



GOVERNOR'S OFFICE OF BUSINESS  
AND ECONOMIC DEVELOPMENT



**California Competes Tax Credit Program**

**Edmund G. Brown, Jr**  
*Governor*

**Panorea Avdis**  
*Director*

**Will Koch**  
*Chief Deputy Director*

**Scott Dosick**  
*Assistant Deputy Director,  
California Competes  
Tax Credit Program*

Governor's Office of Business  
and Economic Development  
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(916) 322-4051

**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**

<b>Total Recommended Tax Credits:</b>	<b>\$54,023,000</b>
<b>Total Recommended Tax Credits after Adjusting for S-Corporation Law<sup>1</sup>:</b>	<b>\$55,771,333</b>

<sup>1</sup> 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/nordstromamended>
  
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/milleniumpacesystems>



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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/ATKSpace>
  
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/axismedical>
  
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/l3communications>



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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/dineequity>
  
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/hunterindustriesamended>
  
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/opendrivesllc>



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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/rimlogisticsamended>
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/visionfinefoodsamended2>



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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/matsonamended>
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/aemergedredpack>
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/farmandinc>
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/southwesternmedical>



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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/datataxincorporated>
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/martinbrothersconstruction>
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/meritekamended>
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/sentek>
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/saggezzainc>
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/emeraldsiteservicesamended>
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/northstateelectrical>



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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/lacoustics>
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/modernaireventilating>



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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/williamsandpaddonamended>
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/escapetech>
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/climatecontrolamended>



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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/wilmingtoninstrument>
  
- 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 Law<sup>2</sup>: \$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>

<sup>2</sup> 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/onceuponafarmllc>
  
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/objectsecurity>
  
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>



GOVERNOR'S OFFICE OF BUSINESS  
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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/freedominsurance>
  
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/echosummitconstruction>
  
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/cdlyoninc>
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/backseatdriverandassociates>
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/bellfxllc>
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**

<b>Total Tax Credits Recommended to be Recaptured:</b>	<b>\$1,000,000</b>
<b>Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law<sup>3</sup>:</b>	<b>\$1,000,000</b>

<sup>3</sup> 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](http://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](mailto: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.