

News: Important Recent Nationwide Retail Trends Impact California

**Americans are buying less "stuff" from traditional retailers and spending more on "experiences".** Air Travel + 2.8% in January and February, Hotel Occupancy + 3.1% in 1st Quarter (Smith Travel Research), Restaurants and Bars +9.0% in first 4 months of 2015, all despite a stronger dollar reducing foreign tourism. (MasterCard Advisors)

**Other Strengths:** Jewelry sales were up for 25-straight months before dipping slightly in April, Gasoline + 26% in volume in the first 5 months of 2015 (US Energy Administration), SmartPhones + 28% in first 5 months of 2015 (NPD Group), and Furniture and Furnishings are up 5 months in a row for first 5 months of 2015. (MasterCard Advisors)

**Weaknesses:** Department Stores - 1.9% in first 4 months of 2015, Electronics, (other than SmartPhones), -1.0% in first 4 months of 2015, Auto Repairs and Tire Replacement are declining due to strength in New Auto Sales. (MasterCard Advisors , YAHOO! Finance)

Top 25 Sales Tax Generators

New to Top 25 \*

APPLE STORES	J C PENNEY COMPANY *	PLATINUM CHEVROLET
BEST BUY STORES	JIM BONE NISSAN OF SANTA ROSA	PRESTIGE BMW/VW/PORSCHE
CHEVRON SERVICE STATIONS	KEYSIGHT TECHNOLOGIES *	ROSS STORES
COSTCO WHOLESALE	LITHIA DODGE	SAFEWAY SERVICE STATIONS *
CVS/PHARMACY	MACY'S DEPARTMENT STORE	SAFEWAY STORES
FREEMAN TOYOTA	MEAD CLARK LUMBER COMPANY	SEARS ROEBUCK & COMPANY
HANSEL FORD LINCOLN MERCURY	OLIVER'S MARKET *	SMOTHERS EUROPEAN VOLVO
HOME DEPOT	PACE SUPPLY	TARGET STORES
HONDA OF SANTA ROSA		

Business Activity

Jan'14 - Mar'14 to Jan'15 - Mar'15

Apr'13 - Mar'14 to Apr'14 - Mar'15

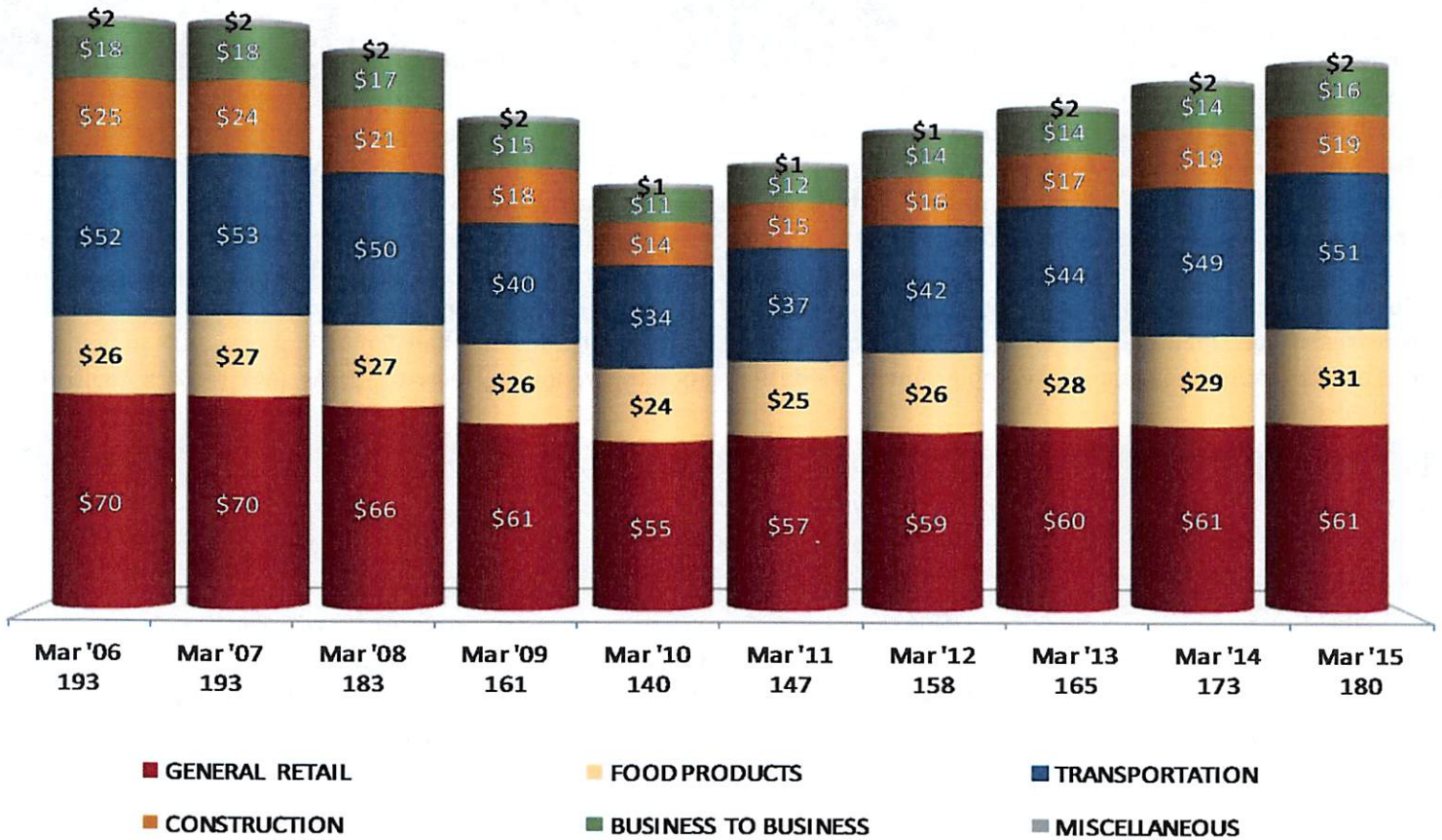
	Santa Rosa	S.F. Bay Area	Statewide	Santa Rosa	S.F. Bay Area	Statewide
<b>Total</b>	<b>4.6%</b>	<b>3.7%</b>	<b>2.7%</b>	<b>5.3%</b>	<b>4.3%</b>	<b>3.9%</b>
<b>General Retail</b>	<b>5.0%</b>	4.2%	4.0%	<b>2.6%</b>	2.8%	3.2%
<b>Food Products</b>	<b>7.1%</b>	7.6%	6.0%	<b>7.2%</b>	6.9%	6.0%
<b>Transportation</b>	<b>1.4%</b>	<b>-1.0%</b>	<b>-1.7%</b>	<b>7.6%</b>	2.1%	1.9%
<b>Construction</b>	<b>11.0%</b>	8.7%	5.7%	<b>2.2%</b>	5.7%	6.1%
<b>Business To Business</b>	<b>0.6%</b>	1.8%	1.3%	<b>8.4%</b>	5.7%	4.5%
Auto Sales - New	<b>11.8%</b>	12.4%	10.8%	<b>15.8%</b>	8.7%	8.2%
Department Stores	<b>6.3%</b>	2.1%	2.7%	<b>3.0%</b>	1.8%	1.7%
Restaurants	<b>10.3%</b>	9.4%	8.6%	<b>8.9%</b>	7.8%	7.4%
Service Stations	<b>-21.7%</b>	<b>-21.2%</b>	<b>-20.6%</b>	<b>-6.4%</b>	<b>-7.3%</b>	<b>-6.7%</b>
Miscellaneous Retail	<b>0.3%</b>	4.2%	3.3%	<b>1.3%</b>	3.7%	3.8%
Furniture/Appliance	<b>2.1%</b>	3.0%	4.7%	<b>1.4%</b>	2.7%	4.6%
Food Markets	<b>0.7%</b>	1.3%	<b>-1.7%</b>	<b>3.4%</b>	3.1%	2.1%
Apparel Stores	<b>6.5%</b>	6.4%	6.7%	<b>3.6%</b>	3.8%	5.2%
Bldg.Matls-Whsle	<b>8.3%</b>	11.7%	8.8%	<b>0.4%</b>	8.5%	8.3%
Bldg.Matls-Retail	<b>13.7%</b>	5.6%	2.4%	<b>4.2%</b>	2.7%	3.6%
Auto Parts/Repair	<b>2.5%</b>	6.2%	4.6%	<b>4.2%</b>	4.7%	3.8%
Light Industry	<b>-4.1%</b>	1.4%	3.2%	<b>0.0%</b>	10.0%	3.9%
Recreation Products	<b>22.2%</b>	9.1%	3.8%	<b>8.6%</b>	3.8%	1.2%
Office Equipment	<b>-51.4%</b>	<b>-0.8%</b>	<b>-1.1%</b>	<b>-28.4%</b>	0.7%	1.1%



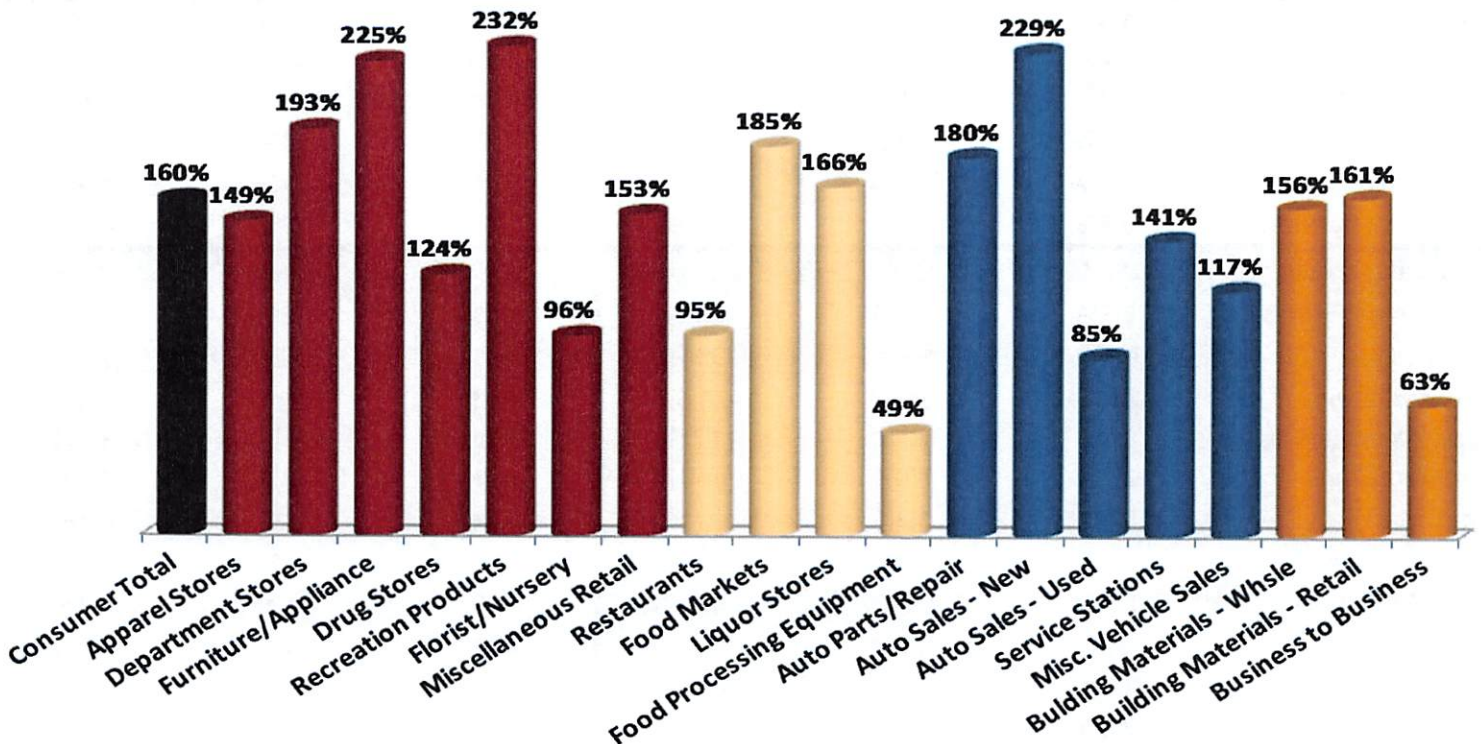
Sales Tax Per Capita

by Benchmark Year

Annualized Sales Tax For City Of Santa Rosa Divided By Its Population As Reported By State Department Of Finance



Santa Rosa: 1st Quarter 2015 Sales Tax Capture & Gap Analysis Report



The chart is an overview of how well Santa Rosa is capturing potential sales tax based on its residents' effective buying income (disposable income) compared to purchasing habits in the S.F. Bay Area region.