



City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6141

Telephone (408) 846-0254
Fax (408) 846-0445

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From: Joe Kline
Public Information Officer

Contact: Christina Turner
408-846-0250

Third Quarter 2013 Sales Tax Update Shows Large Gains Locally in New Auto and Miscellaneous Vehicle Sales

Gilroy business activity increased by 0.6% after adjustments for the third quarter of 2013. The largest gains were in new auto sales and miscellaneous vehicle sales. The largest declines were in apparel stores and chemical products. Northern California at 4.8% lagged slightly behind Southern California at 5.1% for increase in sales tax receipts on a cash basis for the four most recent quarters. The California state average increase was 5.0% for the same period.

Employment in the San Francisco Bay Area, Orange County, San Diego and Ventura has consistently grown at a faster rate than the country as a whole. Santa Clara County and the San Francisco-San Mateo-Marín regions are rebounding and gaining jobs at a much faster pace than other regions. During the one-year period ending in October, 2013, Santa Clara County posted job growth of 2.5%.

Additional factors demonstrating economic recovery and leading to increased sales tax revenue include rising home prices, more car sales, fewer apartment vacancies and an upswing in commercial real estate.

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