



GOVERNOR'S OFFICE OF BUSINESS
AND ECONOMIC DEVELOPMENT



California Competes Tax Credit Program

Edmund G. Brown, Jr
Governor

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Director

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Tax Credit Program*

Governor's Office of Business
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Committee Meeting

**Thursday, April 14, 2016
1:30 p.m.**

Department of Food and Agriculture
Auditorium
1220 N Street
Sacramento, CA 95814

And (via teleconference)
Fontana City Hall
Executive Conference Room
8353 Sierra Avenue
Fontana, CA 92335

MEMBERS:

Panorea Avdis, *Chair
Director
Governor's Office of Business
and Economic Development*

John Chiang
State Treasurer

Michael Cohen, *Director
Department of Finance*

Denise Zapata, *Appointee of
the Senate Committee on Rules*

Madeline Janis, *Appointee of
the Speaker of the Assembly*

AGENDA

OPEN SESSION

- A. Call to Order and Roll Call**
- B. Approval of Minutes from November 10, 2015, Committee Meeting**
- C. Chief Deputy Director's Report**
 - **Agenda Overview – Agreements with 103 Businesses, Total Tax Credits \$70,539,413**
- D. Discussion and Approval of California Competes Tax Credit Agreements with Businesses other than Small Businesses**

Total Recommended Tax Credits:	\$54,023,000
Total Recommended Tax Credits after Adjusting for S-Corporation Law¹:	\$55,771,333

¹ One-third of the California Competes Tax Credit may be utilized by an S-Corporation to offset the tax on net income at the S-Corporation level (R&TC §23803(a)(1)). The remaining two-thirds is disregarded and may not be used as a carryover for the S-Corporation (R&TC §23803(a)(2)(A)). However, the full amount of the California Competes Tax Credit is also passed through to the S-Corporation's shareholders (R&TC §23803(a)(2)(F)).



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1. Faraday & Future, Inc.
Industry: Automobile Manufacturing
Primary Location(s): Gardena, Rancho Dominguez, and San Jose
Net Increase of Full-Time Employees: 1,990
Investment: \$311,117,460
Amount of Tax Credit: \$12,725,000
Link to Tax Credit Agreement: <http://bit.ly/FaradayandFuture>
2. Nordstrom, Inc.
Industry: Online Order Fulfillment Warehouse and Retail Distribution
Primary Location(s): Fresno or Visalia
Net Increase of Full-Time Employees: 367
Investment: \$171,000,000
Amount of Tax Credit: \$11,000,000
Link to Tax Credit Agreement: <http://bit.ly/NordstromInc>
3. Snapchat, Inc.
Industry: Mobile Application Development
Primary Location(s): Venice Beach
Net Increase of Full-Time Employees: 1,194
Investment: \$32,000,000
Amount of Tax Credit: \$5,000,000
Link to Tax Credit Agreement: <http://bit.ly/SnapChatInc>
4. OpenX Technologies, Inc.
Industry: Online Marketing & Advertising
Primary Location(s): Pasadena, Culver City, and Menlo Park
Net Increase of Full-Time Employees: 354
Investment: \$22,500,000
Amount of Tax Credit: \$1,947,000
Link to Tax Credit Agreement: <http://bit.ly/OpenXTechnologies>
5. Millennium Space Systems, Inc.
Industry: Aerospace Component Manufacturing
Primary Location(s): El Segundo
Net Increase of Full-Time Employees: 284
Investment: \$19,939,250
Amount of Tax Credit: \$1,800,000
Link to Tax Credit Agreement: <http://bit.ly/MilleniumSpaceSystems>



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6. AMPAC Fine Chemicals LLC
Industry: Pharmaceutical Manufacturing
Primary Location(s): Rancho Cordova and El Dorado Hills
Net Increase of Full-Time Employees: 135
Investment: \$98,000,000
Amount of Tax Credit: \$1,250,000
Link to Tax Credit Agreement: <http://bit.ly/AMPACFineChemicals>

7. Lineage Logistics Holdings LLC
Industry: Refrigerated Warehousing and Storage
Primary Location(s): Oakland
Net Increase of Full-Time Employees: 532
Investment: \$91,500,000
Amount of Tax Credit: \$1,100,000
Link to Tax Credit Agreement: <http://bit.ly/LineageLogistics>

8. ATK Space Systems, Inc.
Industry: Aerospace Component Manufacturing
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 38
Investment: \$5,250,000
Amount of Tax Credit: \$1,000,000
Link to Tax Credit Agreement: <http://bit.ly/ATKSpaceSystems>

9. Axis Medical Technologies LLC
Industry: Healthcare Information Technology
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 175
Investment: \$2,763,000
Amount of Tax Credit: \$1,000,000
Link to Tax Credit Agreement: <http://bit.ly/AxisMedicalTechnologies>

10. L-3 Communications Electron Technologies, Inc.
Industry: Communication Satellite Component Manufacturing
Primary Location(s): Torrance
Net Increase of Full-Time Employees: 105
Investment: \$25,318,140
Amount of Tax Credit: \$1,000,000
Link to Tax Credit Agreement: <http://bit.ly/L-3Communications>



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11. Lite Machines Corporation
Industry: Unmanned Aerial Systems Manufacturing
Primary Location(s): Vista, Carlsbad, or other location in San Diego County
Net Increase of Full-Time Employees: 90
Investment: \$8,500,000
Amount of Tax Credit: \$1,000,000
Link to Tax Credit Agreement: <http://bit.ly/LiteMachines>

12. DineEquity, Inc.
Industry: Administrative & Business Management Services
Primary Location(s): Glendale
Net Increase of Full-Time Employees: 116
Investment: \$9,126,536
Amount of Tax Credit: \$900,000
Link to Tax Credit Agreement: <http://bit.ly/DineEquityInc>

13. Hunter Industries Incorporated
Industry: Irrigation & Sprinkler Manufacturing
Primary Location(s): San Marcos
Net Increase of Full-Time Employees: 111
Investment: \$58,891,456
Amount of Tax Credit: \$850,000
Link to Tax Credit Agreement: <http://bit.ly/HunterIndustries>

14. NC West Holdings, Inc.
Industry: Online Video Game Development
Primary Location(s): Aliso Viejo and San Mateo
Net Increase of Full-Time Employees: 132
Investment: \$3,104,221
Amount of Tax Credit: \$800,000
Link to Tax Credit Agreement: <http://bit.ly/NCWestHoldings>

15. Open Drives LLC,
Industry: Online Data Storage
Primary Location(s): Culver City
Net Increase of Full-Time Employees: 107
Investment: \$10,000,000
Amount of Tax Credit: \$750,000
Link to Tax Credit Agreement: <http://bit.ly/OpenDrives>



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16. J.A. Cosmetics US, Inc.
Industry: Personal Care Product Manufacturing
Primary Location(s): Ontario
Net Increase of Full-Time Employees: 101
Investment: \$8,400,000
Amount of Tax Credit: \$700,000
Link to Tax Credit Agreement: <http://bit.ly/JACosmetics>

17. Baker Electric, Inc.
Industry: Solar Power System Design, Construction, and Installation
Primary Location(s): Bakersfield, Escondido, and San Diego
Net Increase of Full-Time Employees: 196
Investment: \$8,025,000
Amount of Tax Credit: \$620,000
Link to Tax Credit Agreement: <http://bit.ly/BakerElectric>

18. Standard Homeopathic Company
Industry: Homeopathic Pharmaceutical Manufacturing
Primary Location(s): Los Angeles
Net Increase of Full-Time Employees: 106
Investment: \$29,414,000
Amount of Tax Credit: \$595,000
Link to Tax Credit Agreement: <http://bit.ly/StandardHomeopathic>

19. MicroVention, Inc.
Industry: Medical Device Design & Manufacturing
Primary Location(s): Aliso Viejo
Net Increase of Full-Time Employees: 66
Investment: \$108,811,441
Amount of Tax Credit: \$550,000
Link to Tax Credit Agreement: <http://bit.ly/MicroVention>

20. The Argen Corporation
Industry: Dental Product Manufacturing
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 148
Investment: \$18,000,000
Amount of Tax Credit: \$550,000
Link to Tax Credit Agreement: <http://bit.ly/TheArgenCorporation>



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21. LakePharma, Inc.
Industry: Biotechnology Research & Development
Primary Location(s): Belmont, Fremont, Hayward, and San Carlos
Net Increase of Full-Time Employees: 144
Investment: \$12,700,000
Amount of Tax Credit: \$500,000
Link to Tax Credit Agreement: <http://bit.ly/LakePharma>
22. Patrick Industries, Inc.
Industry: Manufactured Home and Recreational Vehicle Product Manufacturing
Primary Location(s): Fontana
Net Increase of Full-Time Employees: 59
Investment: \$2,514,067
Amount of Tax Credit: \$500,000
Link to Tax Credit Agreement: <http://bit.ly/PatrickIndustries>
23. Revolution Plastics LLC
Industry: Agricultural Plastic Film Manufacturing
Primary Location(s): Fresno or Bakersfield
Net Increase of Full-Time Employees: 65
Investment: \$15,790,000
Amount of Tax Credit: \$500,000
Link to Tax Credit Agreement: <http://bit.ly/RevolutionPlastics>
24. I.P.S. Group, Inc.
Industry: Parking Meter Technology, Design & Manufacturing
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 46
Investment: \$8,930,000
Amount of Tax Credit: \$500,000
Link to Tax Credit Agreement: <http://bit.ly/IPSGroup>
25. Small World Trading Co.
Industry: Personal Care Product Manufacturing
Primary Location(s): San Rafael
Net Increase of Full-Time Employees: 134
Investment: \$4,725,950
Amount of Tax Credit: \$400,000
Link to Tax Credit Agreement: <http://bit.ly/SmallWorldTrading>



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26. Hughes Circuits, Inc.
Industry: Printed Circuit Assembly Manufacturing
Primary Location(s): Carlsbad
Net Increase of Full-Time Employees: 55
Investment: \$12,000,000
Amount of Tax Credit: \$400,000
Link to Tax Credit Agreement: <http://bit.ly/HughesCircuits>
27. R.I.M. Logistics, Ltd.
Industry: Freight Transportation & Management Services
Primary Location(s): Carson or Los Angeles
Net Increase of Full-Time Employees: 41
Investment: \$11,500,500
Amount of Tax Credit: \$400,000
Link to Tax Credit Agreement: <http://bit.ly/RIMLogisitics>
28. Cohen Ventures, Inc.
Industry: Engineering and Energy Efficiency Consulting Services
Primary Location(s): Oakland, Orange, and Long Beach
Net Increase of Full-Time Employees: 103
Investment: \$316,000
Amount of Tax Credit: \$375,000
Link to Tax Credit Agreement: <http://bit.ly/CohenVentures>
29. QED Systems, Inc.
Industry: Ship Maintenance & Repair Services
Primary Location(s): National City and San Diego
Net Increase of Full-Time Employees: 75
Investment: \$569,299
Amount of Tax Credit: \$300,000
Link to Tax Credit Agreement: <http://bit.ly/QEDSystems>
30. Vision Fine Foods LLC
Industry: Production of Packaged Bakery Goods
Primary Location(s): Stockton
Net Increase of Full-Time Employees: 115
Investment: \$10,662,608
Amount of Tax Credit: \$300,000
Link to Tax Credit Agreement: <http://bit.ly/VisionFineFoods>



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31. Casper Sleep, Inc.
Industry: Mattress Design & Manufacturing
Primary Location(s): Los Angeles and San Francisco
Net Increase of Full-Time Employees: 43
Investment: \$5,575,000
Amount of Tax Credit: \$272,000
Link to Tax Credit Agreement: <http://bit.ly/CasperSleepInc>
32. Galaxy Desserts
Industry: Baked Goods Manufacturing
Primary Location(s): Richmond
Net Increase of Full-Time Employees: 32
Investment: \$25,000,000
Amount of Tax Credit: \$255,000
Link to Tax Credit Agreement: <http://bit.ly/GalaxyDesserts>
33. Matson, Inc.
Industry: Freight Transportation & Management Services
Primary Location(s): Oakland
Net Increase of Full-Time Employees: 40
Investment: \$6,800,000
Amount of Tax Credit: \$250,000
Link to Tax Credit Agreement: <http://bit.ly/MatsonInc>
34. Aemerge RedPak Services Southern California LLC
Industry: Medical Waste Processing
Primary Location(s): Hesperia
Net Increase of Full-Time Employees: 29
Investment: \$30,500,000
Amount of Tax Credit: \$250,000
Link to Tax Credit Agreement: <http://bit.ly/AemergeRedPack>
35. The Crane Guys LLC
Industry: Construction Equipment Rental
Primary Location(s): La Mirada, and San Bernardino, Orange, and San Diego Counties
Net Increase of Full-Time Employees: 49
Investment: \$10,000,000
Amount of Tax Credit: \$250,000
Link to Tax Credit Agreement: <http://bit.ly/TheCraneGuys>



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36. Daylight Transport LLC
Industry: Freight Transportation Services
Primary Location(s): Fontana
Net Increase of Full-Time Employees: 94
Investment: \$12,640,000
Amount of Tax Credit: \$250,000
Link to Tax Credit Agreement: <http://bit.ly/DaylightTransport>
37. Famand, Inc.
Industry: Heating, Ventilating, and Air Conditioning Component Fabrication & Maintenance
Primary Location(s): Sacramento and Pleasanton
Net Increase of Full-Time Employees: 103
Investment: \$2,320,000
Amount of Tax Credit: \$225,000
Link to Tax Credit Agreement: <http://bit.ly/FamandInc>
38. Physical Optics Corporation
Industry: Optical Instrument & Lens Manufacturing
Primary Location(s): Torrance
Net Increase of Full-Time Employees: 54
Investment: \$4,089,231
Amount of Tax Credit: \$210,000
Link to Tax Credit Agreement: <http://bit.ly/PhysicalOptics>
39. Politico LLC
Industry: Online News & Media Distribution
Primary Location(s): Sacramento
Net Increase of Full-Time Employees: 41
Investment: \$337,961
Amount of Tax Credit: \$205,000
Link to Tax Credit Agreement: <http://bit.ly/PoliticoLLC>
40. Southwest Medical Resources, Inc.
Industry: Medical Device Maintenance & Refurbishing
Primary Location(s): Ontario
Net Increase of Full-Time Employees: 21
Investment: \$1,260,155
Amount of Tax Credit: \$200,000
Link to Tax Credit Agreement: <http://bit.ly/SouthwestMedicalResources>



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41. Syufy Enterprises
Industry: Retail & Corporate Management
Primary Location(s): San Rafael
Net Increase of Full-Time Employees: 29
Investment: \$50,000
Amount of Tax Credit: \$200,000
Link to Tax Credit Agreement: <http://bit.ly/SyufyEnterprises>
42. DataStax, Inc.
Industry: Information Technology Consulting & Data Center Management
Primary Location(s): Santa Clara
Net Increase of Full-Time Employees: 37
Investment: \$0
Amount of Tax Credit: \$200,000
Link to Tax Credit Agreement: <http://bit.ly/DataStaxInc>
43. Almanac Beer Co. LLC
Industry: Craft Brewery
Primary Location(s): San Francisco and Alameda
Net Increase of Full-Time Employees: 59
Investment: \$8,263,450
Amount of Tax Credit: \$180,000
Link to Tax Credit Agreement: <http://bit.ly/AlmanacBeer>
44. Martin Brothers Construction
Industry: Highway, Street, & Bridge Construction
Primary Location(s): Sacramento and San Diego
Net Increase of Full-Time Employees: 65
Investment: \$4,750,000
Amount of Tax Credit: \$160,000
Link to Tax Credit Agreement: <http://bit.ly/MartinBrothers>
45. PackIt LLC
Industry: Portable Food Preservation Device Manufacturing
Primary Location(s): Westlake Village
Net Increase of Full-Time Employees: 19
Investment: \$1,062,500
Amount of Tax Credit: \$150,000
Link to Tax Credit Agreement: <http://bit.ly/PackItLLC>



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46. Meritek Electronics Corporation
Industry: Electrical Component Manufacturing
Primary Location(s): Baldwin Park
Net Increase of Full-Time Employees: 7
Investment: \$506,000
Amount of Tax Credit: \$150,000
Link to Tax Credit Agreement: <http://bit.ly/MeritekElectronics>
47. Sentek Consulting, Inc.
Industry: Cyber Security Consulting & Services
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 30
Investment: \$0
Amount of Tax Credit: \$125,000
Link to Tax Credit Agreement: <http://bit.ly/SentekConsulting>
48. Saggezza, Inc.
Industry: Software Development
Primary Location(s): Santa Clara
Net Increase of Full-Time Employees: 27
Investment: \$1,279,932
Amount of Tax Credit: \$125,000
Link to Tax Credit Agreement: <http://bit.ly/Saggezza>
49. Emerald Site Services, Inc.
Industry: Commercial & Residential Erosion Control
Primary Location(s): Sacramento and Elk Grove
Net Increase of Full-Time Employees: 23
Investment: \$5,900,000
Amount of Tax Credit: \$110,000
Link to Tax Credit Agreement: <http://bit.ly/EmeraldSiteServices>
50. North State Electrical Contractors, Inc.
Industry: Electrical Contracting
Primary Location(s): Rancho Cordova
Net Increase of Full-Time Employees: 62
Investment: \$350,000
Amount of Tax Credit: \$110,000
Link to Tax Credit Agreement: <http://bit.ly/NorthStateElectricalContractors>



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51. KPI Logistics, Inc.
Industry: Freight Transportation Logistics Services
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 14
Investment: \$130,000
Amount of Tax Credit: \$100,000
Link to Tax Credit Agreement: <http://bit.ly/KPILogistics>
52. PCI Holding Company, Inc.
Industry: Liquid and Gaseous Oxygen Manufacturing
Primary Location(s): Riverside
Net Increase of Full-Time Employees: 30
Investment: \$2,630,000
Amount of Tax Credit: \$90,000
Link to Tax Credit Agreement: <http://bit.ly/PCIHoldingCompany>
53. MACH Energy
Industry: Software Development
Primary Location(s): Oakland
Net Increase of Full-Time Employees: 7
Investment: \$25,000
Amount of Tax Credit: \$75,000
Link to Tax Credit Agreement: <http://bit.ly/MACHEnergy>
54. Western Saw Manufacturers, Inc.
Industry: Tool Manufacturing
Primary Location(s): Oxnard
Net Increase of Full-Time Employees: 13
Investment: \$4,181,000
Amount of Tax Credit: \$70,000
Link to Tax Credit Agreement: <http://bit.ly/WesternSaw>
55. Tomlin Scientific, Inc.
Industry: Lubrication & Grease Manufacturing
Primary Location(s): Buena Park
Net Increase of Full-Time Employees: 7
Investment: \$2,125,000
Amount of Tax Credit: \$60,000
Link to Tax Credit Agreement: <http://bit.ly/TomlinScientific>



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56. PJY, Inc. dba Intimo Industry
Industry: Clothing & Garment Manufacturing
Primary Location(s): Vernon
Net Increase of Full-Time Employees: 19
Investment: \$2,500,000
Amount of Tax Credit: \$45,000
Link to Tax Credit Agreement: <http://bit.ly/IntimoIndustry>
57. Southwestern Industries, Inc.
Industry: Industrial Machinery Manufacturing
Primary Location(s): Rancho Dominguez
Net Increase of Full-Time Employees: 5
Investment: \$850,000
Amount of Tax Credit: \$45,000
Link to Tax Credit Agreement: <http://bit.ly/SouthwesternIndustries>
58. Circuit Services LLC
Industry: Electrical Component Manufacturing
Primary Location(s): Northridge and Chatsworth
Net Increase of Full-Time Employees: 20
Investment: \$1,100,000
Amount of Tax Credit: \$45,000
Link to Tax Credit Agreement: <http://bit.ly/CircuitServices>
59. L-Acoustics, Inc.
Industry: Audio Speaker Manufacturing
Primary Location(s): Camarillo and Thousand Oaks
Net Increase of Full-Time Employees: 9
Investment: \$2,432,566
Amount of Tax Credit: \$45,000
Link to Tax Credit Agreement: <http://bit.ly/L-Acoustics>
60. Modern-Aire Ventilating, Inc.
Industry: Metal Products Manufacturing
Primary Location(s): North Hollywood
Net Increase of Full-Time Employees: 14
Investment: \$1,907,511
Amount of Tax Credit: \$40,000
Link to Tax Credit Agreement: <http://bit.ly/ModernAire>



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61. Williams + Paddon/Architects + Planners, Inc.
Industry: Architectural Services
Primary Location(s): Sacramento and Roseville
Net Increase of Full-Time Employees: 22
Investment: \$364,450
Amount of Tax Credit: \$40,000
Link to Tax Credit Agreement: <http://bit.ly/WilliamsPaddon>
62. Escape Technology
Industry: Software Development
Primary Location(s): Roseville
Net Increase of Full-Time Employees: 19
Investment: \$575,000
Amount of Tax Credit: \$39,000
Link to Tax Credit Agreement: <http://bit.ly/EscapeTechnology>
63. CIMC Reefer Trailer, Inc.
Industry: Trailer Manufacturer
Primary Location(s): Moreno Valley
Net Increase of Full-Time Employees: 7
Investment: \$2,000,000
Amount of Tax Credit: \$35,000
Link to Tax Credit Agreement: <http://bit.ly/CIMCReeferTrailer>
64. Elite Power, Inc.
Industry: Electrical Contracting
Primary Location(s): Sacramento
Net Increase of Full-Time Employees: 8
Investment: \$700,000
Amount of Tax Credit: \$25,000
Link to Tax Credit Agreement: <http://bit.ly/ElitePowerInc>
65. Climate Control, Inc.
Industry: Heating and Air-Conditioning Installation and Repair Services
Primary Location(s): Sacramento
Net Increase of Full-Time Employees: 6
Investment: \$205,000
Amount of Tax Credit: \$20,000
Link to Tax Credit Agreement: <http://bit.ly/ClimateControllnc>



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- 66. Solterra Lighting, Inc.
 Industry: Commercial Lighting Wholesaler
 Primary Location(s): Carlsbad
 Net Increase of Full-Time Employees: 9
 Investment: \$41,000
 Amount of Tax Credit: \$20,000
 Link to Tax Credit Agreement: <http://bit.ly/SolterraLighting>

- 67. Wilmington Instrument Co.
 Industry: Diagnostic Test Equipment & Services
 Primary Location(s): Wilmington
 Net Increase of Full-Time Employees: 5
 Investment: \$220,000
 Amount of Tax Credit: \$20,000
 Link to Tax Credit Agreement: <http://bit.ly/WilmingtonInstruments>

- 68. MW McWong International, Inc.
 Industry: Commercial LED Lighting Manufacturing
 Primary Location(s): Sacramento
 Net Increase of Full-Time Employees: 10
 Investment: \$260,000
 Amount of Tax Credit: \$20,000
 Link to Tax Credit Agreement: <http://bit.ly/MWMcWong>

E. Discussion and Approval of California Competes Tax Credit Agreements with Small Businesses

Total Recommended Tax Credits: \$14,005,560
Total Recommended Tax Credits after Adjusting for S-Corporation Law²: \$14,768,080

- 1. Magic Leap, Inc.
 Industry: 3D Technology Development
 Primary Location(s): Mountain View and Santa Monica
 Net Increase of Full-Time Employees: 141
 Investment: \$6,149,915
 Amount of Tax Credit: \$3,300,000
 Link to Tax Credit Agreement: <http://bit.ly/MagicLeapInc>

² One-third of the California Competes Tax Credit may be utilized by an S-Corporation to offset the tax on net income at the S-Corporation level (R&TC §23803(a)(1)). The remaining two-thirds is disregarded and may not be used as a carryover for the S-Corporation (R&TC §23803(a)(2)(A)). However, the full amount of the California Competes Tax Credit is also passed through to the S-Corporation's shareholders (R&TC §23803(a)(2)(F)).



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2. Figtree Company, Inc.
Industry: Commercial & Residential Lending
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 197
Investment: \$9,206,979
Amount of Tax Credit: \$1,950,000
Link to Tax Credit Agreement: <http://bit.ly/FigtreeCompany>

3. Pride Resource Partners LLC
Industry: Architectural and Engineering Consulting Services
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 251
Investment: \$12,750,000
Amount of Tax Credit: \$1,800,000
Link to Tax Credit Agreement: <http://bit.ly/PrideResourcePartners>

4. WISErg Corporation
Industry: Organic Waste Collection & Composting
Primary Location(s): Colton
Net Increase of Full-Time Employees: 159
Investment: \$14,000,000
Amount of Tax Credit: \$1,500,000
Link to Tax Credit Agreement: <http://bit.ly/WISErgCorporation>

5. LeapYear Technologies, Inc.
Industry: Software Development
Primary Location(s): Berkeley
Net Increase of Full-Time Employees: 47
Investment: \$192,800
Amount of Tax Credit: \$900,000
Link to Tax Credit Agreement: <http://bit.ly/LeapYearTechnologies>

6. BevMD, Inc.
Industry: Beverage Manufacturing
Primary Location(s): Encinitas
Net Increase of Full-Time Employees: 24
Investment: \$2,300,000
Amount of Tax Credit: \$600,000
Link to Tax Credit Agreement: <http://bit.ly/BevMD>



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7. Once Upon a Farm LLC
Industry: Food Processing
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 30
Investment: \$140,000
Amount of Tax Credit: \$530,000
Link to Tax Credit Agreement: <http://bit.ly/OnceUponAFarm>

8. Badass Brand, Inc.
Industry: Personal Care Product Manufacturing
Primary Location(s): El Dorado Hills
Net Increase of Full-Time Employees: 19
Investment: \$1,375,000
Amount of Tax Credit: \$425,000
Link to Tax Credit Agreement: <http://bit.ly/BadassBrand>

9. Datastream IT
Industry: Information Technology Consulting & Data Center Management
Primary Location(s): Glendale
Net Increase of Full-Time Employees: 21
Investment: \$480,000
Amount of Tax Credit: \$400,000
Link to Tax Credit Agreement: <http://bit.ly/DatastreamIT>

10. ObjectSecurity LLC
Industry: Cyber Security Consulting & Services
Primary Location(s): San Diego
Net Increase of Full-Time Employees: 14
Investment: \$35,000
Amount of Tax Credit: \$280,000
Link to Tax Credit Agreement: <http://bit.ly/ObjectSecurityLLC>

11. Digital Deployment, Inc.
Industry: Web Development Services
Primary Location(s): Sacramento
Net Increase of Full-Time Employees: 18
Investment: \$50,000
Amount of Tax Credit: \$250,000
Link to Tax Credit Agreement: <http://bit.ly/DigitalDeployment>



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12. Freedom Insurance Services, Inc.
Industry: Insurance Agencies & Brokerages
Primary Location(s): San Luis Obispo
Net Increase of Full-Time Employees: 36
Investment: \$75,001
Amount of Tax Credit: \$210,560
Link to Tax Credit Agreement: <http://bit.ly/FreedomInsuranceServices>
13. Echo Summit Construction, Inc.
Industry: Commercial Construction
Primary Location(s): San Francisco
Net Increase of Full-Time Employees: 9
Investment: \$150,000
Amount of Tax Credit: \$200,000
Link to Tax Credit Agreement: <http://bit.ly/EchoSummit>
14. Citrus Escrow, Inc.
Industry: Title & Escrow Offices
Primary Location(s): Moreno Valley
Net Increase of Full-Time Employees: 8
Investment: \$92,000
Amount of Tax Credit: \$200,000
Link to Tax Credit Agreement: <http://bit.ly/CitrusEscrow>
15. Arrow Micro Corp.
Industry: Information Technology Services
Primary Location(s): La Mirada
Net Increase of Full-Time Employees: 8
Investment: \$113,000
Amount of Tax Credit: \$160,000
Link to Tax Credit Agreement: <http://bit.ly/ArrowMicro>
16. Brookey & Company, Inc.
Industry: Management Consulting Services
Primary Location(s): Encinitas and San Diego
Net Increase of Full-Time Employees: 16
Investment: \$138,551
Amount of Tax Credit: \$125,000
Link to Tax Credit Agreement: <http://bit.ly/BrookeyandCompany>



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17. Vista Valuations LLC
Industry: Industrial Real Estate Appraisers
Primary Location(s): Sacramento
Net Increase of Full-Time Employees: 6
Investment: \$25,000
Amount of Tax Credit: \$120,000
Link to Tax Credit Agreement: <http://bit.ly/VistaValuations>

18. Brett E. Gottlieb, dba Comprehensive Advisor
Industry: Financial Planning & Management Services
Primary Location(s): Carlsbad
Net Increase of Full-Time Employees: 8
Investment: \$125,000
Amount of Tax Credit: \$100,000
Link to Tax Credit Agreement: <http://bit.ly/BrettEGottlieb>

19. Globizz Corporation
Industry: Business Management Consulting Services
Primary Location(s): Gardena
Net Increase of Full-Time Employees: 10
Investment: \$65,000
Amount of Tax Credit: \$100,000
Link to Tax Credit Agreement: <http://bit.ly/Globizz>

20. Iris Cheng dba JC Accountancy
Industry: Accounting Services
Primary Location(s): Torrance
Net Increase of Full-Time Employees: 4
Investment: \$10,000
Amount of Tax Credit: \$90,000
Link to Tax Credit Agreement: <http://bit.ly/JCAccountancy>

21. Formachelli, Inc.
Industry: Information Technology Services
Primary Location(s): Napa
Net Increase of Full-Time Employees: 4
Investment: \$100,600
Amount of Tax Credit: \$75,000
Link to Tax Credit Agreement: <http://bit.ly/Formachelli>



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22. S & S Metal Fabrication, Inc.
Industry: Metal Parts & Equipment Manufacturing
Primary Location(s): Kingsburg
Net Increase of Full-Time Employees: 4
Investment: \$740,000
Amount of Tax Credit: \$75,000
Link to Tax Credit Agreement: <http://bit.ly/SandSMetalFabrication>
23. Engineered Source, Inc.
Industry: Aerospace and Solar Component Wholesaler
Primary Location(s): Santa Ana
Net Increase of Full-Time Employees: 4
Investment: \$1,100,300
Amount of Tax Credit: \$75,000
Link to Tax Credit Agreement: <http://bit.ly/EngineeredSource>
24. C.D. Lyon, Inc.
Industry: General Contracting
Primary Location(s): Santa Maria and Ventura
Net Increase of Full-Time Employees: 19
Investment: \$20,000
Amount of Tax Credit: \$70,000
Link to Tax Credit Agreement: <http://bit.ly/CDLyon>
25. Backseat Driver & Associates, Inc.
Industry: Educational On-line Services
Primary Location(s): Granite Bay
Net Increase of Full-Time Employees: 3
Investment: \$64,400
Amount of Tax Credit: \$65,000
Link to Tax Credit Agreement: <http://bit.ly/BackseatDriver>
26. Barnett Technical Services LLC
Industry: Scientific & Technical Consulting Services
Primary Location(s): Elk Grove
Net Increase of Full-Time Employees: 3
Investment: \$10,000
Amount of Tax Credit: \$60,000
Link to Tax Credit Agreement: <http://bit.ly/BarnettTechnical>



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27. CSAI Auto Service LLC
Industry: Automotive Repair
Primary Location(s): Riverside
Net Increase of Full-Time Employees: 3
Investment: \$812,000
Amount of Tax Credit: \$60,000
Link to Tax Credit Agreement: <http://bit.ly/CSAIAutoService>
28. Clouse Insurance Agency
Industry: Insurance Agencies & Brokerages
Primary Location(s): Orangevale
Net Increase of Full-Time Employees: 3
Investment: \$50,000
Amount of Tax Credit: \$50,000
Link to Tax Credit Agreement: <http://bit.ly/ClouseInsurance>
29. Ten Tech LLC
Industry: Mechanical Engineering Consulting Services
Primary Location(s): Los Angeles
Net Increase of Full-Time Employees: 4
Investment: \$300,000
Amount of Tax Credit: \$50,000
Link to Tax Credit Agreement: <http://bit.ly/TenTechLLC>
30. Bellfx LLC
Industry: Film Property Design & Manufacturing
Primary Location(s): San Fernando
Net Increase of Full-Time Employees: 3
Investment: \$240,000
Amount of Tax Credit: \$40,000
Link to Tax Credit Agreement: <http://bit.ly/Bellfx>
31. Empower Energy, Inc.
Industry: Battery Assembly and Recycling
Primary Location(s): Emeryville, Hayward, Redwood City, and Union City
Net Increase of Full-Time Employees: 4
Investment: \$1,492,000
Amount of Tax Credit: \$38,000
Link to Tax Credit Agreement: <http://bit.ly/EmpowerEnergy>



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- 32. Alice Berger Contreras
 Industry: Accounting Services
 Primary Location(s): Merced
 Net Increase of Full-Time Employees: 3
 Investment: \$10,000
 Amount of Tax Credit: \$40,000
 Link to Tax Credit Agreement: <http://bit.ly/AliceBergerContreras>

- 33. Strato Communications, Inc.
 Industry: Information Technology Services
 Primary Location(s): Sacramento and Rancho Cordova
 Net Increase of Full-Time Employees: 9
 Investment: \$581,000
 Amount of Tax Credit: \$25,000
 Link to Tax Credit Agreement: <http://bit.ly/StratoCommunications>

- 34. Miner Financial & Insurance
 Industry: Financial & Insurance Services
 Primary Location(s): Gold River
 Net Increase of Full-Time Employees: 3
 Investment: \$11,000
 Amount of Tax Credit: \$22,000
 Link to Tax Credit Agreement: <http://bit.ly/MinerFinancialInsurance>

- 35. Daniel Dubois CPA & Company, Inc.
 Industry: Accounting Services
 Primary Location(s): Aliso Viejo
 Net Increase of Full-Time Employees: 2
 Investment: \$75,000
 Amount of Tax Credit: \$20,000
 Link to Tax Credit Agreement: <http://bit.ly/DanielDubois>

F. Discussion and Approval of Recommendations for California Competes Tax Credit Agreement Termination and Credit Recapture

Total Tax Credits Recommended to be Recaptured:	\$1,000,000
Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law³:	\$1,000,000

³ One-third of the California Competes Tax Credit may be utilized by an S-Corporation to offset the tax on net income at the S-Corporation level (R&TC §23803(a)(1)). The remaining two-thirds is disregarded and may not be used as a carryover for the S-Corporation (R&TC §23803(a)(2)(A)). However, the full amount of the California Competes Tax Credit is also passed through to the S-Corporation's shareholders (R&TC §23803(a)(2)(F)).



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- 1. Novartis Pharmaceuticals Corp.
 Industry: Pharmaceutical Manufacturing
 Primary Location(s): San Carlos
 Amount of Tax Credit Awarded: \$1,000,000
 Amount of Tax Credit to be Recaptured: \$1,000,000
 Link to Tax Credit Agreement to be Terminated: <http://bit.ly/1tZgRPN>
 Reason for Agreement Termination and Credit Recapture:

Novartis Pharmaceuticals Corp. has indicated that it will not be carrying out its business as contemplated in its approved California Competes Tax Credit agreement and has requested the termination of its agreement to allow the credit to be made available to other California businesses.

G. Public Comment

H. Other Non-Action Business

I. Adjournment

The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon the request of the California Competes Tax Credit Committee Chair or Committee Members. This notice and agenda can be obtained at: www.business.ca.gov/CalCompetes.aspx. For additional information regarding this notice and agenda, please contact Scott Dosick, Assistant Deputy Director, at 916-322-0676 or scott.dosick@gov.ca.gov. The Governor's Office of Business and Economic Development complies with the Americans with Disabilities Act by ensuring that the facilities are accessible to persons with disabilities, and by providing this notice and agenda and related information in alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact Scott Dosick no later than five calendar days before the meeting.