



City of Palo Alto
Sales Tax Digest Summary
 THIRD Quarter Collection of SECOND Quarter Sales
 05/13/2005 – 08/11/2005



Quarter 2, 2005

State Overview

California experienced continued growth during the year ended 2nd Quarter 2005. Cash receipts were up a total 7.8% statewide over the prior year. Northern California saw a 6.6% increase in cash receipts while Southern California saw an 8.7% increase.

City of Palo Alto Overview

After adjusting for anomalies, payments to prior periods, and late payments, the City's economic growth was 4.8% for the year ended 2nd Quarter 2005 over the prior year. On a quarterly basis, the economic growth was 3.8% from 2nd Quarter 2004 to 2nd Quarter 2005.

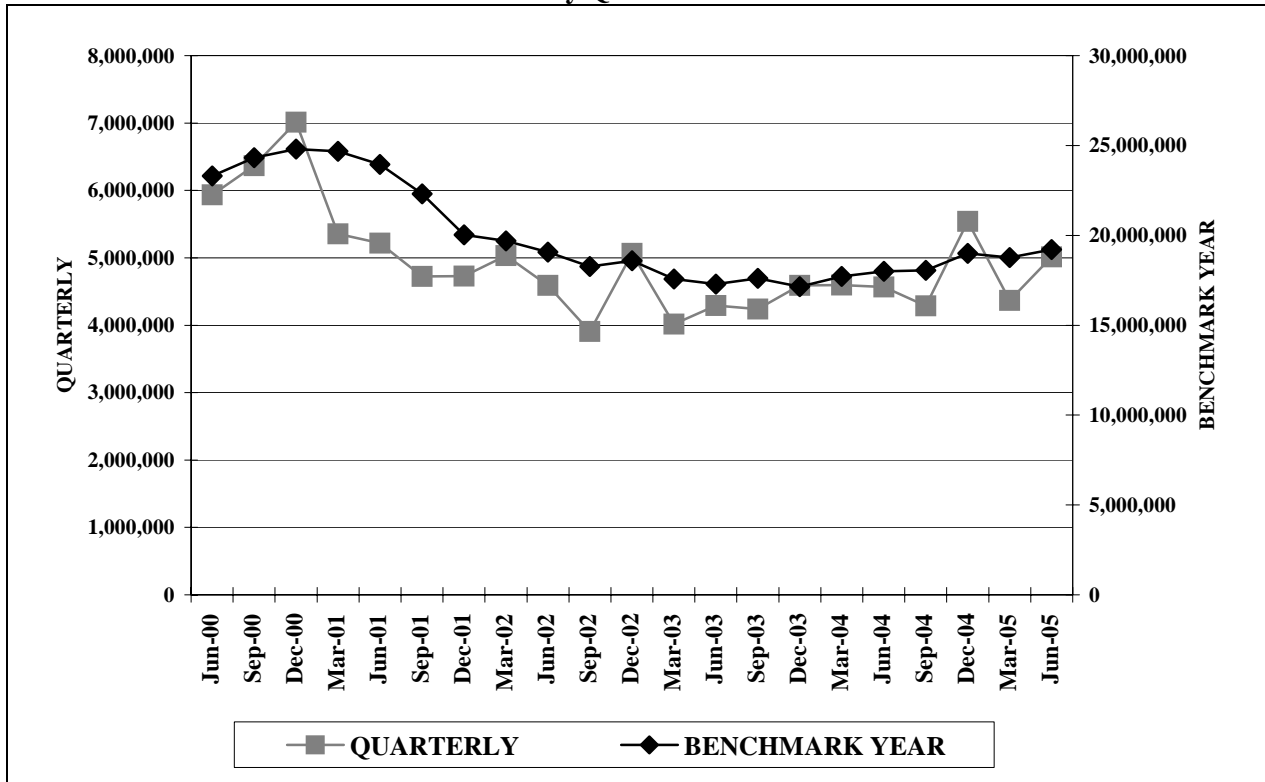
Regional Overview

The following table analyzes the growth experienced in each of the State's seven regions. The figures have been adjusted for anomalies, payments to prior periods, late payments, etc. Values indicate the percentage change over the year.

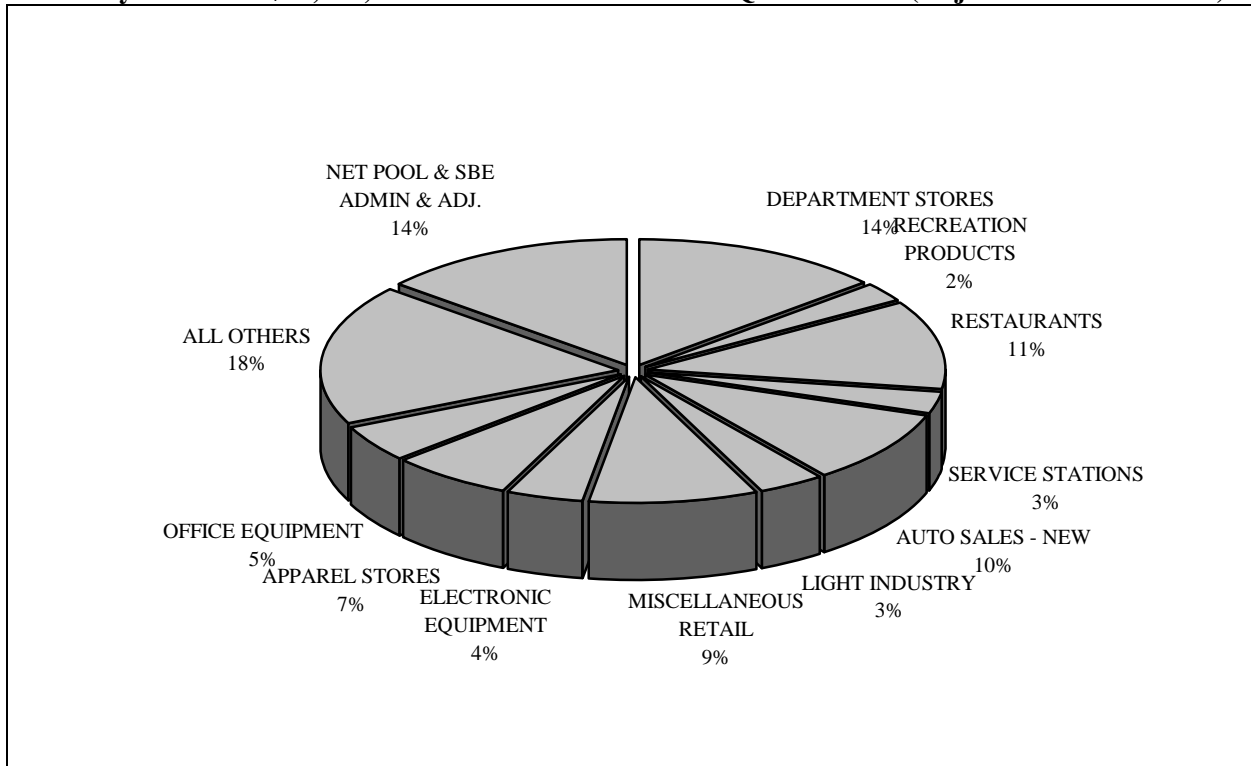
ECONOMIC CATEGORY ANALYSIS FOR BENCHMARK YEAR ENDED 2nd QUARTER 2005							
	City of Palo Alto	North Coast	S.F. Bay Area	South Coast	Inland Empire	Sacramento Valley	Central Valley
General Retail	2.6	4.3	3.3	3.8	4.1	6.3	6.0
<i>% Change</i>							
Food Products	-0.2	3.4	2.9	4.7	5.2	4.2	4.3
<i>% Change</i>							
Construction	36.7	9.0	3.6	6.3	10.8	4.2	9.4
<i>% Change</i>							
Transportation	3.3	9.7	6.2	6.2	11.0	6.9	8.4
<i>% Change</i>							
Business to Business	7.8	8.7	-1.1	3.0	11.4	6.5	13.2
<i>% Change</i>							
Miscellaneous	195.3	13.2	3.7	1.5	4.4	-1.3	-6.7
<i>% Change (low \$ base)</i>							
TOTAL	4.8	6.1	2.3	4.7	8.2	5.8	7.5
THREE LARGEST ECONOMIC SEGMENTS ANALYSIS FOR BENCHMARK YEAR ENDED 2nd QUARTER 2005							
	City of Palo Alto	North Coast	S.F. Bay Area	South Coast	Inland Empire	Sacramento Valley	Central Valley
1st Largest Segment	Department Stores	Department Stores	New Auto Sales	New Auto Sales	New Auto Sales	New Auto Sales	Department Stores
<i>% Change</i>	4.3	3.9	0.9	2.9	9.6	7.1	8.6
2nd Largest Segment	Restaurants	Bldg. Matls. Retail	Restaurants	Restaurants	Restaurants	Department Stores	New Auto Sales
<i>% Change</i>	0.7	9.7	4.1	4.5	5.1	8.2	7.7
3rd Largest Segment	New Auto Sales	New Auto Sales	Department Stores	Department Stores	Department Stores	Restaurants	Restaurants
<i>% Change</i>	-1.2	8.7	4.5	5.2	6.7	5.1	4.9

City of Palo Alto

Historical Sales Tax Revenue Performance by Quarter and Benchmark Year



Total City Sales Tax \$19,213,461 for Benchmark Year 2nd Quarter 2005 (Adjusted for Anomalies)



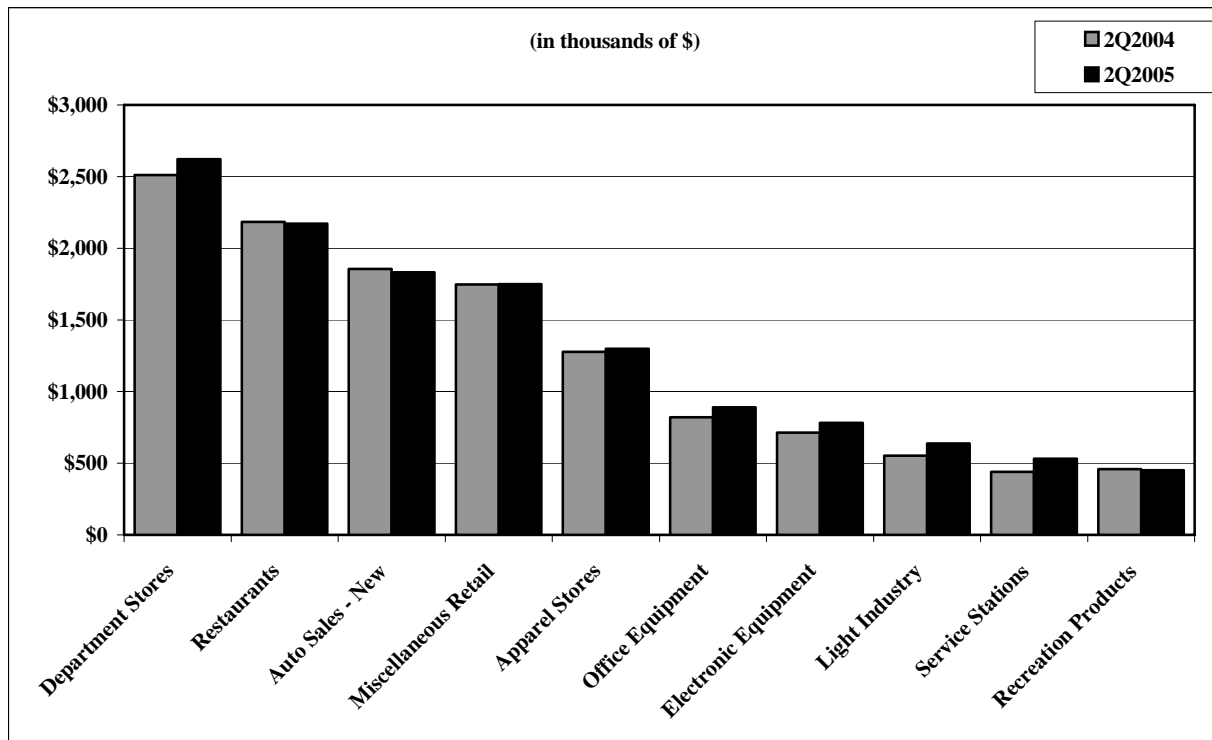
City of Palo Alto

Top 25 Sales/Use Tax Contributors

The following list identifies the top 25 Sales/Use Tax contributors in City of Palo Alto. The list is in alphabetical order and represents the most current four quarters. The Top 25 sales/use tax contributors generate 46.8% of the jurisdiction's total sales/use tax revenue.

AGILENT TECHNOLOGIES INC.	LONGS DRUG STORES
ANDERSON HONDA	MACY'S DEPARTMENT STORE
APPLE COMPUTERS	MAGNUSSEN TOYOTA
BLOOMINGDALE'S	NEIMAN MARCUS DEPARTMENT STORE
CARLSEN MOTOR CARS	NORDSTROM DEPARTMENT STORE
CARLSEN VOLVO	PENINSULA FORD OF PALO ALTO
CRATE & BARREL	TIFFANY & COMPANY
DOW JONES & COMPANY	VALERO SERVICE STATIONS
FRY'S ELECTRONICS	VARIAN INC.INSTRUMENT DIVISION
HEWLETT-PACKARD	VARIAN MEDICAL SYSTEMS
HOOVER PAVILION PHARMACY	WALGREEN'S DRUG STORES
INTEGRATED ARCHIVE SYSTEMS	WILLIAMS-SONOMA
KEEBLE & SHUCHAT PHOTOGRAPHY	

Sales Tax from the Ten Largest Non-confidential Business Segments (Benchmark Year)



City of Palo Alto

Historical Analysis by Calendar Quarter

ECONOMIC CATEGORY	%	2005/2	2005/1	2004/4	2004/3	2004/2	2004/1	2003/4	2003/3	2003/2
GENERAL RETAIL	38%	1,898,132	1,641,957	2,362,952	1,796,625	1,879,199	1,652,726	2,294,573	1,681,272	1,765,515
BUSINESS TO BUSINESS	16%	784,408	766,529	749,433	637,467	703,593	662,979	715,021	642,855	672,862
TRANSPORTATION	14%	699,657	636,607	694,696	694,050	657,317	662,487	605,955	712,889	668,918
FOOD PRODUCTS	13%	657,895	629,960	679,056	650,555	672,262	636,525	666,097	647,180	639,713
CONSTRUCTION	1%	72,483	75,398	75,163	62,796	53,087	51,356	53,052	51,681	51,108
MISCELLANEOUS	1%	28,689	31,792	34,587	189,854	22,363	23,265	28,611	22,253	28,451
NET POOLS/SBE ADMIN/ADJ.	17%	872,713	586,579	946,952	256,477	580,521	908,199	227,804	481,758	466,908
T O T A L S	100%	5,013,977	4,368,822	5,542,839	4,287,824	4,568,342	4,597,537	4,591,113	4,239,888	4,293,475
ECONOMIC SEGMENT										
DEPARTMENT STORES	13%	652,712	526,687	840,405	600,901	640,095	531,636	806,466	533,276	570,483
RESTAURANTS	11%	556,144	531,689	563,744	547,149	566,115	531,847	543,159	541,846	534,116
AUTO SALES - NEW	9%	464,090	434,462	462,081	472,229	446,700	444,419	434,250	530,335	477,798
MISCELLANEOUS RETAIL	8%	407,546	377,279	571,969	423,051	412,681	373,939	561,865	398,381	404,706
APPAREL STORES	7%	334,851	288,515	395,603	290,689	331,751	285,105	384,295	275,472	306,829
OFFICE EQUIPMENT	5%	233,516	216,691	265,205	174,835	204,077	225,694	198,387	191,846	184,387
ELECTRONIC EQUIPMENT	4%	222,987	252,446	150,851	155,812	182,906	169,789	187,149	172,871	151,641
LIGHT INDUSTRY	4%	177,038	155,883	179,488	148,888	154,643	120,874	145,544	131,911	174,736
SERVICE STATIONS	3%	150,683	120,045	136,373	125,389	128,693	108,160	94,748	109,263	112,468
RECREATION PRODUCTS	2%	120,517	93,015	127,650	112,776	123,237	96,560	125,625	113,693	122,777
DRUG STORES	2%	97,629	81,417	75,868	61,856	62,150	58,568	56,963	60,683	58,211
FOOD MARKETS	2%	88,561	85,083	99,892	90,644	92,927	92,270	107,930	93,259	92,818
BUSINESS SERVICES	2%	77,106	75,190	74,894	77,852	90,448	77,426	81,129	74,787	86,758
BLDG.MATLS-RETAIL	1%	59,356	62,852	62,573	51,658	41,579	40,442	42,524	40,143	38,741
LEASING	1%	41,693	42,815	45,842	55,608	50,616	46,402	49,842	51,118	51,539
AUTO PARTS/REPAIR	1%	28,028	28,289	26,242	31,014	32,011	30,661	28,633	29,472	31,087
HEALTH & GOVERNMENT	0%	15,215	24,841	20,611	17,142	13,866	17,699	16,267	15,224	15,434
MISCELLANEOUS OTHER	0%	13,474	6,951	12,842	6,712	8,497	5,566	12,320	7,029	13,017
BLDG.MATLS-WHSLE	0%	13,127	12,546	12,590	11,138	11,508	10,914	10,528	11,538	12,367
LIQUOR STORES	0%	12,841	12,636	14,784	12,754	13,220	12,408	14,983	12,023	12,772
<i>ALL OTHER</i>	8%	374,150	352,911	456,380	563,250	380,101	408,959	460,702	363,960	373,882
NET POOLS/SBE ADMIN/ADJ.	17%	872,713	586,579	946,952	256,477	580,521	908,199	227,804	481,758	466,908
T O T A L S	100%	5,013,977	4,368,822	5,542,839	4,287,824	4,568,342	4,597,537	4,591,113	4,239,888	4,293,475

City of Palo Alto

And Selected Northern California

Jurisdiction	General Retail	Food Products	Transportation	Construction	Business to Business	Miscellaneous	2005/2 Total	2004/2 Total	% Chg	Gain			
										Gain	Gain	Decline	Decline
SAN JOSE	3.6%	-0.9%	5.9%	-3.7%	-10.2%	-3.6%	27,869,928	28,086,601	-0.8%	SERVICE STATIONS	DEPARTMENT STORES	LIGHT INDUSTRY	OFFICE EQUIPMENT
SACRAMENTO	4.2%	2.7%	-3.7%	-2.5%	0.8%	-5.5%	14,568,495	14,509,066	0.4%	ELECTRONIC EQUIPMENT	SERVICE STATIONS	AUTO SALES - NEW	LEASING
ROSEVILLE	7.1%	7.7%	7.9%	1.1%	11.8%	-17.9%	9,538,646	8,906,594	7.1%	AUTO SALES - NEW	MISCELLANEOUS RETAIL	BLDG.MATLS-RETAIL	OFFICE EQUIPMENT
SANTA CLARA	2.2%	1.3%	-6.7%	7.0%	-13.3%	9.5%	7,799,706	8,259,455	-5.6%	OFFICE EQUIPMENT	BLDG.MATLS-WHSLE	ELECTRONIC EQUIPMENT	LIGHT INDUSTRY
SANTA ROSA	-3.2%	-4.0%	1.2%	-2.3%	21.5%	-31.2%	6,922,633	6,950,437	-0.4%	OFFICE EQUIPMENT	SERVICE STATIONS	BLDG.MATLS-WHSLE	MISCELLANEOUS RETAIL
HAYWARD	-2.3%	3.8%	-8.4%	-1.3%	-7.9%	22.2%	6,043,435	6,345,870	-4.8%	AUTO SALES - NEW	CHEMICAL PRODUCTS	MISC. VEHICLE SALES	LIGHT INDUSTRY
SAN LEANDRO	2.5%	1.7%	3.9%	-0.4%	-4.6%	-24.4%	4,771,927	4,746,208	0.5%	AUTO SALES - NEW	LEASING	LIGHT INDUSTRY	SERVICE STATIONS
WALNUT CREEK	2.5%	3.1%	0.0%	6.8%	0.7%	10.5%	4,367,096	4,289,190	1.8%	MISCELLANEOUS RETAIL	CHEMICAL PRODUCTS	LEASING	MISC. VEHICLE SALES
REDWOOD CITY	4.5%	4.7%	5.1%	5.3%	16.1%	-11.1%	4,264,627	3,957,857	7.8%	OFFICE EQUIPMENT	SERVICE STATIONS	FLORIST/NURSERY	FURNITURE/APPLIANCE
CITY OF PALO ALTO *	1.0%	-2.1%	6.4%	36.5%	11.5%	28.3%	4,141,265	3,987,821	3.8%	ELECTRONIC EQUIPMENT	DRUG STORES	FURNITURE/APPLIANCE	BUSINESS SERVICES
SAN MATEO	0.6%	-3.1%	6.7%	-4.2%	-32.0%	-3.1%	3,546,183	3,634,241	-2.4%	APPAREL STORES	AUTO SALES - NEW	LEASING	OFFICE EQUIPMENT
MILPITAS	7.2%	4.9%	-16.0%	-16.6%	6.9%	39.5%	3,069,166	3,012,129	1.9%	OFFICE EQUIPMENT	FURNITURE/APPLIANCE	LIGHT INDUSTRY	BLDG.MATLS-WHSLE
BERKELEY	-8.5%	1.8%	3.3%	-10.3%	-11.4%	-6.4%	3,041,555	3,178,708	-4.3%	SERVICE STATIONS	RESTAURANTS	FURNITURE/APPLIANCE	BLDG.MATLS-WHSLE
GILROY	12.0%	6.3%	9.9%	8.2%	-14.7%	-25.1%	2,930,216	2,711,210	8.1%	DEPARTMENT STORES	BLDG.MATLS-WHSLE	BLDG.MATLS-RETAIL	HEAVY INDUSTRY
SOUTH SAN FRANCISCO	-18.4%	4.9%	-11.6%	-3.5%	-0.4%	51.6%	2,507,872	2,692,194	-6.8%	LIGHT INDUSTRY	LEASING	MISCELLANEOUS RETAIL	SERVICE STATIONS
ANTIOCH	9.5%	-3.7%	-4.3%	26.5%	6.1%	-15.4%	2,320,503	2,210,996	5.0%	BLDG.MATLS-WHSLE	DEPARTMENT STORES	AUTO SALES - NEW	SERVICE STATIONS
CAMPBELL	-9.0%	-0.1%	4.2%	-2.5%	-23.0%	20.2%	2,047,012	2,209,317	-7.3%	OFFICE EQUIPMENT	ELECTRONIC EQUIPMENT	LIGHT INDUSTRY	FURNITURE/APPLIANCE
PITTSBURG	38.4%	1.4%	28.3%	-15.7%	22.9%	-38.0%	1,942,697	1,646,470	18.0%	MISCELLANEOUS RETAIL	AUTO SALES - NEW	BLDG.MATLS-RETAIL	BLDG.MATLS-WHSLE
UNION CITY	2.6%	-3.3%	-4.8%	0.4%	-13.6%	8.8%	1,762,313	1,817,150	-3.0%	BLDG.MATLS-WHSLE	MISCELLANEOUS RETAIL	BLDG.MATLS-RETAIL	HEAVY INDUSTRY
LOS GATOS	13.0%	0.4%	7.5%	13.6%	2.0%	9.9%	1,749,198	1,621,919	7.8%	MISCELLANEOUS RETAIL	AUTO SALES - NEW	FLORIST/NURSERY	RESTAURANTS
SAN RAMON	-0.6%	-2.0%	-13.3%	-13.1%	-24.0%	-26.8%	1,743,151	1,979,458	-11.9%	ENERGY SALES	HEAVY INDUSTRY	ELECTRONIC EQUIPMENT	LIGHT INDUSTRY
ROHNERT PARK	2.3%	-1.9%	0.4%	-15.3%	12.8%	-45.8%	1,637,274	1,661,150	-1.4%	HEAVY INDUSTRY	DEPARTMENT STORES	BLDG.MATLS-RETAIL	LIGHT INDUSTRY
EMERYVILLE	-4.2%	6.8%	14.4%	-11.0%	-13.7%	129.1%	1,624,069	1,709,969	-5.0%	FURNITURE/APPLIANCE	RESTAURANTS	MISCELLANEOUS RETAIL	BLDG.MATLS-RETAIL
MENLO PARK	-1.5%	0.0%	-5.3%	-8.3%	16.6%	-8.9%	1,507,646	1,432,772	5.2%	OFFICE EQUIPMENT	ELECTRONIC EQUIPMENT	AUTO SALES - NEW	MISCELLANEOUS RETAIL
PLEASANT HILL	-3.6%	-0.9%	13.1%	-4.4%	-12.0%	13.0%	1,471,814	1,513,359	-2.7%	SERVICE STATIONS	DEPARTMENT STORES	FURNITURE/APPLIANCE	OFFICE EQUIPMENT
EAST PALO ALTO	1.9%	11.1%	14.9%	-7.9%	12.2%	-83.9%	625,666	629,135	-0.6%	FURNITURE/APPLIANCE	RESTAURANTS	BLDG.MATLS-RETAIL	HEALTH & GOVERNMENT

City of Palo Alto

CITY OF PALO ALTO - SELECTED GEOGRAPHICAL AREAS OF THE CITY BENCHMARK YEAR 2ND QUARTER 2005

	03/2	03/3	03/4	04/1	04/2	04/3	04/4	05/1	05/2
California	922,336	914,192	914,947	924,249	924,989	921,969	920,331	893,255	893,342
Downtown	2,346,740	2,349,367	2,341,736	2,363,795	2,388,619	2,401,661	2,442,102	2,336,492	2,359,104
Stanford Shopping Center	4,486,073	4,482,691	4,578,277	4,725,932	4,811,994	4,904,483	4,942,092	4,969,410	5,012,940
Town and Country	304,609	304,609	312,529	315,892	312,538	310,833	304,783	305,580	305,748

