

CALIFORNIA
GOVERNOR'S OFFICE OF BUSINESS AND
ECONOMIC DEVELOPMENT

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California Competes

Committee Meeting

Thursday, June 12, 2025, 1:00 p.m.

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

And (via teleconference)

California Department of Transportation - District 7
100 S Main Street, Ocean Room 01.037, Los Angeles, CA 90012

And (via teleconference)

Jobs to Move America
525 South Hewitt Street, Los Angeles, CA 90013

The meeting will also be available for viewing only, with no
option for public comment, via live stream at:

https://us02web.zoom.us/webinar/register/WN_utv7ihtuS8KgOU3rEot5kA

MEMBERS:

Dee Dee Myers, *Chair*
Director
*Governor's Office of
Business and Economic
Development*

Fiona Ma
State Treasurer

Joe Stephenshaw, *Director*
Department of Finance

Todd Walters, *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 May 1, 2025, Committee Meeting

C. Deputy Director's Report

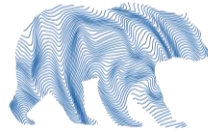
- Agenda Overview - Agreements with 5 Businesses, Total Tax Credits: \$29,344,000

D. Discussion and Approval of California Competes Tax Credit Agreements

Total Recommended Tax Credits: \$29,344,000

Total Recommended Tax Credits after Adjusting for S-Corporation Law¹: \$34,010,667

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)).



1. Le Vecke Corporation
Industry: Beverage Manufacturing
Primary Location(s): Jurupa Valley
Employee Net Increase: 224
Investment: \$30,000,000
Amount of Tax Credit: \$11,000,000
[Link to Tax Credit Agreement](#)

2. RIS Rx LLC
Industry: Software Development
Primary Location(s): Newport Beach
Employee Net Increase: 453
Investment: \$3,967,020
Amount of Tax Credit: \$10,000,000
[Link to Tax Credit Agreement](#)

3. Nextracker LLC
Industry: Solar Product Design and Assembly
Primary Location(s): Fremont
Employee Net Increase: 255
Investment: \$32,643,522
Amount of Tax Credit: \$4,500,000
[Link to Tax Credit Agreement](#)

4. A.S. Aerospace, Inc.
Industry: Aerospace Component Manufacturing
Primary Location(s): Palmdale and Santa Clarita
Employee Net Increase: 137
Investment: \$19,100,000
Amount of Tax Credit: \$3,000,000
[Link to Tax Credit Agreement](#)



5. EVO Power USA, Inc.

Industry: Battery Energy Storage System Assembly

Primary Location(s): Rancho Santa Margarita

Employee Net Increase: 18

Investment: \$1,219,310

Amount of Tax Credit: \$844,000

[Link to Tax Credit Agreement](#)

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E. Discussion and Approval of Recommendations for California Competes Tax Credit Recapture

Total Tax Credits Recommended to be Recaptured: **\$74,266,000**

**Total Tax Credits Recommended to be Recaptured after
Adjusting for S-Corporation Law²:** **\$74,701,333**

1. VinFast Dealer San Francisco #1 LLC

Industry: Electric Vehicle Manufacturing Headquarters and Sales

Primary Location(s): Los Angeles, Irvine, Unknown

Amount of Tax Credit Awarded: \$20,500,000

Amount of Tax Credit Recaptured: \$20,500,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

VinFast Dealer San Francisco #1 LLC 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.

2. Cue Health, Inc.

Industry: Medical Device Manufacturing

Primary Location(s): San Diego

Amount of Tax Credit Awarded: \$20,000,000

Amount of Tax Credit Recaptured: \$20,000,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

GO-Biz has determined that Cue Health, Inc. is in material breach of the Agreement. Accordingly, GO-Biz recommends that the CCTC Committee terminate the Agreement between GO-Biz and Cue Health, Inc. and recapture its CCTC.

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)).



3. Cepheid

Industry: Diagnostic Test Manufacturing

Primary Location(s): Lodi and Santa Clara County

Amount of Tax Credit Awarded: \$20,000,000

Amount of Tax Credit Recaptured: \$11,000,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Cepheid's California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

4. DesertXpress Enterprises LLC

Industry: High Speed Rail Construction & Operation

Primary Location(s): Victorville or Apple Valley

Amount of Tax Credit Awarded: \$10,000,000

Amount of Tax Credit Recaptured: \$10,000,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

DesertXpress Enterprises LLC's California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.



5. Allogene Therapeutics, Inc.

Industry: Biotechnology Research and Development

Primary Location(s): South San Francisco, Alameda, Fremont, Milpitas, Newark

Amount of Tax Credit Awarded: \$9,000,000

Amount of Tax Credit Recaptured: \$3,000,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Allogene Therapeutics, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2022 tax year. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses.

6. CTC Global Corporation

Industry: Electricity Conductor Engineering and Manufacturing

Primary Location(s): Irvine and Santa Ana

Amount of Tax Credit Awarded: \$5,000,000

Amount of Tax Credit Recaptured: \$2,500,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

CTC Global Corporation's California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.



7. Fortress North America, Inc.

Industry: Fire Suppression and Flood Containment Product Manufacturing

Primary Location(s): Rocklin and Unknown

Amount of Tax Credit Awarded: \$2,400,000

Amount of Tax Credit Recaptured: \$2,380,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Fortress North America, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

8. L3Harris Applied Technologies, Inc. (L3 Applied Technologies, Inc)

Industry: Defense Contracting

Primary Location(s): San Leandro

Amount of Tax Credit Awarded: \$1,500,000

Amount of Tax Credit Recaptured: \$1,500,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

L3Harris Applied Technologies, Inc. (L3 Applied Technologies, Inc) 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.



9. 3DEO, Inc.

Industry: 3D Steel Print Manufacturing

Primary Location(s): Gardena or Torrance

Amount of Tax Credit Awarded: \$800,000

Amount of Tax Credit Recaptured: \$800,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

3DEO, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

10. Precision Medical Products, Inc.

Industry: Medical Device Manufacturing

Primary Location(s): Rocklin and Sacramento

Amount of Tax Credit Awarded: \$950,000

Amount of Tax Credit Recaptured: \$760,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Precision Medical Products, Inc. 's California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.



11. PKL Services, Inc.

Industry: Aircraft Maintenance

Primary Location(s): Poway

Amount of Tax Credit Awarded: \$2,500,000

Amount of Tax Credit Recaptured: \$550,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

PKL Services, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

12. Vision Fine Foods LLC (2nd Award)

Industry: Production of Packaged Bakery Goods

Primary Location(s): Stockton

Amount of Tax Credit Awarded: \$850,000

Amount of Tax Credit Recaptured: \$350,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Vision Fine Foods LLC (2nd Award)'s California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.



13. I.P.S. Group, Inc.

Industry: Parking Meter Technology, Design, and Manufacturing

Primary Location(s): San Diego

Amount of Tax Credit Awarded: \$500,000

Amount of Tax Credit Recaptured: \$300,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

I.P.S. Group, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2020 tax year which was the final year to achieve the milestones and claim any corresponding credit. The Franchise Tax Board has determined that the business did not achieve or maintain some or all of its milestones for years in which it was previously approved to claim the credit. Any credit not earned by the completion of the agreement or not maintained for three subsequent years after the year in which the milestones are achieved must be recaptured in order to be made available to other California businesses.

14. Watsonville Auto Body, Inc.

Industry: Automotive Repair

Primary Location(s): Salinas, Santa Cruz, Monterey, Freedom

Amount of Tax Credit Awarded: \$280,000

Amount of Tax Credit Recaptured: \$280,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

GO-Biz has determined that Watsonville Auto Body, Inc. is in material breach of the Agreement. Accordingly, GO-Biz recommends that the CCTC Committee terminate the Agreement between GO-Biz and Watsonville Auto Body, Inc. and recapture its CCTC.



15. Worksters, Inc.

Industry: Information and Data Evaluation Services

Primary Location(s): San Diego

Amount of Tax Credit Awarded: \$130,000

Amount of Tax Credit Recaptured: \$130,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Worksters, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

16. Thermal Equipment Corporation

Industry: Autoclave Manufacturing

Primary Location(s): Rancho Dominguez

Amount of Tax Credit Awarded: \$450,000

Amount of Tax Credit Recaptured: \$105,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Thermal Equipment Corporation's California Competes Tax Credit Agreement expired at the end of its 2024 tax year which was the final year to achieve the milestones and claim any corresponding credit. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.



17. Hodo, Inc.

Industry: Food Manufacturing

Primary Location(s): Sacramento and Oakland

Amount of Tax Credit Awarded: \$400,000

Amount of Tax Credit Recaptured: \$80,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Hodo, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2021 tax year. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses.

18. Excelsior, Inc. (Excelsior Metals, Inc.)

Industry: Fabricated Metal Product Manufacturing

Primary Location(s): Fresno

Amount of Tax Credit Awarded: \$135,000

Amount of Tax Credit Recaptured: \$27,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Excelsior, Inc. (Excelsior Metals, Inc.)'s California Competes Tax Credit Agreement expired at the end of its 2021 tax year. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses.



19. Sandwich Video, Inc.

Industry: Online Commercial Production

Primary Location(s): Los Angeles

Amount of Tax Credit Awarded: \$20,000

Amount of Tax Credit Recaptured: \$4,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Sandwich Video, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2019 tax year which was the final year to achieve the milestones and claim any corresponding credit. The Franchise Tax Board has determined that the business did not achieve or maintain some or all of its milestones for years in which it was previously approved to claim the credit. Any credit not earned by the completion of the agreement or not maintained for three subsequent years after the year in which the milestones are achieved must be recaptured in order to be made available to other California businesses.

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

Total Recommended Tax Credits to be Recaptured:	\$1,873,000
Total Recommended Tax Credits to be Recaptured after Adjusting for S-Corporation Law³:	\$1,955,667

1. Wonderstorm, Inc.

Industry: Online Video Game Development

Primary Location(s): El Segundo

Amount of Tax Credit Awarded: \$2,100,000

Previous Amount of Tax Credit Recaptured: \$325,000

Additional Amount of Tax Credit Recaptured: \$1,450,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Wonderstorm, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2022 tax year which was the final year to achieve the milestones and claim any corresponding credit. On June 15, 2023, the Committee recaptured \$325,000. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses. Accordingly, GO-Biz recommends that the CCTC Committee recapture \$1,450,000.

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)).



2. King Shock Technology, Inc.

Industry: Automotive Parts Manufacturing

Primary Location(s): Garden Grove

Amount of Tax Credit Awarded: \$750,000

Previous Amount of Tax Credit Recaptured: \$320,000

Additional Amount of Tax Credit Recaptured: \$200,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

King Shock Technology, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2021 tax year which was the final year to achieve the milestones and claim any corresponding credit. On November 16, 2023, the Committee recaptured \$320,000. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses. Accordingly, GO-Biz recommends that the CCTC Committee recapture \$200,000.

3. Enviro Tech Chemical Services, Inc.

Industry: Chemical Manufacturing

Primary Location(s): Modesto

Amount of Tax Credit Awarded: \$400,000

Previous Amount of Tax Credit Recaptured: \$240,000

Additional Amount of Tax Credit Recaptured: \$160,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Enviro Tech Chemical Services, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2021 tax year which was the final year to achieve the milestones and claim any corresponding credit. On November 14, 2024, the Committee recaptured \$240,000. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses. Accordingly, GO-Biz recommends that the CCTC Committee recapture \$160,000.



4. Hilbers, Inc.

Industry: Commercial and Institutional Building Construction

Primary Location(s): Yuba City

Amount of Tax Credit Awarded: \$120,000

Previous Amount of Tax Credit Recaptured: \$48,000

Additional Amount of Tax Credit Recaptured: \$48,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Hilbers, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2020 tax year which was the final year to achieve the milestones and claim any corresponding credit. On November 16, 2023, the Committee recaptured \$48,000. The Franchise Tax Board has determined that the business did not achieve or maintain some or all of its milestones for years in which it was previously approved to claim the credit. Any credit not earned by the completion of the agreement or not maintained for three subsequent years after the year in which the milestones are achieved must be recaptured in order to be made available to other California businesses. Accordingly, GO-Biz recommends that the CCTC Committee recapture the \$48,000.

5. Charlie Marano

Industry: Graphic Design Services

Primary Location(s): Sacramento

Amount of Tax Credit Awarded: \$75,000

Previous Amount of Tax Credit Recaptured: \$45,000

Additional Amount of Tax Credit Recaptured: \$15,000

[Link to Tax Credit Agreement to be Recaptured](#)

Reason for Credit Recapture:

Charlie Marano's California Competes Tax Credit Agreement expired at the end of its 2021 tax year which was the final year to achieve the milestones and claim any corresponding credit. On November 17, 2022, the Committee recaptured \$45,000. Any credit not maintained for three subsequent years after the year in which the milestones are achieved is subject to recapture in order to be made available to other California businesses. Accordingly, GO-Biz recommends that the CCTC Committee recapture \$15,000.



G. Public Comment

H. 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 Jee Liyanage, Assistant Deputy Director, at 916-322-2669 or jeevani.liyanage@gobiz.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 Jee Liyanage no later than five calendar days before the meeting.