

INTERMEDIATE LENGTH OCCUPANCY HOUSING IN SAN FRANCISCO

Policy Analysis Report to Supervisor Aaron Peskin

Presentation to:

LAND USE AND TRANSPORTATION COMMITTEE

BOARD OF SUPERVISORS

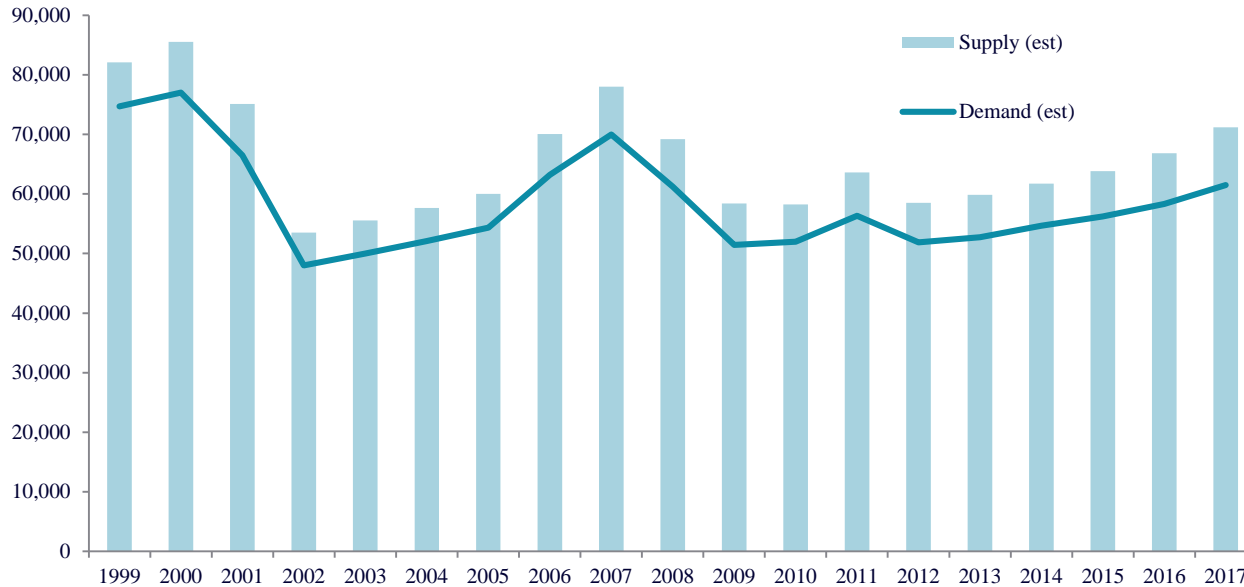
CITY AND COUNTY OF SAN FRANCISCO

February 24, 2020

Intermediate Length Occupancy Housing Industry: 2017

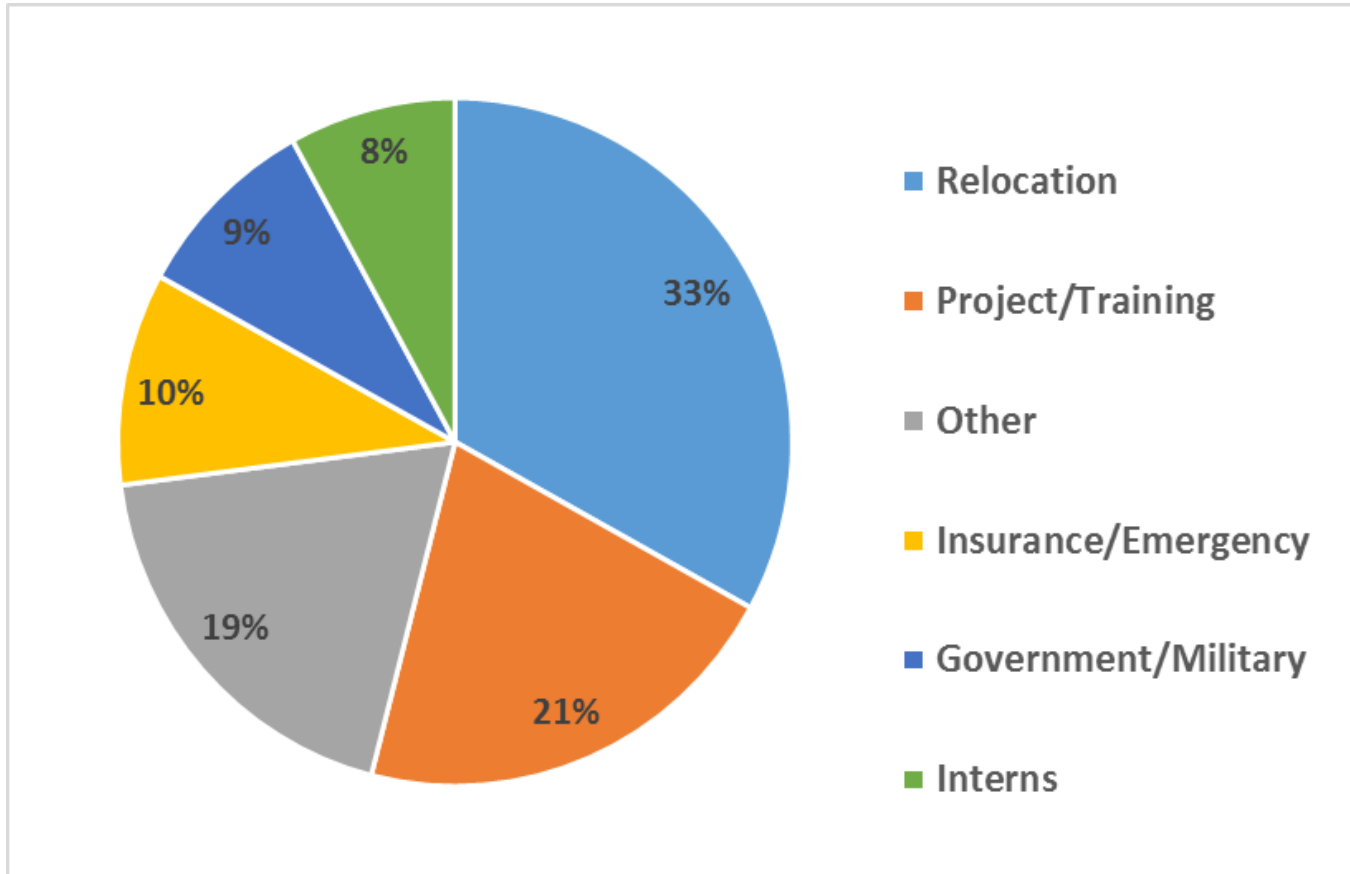
	U.S.	San Francisco*
Average Daily Rate	\$161 (\$4,154/mo.)	\$231 (\$6,930/mo.)
Average occupancy rate	86.4%	86.0%
Average length of stay	78 nights	71 nights

*Includes Marin County



Supply nationwide = 71,201 units in 2017, increase of 22.2% over 58,259 in 2010

Uses of intermediate length occupancy housing in U.S., 2017



Top Users:

- 1) Technology
- 2) Other/individual
- 3) Professional services
- 4) Government/military

Growing Industry: stable longer-term providers + new “disruptor” companies

Longer term companies in place for years

- CHPA: 27 members in San Francisco, in SF for an average of 13 years.
- SF Apartment Association members have been providing ILO housing for decades

New companies, formed since 2010

- Sonder, Zeus, Blueground, Synergy Global Housing, Churchill
- Master tenants: furnished, serviced apartments (aparthotels in other cities)
- venture capital backing
- greater use of information technology

Estimated Scale of Industry in San Francisco

- No City data collected on number of units: ILO is not classified as a land use.
- SF Apartment Association estimates 1-3% of member units used for intermediate length occupancy housing (Citywide: 2,705 – 8,115 units)
- BLA: our review leads to approximately 2,000 units
- Absent better data: 2,000 – 2,705

Location of Sample Intermediate Length Occupancy Housing

Neighborhood	Total	Neighborhood	Total	Neighborhood	Total
Ashbury Heights	1	Haight Ashbury	2	Sea Cliff	1
Balboa Park	1	Hayes Valley	24	SoMa	85
Bayview	1	Ingleside Terraces	2	South Beach	17
Bernal Heights	6	Inner Richmond	8	South Park	5
Castro	7	Inner Sunset	4	Telegraph Hill	4
Chinatown	1	Laguna Heights	1	Tenderloin	2
Civic Center	5	Lower Haight	4	The East Cut	1
Cow Hollow	2	Marina	12	West Portal	1
Crocker-Amazon	1	Merced Heights	1	Western Addition	5
Daly City	1	Mission Bay	22	Westwood Park	2
Dogpatch	5	Mission District	40	Grand Total	461
Dolores Heights	2	Nob Hill	41		
East Cut	1	Noe Valley	14		
Eureka Valley	1	North Beach	24		
Fillmore	2	Outer Richmond	3		
Financial District	18	Outer Sunset	2		
Haight Ashbury	2	Pacific Heights	20		
Hayes Valley	24	Parkmerced	2		
Ingleside Terraces	2	Polk Gulch	3		
Inner Richmond	8	Potrero Hill	9		
Inner Sunset	4	Presidio	2		
Laguna Heights	1	Rincon Hill	26		
Lower Haight	4	Russian Hill	17		

52% in 6 neighborhoods

Economics of renting an Intermediate Length Occupancy Unit in San Francisco

	Zillow Index SF market rents	Zillow market daily rate	Sample average per night	Difference per night	Sample average monthly rent (at 86% occupancy)	Difference per month	Difference per year
1 BR	\$3,580	\$115	\$159	\$44	\$4,239	\$659	\$7,907
2 BR	\$4,530	\$146	\$200	\$54	\$5,332	\$802	\$9,624

Estimated Growth in San Francisco’s Intermediate Length Occupancy Housing Units Compared to Growth in total Multi-family Housing Stock

	2010 Multi-Family Housing Units	+ 7.8% actual SF multi-family growth rate	+ 22.2% national ILO growth rate	Difference
Total multi-family units	248,609	267,908	303,800	35,892
ILO units	2,486	2,680	3,038	358



Questions and comments

INTERMEDIATE LENGTH OCCUPANCY HOUSING IN SAN FRANCISCO

Policy Analysis Report to Supervisor Aaron Peskin

Presentation to:

LAND USE AND TRANSPORTATION COMMITTEE

BOARD OF SUPERVISORS

CITY AND COUNTY OF SAN FRANCISCO

February 24, 2020