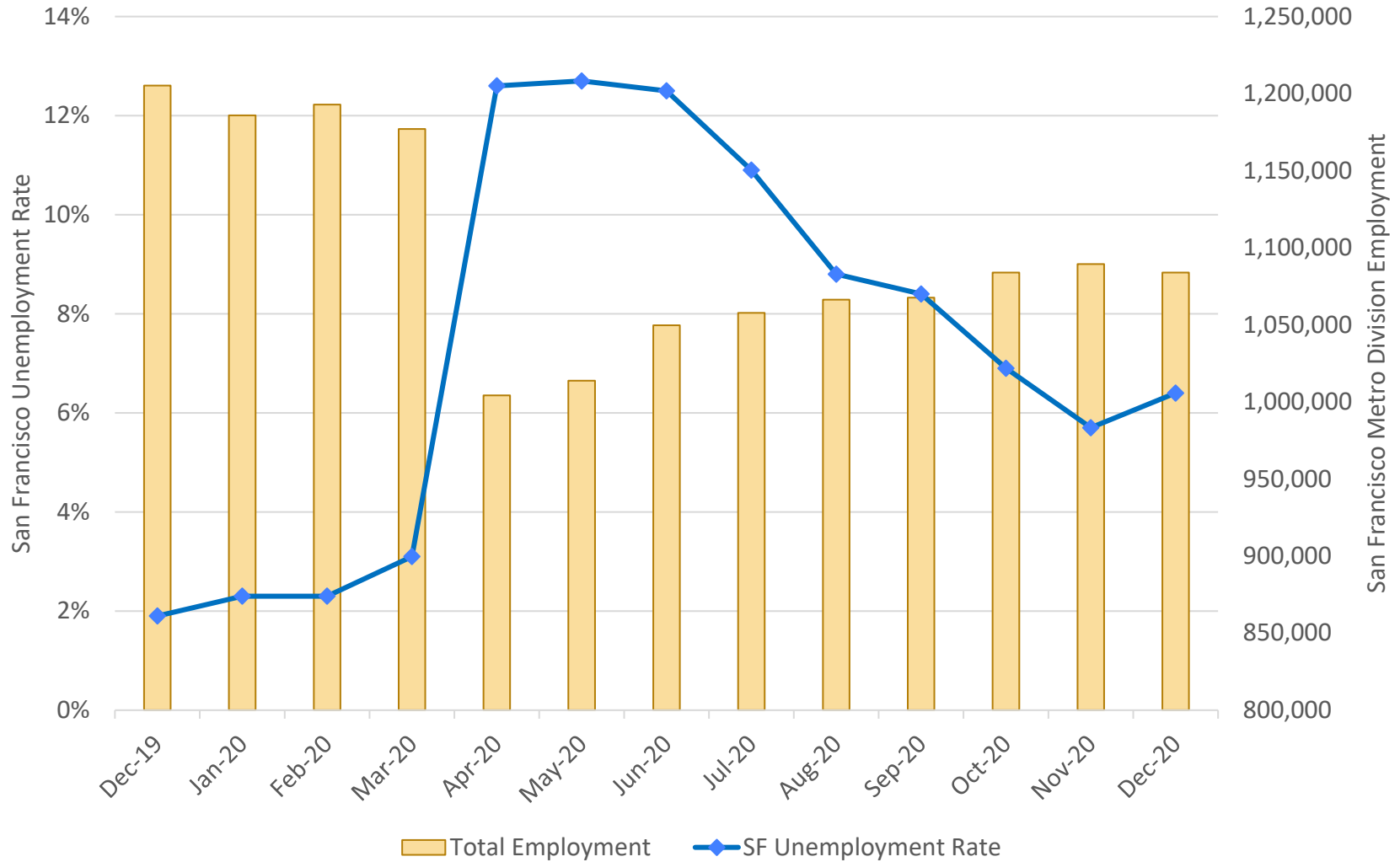
Ted Egan, Ph.D, Chief Economist

February 22, 2021

Total Employment and Unemployment Rate

2

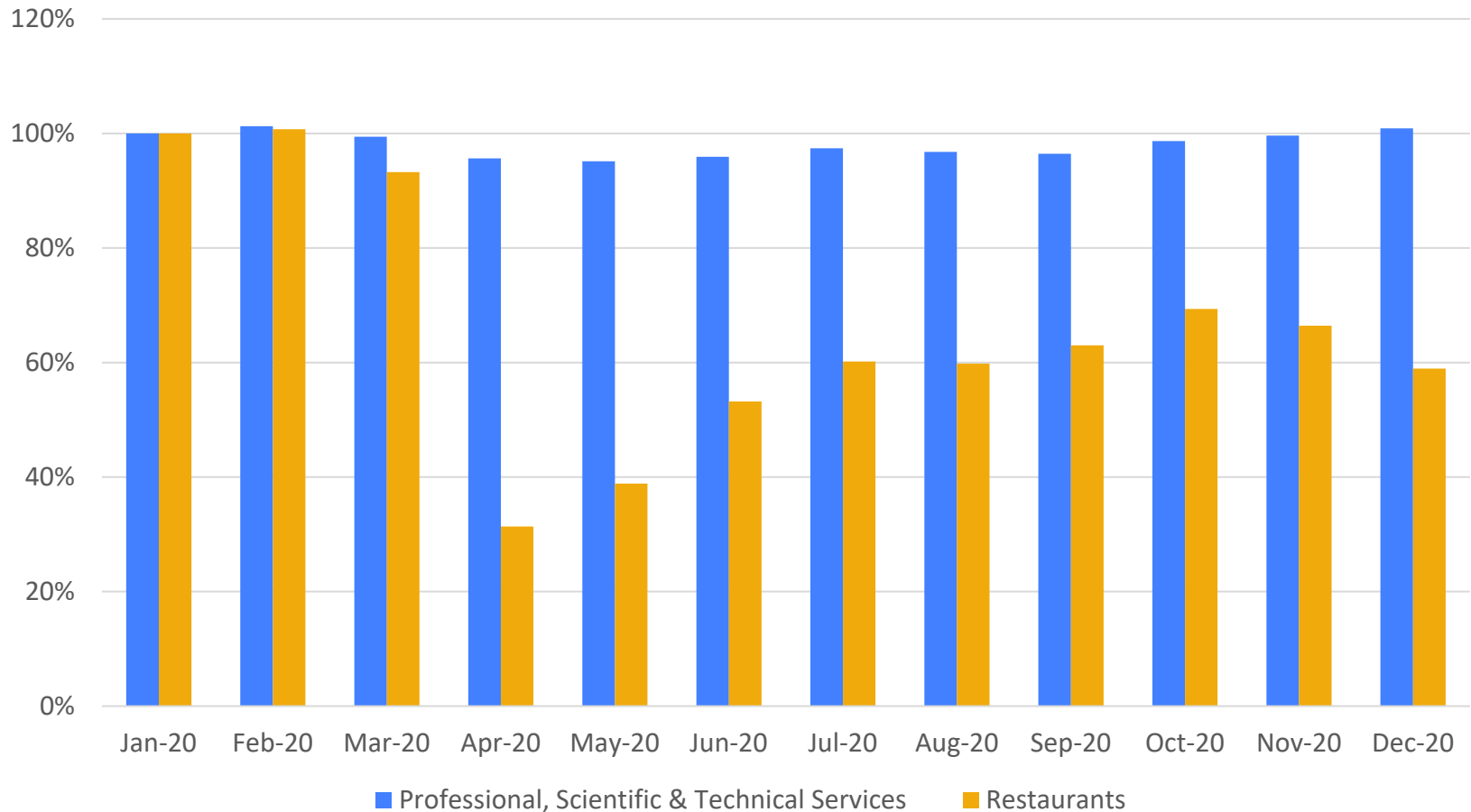
San Francisco Unemployment Rate, and San Francisco Metro Division Total Employment, Dec 2019-Dec 2020



Office vs. Service Industry Employment Trends

3

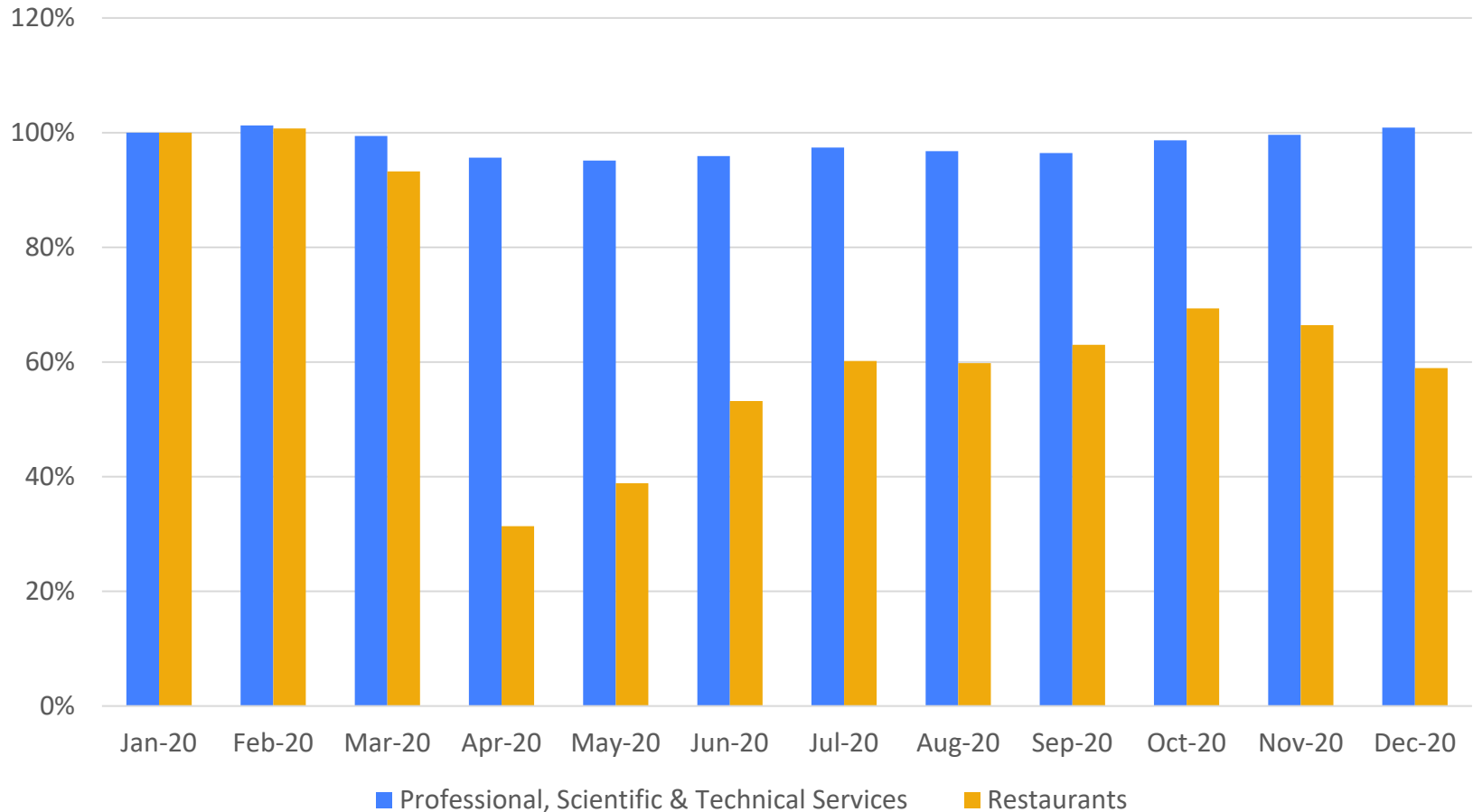
Monthly Employment in San Francisco MD Professional Services and Restaurant Industries, Jan-Dec 2020, as a Percent of Jan 2020 Employment



Office vs. Service Industry Employment Trends

4

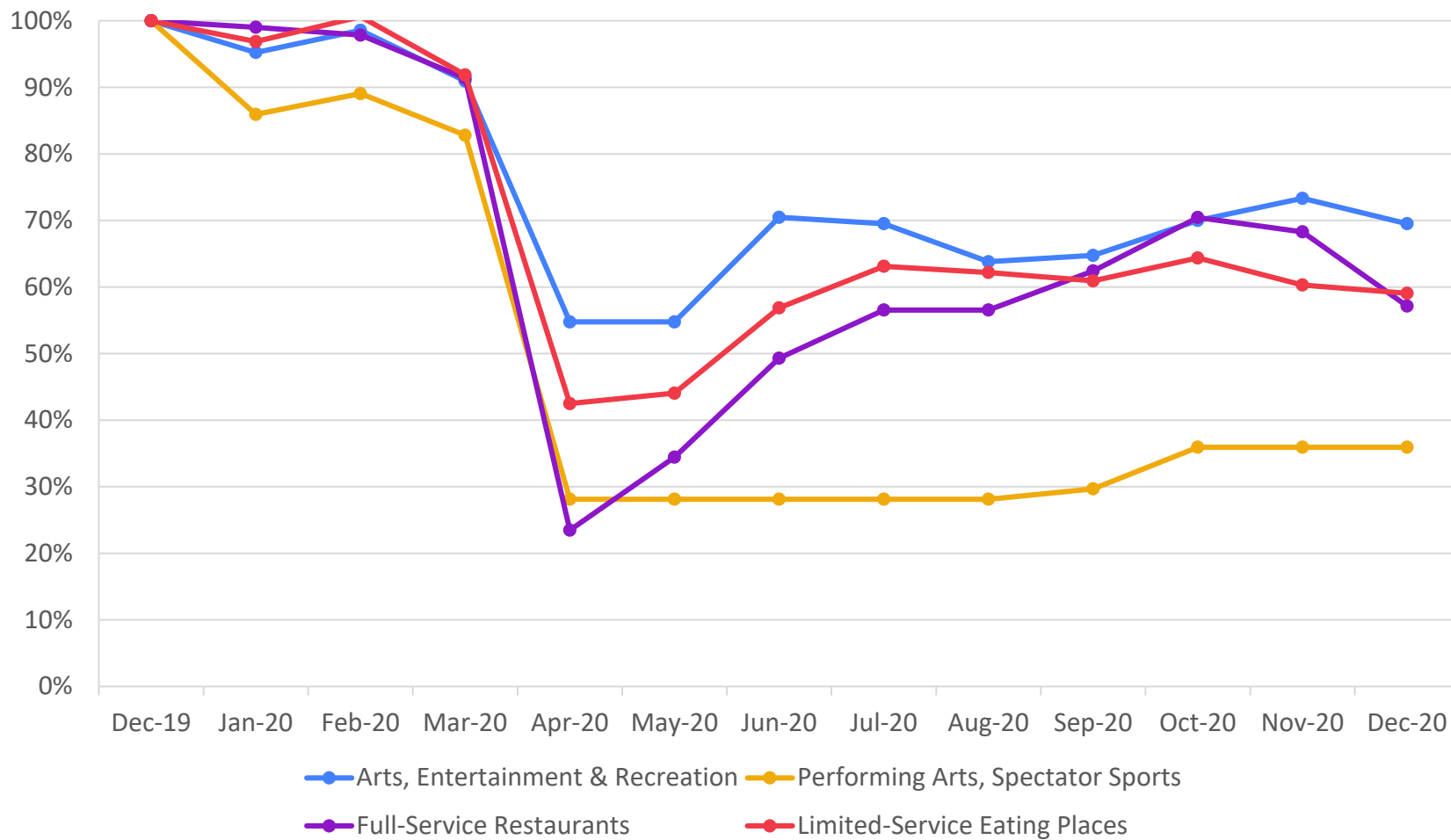
Monthly Employment in San Francisco MD Professional Services and Restaurant Industries, Jan-Dec 2020, as a Percent of Jan 2020 Employment



Employment Trends in Nightlife Industries

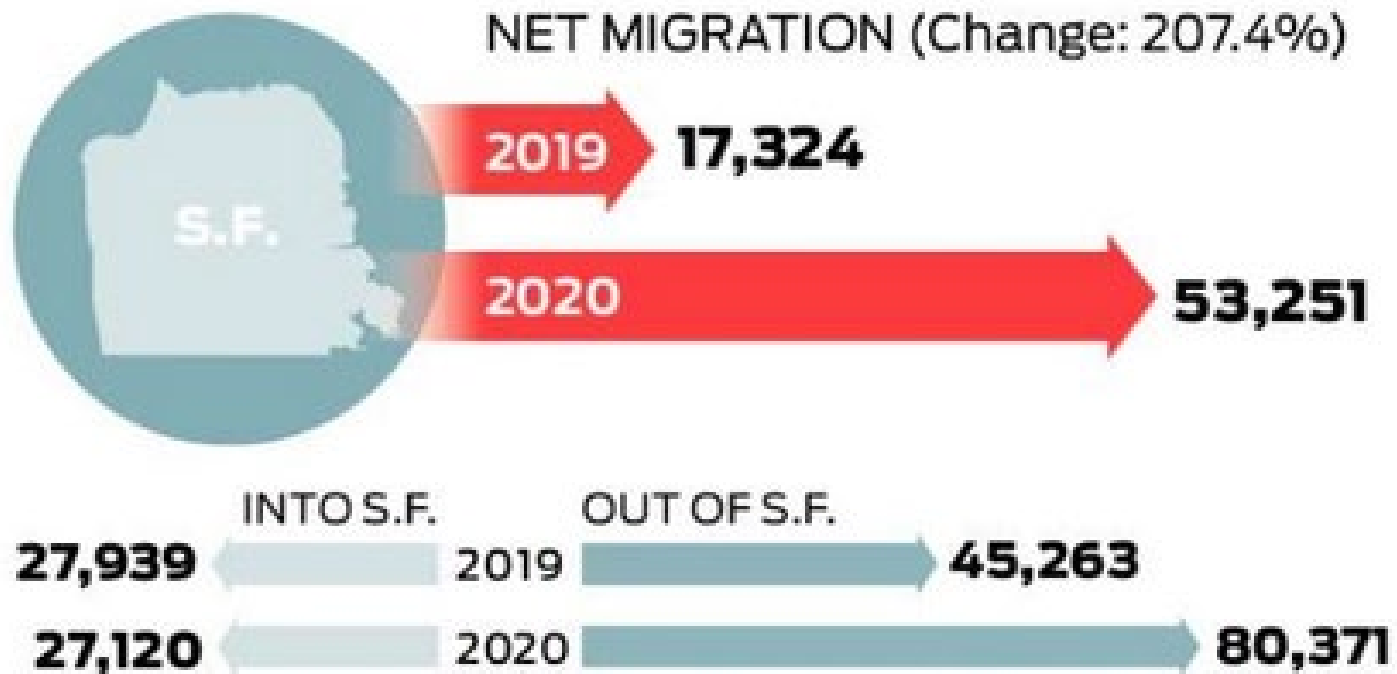
5

Employment in Four San Francisco Nightlife Industries, Monthly Through December 2020, As a Percentage of December 2019



San Franciscans on the move

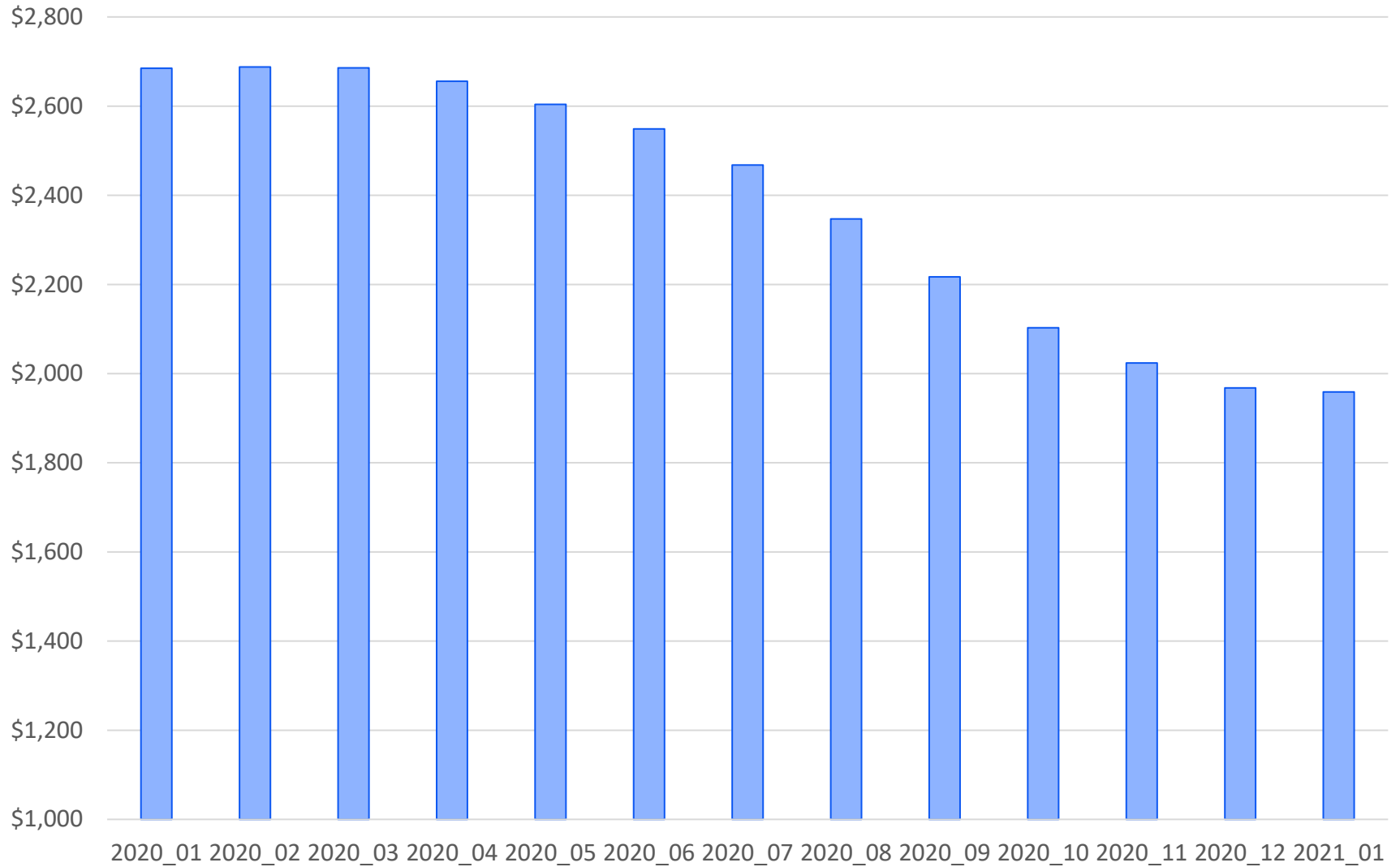
The number of households in San Francisco/the Bay Area that filed a change of address from March to November:



Trends in San Francisco Apartment Asking Rents

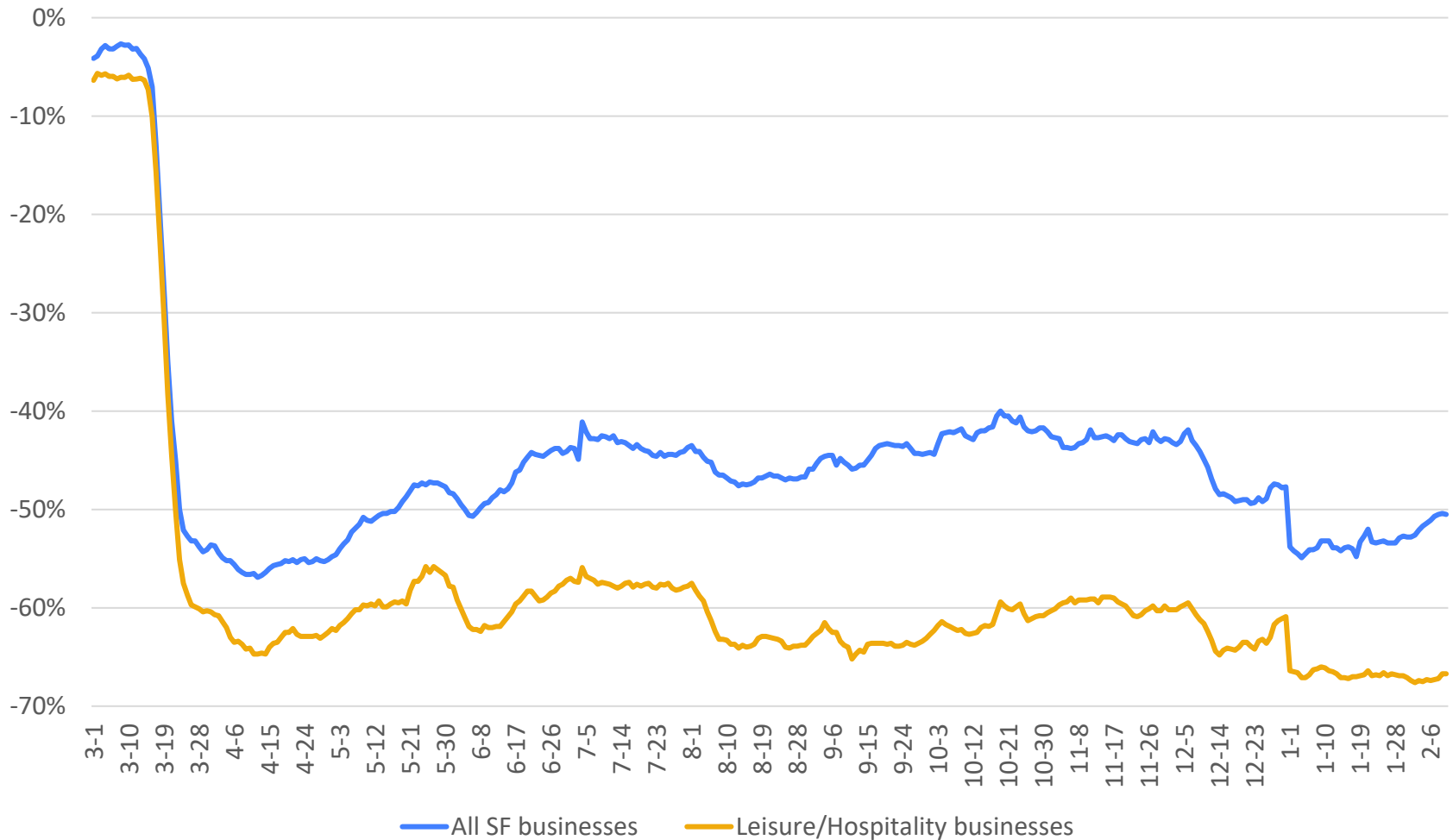
7

San Francisco Average Apartment Asking Rents, January 2020-January 2021



Small Business Closure Rate

Percentage of All SF Businesses, and Leisure / Hospitality Businesses, Open for Business versus 1 year Previously (March 2020 - Feb 2021)



A COVID-19 California Forecast Through May

9



California



Total deaths

Daily deaths

Hospital resource use

Infections and testing

Mask use

Social distancing

Hospital resource use

Trend

Compare

Map

All beds available is the total number of baseline hospital beds available for COVID-19 patients minus the average historical bed ...

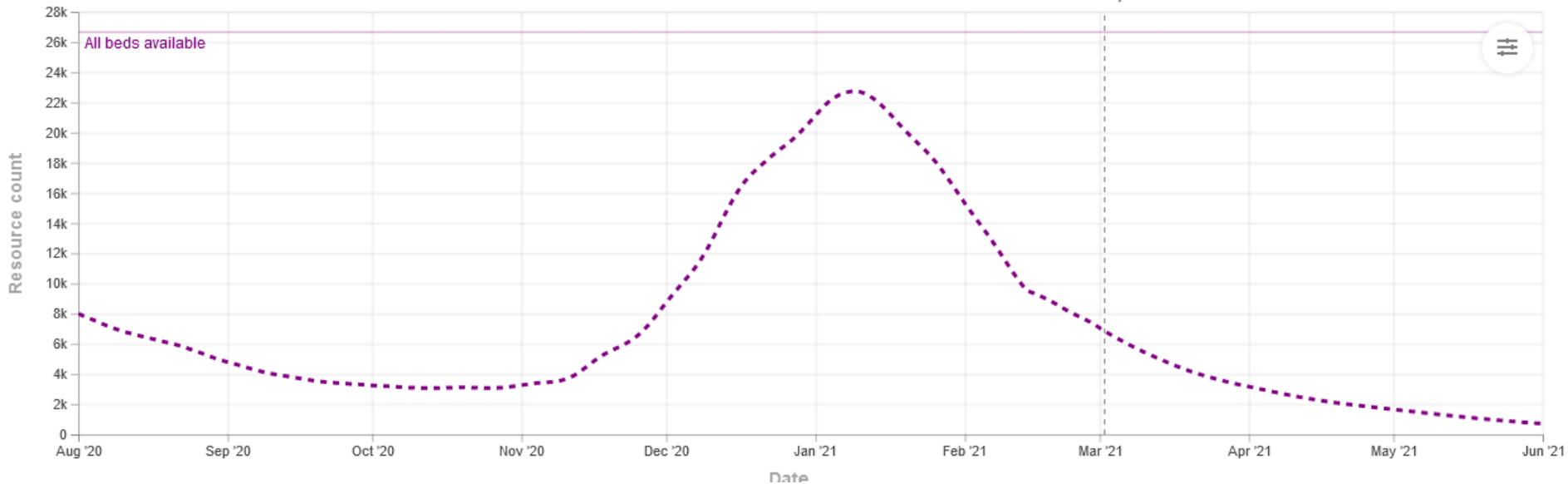
All resources

All beds

ICU beds

Invasive ventilators

Today



Conclusions and Near-Term Outlook

10

- San Francisco's economy has performed much worse than other large U.S. cities, over the past year.
- Until office workers and hotel guests return, the unemployment rate is likely to remain elevated.
- Decisions that office workers and their employers make, about the prevalence of remote work after the pandemic, will likely drive the office and housing markets in the near-to-medium term.
- Quality of life improvements – including re-opening of entertainment businesses – will help tip the balance.
- Looking forward for the industry, virus abatement by the summer should spur a re-opening in the second half of the year.
- However, the industry's full recovery – especially for downtown-based businesses – will follow the return of tourists, remote workers, and relocated residents.