

# CITY OF UPLAND

## SALES TAX UPDATE

### 1Q 2024 (JANUARY - MARCH)



**UPLAND**

TOTAL: \$ 5,362,611

20.4%  
1Q2024



1.6%  
COUNTY

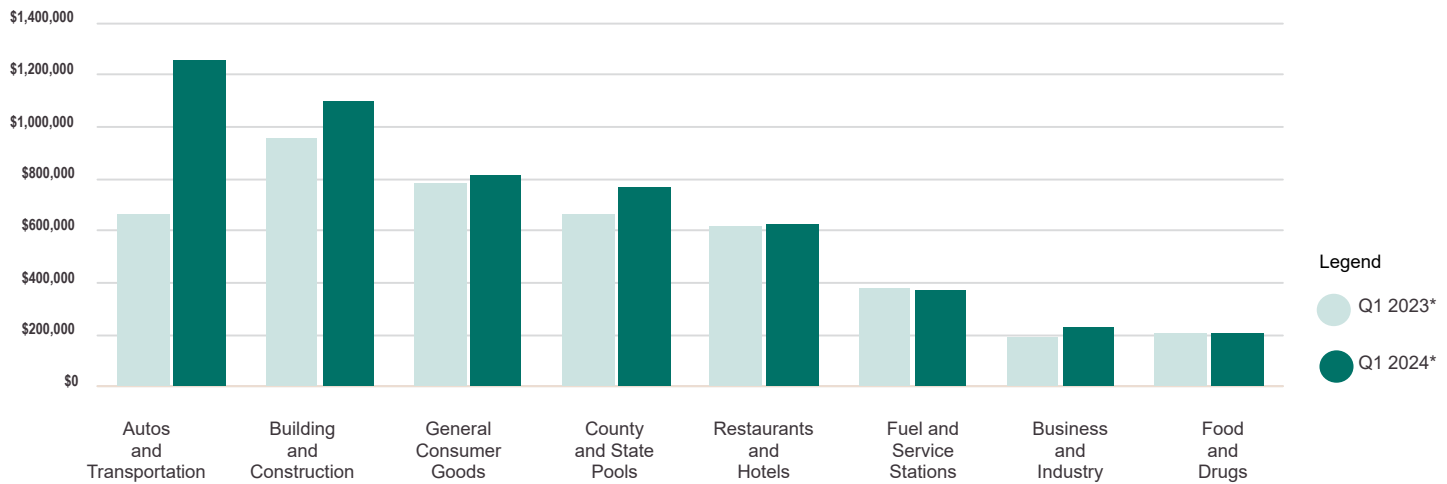


-0.3%  
STATE



*\*Allocation aberrations have been adjusted to reflect sales activity*

### SALES TAX BY MAJOR BUSINESS GROUP



### CITY OF UPLAND HIGHLIGHTS

From January through March, Upland's receipts were 18.3% higher than during the same period in 2023. Adjusting for reporting anomalies, actual sales saw a 20.4% increase, significantly exceeding both state and regional trends.

The primary driver of this outperformance was the recent addition of a new auto-transportation vendor in Upland.

Sales of building and construction supplies also showed a strong recovery compared to last year, when heavy rainfall during California's wettest winter in over two decades suppressed demand.

Additionally, a significant purchase of medical/biotech equipment by a local entity from an out-of-city supplier, along with the recent establishment of another

local firm in Upland, boosted business-industrial returns. A new sporting good/bike store also contributed positively.

These factors collectively enhanced Upland's share of the countywide use-tax pool, which is distributed among local agencies based on proportional cash receipts, which were among the highest in the County this quarter.

Excluding anomalies, taxable sales for San Bernardino County as a whole increased by 1.6% during the same period, while the Southern California region remained flat.



### TOP 25 PRODUCERS

- 7 Eleven
- Arco
- Caliber Collision Centers
- Chevron
- Chick Fil A
- Crossroads Travel Center
- Dick's Sporting Goods
- Euclid Arco
- Ford of Upland
- Holiday Rock
- Home Depot
- In N Out Burger
- Kohls
- Lowe's
- Marshalls
- Mountain View Chevrolet
- Nordstrom Rack
- Ross
- Stater Bros
- Target
- Tesla Motors
- Thrifty
- TJ Maxx
- Vons Fuel
- Walmart



**STATEWIDE RESULTS**

California’s local one cent sales and use tax receipts during the months of January through March were 0.2% lower than the same quarter one year ago after adjusting for accounting anomalies. The calendar year first quarter is traditionally the lowest sales tax generating period; however, returns were more on par with the comparison period.

One of the only sectors continuing to display declines was autos-transportation. High interest rates created more expensive long-term financing costs. Combined with a dramatic cost of insurance coverage rate spike, this group declined 7.5%.

Fuel and service stations was the other sector with a drop over last year. As California drivers embark on summer travel, they’ll do so with slightly elevated gas prices versus 2023, probably yielding the final period of negative results for the category heading into 2025.

During this post-holiday shopping period, general consumer goods experienced a soft rebound with very modest 0.5% growth. Although retailers selling gas were hurt by fuel prices, it did not stop family apparel and department stores from lifting revenues.

Restaurant activity contributed constant growth of 2.1%. Only fine dining establishments remain hindered as more affordable menus are preferred. Also, it appears some eateries made operational changes while implementing AB 1228; however, there isn’t enough data

yet to understand if this new bill impacted revenue.

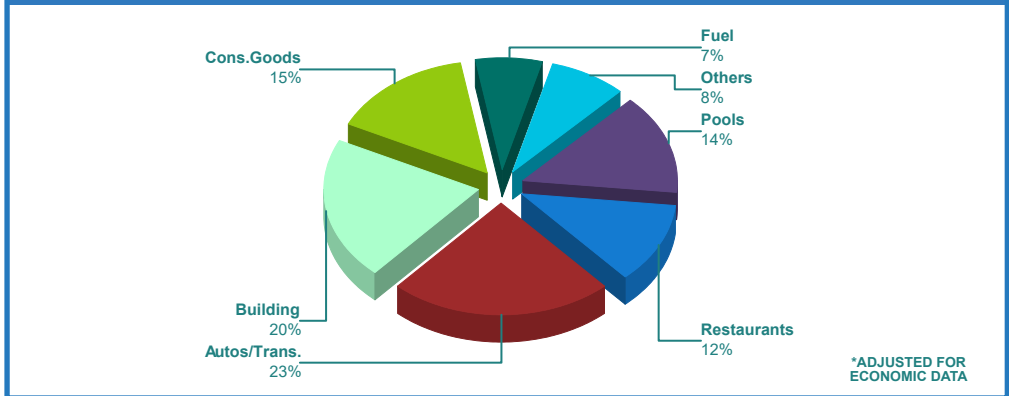
Seemingly dramatic one-time events helped boost business-industry, as investments in office supplies-furniture and energy projects were a significant reason for 3.6% gains this quarter. Additionally, strong fulfillment center direct payments demonstrated sustained logistical expansion. When coupled with improved returns via the countywide use tax pools, customers demonstrated e-commerce preferences for obtaining various goods. Overall

pool allocations improved 1.6%.

Statewide, 2024 begins in a more positive fashion compared to the recent trends of 2023. Buoyed 1st quarter results may signify ‘the floor’ helping ease tax revenue concerns while awaiting the next growth cycle. The Federal Reserve and their position with the Fed Funds Rate remains the most probable component between economic stagnation or spring-boarding consumer spending. Tourism and local travel in the coming summer period could further inspire confidence.

**REVENUE BY BUSINESS GROUP**

Upland This Quarter\*



**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Upland Business Type	Q1 '24*	Change	County Change	HdL State Change
Building Materials	419.6	-2.1% ↓	2.6% ↑	-0.7% ↓
Service Stations	370.2	-1.4% ↓	-2.2% ↓	-0.8% ↓
Quick-Service Restaurants	305.4	4.9% ↑	4.0% ↑	2.7% ↑
Casual Dining	229.1	-2.6% ↓	0.2% ↑	2.3% ↑
Specialty Stores	129.7	3.0% ↑	-4.4% ↓	-2.3% ↓
Family Apparel	128.0	9.9% ↑	8.4% ↑	7.4% ↑
Grocery Stores	104.7	-0.7% ↓	3.1% ↑	2.8% ↑
Sporting Goods/Bike Stores	90.1	17.2% ↑	-5.8% ↓	-1.2% ↓
Fast-Casual Restaurants	79.0	5.1% ↑	6.4% ↑	2.3% ↑
Auto Repair Shops	74.5	2.0% ↑	-3.3% ↓	-1.9% ↓

\*Allocation aberrations have been adjusted to reflect sales activity      \*In thousands of dollars