

News

- **Employment in California continues to grow.** Quarter over quarter employment growth for 2016Q4 is 1.7%, while the total California labor force grew by just 1.1%. The difference comes from the unemployment rate which declined by 0.6% from 5.6% in 2015Q4 to 5% in 2016Q4. (EDD)
- **International tourism in California could be impacted by travel ban.** After the January 27 travel ban was announced by the President, bookings searches were reportedly down by 6 to 17 percent on aggregator websites. International tourist spending in 2015 was estimated at \$15.9 billion, of which 19.2% was on retail. (UCLA Andersen)
- **Gas prices in California may rise significantly in 2017.** Several OPEC nations have agreed to reduce crude oil production by 1.2 million barrels a day, while Russia and other non-OPEC countries are planning cuts of 600,000 barrels a day. Limited supply of crude oil will drive up its price per barrel, which may consequently affect gas prices. GasBuddy.com analyst Allison Mac, predicts a gas price jump of 50 to 80 cents by Memorial Day. (Mercury News)

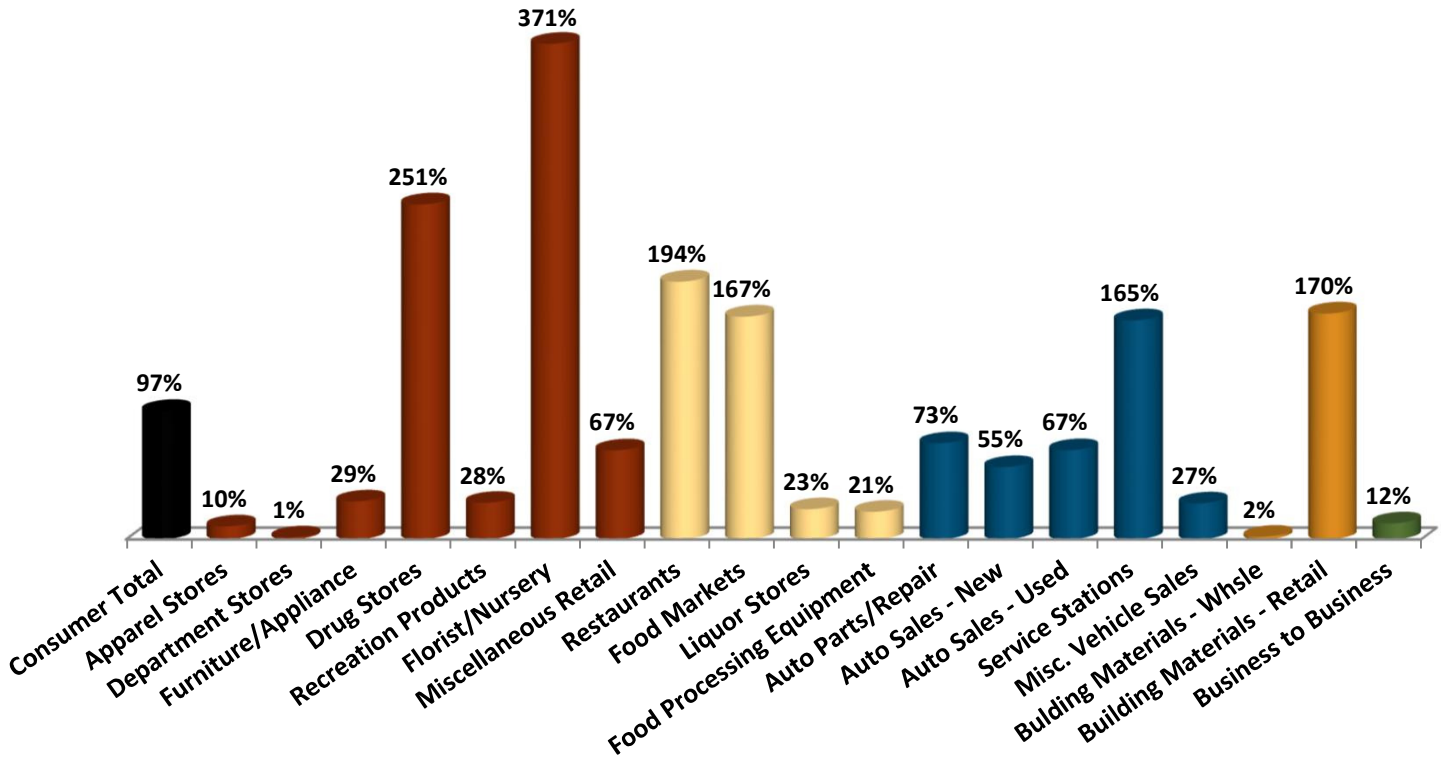
Top 25 Sales Tax Generators

AUDIO VISUAL HEADQUARTERS	KIBBLES 'N GIFTS	RITE AID DRUG STORES
BIG CREEK LUMBER COMPANY	MCDONALD'S RESTAURANTS	SAFEWAY STORES
BK MOTORS	MORE FOR LESS SERVICE STATIONS	SAM'S CHOWDER HOUSE
BURGER KING RESTAURANTS	MULLINS RESTAURANT	SAN BENITO ALE HOUSE
CHEVRON SERVICE STATIONS	NEW LEAF COMMUNITY MARKETS	SHELL SERVICE STATIONS
CVS/PHARMACY	OCEAN SHORE HARDWARE	THE RITZ-CARLTON
HALF MOON BAY BLDG & GARDEN	PASTA MOON RESTAURANT	TRES AMIGOS RESTAURANT
IT'S ITALIA PIZZERIA	PASTORINO HAY	TWICE AS NICE
JAMES FORD		

Business Activity

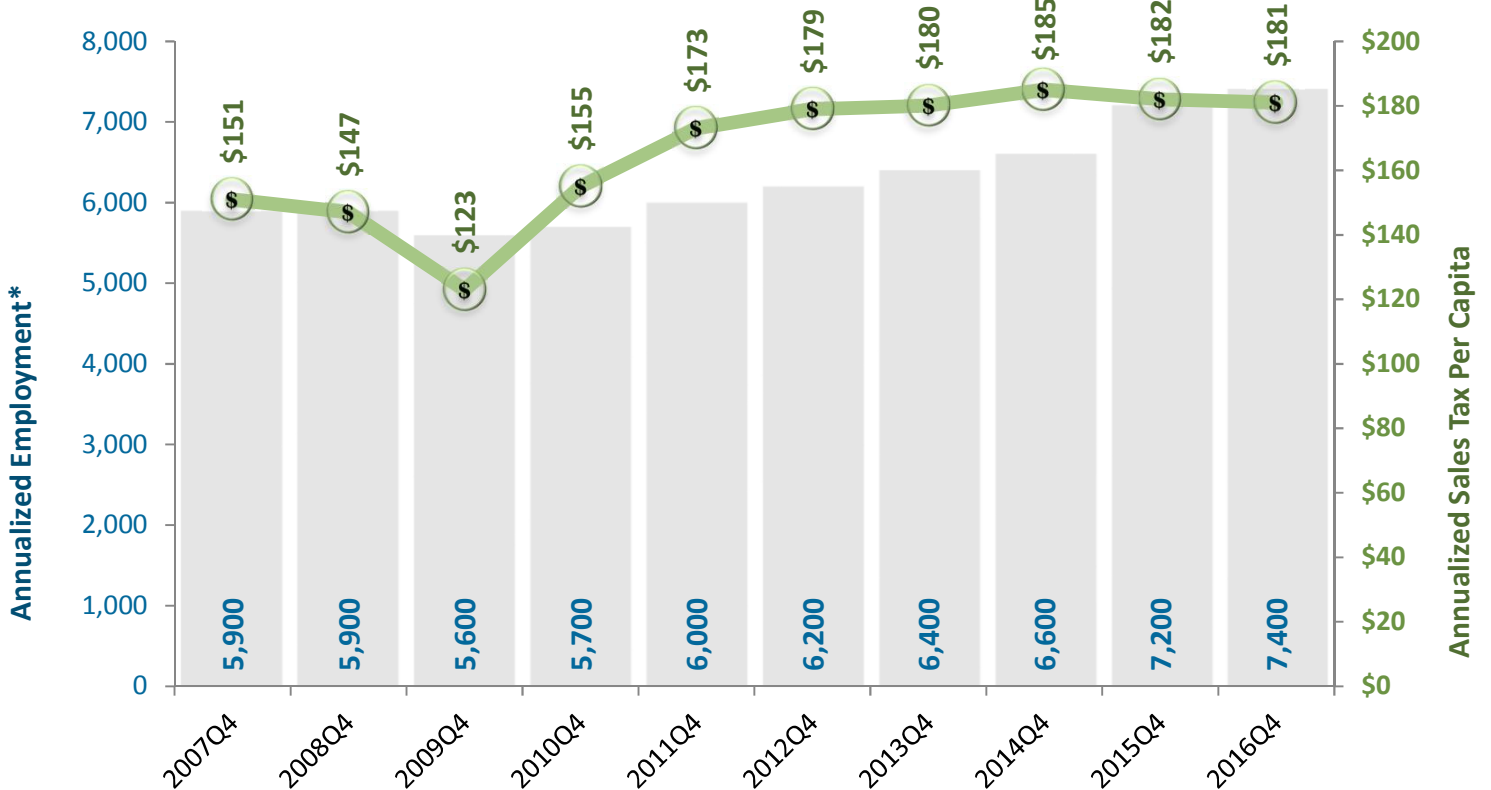
	Quarter over Quarter			Year over Year		
	Half Moon Bay	S.F. Bay Area	Statewide	Half Moon Bay	S.F. Bay Area	Statewide
TOTAL	1.9%	-0.7%	-0.4%	2.1%	1.2%	1.5%
GENERAL RETAIL	5.5%	-1.5%	0.0%	1.9%	-0.2%	1.3%
FOOD PRODUCTS	1.7%	2.2%	2.8%	3.6%	3.9%	4.6%
TRANSPORTATION	5.8%	3.8%	2.4%	-0.4%	0.4%	-0.6%
CONSTRUCTION	-10.0%	-3.4%	-13.5%	-4.0%	1.7%	1.8%
BUSINESS TO BUSINESS	30.0%	-5.0%	-1.6%	33.6%	0.8%	0.4%
Restaurants	0.7%	2.4%	3.5%	3.6%	4.5%	5.4%
Service Stations	1.1%	0.0%	-1.1%	-9.0%	-9.6%	-11.0%
Bldg.Matls-Retail	-10.4%	-13.3%	-20.2%	-3.9%	2.2%	3.6%
Food Markets	1.7%	0.7%	0.9%	2.8%	1.4%	2.3%
Auto Sales - New	14.7%	6.3%	5.2%	16.6%	5.0%	4.3%
Miscellaneous Retail	7.4%	-2.8%	-1.8%	0.7%	0.1%	1.8%
Drug Stores	12.4%	1.9%	3.0%	5.6%	3.4%	3.2%
Florist/Nursery	1.4%	1.4%	2.5%	1.4%	7.3%	6.3%
Auto Parts/Repair	3.4%	-3.9%	-1.1%	6.3%	1.1%	2.6%
Furniture/Appliance	-3.6%	-2.0%	2.8%	-4.9%	-1.3%	2.9%
Business Services	234.8%	6.0%	-0.5%	65.1%	2.0%	1.1%
Auto Sales - Used	-27.2%	15.8%	5.5%	-17.6%	13.8%	8.7%
Light Industry	-24.2%	-14.4%	-2.6%	73.7%	8.5%	3.7%
Apparel Stores	-14.5%	1.7%	2.5%	-3.0%	2.0%	2.9%

4th Quarter 2016 Sales Tax Capture and Gap Analysis Report



The chart is an overview of how well Half Moon Bay 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.

Estimated Annualized Employment and Gross Sales Tax Per Capita by Benchmark Year



A Correlation Coefficient of 1 indicates a Perfect Positive Correlation.

Correlation Coefficient: 0.75