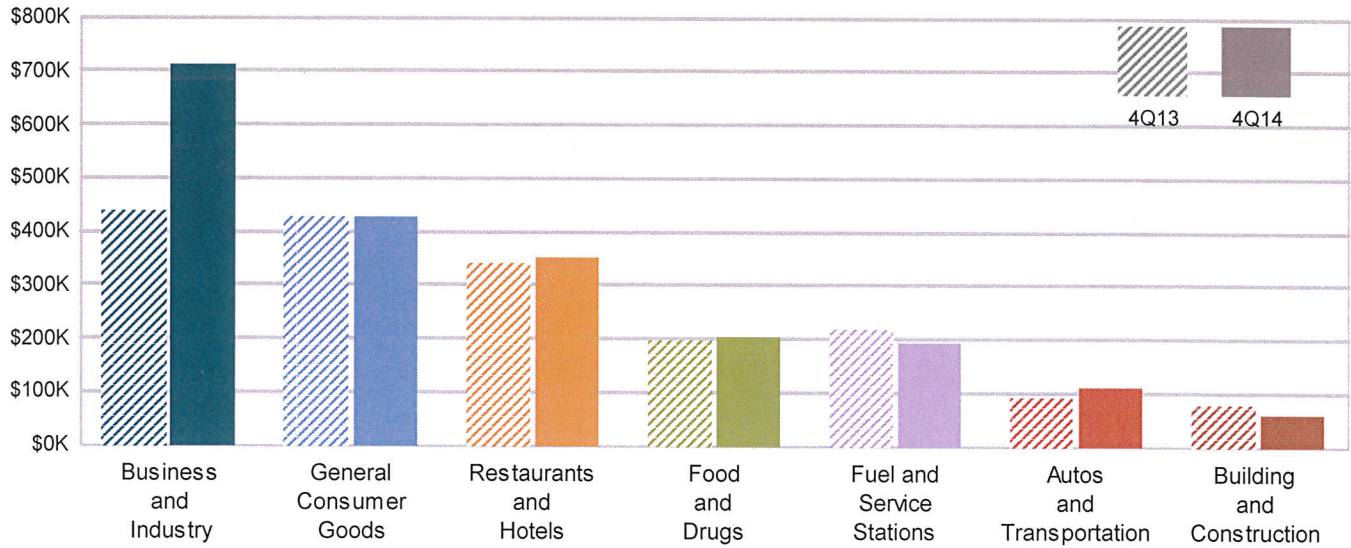




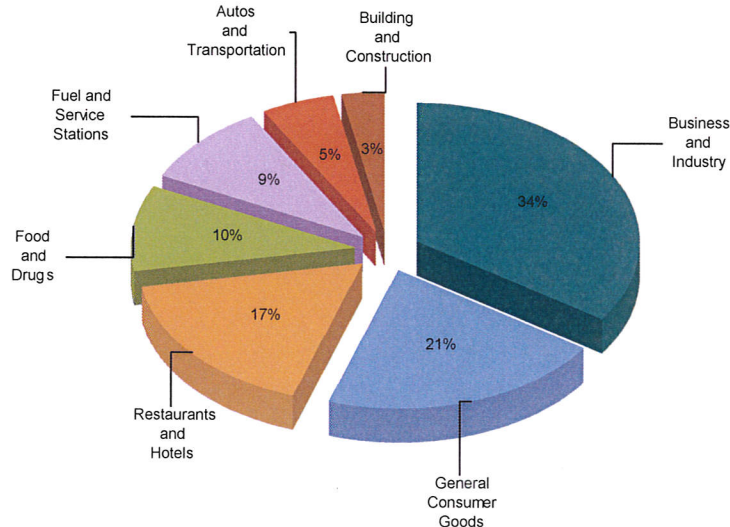
Quarterly Sales Tax Report
for the Period Ending
March 31, 2015

<u>Major Industry Group</u>	<u>Count</u>	<u>4Q14</u>	<u>4Q13</u>	<u>\$ Change</u>	<u>% Change</u>
Business and Industry	639	711,423	439,482	271,941	61.9%
General Consumer Goods	1,819	430,776	430,756	20	0.0%
Restaurants and Hotels	297	354,598	343,186	11,412	3.3%
Food and Drugs	87	205,061	198,736	6,325	3.2%
Fuel and Service Stations	21	194,715	220,353	(25,638)	-11.6%
Autos and Transportation	123	111,712	94,692	17,021	18.0%
Building and Construction	68	63,307	81,499	(18,192)	-22.3%
Transfers & Unidentified	0	0	667	(667)	-100.0%
Total	3,054	2,071,592	1,809,371	262,221	14.5%

4Q13 Compared To 4Q14



4Q14 Percent of Total



CITY OF ALAMEDA

MAJOR INDUSTRY GROUPS - 13 QUARTER HISTORY

Sales Tax by Major Industry Group

Business And Industry

Count: 639

General Consumer Goods

Count: 1,819

Restaurants And Hotels

Count: 297

Food And Drugs

Count: 87

Fuel And Service Stations

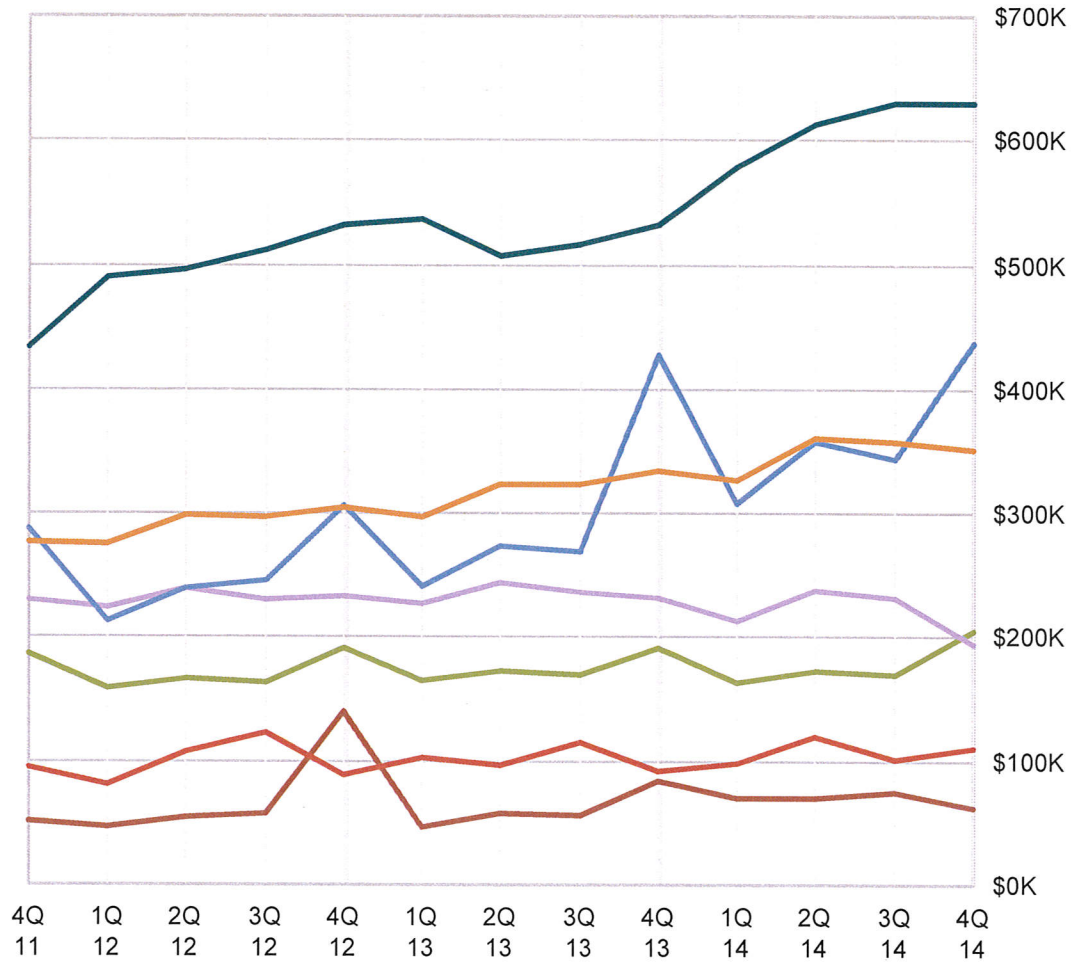
Count: 21

Autos And Transportation

Count: 123

Building And Construction

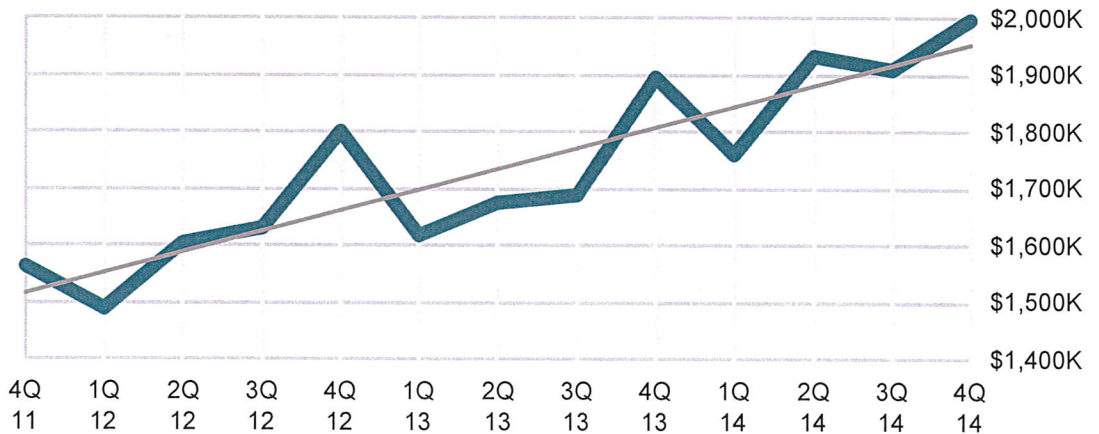
Count: 68



Agency Trend

Alameda

13 Quarter Trend: +28.9%



Periods shown reflect the period in which the sales occurred - Point of Sale

CONFIDENTIAL INFORMATION - DO NOT COPY OR DISTRIBUTE WITHOUT AUTHORIZATION

Geo Area Names

Sales Tax by Geographic areas

Harbor Bay Business Park

Count: 46

South Shore Center

Count: 78

Park - South Of Lincoln

Count: 299

Clement Ave & Blanding Ave

Count: 120

Park - North Of Lincoln

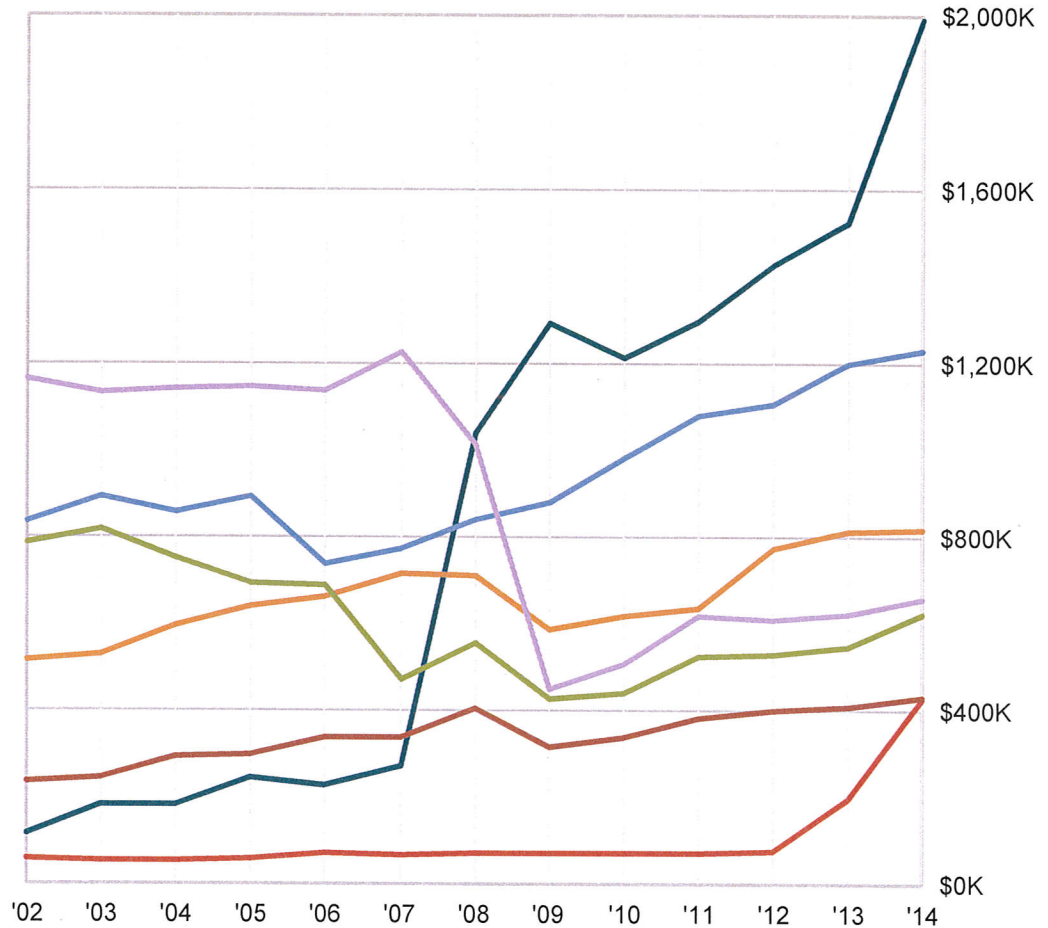
Count: 106

Alameda Landing

Count: 5

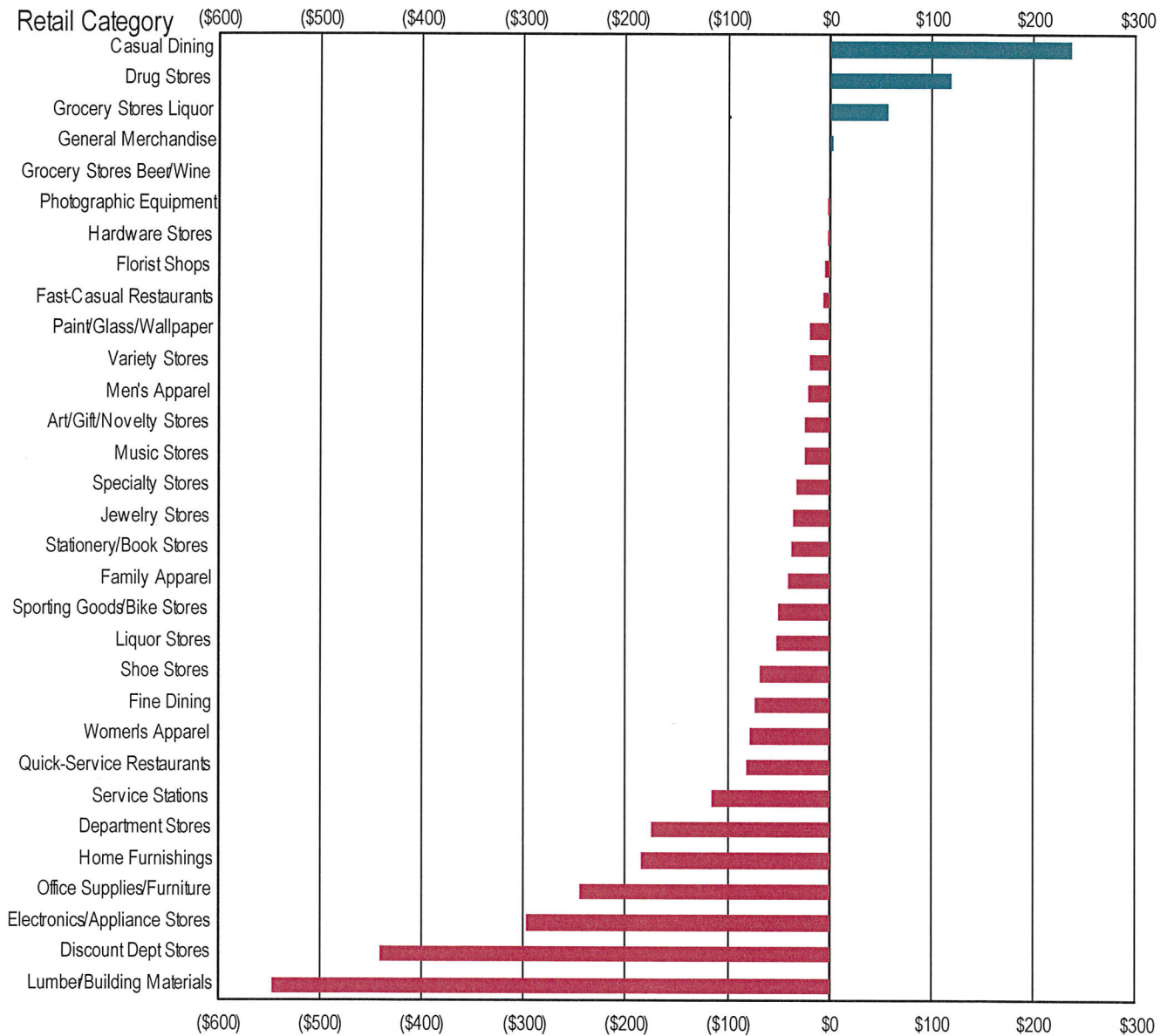
Webster-north Of Lincoln

Count: 39



* Periods Shown Reflect the Period in Which the Sales Occurred - Point of Sale

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The above graph compares **per capita** sales tax generated from targeted retail categories against countywide averages. A **retail surplus** suggests the community is capturing its local market for that category of goods plus attracting shoppers from outside the jurisdiction. A **retail gap** suggests the possibility that residents may have a greater demand for products in the specific category than is being satisfied by local businesses. The information is provided only as a **starting point** in identifying potential sources of sales tax loss and should not automatically be interpreted as an expansion or leveraging opportunity without more detailed analysis and assessment.



ALAMEDA COUNTY ALL AGENCIES

SALES TAX TRENDS FOR ALL AGENCIES - 4Q 2014 SALES

Agency allocations reflect "point of sale" receipts

Agency Name	Count	Current Year 4Q 2014	Prior Year 4Q 2013	Share of County Pool	Actual Receipts % Change	Adjusted* % Change
San Leandro	2,641	6,163,146	5,514,038	9.4%	+ 11.8%	+ 12.1%
Newark	1,348	2,409,210	2,274,958	3.7%	+ 5.9%	+ 7.6%
Fremont	5,455	9,692,795	8,803,424	14.7%	+ 10.1%	+ 7.2%
Dublin	1,337	4,328,255	4,194,547	6.6%	+ 3.2%	+ 6.6%
Alameda	3,054	2,071,592	1,809,371	3.2%	+ 14.5%	+ 5.3%
Livermore	2,803	6,031,622	5,722,927	9.2%	+ 5.4%	+ 5.2%
Alameda Co. Uninc	2,430	2,002,015	1,896,194	3.0%	+ 5.6%	+ 4.6%
Berkeley	4,843	4,189,245	3,935,352	6.4%	+ 6.5%	+ 4.5%
Pleasanton	3,566	5,472,286	5,660,007	8.3%	- 3.3%	+ 3.1%
Emeryville	881	1,992,368	1,873,379	3.0%	+ 6.4%	+ 1.9%
Union City	1,277	2,192,063	2,235,262	3.3%	- 1.9%	+ 1.8%
Hayward	4,320	7,298,449	7,179,253	11.1%	+ 1.7%	+ 1.5%
Piedmont	230	55,693	66,271	0.1%	- 16.0%	+ 0.5%
Albany	531	551,606	543,042	0.8%	+ 1.6%	- 1.4%
Oakland	13,073	11,283,522	10,903,770	17.2%	+ 3.5%	- 1.8%
Totals	47,789	65,733,866	62,611,796	100.0%	+ 5.0%	+ 4.1%
Alameda Pool	13,414	10,324,311	11,761,931		- 12.2%	+ 4.6%

Per Capita Sales

Alameda

Count: 3,054

Oakland

Count: 13,073

San Leandro

Count: 2,641

El Cerrito

Count: 655

Berkeley

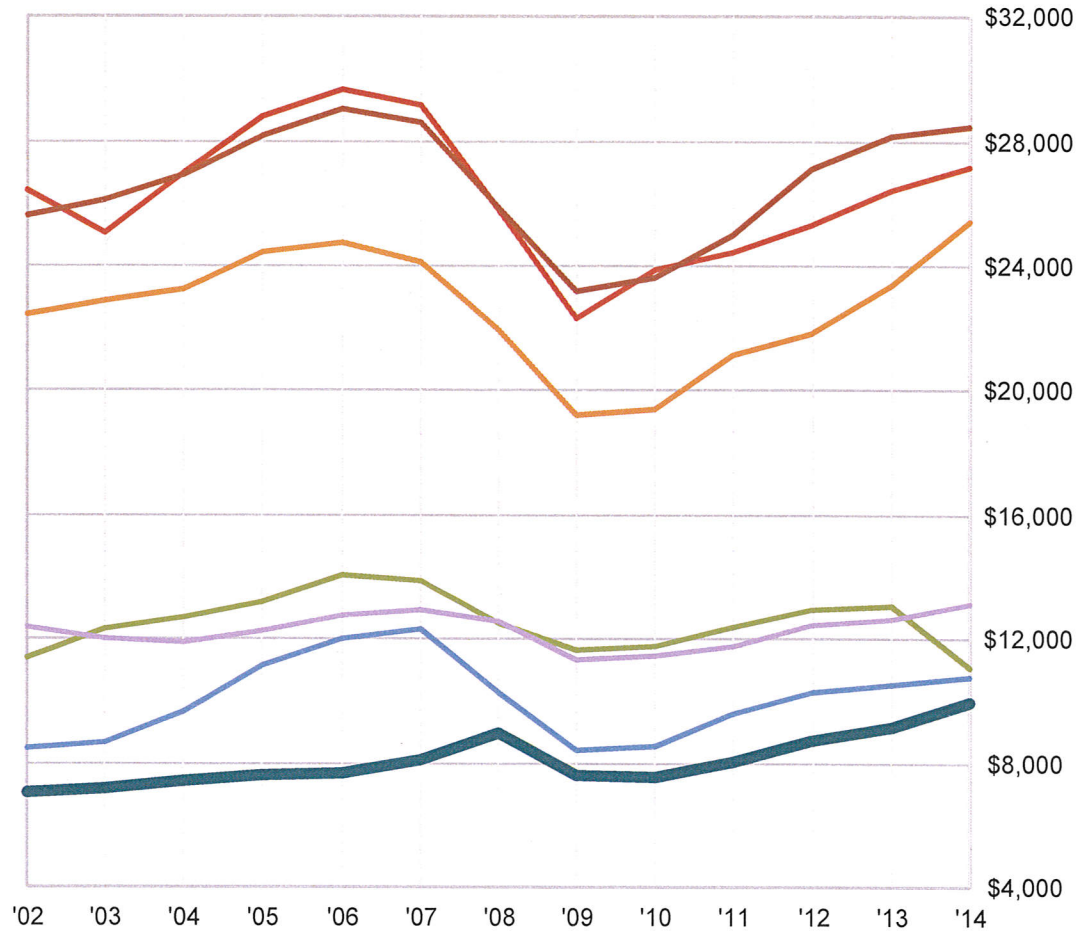
Count: 4,843

Pleasanton

Count: 3,566

Walnut Creek

Count: 2,792



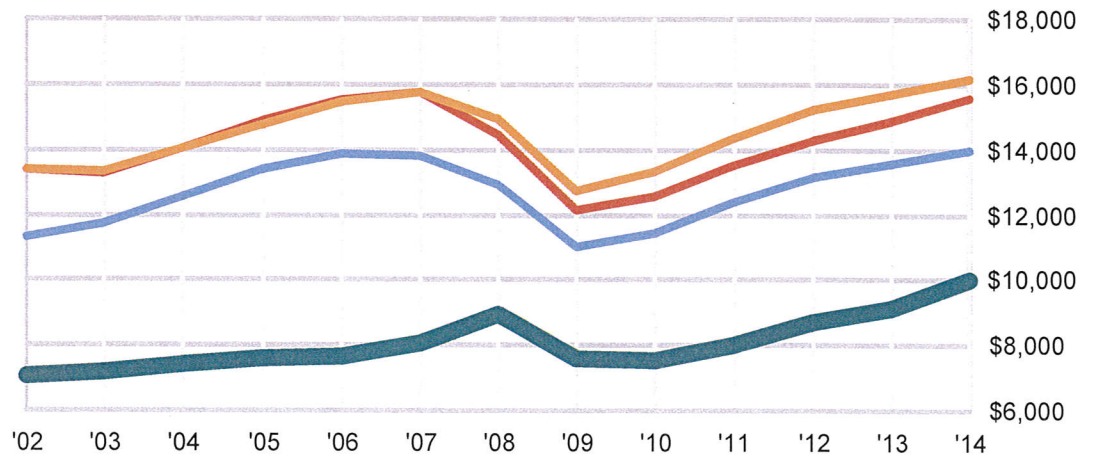
Per Capita Sales

Alameda

Alameda County

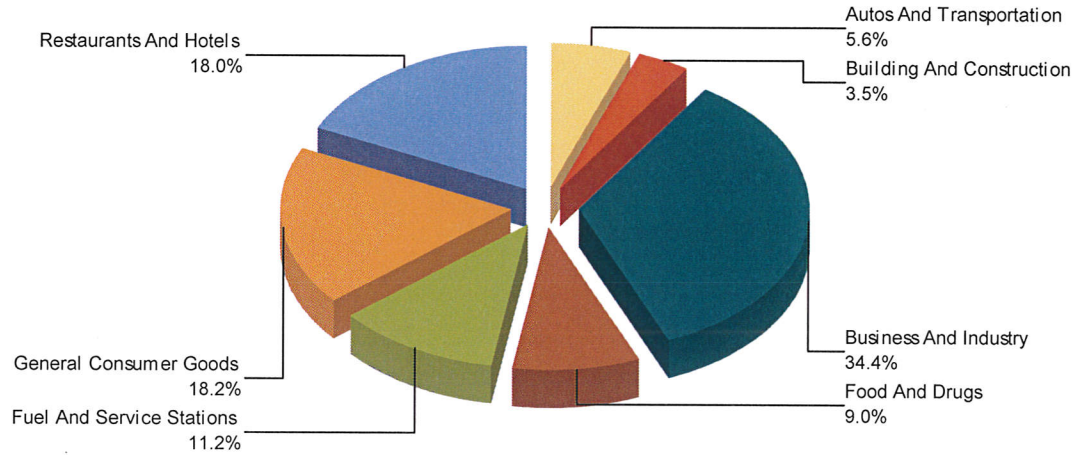
Bay Area

California

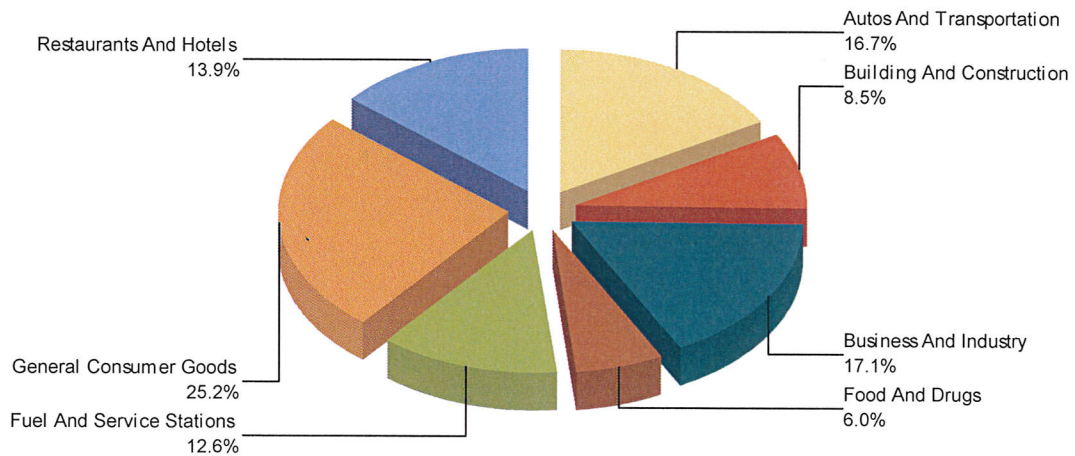


Periods shown reflect the period in which the sales occurred - Point of Sale

City of Alameda



HdL Client Database Statewide Totals



Q4

2014



City of Alameda Sales Tax *Update*

First Quarter Receipts for Fourth Quarter Sales (October - December 2014)

Alameda In Brief

Receipts for Alameda's October through December sales were 11.6% higher than the same quarter one year ago. Actual sales activity was up 6.5% when reporting aberrations were factored out.

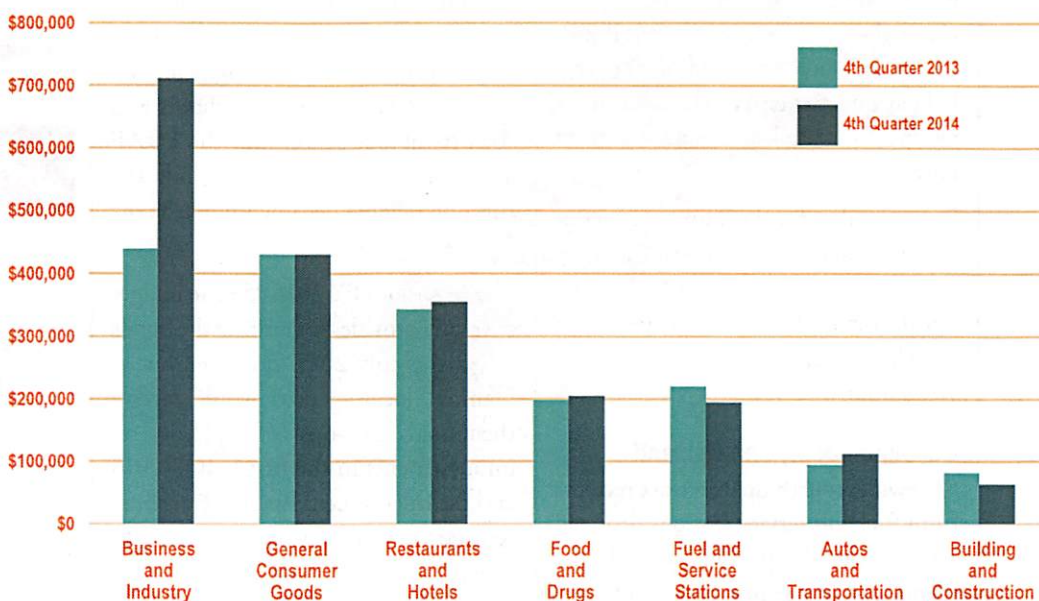
Strong sales and a recent addition that helped boost revenues from the business and industry sector were primarily responsible for the current increase. A onetime payment from the Franchise Tax Board for consumer-reported use tax purchases increased overall results.

The city experienced a strong sales quarter for the boats/motorcycles group. New outlets contributed to the gains in fine dining restaurants. An increase in the city's share of the countywide use tax pool enhanced the overall growth in receipts.

The gains were partially offset by a decline in fuel prices. Reporting problems temporarily reduced receipts from the building and construction group.

Aadjusted for aberrations, taxable sales for all of Alameda County increased 4.2% over the comparable time period, while the Bay Area as a whole was up 3.2%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

ABB Concise	Old Navy
Alameda Electrical Distributors	Penumbra
Alameda Sushi House	Ross
Bed Bath & Beyond	Safeway
Chevron	Safeway Fuel Center
Chevron	Standard Process
CVS Pharmacy	Northern California
Delphi Productions	Target
Franchise Tax Board Allocation	TJ Maxx
Kohls	Trader Joes
Lucky Market	United States Pharmacopoeial Convention
Nob Hill Fuel	Walgreens
North Face	Webster 76

REVENUE COMPARISON

Two Quarters - Fiscal Year To Date

	2013-14	2014-15
Point-of-Sale	\$3,491,943	\$4,043,806
County Pool	594,317	635,013
State Pool	1,978	3,723
Gross Receipts	\$4,088,237	\$4,682,542
Cty/Cnty Share	(204,412)	(234,127)
Net Receipts	\$3,883,825	\$4,448,415
Less Triple Flip*	\$(970,956)	\$(1,112,104)

*Reimbursed from county compensation fund

Holiday Quarter Up

Adjusted for accounting aberrations, California's local sales and use tax revenues for the fourth quarter (October – December) of 2014 were 3.6% higher than last year's holiday quarter.

The gain was primarily due to continued strong demand for new cars and trucks, increased restaurant patronage and a rise in the countywide "use tax" allocation pools resulting from a shift to online shopping where much of the merchandise is shipped from out of state. General consumer goods sales allocated via the pools rose 22% during this holiday quarter versus an increase in tax receipts from brick and mortar stores of only 2.8%.

Robust sales for building and construction materials added to the overall increase which was largely offset by significant declines in revenues from petroleum related industries and service stations.

Gasoline Supply and Demand

Statewide, fourth quarter's tax receipts from fuel and service stations dropped 10.4% from the previous year. Prices rebounded in the first quarter of 2015 due to refinery shutdowns and labor strife but remained well below the prior year due to a worldwide supply glut and weak demand.

Spending cuts by oil producers and a sharp decline in the number of rigs drilling for crude in the U.S. could reduce output and place upward pressure on prices in the second half of 2015. However, improved fuel efficiency and demographic changes continue to reduce demand for gasoline, with consumption at the lowest it has been in 30 years.

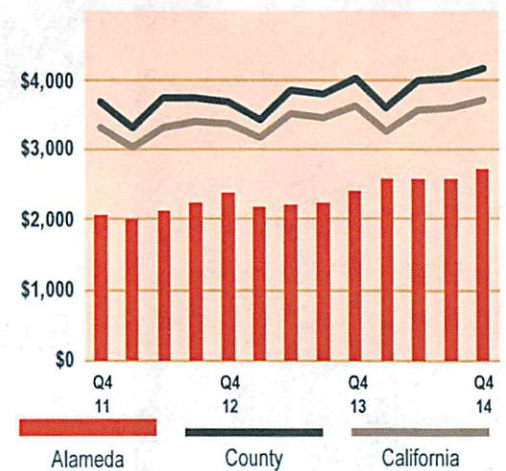
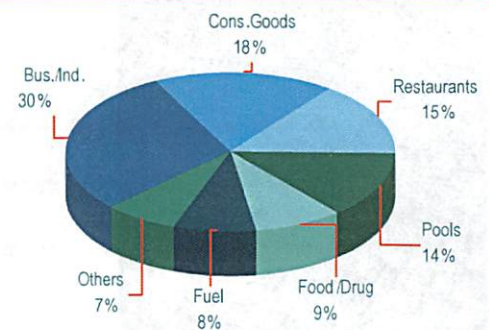
From 2008 through 2014 Californians purchased just over 10 million new vehicles, with mileage ratings almost 22% higher than those they replaced. Also, usage has further declined as baby boomers age into retirement and millennials increasingly favor public transportation and car services that make owning a vehicle less necessary.

Triple Flip Unwind

In March 2004, California voters approved Proposition 57, the California Economic Recovery Bond Act that authorized the issuance of \$15 billion in "Economic Recovery Bonds" to close the state's operating budget deficit.

The Bradley-Burns local sales tax rate was decreased from 1 percent to 0.75 percent and the diverted 0.25 percent rate was pledged to repay the bonds. The state then directed that counties reimburse local governments for the 0.25 percent loss with property tax from the Educational Revenue Augmentation Fund (ERAF) set up for schools and then reimburse schools for the ERAF loss from the State General Fund. The funding scheme became known as the "Triple Flip."

The governor's FY 2014-15 state budget currently provides for retiring the bonds as early as July 2015. If carried out as planned, local agencies would receive their final "true-ups" of triple flip reimbursements in the first half of 2016 and the full one cent Bradley-Burns tax reinstated in their second quarter 2016 receipts.

SALES PER CAPITA**REVENUE BY BUSINESS GROUP**
Alameda This Quarter**ALAMEDA TOP 15 BUSINESS TYPES**

Business Type	*In thousands		Alameda		County	HdL State
	Q4 '14*	Change	Change	Change	Change	Change
Boats/Motorcycles	50.2	60.8%	2.4%	12.8%		
Business Services	59.2	46.4%	-20.2%	-4.3%		
Casual Dining	158.8	-3.3%	1.0%	5.7%		
Department Stores	— CONFIDENTIAL —		-3.6%	1.0%		
Discount Dept Stores	— CONFIDENTIAL —		0.8%	0.9%		
Drug Stores	— CONFIDENTIAL —		-2.7%	-2.3%		
Family Apparel	90.5	0.0%	5.4%	5.0%		
Fine Dining	44.8	34.0%	28.7%	16.8%		
Fulfillment Centers	— CONFIDENTIAL —		na	4.7%		
Government/Social Org.	— CONFIDENTIAL —		25.5%	22.1%		
Grocery Stores Liquor	95.5	4.7%	9.0%	3.6%		
Medical/Biotech	— CONFIDENTIAL —		0.4%	-3.3%		
Quick-Service Restaurants	116.2	8.3%	10.2%	7.5%		
Service Stations	194.0	-11.1%	-2.9%	-10.5%		
Specialty Stores	69.3	-4.4%	9.3%	6.0%		
Total All Accounts	\$2,071.6	14.5%	5.0%	3.8%		
County & State Pool Allocation	\$327.7	-4.0%	-11.9%	4.7%		
Gross Receipts	\$2,399.3	11.6%	2.3%	3.9%		
City/County Share	(120.0)	-11.6%				
Net Receipts	\$2,279.3	11.6%				