



# Nightlife Industries in San Francisco: 2016 Update

Office of Economic Analysis  
September 8<sup>th</sup>, 2016

# Background

---

- In 2012, the Office of Economic Analysis issued a report entitled "The Economic Impact of San Francisco's Nightlife Businesses", which analyzed the impact of industries that operate after traditional daytime business hours, on San Francisco's economy.
- Most of the economic statistics in that report were based on 2010 data. The city's economy, and its nightlife industries, have changed significantly since then.
- The report, requested by Supervisor Scott Wiener, updates the earlier report with the most recent economic statistics for the city, for 2015. It reviews trends in employment establishments, and sales of nightlife industries in San Francisco.
- Many of the conclusions of the earlier report were based on 2012 surveys of nightlife businesses and patrons. These surveys have not been repeated, so other aspects of the economic impact that were covered in the earlier report are not addressed here.

# Definition of Nightlife Industries

---

- This update uses the same definition of Nightlife Industries that we used in our 2010 report:
  - Art Galleries – (NAICS 45392)
  - Venues / Nightclubs (NAICS 71131)
  - Theater and other Performance companies, including music and dance. (NAICS 7111)
  - Restaurants, including full- and limited-service (NAICS 7225)
  - Bars and other drinking establishments (NAICS 7222)

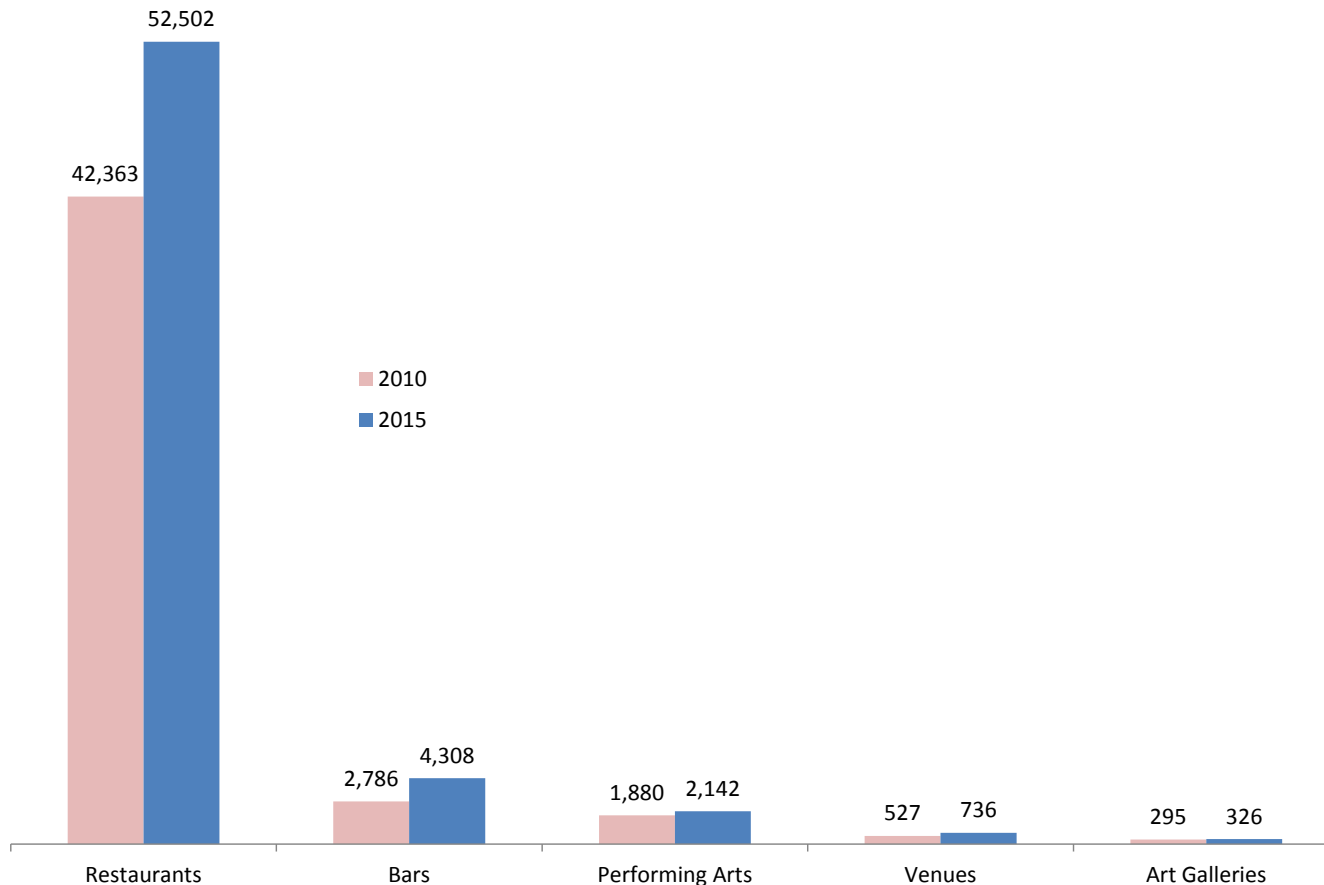
## In 2015, over 4,100 Nightlife Businesses Employed 60,000 People in San Francisco - an Increase of 12,000 from 2010.

---

- By 2015, the nightlife industries employed 60,014 people in San Francisco, including:
  - 52,502 people employed by restaurants (full- and limited-service)
  - 4,308 people employed by bars.
  - 2,142 people employed by live theater and other performance companies.
  - 736 people employed by venues and nightclubs that host live performances.
  - 277 people employed by art galleries.
- Our 2010 report found that nearly 48,000 people worked in these industries in 2010, meaning the city has added over 12,000 nightlife jobs since 2010, a 25% increase.
- Overall employment in San Francisco grew by 125,000 jobs or 23% during the same period, so the growth in nightlife industry employment slightly outpaced the city average.

# Every Nightlife Industry Has Added Employment in the City Since 2010

Employment of San Francisco Nightlife Industries,  
2010 and 2015



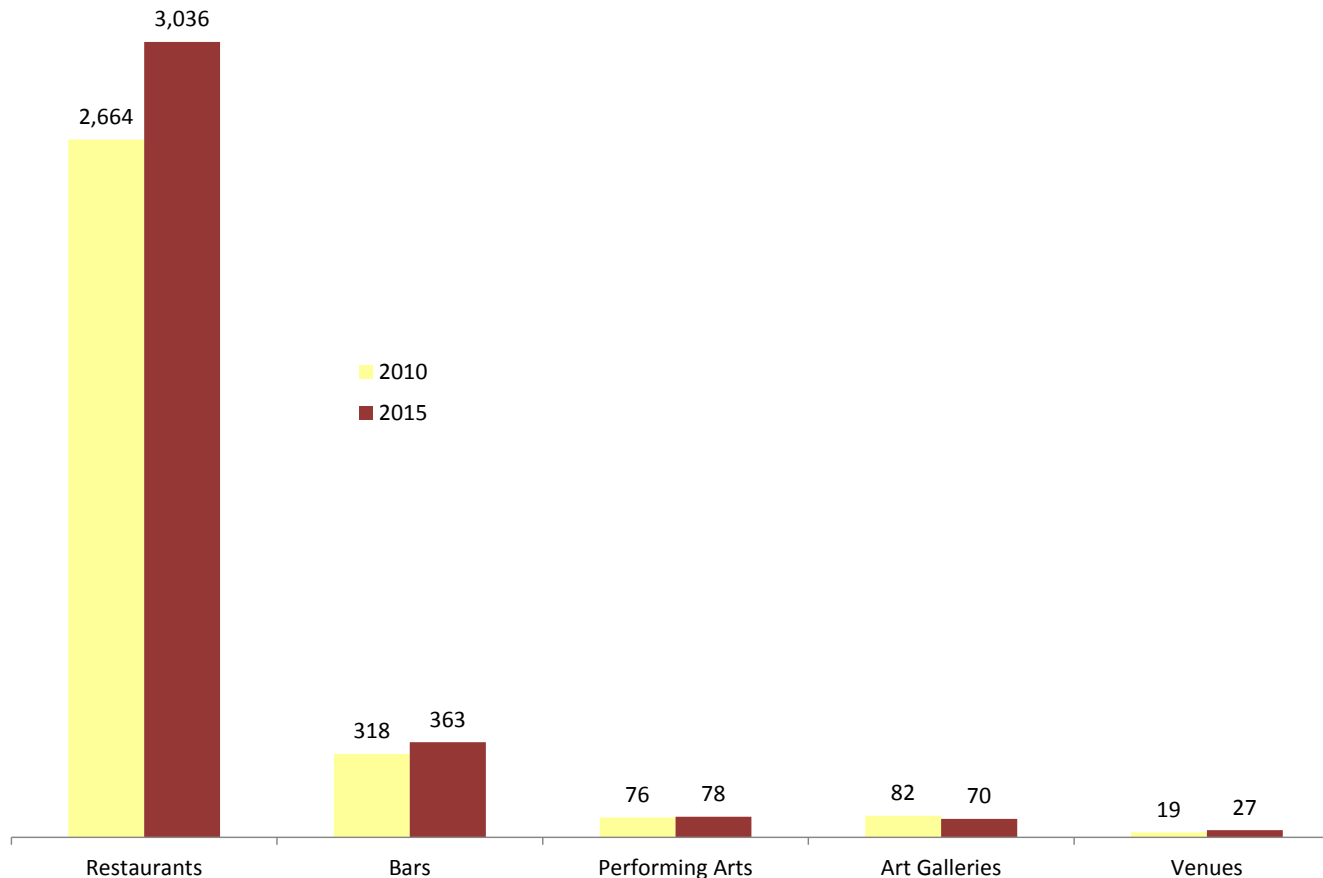
Every one of the five nightlife industries has added employment in the city since 2010.

Restaurants, by far the largest of the industries, also experienced the greatest increase in employment.

In percentage terms, Venue / Nightclub employment grew by 40%, Bars by 55%, Restaurants by 23%, Performing Arts companies by 14%, and Art Galleries by 11%.

# Nightlife Establishments Grew by 13% from 2010 to 2015, Though the Number of Art Galleries Declined

San Francisco Nightlife Establishments by Industry, 2010 and 2015



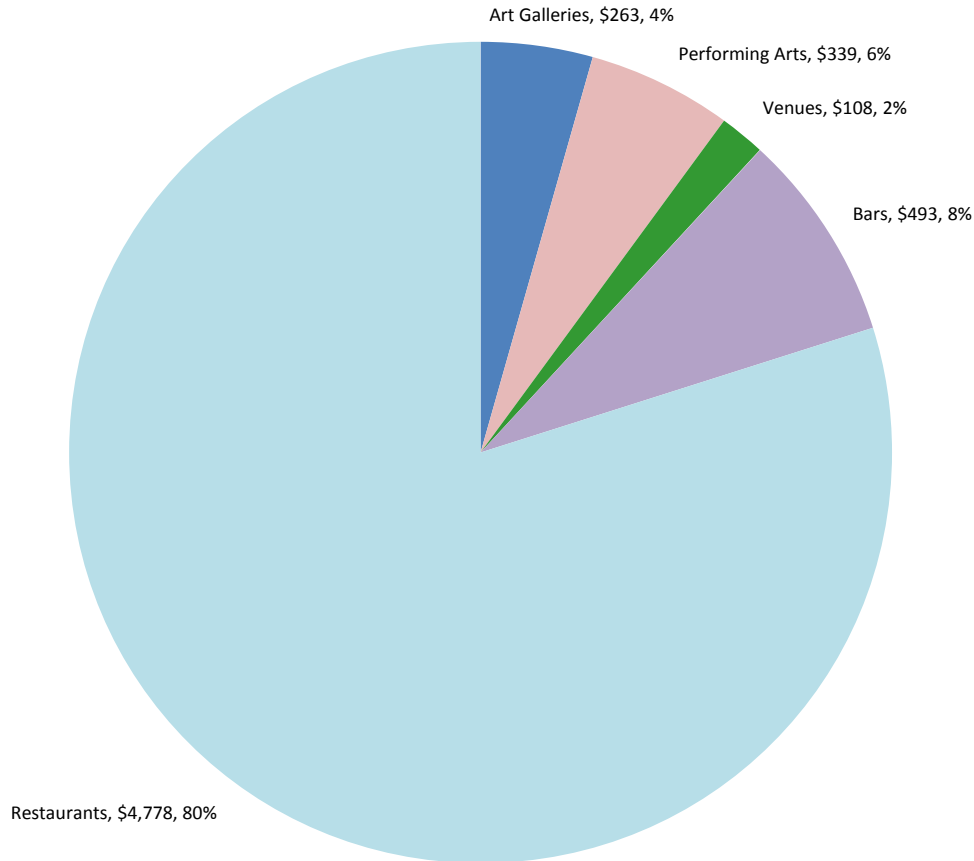
Statistics on the number of establishments further illustrate the expansion of the city's Nightlife economy. Overall, the number of nightlife establishments rose by 415, a 13% increase between 2010 and 2015.

The growth was concentrated among Restaurants and Bars, though Performing Arts and Venues also grew.

The number of Art Galleries in the city, however, declined from 82 to 70 during the period, despite the growth in employment at Art Galleries.

# Restaurants Continue to Account for the Vast Majority of Nightlife Industry Revenues in 2015

Sales of San Francisco Nightlife Industries, 2015



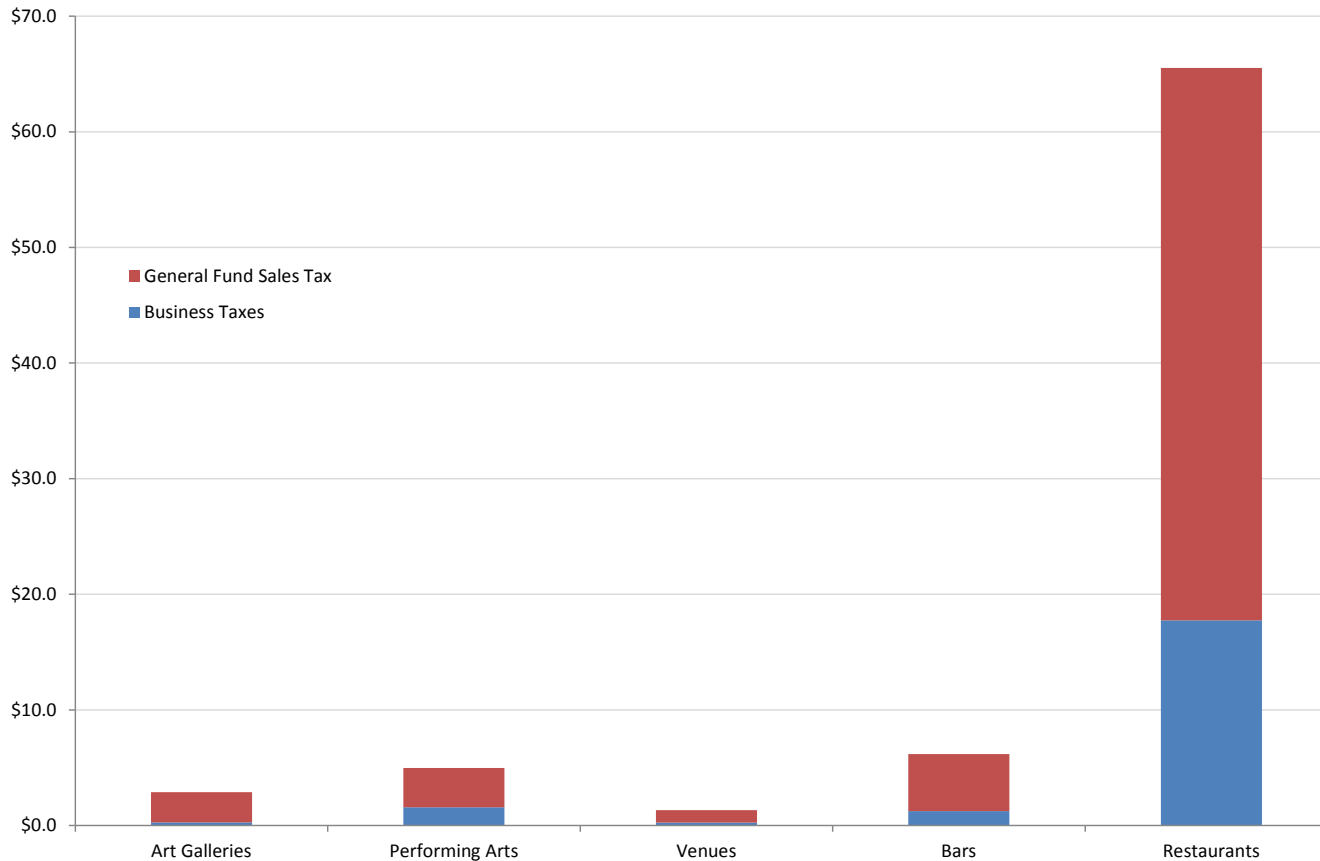
Updated estimates of the sales of nightlife industries were also calculated from data from the Bureau of Labor Statistics and Census Bureau.

Overall, nightlife industry revenues in 2015 were \$6.0 billion, up 43% from the \$4.2 billion reported for 2010 in our earlier report.

Restaurants account for 80% of the total, roughly the same as in the earlier report.

# In 2015, the Nightlife Industries Contributed More Than \$80 Million in Tax Revenue to the City's General Fund

**Estimated General Fund Sales and Business Tax Revenue,  
5 Nightlife Industries, 2015**



The General Fund Tax contributions of nightlife industries can be estimated from their spending and payroll. In total, the five industries paid approximately \$80 million in these two taxes in 2015.

Approximately 75%, or \$60 million, of the revenue comes from the Sales Tax, with the remaining 25%, \$20 million, coming from Payroll and Gross Receipts Taxes.