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Chief Deputy Director

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Business and Economic
Development
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(916) 322-4051

California Competes

Committee Meeting

Thursday, June 18, 2026, 1:00 p.m.

CalEPA Headquarters Building
Coastal Hearing Room
1001 I Street, Sacramento, CA 95814

And (via teleconference)
Central Valley Community Foundation
1260 Fulton St, Fresno, CA 93721

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

https://gobiz-ca-gov.zoom.us/webinar/register/WN_PkDLYM8qQGag2G6rh88rTQ

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

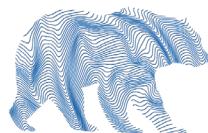
A. Call to Order and Roll Call

B. Approval of Minutes from April 30, 2026, Committee Meeting

C. Deputy Director's Report

- Agenda Overview - Agreements with 6 Businesses, Total Tax Credits: \$130,750,000

D. Discussion and Approval of California Competes Tax Credit Agreements



Total Recommended Tax Credits: **\$130,750,000**

Total Recommended Tax Credits after Adjusting for S-Corporation Law¹:
\$130,750,000

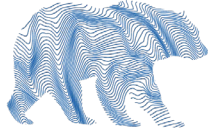
1. The Quartz & Silicon Materials Company Ltd.
Industry: Silicon Ingot and Wafer Manufacturing
Project Location(s): Chula Vista, Calipatria
Employee Net Increase: 894
Investment: \$679,000,000
Amount of Tax Credit: \$45,000,000
[Link to Tax Credit Agreement](#)

2. Vast, Inc.
Industry: Space Station Research and Development and Manufacturing
Project Location(s): Long Beach
Employee Net Increase: 657
Investment: \$87,500,000
Amount of Tax Credit: \$32,750,000
[Link to Tax Credit Agreement](#)

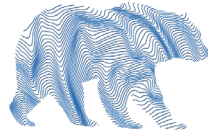
3. Ross Dress For Less, Inc.
Industry: Retail Clothing Distribution & Processing
Project Location(s): Bakersfield
Employee Net Increase: 200
Investment: \$494,467,618
Amount of Tax Credit: \$25,000,000
[Link to Tax Credit Agreement](#)

4. General Atomics
Industry: Fusion Energy Research And Development
Project Location(s): Poway
Employee Net Increase: 10
Investment: \$38,000,000
Amount of Tax Credit: \$20,000,000
[Link to Tax Credit Agreement](#)

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)).



CALIFORNIA
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ECONOMIC DEVELOPMENT



5. Eleven Labs, Inc.

Industry: Software Development

Project Location(s): San Francisco

Employee Net Increase: 173

Investment: \$1,154,200

Amount of Tax Credit: \$4,500,000

[Link to Tax Credit Agreement](#)

6. Subsea Craft US, Inc.

Industry: Maritime Craft Manufacturing

Project Location(s): Southern California

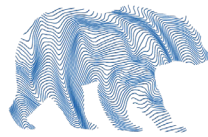
Employee Net Increase: 69

Investment: \$6,898,500

Amount of Tax Credit: \$3,500,000

[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:	\$35,211,833
Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law²:	\$35,626,833

1. Zoom Video Communications, Inc.

Industry: Online Video Conferencing Services Provider

Primary Location(s): San Jose

Amount of Tax Credit Awarded: \$12,500,000

Amount of Tax Credit Recaptured: \$12,500,000

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

Reason for Credit Recapture:

Zoom Video Communications, Inc. 's California Competes Tax Credit Agreement expired at the end of its 2025 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. Lockheed Martin Corporation (3rd Award)

Industry: Aerospace Manufacturing

Primary Location(s): Palmdale, Buellton, Helendale, Santa Rosa, Valencia, Beale Air Force Base, and Vandenberg Air Force Base

Amount of Tax Credit Awarded: \$29,800,000

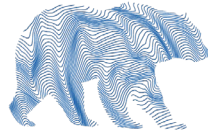
Amount of Tax Credit Recaptured: \$8,800,000

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

Reason for Credit Recapture:

Lockheed Martin Corporation (3rd Award)'s California Competes Tax Credit Agreement expired at the end of its 2024 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.

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. EnergySource Minerals LLC

Industry: Mineral Extraction

Primary Location(s): Calipatria

Amount of Tax Credit Awarded: \$3,500,000

Amount of Tax Credit Recaptured: \$3,500,000

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

Reason for Credit Recapture:

EnergySource Minerals LLC 's California Competes Tax Credit Agreement expired at the end of its 2025 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. Dreyer's Grand Ice Cream, Inc.

Industry: Food Manufacturing

Primary Location(s): Bakersfield, Oakland, and Tulare

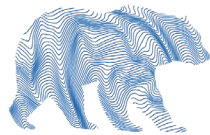
Amount of Tax Credit Awarded: \$3,554,333

Amount of Tax Credit Recaptured: \$2,854,333

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

Reason for Credit Recapture:

Dreyer's Grand Ice Cream, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2025 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. Polypeptide Laboratories, Inc. (2nd Award)

Industry: Medicinal and Botanical Manufacturing

Primary Location(s): Torrance and San Diego

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

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

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

Reason for Credit Recapture:

Polypeptide Laboratories, Inc. (2nd Award)'s California Competes Tax Credit Agreement expired at the end of its 2025 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. Novartis Gene Therapies, Inc. (Avexis, Inc.)

Industry: Biotechnology R&D

Primary Location(s): San Diego

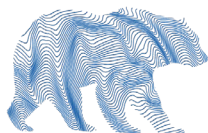
Amount of Tax Credit Awarded: \$3,000,000

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

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

Reason for Credit Recapture:

Novartis Gene Therapies, Inc. (Avexis, Inc.)'s California Competes Tax Credit Agreement expired at the end of its 2023 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.



7. Nongshim Holdings USA, Inc.

Industry: Food Manufacturing

Primary Location(s): Rancho Cucamonga

Amount of Tax Credit Awarded: \$3,500,000

Amount of Tax Credit Recaptured: \$1,300,000

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

Reason for Credit Recapture:

Nongshim Holdings USA, Inc. 's California Competes Tax Credit Agreement expired at the end of its 2025 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. Purosil LLC

Industry: Silicone Hose Manufacturing

Primary Location(s): Corona

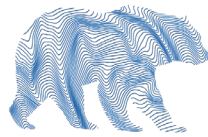
Amount of Tax Credit Awarded: \$750,000

Amount of Tax Credit Recaptured: \$562,500

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

Reason for Credit Recapture:

Purosil LLC's California Competes Tax Credit Agreement expired at the end of its 2025 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. Kubota Tractor Corporation

Industry: Heavy Machinery Equipment Distribution & Training

Primary Location(s): Elk Grove

Amount of Tax Credit Awarded: \$1,950,000

Amount of Tax Credit Recaptured: \$450,000

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

Reason for Credit Recapture:

Kubota Tractor Corporation's California Competes Tax Credit Agreement expired at the end of its 2025 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. Cardinal Paint and Powder, Inc.

Industry: Paint and Coating Manufacturing

Primary Location(s): South El Monte

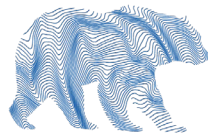
Amount of Tax Credit Awarded: \$400,000

Amount of Tax Credit Recaptured: \$400,000

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

Reason for Credit Recapture:

Cardinal Paint and Powder, Inc. 's California Competes Tax Credit Agreement expired at the end of its 2025 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. HPKA, Inc.

Industry: Agricultural Equipment and Supplies Wholesales

Primary Location(s): Los Banos, Turlock

Amount of Tax Credit Awarded: \$270,000

Amount of Tax Credit Recaptured: \$270,000

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

Reason for Credit Recapture:

HPKA, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2025 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. 5th Axis, Inc.

Industry: Metal Product Manufacturing

Primary Location(s): San Diego

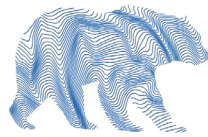
Amount of Tax Credit Awarded: \$3,500,000

Amount of Tax Credit Recaptured: \$250,000

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

Reason for Credit Recapture:

5th Axis, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2025 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. M.A.R.'s Engineering Company, Inc.

Industry: Metal Products Manufacturing

Primary Location(s): Stockton

Amount of Tax Credit Awarded: \$250,000

Amount of Tax Credit Recaptured: \$165,000

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

Reason for Credit Recapture:

M.A.R.'s Engineering Company, Inc.'s California Competes Tax Credit Agreement expired at the end of its 2025 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.

14. Nura USA LLC

Industry: Food Ingredient Development and Distribution

Primary Location(s): Southern California

Amount of Tax Credit Awarded: \$735,000

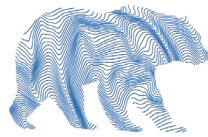
Amount of Tax Credit Recaptured: \$160,000

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

Reason for Credit Recapture:

Nura USA LLC's California Competes Tax Credit Agreement expired at the end of its 2025 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.

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

Total Recommended Tax Credits to be Recaptured:	\$1,297,500
Total Recommended Tax Credits to be Recaptured after Adjusting for S-Corporation Law³:	\$1,313,333

1. PKL Services, Inc.

Industry: Aircraft Maintenance

Primary Location(s): Poway

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

Previous Amount of Tax Credit Recaptured: \$550,000

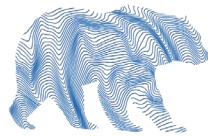
Additional Amount of Tax Credit Recaptured: \$1,250,000

[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. On June 12, 2025 the Committee recaptured \$550,000. 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 \$1,250,000.

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. Valley Communications, Inc.

Industry: Information Technology Services

Primary Location(s): Sacramento

Amount of Tax Credit Awarded: \$65,000

Previous Amount of Tax Credit Recaptured: \$12,500

Additional Amount of Tax Credit Recaptured: \$47,500

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

Reason for Credit Recapture:

Valley Communications, 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 5, 2020, the Committee recaptured \$12,500. 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 \$47,500.

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.