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## COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

November 7, 2016



# Approval of Minutes of Oct. 3, 2016



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## Sales Tax Revenue Generators Update

City of  
**Hayward**

Economic Development Committee

November 2016

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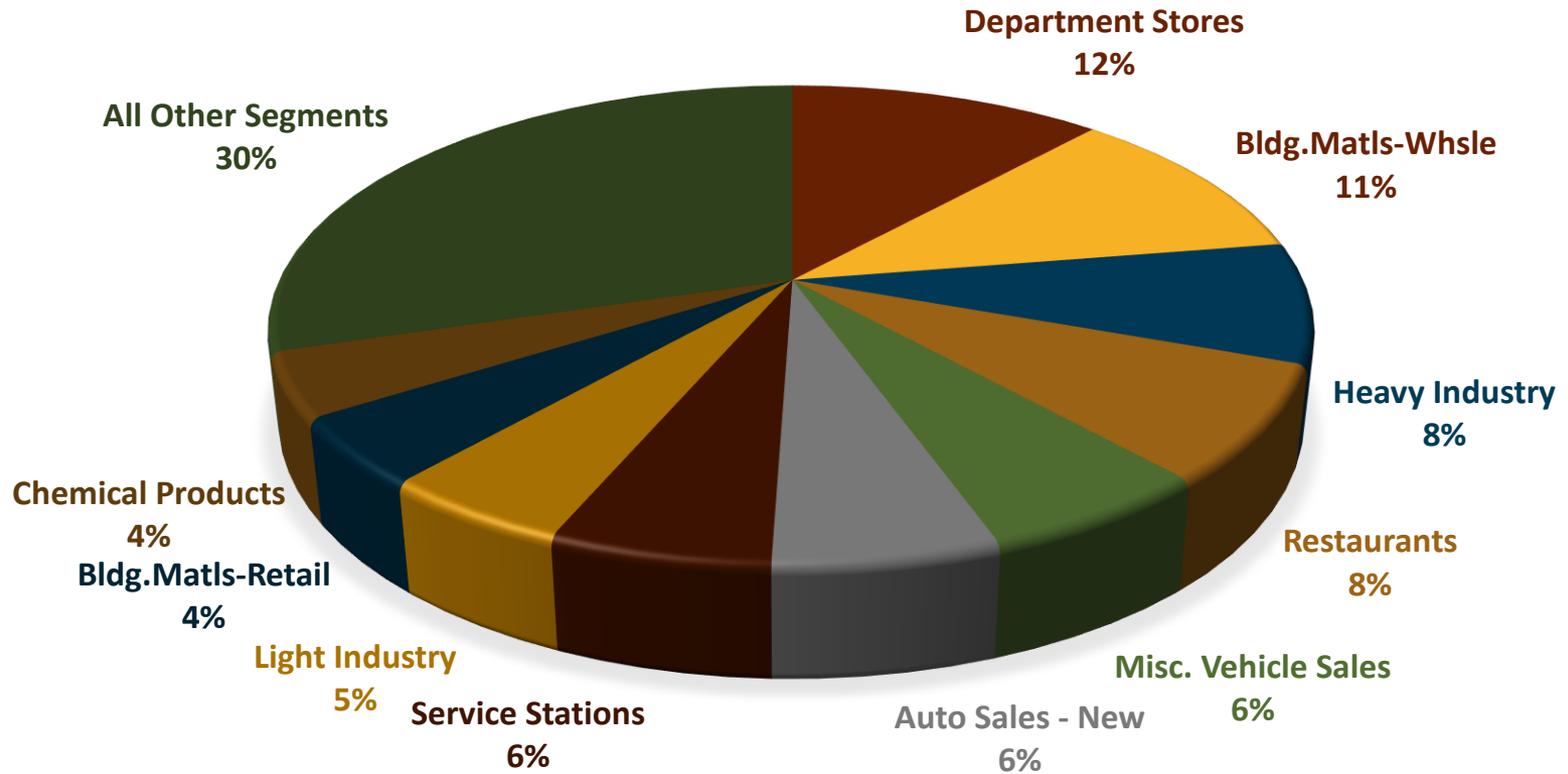
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# Regional Comparison

Business Activity	Apr'15 - Jun'15 to Apr'16 - Jun'16			Jul'14 - Jun'15 to Jul'15 - Jun'16		
	Hayward	S.F. Bay Area	Statewide	Hayward	S.F. Bay Area	Statewide
<b>Total</b>	<b>1.9%</b>	<b>1.0%</b>	<b>0.8%</b>	<b>2.1%</b>	<b>2.3%</b>	<b>2.5%</b>
<b>General Retail</b>	<b>-1.6%</b>	0.3%	1.0%	<b>1.5%</b>	1.1%	2.6%
<b>Food Products</b>	<b>6.1%</b>	3.9%	3.9%	<b>5.0%</b>	5.2%	5.0%
<b>Transportation</b>	<b>-1.8%</b>	<b>-2.4%</b>	<b>-3.7%</b>	<b>-6.2%</b>	<b>-1.3%</b>	<b>-0.2%</b>
<b>Construction</b>	<b>8.8%</b>	1.0%	4.0%	<b>10.1%</b>	4.1%	7.5%
<b>Business To Business</b>	<b>2.8%</b>	1.7%	0.8%	<b>5.2%</b>	4.0%	<b>-0.1%</b>
Department Stores	<b>0.0%</b>	<b>-2.8%</b>	<b>-1.0%</b>	<b>-1.8%</b>	<b>-1.8%</b>	0.5%
Bldg.Matls-Whsle	<b>12.9%</b>	1.2%	6.2%	<b>12.6%</b>	4.7%	9.9%
Heavy Industry	<b>0.5%</b>	2.1%	0.4%	<b>10.0%</b>	2.3%	2.6%
Restaurants	<b>9.8%</b>	4.3%	5.1%	<b>7.6%</b>	6.0%	6.1%
Misc. Vehicle Sales	<b>-3.8%</b>	<b>-4.5%</b>	3.6%	<b>-13.5%</b>	<b>-2.7%</b>	8.2%
Auto Sales - New	<b>10.2%</b>	3.1%	2.6%	<b>2.4%</b>	4.9%	5.7%
Service Stations	<b>-13.1%</b>	<b>-13.6%</b>	<b>-16.4%</b>	<b>-15.4%</b>	<b>-13.5%</b>	<b>-12.1%</b>
Light Industry	<b>-9.6%</b>	22.9%	5.2%	<b>-1.6%</b>	18.4%	4.4%
Bldg.Matls-Retail	<b>0.1%</b>	0.8%	1.6%	<b>4.6%</b>	3.4%	4.8%
Chemical Products	<b>14.8%</b>	5.3%	<b>-3.8%</b>	<b>-1.3%</b>	2.9%	<b>-4.5%</b>
Miscellaneous Retail	<b>-2.8%</b>	<b>-0.6%</b>	0.9%	<b>3.7%</b>	2.4%	3.8%
Leasing	<b>-13.6%</b>	5.8%	6.5%	<b>-3.3%</b>	16.6%	8.7%
Auto Sales - Used	<b>11.0%</b>	13.4%	8.9%	<b>7.7%</b>	12.4%	11.2%
Apparel Stores	<b>6.0%</b>	2.8%	2.8%	<b>6.1%</b>	2.3%	<b>2.6%</b>



- Alameda Electrical Distributors
- Big Joe California
- Cal Wholesale Material Supply
- Cal-Steam
- Communications Supply
- Costco
- Ferguson Enterprises
- Gillig
- Great Western Building Material
- Hayward Nissan
- Hayward Toyota
- HD Supply Waterworks
- Heat & Control
- Home Depot
- Honda
- Illumina
- Linde Group
- Macy's
- Ross Stores
- Sears Roebuck & Company
- Target Stores
- Toyota Material Handling
- United Rentals
- Volkswagen of Hayward
- Western State Design

# Average Taxable Sales Per Square Foot in California

<b>Book Retailers</b>	Avg Sq Ft	Avg Taxable Sales	Per Sq Ft
Borders Group	25,700	3,655,000 \$	140
Walden Books	4,100	575,000 \$	140
Barnes & Noble	24,100	2,225,000 \$	90
<b>Clothing &amp; Accessory</b>			
Victoria's Secret	4,600	4,134,000 \$	900
Chico's	2,300	1,532,000 \$	670
Aeropostale	3,500	2,059,000 \$	590
Hot Topic	1,700	944,000 \$	560
Gymboree	1,800	809,000 \$	450
Claire's	1,000	448,000 \$	450
American Eagle Outfit	4,700	1,854,000 \$	390
Nordstrom	116,000	45,195,000 \$	390
<b>Electronics Stores</b>			
Game Stop Stores	1,400	1,117,000 \$	800
Best Buy	39,800	23,976,000 \$	600
Guitar Center	15,800	7,275,000 \$	460
Radio Shack	2,400	678,000 \$	280

<b>General Merchandise</b>	Avg Sq Ft	Avg Taxable Sales	Per Sq Ft
Costco	137,000	84,968,000 \$	620
Wal-Mart	135,200	56,005,000 \$	410
Target	122,300	34,489,000 \$	280
Dollar Tree Stores	5,400	1,380,000 \$	260
Sam's Club	124,500	29,067,000 \$	230
<b>Grocery &amp; Pharmacy</b>			
CVS	7,600	3,272,000 \$	430
Walgreens	10,900	2,526,000 \$	230
Whole Foods Markets	30,400	6,826,000 \$	220
Rite Aid	12,700	2,624,000 \$	210
Safeway	44,000	7,764,000 \$	180
<b>Home Furnishings</b>			
Williams-Sonoma	7,800	2,700,000 \$	350
Kirkland's	4,500	1,371,000 \$	300
Bed Bath & Beyond	36,100	8,030,000 \$	220
Restoration Hardware	6,600	1,354,000 \$	210
Cost Plus	16,000	2,714,000 \$	170

# Average Taxable Sales Per Square Foot in California

<b>Jewelry Stores</b>	Avg Sq Ft	Avg Taxable Sales	Per Sq Ft
Tiffany	8,000	13,315,000	\$ 1,660
Zales (Stores Only)	1,600	617,000	\$ 390
<b>Other Retailers</b>			
Bath & Body Works	2,200	1,507,000	\$ 690
Things Remembered	900	484,000	\$ 540
Petco	13,500	2,953,000	\$ 220
Jo-Ann Stores	16,800	2,988,000	\$ 180
Petsmart	23,900	4,184,000	\$ 180
Michaels	16,200	2,706,000	\$ 170
<b>Shoe Stores</b>			
Genesco (J&M)	1,600	606,000	\$ 380
Finish Line	6,000	1,238,000	\$ 210
Foot Locker	4,000	849,000	\$ 210
Payless Shoe Source	3,200	517,000	\$ 160

<b>Sporting Goods</b>	Avg Sq Ft	Avg Taxable Sales	Per Sq Ft
Dick's	49,100	8,934,000	\$ 182
Sports Chalet	38,800	6,516,000	\$ 170
Sports Authority	43,200	5,923,000	\$ 140
Galyan's Trading	87,300	7,841,000	\$ 90
<b>Auto &amp; Marine Parts</b>			
AutoZone	6,400	1,757,000	\$ 270
West Marine	7,400	1,626,000	\$ 220
CSK Auto	7,300	1,202,000	\$ 160
Pep Boys	20,500	2,206,000	\$ 110
<b>Building Materials Stores</b>			
Home Depot	108,000	30,846,000	\$ 290
Lowe's	111,000	25,650,000	\$ 230

## Costco

1. San Jose
2. South San Francisco
- 3. Hayward**
4. Concord
5. Sunnyvale
6. Fremont
7. Santa Rosa
8. San Leandro
9. Richmond
10. Redwood City

## Target

1. San Jose
2. San Francisco
3. Santa Rosa
4. Walnut Creek
- 5. Hayward**
6. Fremont
7. Oakland
8. Dublin
9. San Mateo
10. Daly City

## Home Depot

1. San Jose
2. Colma
3. Emeryville
4. Concord
5. San Rafael
6. San Carlos
7. Oakland
8. San Ramon
9. San Mateo
10. Campbell

## Home Depot

11. Richmond
12. Napa
13. Santa Rosa
14. East Palo Alto
15. Rohnert Park
- 16. Hayward**
17. San Leandro
18. Daly City
19. Brentwood
20. Windsor

# Opportunities in Hayward

Segment	Actual Sales Tax	Potential Sales Tax	Capture / Gap	Rate
Apparel Stores	\$847,933	\$887,076	(\$39,143)	96%
Furniture/Appliance	\$400,164	\$629,253	(\$229,089)	64%
Recreation Products	\$42,796	\$208,375	(\$165,580)	21%
Florist/Nursery	\$309,231	\$102,846	\$206,385	301%
Miscellaneous Retail	\$1,142,054	\$1,134,224	\$7,830	101%
Restaurants	\$2,232,592	\$2,655,227	(\$422,634)	84%
Food Markets	\$770,849	\$750,637	\$20,212	103%
Liquor Stores	\$170,567	\$147,622	\$22,945	116%
Food Processing Eqp	\$176,698	\$171,841	\$4,857	103%
Auto Parts/Repair	\$836,657	\$376,056	\$460,600	222%
Auto Sales - New	\$1,690,577	\$1,820,473	(\$129,895)	93%
Auto Sales - Used	\$869,362	\$166,208	\$703,154	523%
Service Stations	\$1,656,172	\$998,870	\$657,303	166%
Bldg.Matls-Whsle	\$3,062,454	\$853,330	\$2,209,124	359%
Bldg.Matls-Retail	\$1,289,004	\$757,238	\$531,766	170%
Office Equipment	\$594,092	\$716,089	(\$121,997)	83%
Electronic Equipment	\$610,593	\$464,134	\$146,459	132%
Energy Sales	\$115,205	\$121,207	(\$6,001)	95%
Heavy Industry	\$2,312,549	\$350,956	\$1,961,593	659%
Light Industry	\$1,432,222	\$621,104	\$811,118	231%
Leasing	\$891,499	\$511,788	\$379,711	174%

When effective buying income for Hayward is compared to that of the Bay Area, we see that opportunities exist for expanding the tax base in segments that are not saturated.

# Questions & Discussion





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## Future Agenda Items



# Committee Member/Staff Announcements and Referrals



Adjournment