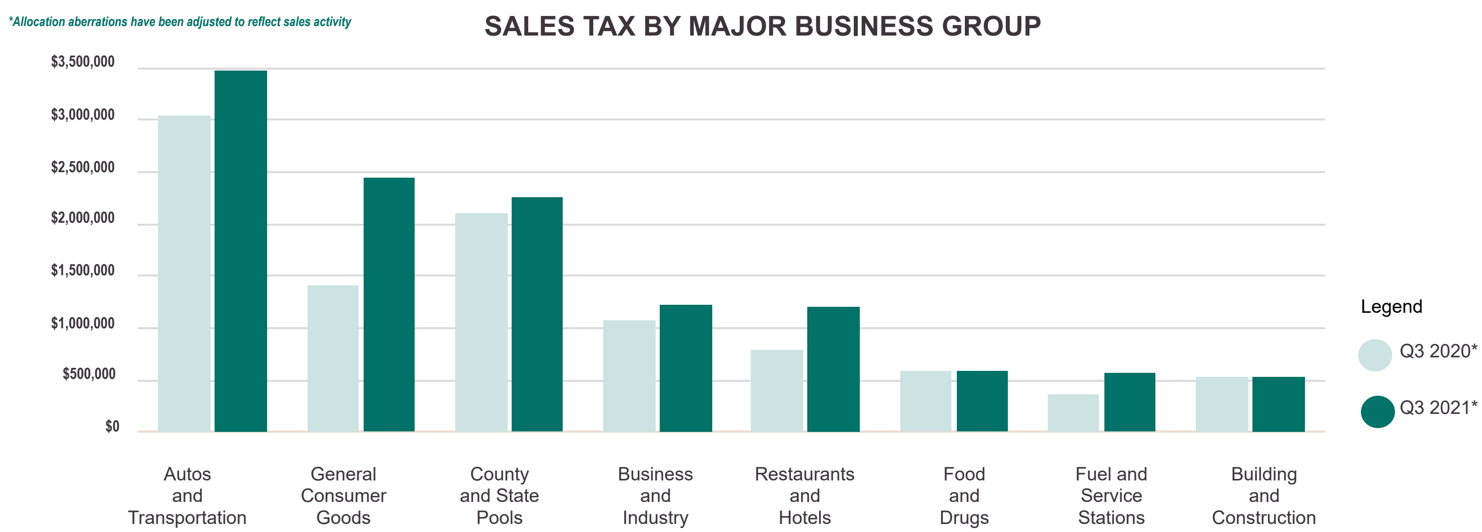
CITY OF GLENDALE
SALES TAX UPDATE
3Q 2021 (JULY - SEPTEMBER)

GLENDALE	23.7%	20.0%	18.3%
TOTAL: $ 12,283,992	3Q2021	COUNTY	STATE



Measure S

TOTAL: $7,631,394

29.9%

CITY OF GLENDALE HIGHLIGHTS

Glendale's receipts from July through September were 20.3% above the third sales period in 2020. Excluding reporting aberrations, actual sales were up 23.7%.

This strong percentage gain signifies the continued rebound from the pandemic impacts of a year ago.

Sensational returns from multiple retailers including all apparel sectors, electronics and department stores were largely responsible for the general consumer growth. With minimal mask requirements and continued pent up demand to eat out, receipts casual and quick service restaurants were pushed closer to pre-pandemic levels.

Strong demand and limited inventory for vehicles causing elevated pricing for buyers contributed to a dramatic jump from new auto dealers. An increased number of summer travelers and commuters resulted in stellar gains from service stations.

Allocations from the countywide use tax pools also grew 1%, however this is less than most recent periods due to slower sales by online merchants compared to the shutdown periods.

Net of aberrations, taxable sales for all of Los Angeles County grew 20.0% over the comparable time period; the Southern California region was up 19.9%.

TOP 25 PRODUCERS

- Allen Gwynn Chevrolet
- Apple
- Bloomingdale's
- Calstar Mercedes
- Car Pros Kia Glendale
- CDW Direct
- CDW Government
- Daimler Trust
- Financial Services Vehicle Trust
- Glendale Dodge Chrysler Jeep
- Glendale Nissan
- Glendale Subaru/ Mitsubishi
- Home Depot
- Hyundai Lease Titling Trust
- Lexus of Glendale
- Macys
- New Century Honda
- Nordstrom
- Pacific BMW
- Star Auto Group
- Target
- Tesla Motors
- Toyota Lease Trust
- Toyota of Glendale Scion
- United Oil

STATEWIDE RESULTS

Local one cent sales and use tax receipts for sales occurring July through September were 18% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These aberrations had been much greater than normal in the last two years as the Governor's Executive Orders allowed businesses to defer some sales tax payments as a supportive measure during the pandemic. This program has now expired, and merchant remittances are more consistent, making cash receipts more reflective of underlying economic activity.

The prior year comparison quarter was the start of the pandemic recovery, and the strong growth enjoyed since continued with the recent results.

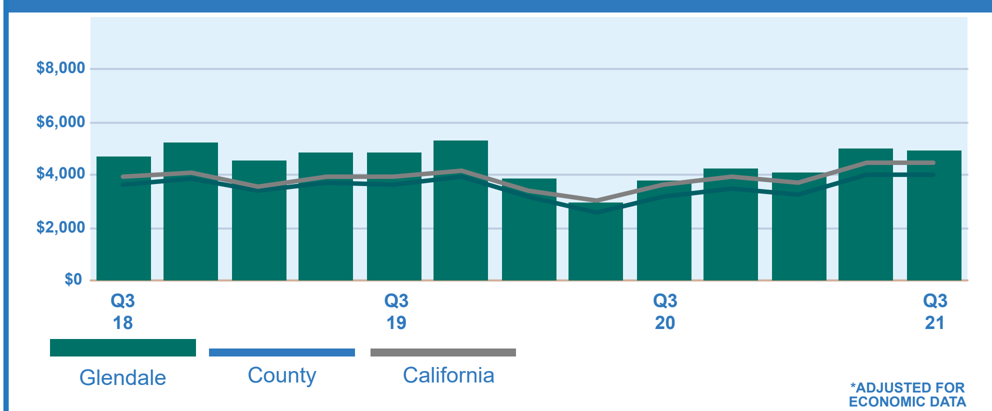
Surprisingly, one of the stronger sectors has been restaurants and hotels. Originally forecasted to take an extended amount of time to recover, statewide sales tax generated during the summer months exceeded amounts from pre-pandemic 2019. Even with the availability of indoor and outdoor dining, pent up demand resulted in long wait times to enjoy local culinary experiences. When combined with increasing restaurant tabs as the cost of food and staff wages surge, sales tax remittances are expected to continue growing. Additionally, while the industry awaits the return of foreign tourism in metropolitan areas, strong domestic travel has helped varied regions around the state especially Southern California and the Central Coast.

Receipts from general consumer goods marked a steady recovery, led by apparel retailers, jewelry, electronic/appliance and specialty outlets. Discount department stores, especially those selling gas, helped exemplify the strength of brick-and-mortar merchants. Gains from the countywide use tax pools however, slowed to 2% compared to the high-water mark last year, which had been boosted by new tax collecting requirements imposed under AB 147 for online retailers. All things considered, when combined with positive economic trends, these are a welcome sign leading up to the holiday shopping period.

Although car dealers had expressed concerns about inventory shortages due to supply chain disruptions and computer chip shortages earlier in the year, the sale of new and used vehicles posted solid gains regardless. Higher property values and good weather contributed to strong building materials and contractor returns. As commuting workers and travelers returned to the road with increased gas prices, fuel and service stations also experienced a dramatic recovery.

Overall growth is expected to continue through the end of the 2021 calendar year. Possible headwinds into 2022 include: pent up demand for travel and experiences shifting spending away from taxable goods; higher prices for fuel, merchandise and services displacing more of consumer's disposable income; and expected interest rate hikes resulting in more costly financing for automobiles, homes, and consumer loans.

SALES PER CAPITA*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Glendale Business Type	Q3 '21*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	2,423.5	16.8% ↑	23.9% ↑	18.9% ↑
Office Supplies/Furniture	758.4	22.1% ↑	3.9% ↑	3.9% ↑
Casual Dining	659.0	75.5% ↑	75.6% ↑	68.4% ↑
Auto Lease	639.7	1.6% ↑	-5.6% ↓	-1.9% ↓
Service Stations	562.7	60.0% ↑	65.3% ↑	53.6% ↑
Department Stores	496.5	58.9% ↑	50.0% ↑	52.1% ↑
Family Apparel	431.5	93.7% ↑	43.5% ↑	38.9% ↑
Quick-Service Restaurants	376.6	23.8% ↑	15.3% ↑	13.5% ↑
Electronics/Appliance Stores	283.4	127.8% ↑	21.4% ↑	19.7% ↑
Grocery Stores	265.2	-0.1% ↓	-0.6% ↓	-0.2% ↓

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars