OPEN SESSION

A. Call to Order and Roll Call

B. Approval of Minutes from April 21, 2022, Committee Meeting

C. Deputy Director’s Report

   - Agenda Overview – Agreements with 16 Businesses, Total Tax Credits $178,257,469

D. Discussion and Approval of California Competes Tax Credit Agreements

   Total Recommended Tax Credits: $175,957,469
   Total Recommended Tax Credits after Adjusting for S-Corporation Law¹: $178,257,469

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. Relativity Space, Inc.
   Industry: Aerospace Research and Development and Manufacturing
   Primary Location(s): Long Beach and Lompoc
   Employee Net Increase: 1,044
   Aggregate Investment: $100,000,000
   Amount of Tax Credit: $30,712,469
   Link to Tax Credit Agreement

2. Discord, Inc.
   Industry: Online Communications Service Provider
   Primary Location(s): San Francisco
   Employee Net Increase: 1,434
   Aggregate Investment: $85,000,000
   Amount of Tax Credit: $27,900,000
   Link to Tax Credit Agreement

3. Microsoft Corporation
   Industry: Software Development
   Primary Location(s): Mountain View, Carpinteria, Irvine, San Francisco, Sunnyvale
   Employee Net Increase: 1,789
   Aggregate Investment: $400,000,000
   Amount of Tax Credit: $25,650,000
   Link to Tax Credit Agreement

4. Astra Space Operations, Inc.
   Industry: Aerospace Research and Development and Manufacturing
   Primary Location(s): Alameda, Fairfield, Vandenberg Air Force Base
   Employee Net Increase: 664
   Aggregate Investment: $300,000,000
   Amount of Tax Credit: $25,000,000
   Link to Tax Credit Agreement

5. Epirus, Inc.
   Industry: Power Efficiency Hardware and Software Development
   Primary Location(s): Torrance, Hawthorne, and Unknown
   Employee Net Increase: 603
   Aggregate Investment: $36,300,000
   Amount of Tax Credit: $20,000,000
   Link to Tax Credit Agreement
6. USWTE-CA1 LLC
   Industry: Recycled Plastic and Rubber Biofuel Manufacturing
   Primary Location(s): Redding, Adelanto, Unknown
   Employee Net Increase: 383
   Aggregate Investment: $610,500,000
   Amount of Tax Credit: $15,000,000
   Link to Tax Credit Agreement

7. Luminous Computing, Inc.
   Industry: Semiconductor Engineering and Manufacturing
   Primary Location(s): Santa Clara
   Employee Net Increase: 895
   Aggregate Investment: $108,600,000
   Amount of Tax Credit: $13,000,000
   Link to Tax Credit Agreement

8. System1 OpCo LLC
   Industry: Online Advertising
   Primary Location(s): Marina Del Rey
   Employee Net Increase: 197
   Aggregate Investment: $7,000,000
   Amount of Tax Credit: $5,500,000
   Link to Tax Credit Agreement

9. Convoso, Inc.
   Industry: Software Development
   Primary Location(s): Los Angeles County and Woodland Hills
   Employee Net Increase: 195
   Aggregate Investment: $5,650,000
   Amount of Tax Credit: $2,400,000
   Link to Tax Credit Agreement

10. Fireclay Tile, Inc.
    Industry: Glass, Tile, and Brick Manufacturing
    Primary Location(s): Aromas
    Employee Net Increase: 148
    Aggregate Investment: $18,535,000
    Amount of Tax Credit: $2,000,000
    Link to Tax Credit Agreement
   Industry: Commercial Algae Farm
   Primary Location(s): Shandon
   Employee Net Increase: 52
   Aggregate Investment: $46,169,849
   Amount of Tax Credit: $2,000,000
   Link to Tax Credit Agreement

12. Re-Match USA, Inc.
   Industry: Artificial Turf Recycling
   Primary Location(s): Unknown
   Employee Net Increase: 44
   Aggregate Investment: $40,500,000
   Amount of Tax Credit: $2,000,000
   Link to Tax Credit Agreement

13. Response Envelope, Inc.
   Industry: Paper Straw and Envelope Manufacturing
   Primary Location(s): Ontario
   Employee Net Increase: 35
   Aggregate Investment: $10,000,000
   Amount of Tax Credit: $1,500,000
   Link to Tax Credit Agreement

14. Communaute LLC
   Industry: Apparel Design and Manufacturing
   Primary Location(s): Van Nuys and Los Angeles
   Employee Net Increase: 101
   Aggregate Investment: $3,800,000
   Amount of Tax Credit: $1,325,000
   Link to Tax Credit Agreement

15. Golden State Foods Corp.
   Industry: Food Manufacturing
   Primary Location(s): City Of Industry
   Employee Net Increase: 29
   Aggregate Investment: $10,000,000
   Amount of Tax Credit: $1,000,000
   Link to Tax Credit Agreement
16. Hanger, Inc.
   Industry: Prosthetics Manufacturing
   Primary Location(s): Fresno and Westminster
   Employee Net Increase: 25
   Aggregate Investment: $3,750,000
   Amount of Tax Credit: $970,000
   Link to Tax Credit Agreement

Remainder of this page is intentionally left blank.
E. Discussion and Approval of Recommendations for California Competes Tax Credit Recapture

Total Tax Credits Recommended to be Recaptured: $23,281,100

Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law\(^2\): $24,225,600

1. Magic Leap, Inc.
   Industry: 3D Technology Development
   Primary Location(s): Mountain View and Santa Monica
   Amount of Tax Credit Awarded: $3,300,000
   Amount of Tax Credit Recaptured: $3,300,000
   [Link to Tax Credit Agreement to be Recaptured](#)
   Reason for Credit Recapture:

   Magic Leap, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

2. NuVasive, Inc.
   Industry: Medical Device Manufacturing
   Primary Location(s): San Diego
   Amount of Tax Credit Awarded: $3,000,000
   Amount of Tax Credit Recaptured: $2,400,000
   [Link to Tax Credit Agreement to be Recaptured](#)
   Reason for Credit Recapture:

   NuVasive, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

---

\(^2\) 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. The Trade Desk, Inc.
   Industry: Software Development
   Primary Location(s): Ventura
   Amount of Tax Credit Awarded: $3,100,000
   Amount of Tax Credit Recaptured: $1,860,000
   **Link to Tax Credit Agreement to be Recaptured**
   Reason for Credit Recapture:

   The Trade Desk, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

4. Digital Map Products, Inc.
   Industry: Mapping Software Development
   Primary Location(s): Irvine
   Amount of Tax Credit Awarded: $1,690,000
   Amount of Tax Credit Recaptured: $1,690,000
   **Link to Tax Credit Agreement to be Recaptured**
   Reason for Credit Recapture:

   Digital Map Products, 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.

5. Medidata Solutions, Inc.
   Industry: Research and Development in Biotechnology
   Primary Location(s): San Francisco
   Amount of Tax Credit Awarded: $2,000,000
   Amount of Tax Credit Recaptured: $1,600,000
   **Link to Tax Credit Agreement to be Recaptured**
   Reason for Credit Recapture:

   Medidata Solutions, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
6. Prolacta Bioscience, Inc.
   Industry: Biological Product Manufacturing
   Primary Location(s): Duarte, City of Industry, and Unknown
   Amount of Tax Credit Awarded: $2,000,000
   Amount of Tax Credit Recaptured: $1,600,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Prolacta Bioscience, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

7. Califia Farms LLC
   Industry: Beverage Manufacturing
   Primary Location(s): Bakersfield, Los Angeles, and Central Valley
   Amount of Tax Credit Awarded: $2,450,000
   Amount of Tax Credit Recaptured: $1,500,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Califia Farms LLC’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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

8. Procore Technologies, Inc.
   Industry: Software Developer
   Primary Location(s): Carpinteria, San Jose, and San Diego
   Amount of Tax Credit Awarded: $2,500,000
   Amount of Tax Credit Recaptured: $1,500,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Procore Technologies, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
9. Charge Bliss, Inc.
   Industry: Electric Systems Manufacturing and Installation Services
   Primary Location(s): Richmond and Carson
   Amount of Tax Credit Awarded: $1,250,000
   Amount of Tax Credit Recaptured: $1,250,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

Charge Bliss, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

10. Macy's.com LLC (Macy's.com, Inc.)
    Industry: E-Commerce Technology
    Primary Location(s): San Francisco
    Amount of Tax Credit Awarded: $1,000,000
    Amount of Tax Credit Recaptured: $1,000,000
    [Link to Tax Credit Agreement to be Recaptured]
    Reason for Credit Recapture:

GO-Biz has determined that Macy's.com LLC (Macy's.com, Inc.) is in material breach of the Agreement. Accordingly, GO-Biz recommends that the CCTC Committee terminate the Agreement between GO-Biz and Macy's.com LLC (Macy's.com, Inc.) and recapture its CCTC.

11. Teletrac Navman US Ltd.
    Industry: GPS Software Development and Integration
    Primary Location(s): Garden Grove and Pleasanton
    Amount of Tax Credit Awarded: $850,000
    Amount of Tax Credit Recaptured: $850,000
    [Link to Tax Credit Agreement to be Recaptured]
    Reason for Credit Recapture:

Teletrac Navman US Ltd. 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.
12. Drink, Inc.
   Industry: Beverage Distribution
   Primary Location(s): Richmond
   Amount of Tax Credit Awarded: $700,000
   Amount of Tax Credit Recaptured: $700,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   Drink, 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.

13. IDEO LP
   Industry: Web Design and Marketing Services
   Primary Location(s): San Francisco and Palo Alto
   Amount of Tax Credit Awarded: $700,000
   Amount of Tax Credit Recaptured: $560,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   IDEO LP’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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

   Industry: Apparel Manufacturer, Design, and Distribution Services
   Primary Location(s): Poway
   Amount of Tax Credit Awarded: $330,000
   Amount of Tax Credit Recaptured: $330,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   Chef Works, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
15. Signature Analytics LLC
   Industry: Accounting Services
   Primary Location(s): San Diego, Irvine, and Long Beach
   Amount of Tax Credit Awarded: $550,000
   Amount of Tax Credit Recaptured: $330,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

Signature Analytics LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

16. Huhtamaki, Inc.
   Industry: Food and Beverage Packaging Design and Manufacturing
   Primary Location(s): Sacramento
   Amount of Tax Credit Awarded: $310,000
   Amount of Tax Credit Recaptured: $310,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

Huhtamaki, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

17. UB, Inc.
   Industry: Commercial Bakery
   Primary Location(s): West Sacramento
   Amount of Tax Credit Awarded: $400,000
   Amount of Tax Credit Recaptured: $300,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

UB, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
18. ALOM Technologies Corp
   Industry: Supply Chain Management Services
   Primary Location(s): Fremont, Milpitas, San Leandro, and Unknown
   Amount of Tax Credit Awarded: $1,000,000
   Amount of Tax Credit Recaptured: $225,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

ALOM Technologies Corp’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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

19. DDs Bakery, Inc.
   Industry: Commercial Bakery
   Primary Location(s): Fresno
   Amount of Tax Credit Awarded: $200,000
   Amount of Tax Credit Recaptured: $200,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

DDs Bakery, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

20. J. Moraga Construction, Inc.
   Industry: Commercial and Institutional Building Construction Services
   Primary Location(s): Merced
   Amount of Tax Credit Awarded: $250,000
   Amount of Tax Credit Recaptured: $200,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

J. Moraga Construction, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
21. Kinkisharyo (USA), Inc.

   Industry: Light Rail Vehicle Manufacturing
   Primary Location(s): Palmdale
   Amount of Tax Credit Awarded: $450,000
   Amount of Tax Credit Recaptured: $180,000
   
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   Kinkisharyo (USA), Inc.'s California Competes Tax Credit Agreement expired at the end of its 2018 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.

22. All-Weather Architectural Aluminum, Inc.

   Industry: Metal Window and Door Manufacturing
   Primary Location(s): Vacaville
   Amount of Tax Credit Awarded: $275,000
   Amount of Tax Credit Recaptured: $172,500
   
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   All-Weather Architectural Aluminum, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

23. Civitas Advisors, Inc.

   Industry: Consulting Services
   Primary Location(s): Sacramento
   Amount of Tax Credit Awarded: $200,000
   Amount of Tax Credit Recaptured: $160,000
   
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   Civitas Advisors, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
24. Kinkisharyo (USA), Inc. (2nd Award)
   Industry: Light Rail Vehicle Manufacturing
   Primary Location(s): Palmdale
   Amount of Tax Credit Awarded: $417,600
   Amount of Tax Credit Recaptured: $117,600
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   Kinkisharyo (USA), Inc. (2nd Award)'s California Competes Tax Credit Agreement expired at the end of its 2019 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.

25. Burrell Consulting Group, Inc.
   Industry: Engineering Consulting Services
   Primary Location(s): Roseville
   Amount of Tax Credit Awarded: $270,000
   Amount of Tax Credit Recaptured: $108,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   Burrell Consulting Group, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

26. 23 Bottles of Beer LLC
   Industry: Craft Brewing
   Primary Location(s): Windsor
   Amount of Tax Credit Awarded: $1,500,000
   Amount of Tax Credit Recaptured: $100,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:

   23 Bottles of Beer LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
27. North Star Sensors LLC  
   Industry: Thermometer Manufacturer  
   Primary Location(s): Oceanside  
   Amount of Tax Credit Awarded: $100,000  
   Amount of Tax Credit Recaptured: $100,000  
   Link to Tax Credit Agreement to be Recaptured  
   Reason for Credit Recapture:  
   North Star Sensors LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

28. West Kern Environmental Consulting LLC  
   Industry: Environmental Consulting Services  
   Primary Location(s): Bakersfield  
   Amount of Tax Credit Awarded: $150,000  
   Amount of Tax Credit Recaptured: $90,000  
   Link to Tax Credit Agreement to be Recaptured  
   Reason for Credit Recapture:  
   West Kern Environmental Consulting LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

29. Fleet Guy LLC  
   Industry: Vehicle Refurbishing Services  
   Primary Location(s): Sacramento  
   Amount of Tax Credit Awarded: $100,000  
   Amount of Tax Credit Recaptured: $80,000  
   Link to Tax Credit Agreement to be Recaptured  
   Reason for Credit Recapture:  
   Fleet Guy LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
30. Newomics, Inc.
   Industry: Biotechnology Research and Development
   Primary Location(s): Emeryville
   Amount of Tax Credit Awarded: $100,000
   Amount of Tax Credit Recaptured: $80,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Newomics, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

31. Sentek Consulting, Inc.
   Industry: Cyber Security Consulting and Services
   Primary Location(s): San Diego
   Amount of Tax Credit Awarded: $125,000
   Amount of Tax Credit Recaptured: $75,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Sentek Consulting, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2020 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.

32. Globizz Corporation
   Industry: Business Management Consulting Services
   Primary Location(s): Gardena
   Amount of Tax Credit Awarded: $100,000
   Amount of Tax Credit Recaptured: $60,000
   [Link to Tax Credit Agreement to be Recaptured]
   Reason for Credit Recapture:
   Globizz Corporation'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
33. John Hawley Wines, Inc.
   Industry: Winery
   Primary Location(s): Healdsburg
   Amount of Tax Credit Awarded: $70,000
   Amount of Tax Credit Recaptured: $45,000
   Reason for Credit Recapture:
   John Hawley Wines, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

34. Symphony Financial Planning LLC
   Industry: Financial Planning and Management Services
   Primary Location(s): Davis
   Amount of Tax Credit Awarded: $100,000
   Amount of Tax Credit Recaptured: $40,000
   Reason for Credit Recapture:
   Symphony Financial Planning LLC'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

35. Just Say Music
   Industry: Musical Instrument Instruction and Repair Services
   Primary Location(s): Sacramento
   Amount of Tax Credit Awarded: $60,000
   Amount of Tax Credit Recaptured: $36,000
   Reason for Credit Recapture:
   Just Say Music'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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
36. Mazzei Injector Company LLC
   Industry: Water Treatment Technology Research and Development
   Primary Location(s): Bakersfield
   Amount of Tax Credit Awarded: $90,000
   Amount of Tax Credit Recaptured: $36,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

Mazzei Injector Company LLC’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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

37. Riskalyze, Inc.
   Industry: Software Developer
   Primary Location(s): Auburn
   Amount of Tax Credit Awarded: $85,000
   Amount of Tax Credit Recaptured: $34,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

Riskalyze, Inc.’s California Competes Tax Credit Agreement expired at the end of its 2019 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.

38. Williams + Paddon/Architects + Planners, Inc.
   Industry: Architectural Services
   Primary Location(s): Sacramento and Roseville
   Amount of Tax Credit Awarded: $40,000
   Amount of Tax Credit Recaptured: $32,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

Williams + Paddon/Architects + Planners, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.
39. Flight Light, Inc.
   Industry: Industrial Lighting Manufacturing
   Primary Location(s): Sacramento
   Amount of Tax Credit Awarded: $30,000
   Amount of Tax Credit Recaptured: $30,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:
   Flight Light, 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. Any credit not earned by the completion of the agreement must be recaptured in order to be made available to other California businesses.

Remainder of this page is intentionally left blank.
F. Discussion and Approval of Recommendations for Modified California Competes Tax Credit Recapture

<table>
<thead>
<tr>
<th>Total Recommended Tax Credits to be Recaptured:</th>
<th>$2,290,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Recommended Tax Credits to be Recaptured after Adjusting for S-Corporation Law³:</td>
<td>$2,555,000</td>
</tr>
</tbody>
</table>

1. Millennium Space Systems, Inc.
   Industry: Aerospace Component Manufacturing
   Primary Location(s): El Segundo
   Amount of Tax Credit Awarded: $1,800,000
   Previous Amount of Tax Credit Recaptured: $1,080,000
   Additional Amount of Tax Credit to be Recaptured: $720,000
   
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   Millennium Space Systems, 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. On June 17, 2021, the Committee recaptured $1,080,000. Any credit 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 $720,000.

2. Macy's.com LLC (Macy's.com, Inc.) (2nd Award)
   Industry: E-Commerce Technology and Marketing
   Primary Location(s): San Francisco
   Amount of Tax Credit Awarded: $2,700,000
   Previous Amount of Tax Credit Recaptured: $2,000,000
   Additional Amount of Tax Credit to be Recaptured: $700,000
   
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   Macy's.com LLC (Macy's.com, Inc.) (2nd Award)’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. On April 22, 2022, the Committee recaptured $2,000,000. GO-Biz has determined that Macy's.com LLC (Macy's.com, Inc.) (2nd Award) is in material breach of the Agreement. Accordingly, GO-Biz recommends that the CCTC Committee recapture the remaining $700,000.

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&T C §23803(a)(1)). The remaining two-thirds is disregarded and may not be used as a carryover for the S-Corporation (R&T C §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&T C §23803(a)(2)(F)).
3. The Gill Corporation  
   Industry: Fabricated Metal Product Manufacturing  
   Primary Location(s): El Monte  
   Amount of Tax Credit Awarded: $1,000,000  
   Previous Amount of Tax Credit Recaptured: $125,000  
   Additional Amount of Tax Credit to be Recaptured: $625,000  
   Reason for Credit Recapture:  
   The Gill Corporation’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. On April 22, 2022, the Committee recaptured $125,000. Any credit 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 $625,000.

4. Hunter Industries Incorporated  
   Industry: Irrigation and Sprinkler Manufacturing  
   Primary Location(s): San Marcos  
   Amount of Tax Credit Awarded: $850,000  
   Previous Amount of Tax Credit Recaptured: $340,000  
   Additional Amount of Tax Credit to be Recaptured: $170,000  
   Reason for Credit Recapture:  
   Hunter Industries Incorporated’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 June 17, 2021, the Committee recaptured $340,000. Any credit 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 $170,000.
5. Blazer and Flip Flops, Inc. dba The Experience Engine, Inc.
   Industry: Custom Computer Programming Services
   Primary Location(s): San Diego
   Amount of Tax Credit Awarded: $200,000
   Previous Amount of Tax Credit Recaptured: $125,000
   Additional Amount of Tax Credit to be Recaptured: $75,000
   Link to Tax Credit Agreement to be Recaptured
   Reason for Credit Recapture:

   Blazer and Flip Flops, Inc. dba The Experience Engine, 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. On November 4, 2021, the Committee recaptured $125,000. Any credit 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 $75,000.

   Remainder of this page is intentionally left blank.
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.