



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

**Panorea Avdis**  
*Director*

**Will Koch**  
*Chief Deputy Director*

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*Assistant Deputy Director,  
California Competes  
Tax Credit Program*

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**California Competes Tax Credit Program**

**Committee Meeting**

**Thursday, November 16, 2017  
10:30 a.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 June 15, 2017, Committee Meeting**
- C. Deputy Director's Report**
  - **Agenda Overview – Agreements with 90 Businesses, Total Tax Credits \$69,575,083**
  - **Agreement Compliance Roles and Responsibilities**
  - **Public Records Act Request Overview**
- D. Discussion and Approval of California Competes Tax Credit Agreements with Businesses other than Small Businesses**



**Total Recommended Tax Credits: \$53,331,750**  
**Total Recommended Tax Credits after Adjusting for S-Corporation Law<sup>1</sup>: \$56,231,333**

1. SF Motors, Inc.  
 Industry: Autonomous Vehicle Research and Development  
 Primary Location(s): Santa Clara  
 Employee Net Increase: 357  
 Investment: \$10,884,910  
 Amount of Tax Credit: \$7,500,000  
 Link to Tax Credit Agreement: <http://bit.ly/sfmotors>
  
2. CU Direct Corporation  
 Industry: Software Development  
 Primary Location(s): Ontario  
 Employee Net Increase: 201  
 Investment: \$42,975,000  
 Amount of Tax Credit: \$3,150,000  
 Link to Tax Credit Agreement: <http://bit.ly/cudirectcorp>
  
3. The Trade Desk, Inc.  
 Industry: Software Development  
 Primary Location(s): Ventura  
 Employee Net Increase: 205  
 Investment: \$33,799,253  
 Amount of Tax Credit: \$3,100,000  
 Link to Tax Credit Agreement: <http://bit.ly/thetradedesk>
  
4. United Parcel Service, Inc.  
 Industry: Transportation and Logistics Services  
 Primary Location(s): Moreno Valley  
 Employee Net Increase: 980  
 Investment: \$275,000,000  
 Amount of Tax Credit: \$3,000,000  
 Link to Tax Credit Agreement: <http://bit.ly/upsincorporated>

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<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)).



5. Pacific Dental Services LLC  
Industry: Human Resources and Payroll Services  
Primary Location(s): Irvine  
Employee Net Increase: 293  
Investment: \$81,720,000  
Amount of Tax Credit: \$2,650,000  
Link to Tax Credit Agreement: <http://bit.ly/pacificdentalservices>
  
6. Califia Farms LLC  
Industry: Beverage Manufacturing  
Primary Location(s): Bakersfield, Los Angeles, and Central Valley  
Employee Net Increase: 300  
Investment: \$43,110,000  
Amount of Tax Credit: \$2,450,000  
Link to Tax Credit Agreement: <http://bit.ly/califiafarms>
  
7. CalPlant I LLC  
Industry: Wood Product Manufacturing  
Primary Location(s): Willows  
Employee Net Increase: 84  
Investment: \$168,162,763  
Amount of Tax Credit: \$2,000,000  
Link to Tax Credit Agreement: <http://bit.ly/calplant>
  
8. Retrophin, Inc.  
Industry: Biopharmaceutical Research and Development and Manufacturing  
Primary Location(s): San Diego  
Employee Net Increase: 140  
Investment: \$500,000  
Amount of Tax Credit: \$2,000,000  
Link to Tax Credit Agreement: <http://bit.ly/retrophininc>
  
9. Meggitt (San Diego), Inc.  
Industry: Aerospace Component Manufacturing  
Primary Location(s): San Diego  
Employee Net Increase: 188  
Investment: \$17,407,400  
Amount of Tax Credit: \$2,000,000  
Link to Tax Credit Agreement: <http://bit.ly/meggittsandiego>



10. L3 Technologies, Inc.

Industry: Defense Contracting

Primary Location(s): Anaheim

Employee Net Increase: 150

Investment: \$7,500,000

Amount of Tax Credit: \$1,900,000

Link to Tax Credit Agreement: <http://bit.ly/l3technologies>

11. Yosemite Foods, Inc.

Industry: Meat Processing

Primary Location(s): Stockton

Employee Net Increase: 186

Investment: \$26,719,405

Amount of Tax Credit: \$1,793,750

Link to Tax Credit Agreement: <http://bit.ly/yosemitefoods>

12. Headspace, Inc.

Industry: Online Meditation Services

Primary Location(s): Santa Monica, Los Angeles County, and San Francisco

Employee Net Increase: 170

Investment: \$12,875,000

Amount of Tax Credit: \$1,525,000

Link to Tax Credit Agreement: <http://bit.ly/headspaceinc>

13. CJ America, Inc.

Industry: Snack Food Manufacturing and Distribution

Primary Location(s): Riverside or San Bernardino County

Employee Net Increase: 70

Investment: \$90,000,000

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

Link to Tax Credit Agreement: <http://bit.ly/cjamerica>

14. Phone Ware, Inc.

Industry: Telephone Call Center

Primary Location(s): San Diego

Employee Net Increase: 175

Investment: \$1,100,000

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

Link to Tax Credit Agreement: <http://bit.ly/phoneware>



15. FreshRealm LLC

Industry: Specialty Food Distribution

Primary Location(s): Ventura, Riverside County, and Northern California

Employee Net Increase: 160

Investment: \$8,350,000

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

Link to Tax Credit Agreement: <http://bit.ly/freshrealm>

16. Vungle, Inc.

Industry: Online Advertising

Primary Location(s): San Francisco

Employee Net Increase: 66

Investment: \$5,384,859

Amount of Tax Credit: \$1,100,000

Link to Tax Credit Agreement: <http://bit.ly/vungleinc>

17. ALOM Technologies Corp

Industry: Supply Chain Management Services

Primary Location(s): Fremont, Milpitas, San Leandro, and Unknown

Employee Net Increase: 111

Investment: \$1,880,000

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

Link to Tax Credit Agreement: <http://bit.ly/alomtechnologies>

18. AcuraStem, Inc.

Industry: Stem Cell Biotechnology Research and Development

Primary Location(s): Monrovia and Los Angeles

Employee Net Increase: 38

Investment: \$1,400,000

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

Link to Tax Credit Agreement: <http://bit.ly/acurastem>

19. Motor Vehicle Software Corporation

Industry: Software Development

Primary Location(s): Agoura Hills, Sacramento, and Southern California

Employee Net Increase: 100

Investment: \$17,750,000

Amount of Tax Credit: \$915,000

Link to Tax Credit Agreement: <http://bit.ly/motorvehiclesoftware>



20. 4 Creeks, Inc.

Industry: Construction and Engineering Consulting Services  
Primary Location(s): Visalia, Bakersfield, Fresno, and San Luis Obispo  
Employee Net Increase: 30  
Investment: \$3,599,000  
Amount of Tax Credit: \$800,000  
Link to Tax Credit Agreement: <http://bit.ly/4creeks>

21. Cozad Trailer Sales LLC

Industry: Trailer Manufacturing  
Primary Location(s): Stockton, Fresno  
Employee Net Increase: 82  
Investment: \$3,000,000  
Amount of Tax Credit: \$800,000  
Link to Tax Credit Agreement: <http://bit.ly/cozadtrailersales>

22. Hammer Corp

Industry: E-Commerce Technology and Marketing  
Primary Location(s): San Diego  
Employee Net Increase: 228  
Investment: \$3,079,727  
Amount of Tax Credit: \$750,000  
Link to Tax Credit Agreement: <http://bit.ly/hammercorp>

23. Efficient Drivetrains, Inc.

Industry: Automotive Parts Manufacturing  
Primary Location(s): Milpitas and Dixon  
Employee Net Increase: 56  
Investment: \$8,000,000  
Amount of Tax Credit: \$750,000  
Link to Tax Credit Agreement: <http://bit.ly/efficientdrivetrains>

24. XT Green, Inc.

Industry: Carpet Recycling  
Primary Location(s): Rancho Cucamonga  
Employee Net Increase: 59  
Investment: \$13,992,344  
Amount of Tax Credit: \$695,000  
Link to Tax Credit Agreement: <http://bit.ly/xtgreen>



- 25. Koam Engineering Systems, Inc.  
Industry: Cyber Security Consulting and Services  
Primary Location(s): San Diego and San Diego County  
Employee Net Increase: 100  
Investment: \$1,000,000  
Amount of Tax Credit: \$685,000  
Link to Tax Credit Agreement: <http://bit.ly/koamengineeringsystems>
  
- 26. Taylor-Dunn Manufacturing Company  
Industry: Electric and Conventional Vehicle Manufacturing  
Primary Location(s): Anaheim and Orange or Los Angeles County  
Employee Net Increase: 99  
Investment: \$6,500,000  
Amount of Tax Credit: \$660,000  
Link to Tax Credit Agreement: <http://bit.ly/tayloranddunn>
  
- 27. Airgas USA LLC  
Industry: Industrial Gas Supplier  
Primary Location(s): Stockton  
Employee Net Increase: 16  
Investment: \$33,831,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/airgasusallc>
  
- 28. Cognitive Medical Systems, Inc.  
Industry: Healthcare Information Technology Services  
Primary Location(s): San Diego  
Employee Net Increase: 27  
Investment: \$240,300  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/cognitivemedicalsystems>
  
- 29. FoodService Partners, Inc.  
Industry: Specialty Food Distribution  
Primary Location(s): Richmond  
Employee Net Increase: 222  
Investment: \$8,500,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/foodservicepartners>



- 30. TenCate Advanced Composites USA, Inc.  
Industry: Polymer Materials Design and Manufacturing  
Primary Location(s): Morgan Hill and Fairfield  
Employee Net Increase: 47  
Investment: \$4,574,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/tencateadvanced>
  
- 31. Arto Brick / California Pavers  
Industry: Tile and Brick Manufacturing  
Primary Location(s): Gardena  
Employee Net Increase: 25  
Investment: \$3,600,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/artobrickcapavers>
  
- 32. Hi-Tech Emergency Vehicle Service, Inc.  
Industry: Emergency Vehicle Component Manufacturing  
Primary Location(s): Oakdale  
Employee Net Increase: 20  
Investment: \$2,050,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/hitechemergencyvehicleservice>
  
- 33. Alluxa, Inc.  
Industry: Optical Filter and Coating Manufacturing  
Primary Location(s): Santa Rosa  
Employee Net Increase: 38  
Investment: \$9,920,000  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/alluxainc>
  
- 34. Applied Aerospace Structures Corp.  
Industry: Aerospace Component Manufacturing  
Primary Location(s): Stockton  
Employee Net Increase: 51  
Investment: \$6,700,000  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/appliedaerospacestructures>





35. UB, Inc.

Industry: Commercial Bakery  
Primary Location(s): West Sacramento  
Employee Net Increase: 19  
Investment: \$7,400,000  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/ubincorporated>

36. The Assay Depot, Inc.

Industry: Online Scientific Services  
Primary Location(s): Solana Beach  
Employee Net Increase: 49  
Investment: \$75,000  
Amount of Tax Credit: \$350,000  
Link to Tax Credit Agreement: <http://bit.ly/theassaydepot>

37. Chef Works, Inc.

Industry: Apparel Manufacturer, Design, and Distribution Services  
Primary Location(s): Poway  
Employee Net Increase: 83  
Investment: \$5,360,000  
Amount of Tax Credit: \$330,000  
Link to Tax Credit Agreement: <http://bit.ly/chefworksinc>

38. ReAction Optics, Inc.

Industry: Optical Lens Manufacturing  
Primary Location(s): Azusa  
Employee Net Increase: 26  
Investment: \$2,647,000  
Amount of Tax Credit: \$330,000  
Link to Tax Credit Agreement: <http://bit.ly/reactionoptics>

39. NFCC, Inc.

Industry: Automotive Repair  
Primary Location(s): Fresno  
Employee Net Increase: 37  
Investment: \$3,718,000  
Amount of Tax Credit: \$320,000  
Link to Tax Credit Agreement: <http://bit.ly/nfccinc>



40. Taboola, Inc.

Industry: Web Design and Marketing

Primary Location(s): Los Angeles

Employee Net Increase: 100

Investment: \$3,014,381

Amount of Tax Credit: \$275,000

Link to Tax Credit Agreement: <http://bit.ly/taboolainc>

41. Applied Statistics & Management, Inc.

Industry: Human Resources Software Development

Primary Location(s): Temecula

Employee Net Increase: 11

Investment: \$1,200,000

Amount of Tax Credit: \$250,000

Link to Tax Credit Agreement: <http://bit.ly/appliedstatisticsandmanagement>

42. Inter-State Oil Co.

Industry: Bulk Fuel and Oil Collection, Storage, and Delivery Services

Primary Location(s): Sacramento

Employee Net Increase: 14

Investment: \$6,750,000

Amount of Tax Credit: \$198,000

Link to Tax Credit Agreement: <http://bit.ly/interstateoil>

43. Northern California Tile and Stone, Inc.

Industry: General Contracting

Primary Location(s): Sacramento

Employee Net Increase: 26

Investment: \$1,240,000

Amount of Tax Credit: \$155,000

Link to Tax Credit Agreement: <http://bit.ly/northerncatileandstone>

44. ACC-GWG LLC

Industry: Food Processing and Distribution

Primary Location(s): Williams

Employee Net Increase: 5

Investment: \$2,850,000

Amount of Tax Credit: \$145,000

Link to Tax Credit Agreement: <http://bit.ly/accgwglc>



- 45. Synder, Inc.  
Industry: Water Membrane Filtration Manufacturing  
Primary Location(s): Vacaville  
Employee Net Increase: 15  
Investment: \$4,036,822  
Amount of Tax Credit: \$120,000  
Link to Tax Credit Agreement: <http://bit.ly/synderinc>
  
- 46. Urban626 LLC  
Industry: Electric Scooter Manufacturing  
Primary Location(s): Pasadena and Southern California  
Employee Net Increase: 16  
Investment: \$262,000  
Amount of Tax Credit: \$115,000  
Link to Tax Credit Agreement: <http://bit.ly/urban626>
  
- 47. Mazzei Injector Co. LLC  
Industry: Water Treatment Technology Research and Development  
Primary Location(s): Bakersfield  
Employee Net Increase: 4  
Investment: \$5,500  
Amount of Tax Credit: \$90,000  
Link to Tax Credit Agreement: <http://bit.ly/mazzeiinjector>
  
- 48. Flight Light, Inc.  
Industry: Industrial Lighting Manufacturing  
Primary Location(s): Sacramento  
Employee Net Increase: 6  
Investment: \$65,000  
Amount of Tax Credit: \$30,000  
Link to Tax Credit Agreement: <http://bit.ly/flightlightinc>

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

**Total Recommended Tax Credits: \$11,727,812**  
**Total Recommended Tax Credits after Adjusting for S-Corporation Law<sup>2</sup>: \$13,343,749**

1. Xeris Pharmaceuticals, Inc.  
 Industry: Pharmaceutical Product Development and Manufacturing  
 Primary Location(s): San Diego  
 Employee Net Increase: 38  
 Investment: \$3,016,392  
 Amount of Tax Credit: \$1,500,000  
 Link to Tax Credit Agreement: <http://bit.ly/xerispharmaceuticals>
  
2. Sila Nanotechnologies, Inc.  
 Industry: Battery Manufacturing  
 Primary Location(s): Alameda  
 Employee Net Increase: 213  
 Investment: \$138,500,000  
 Amount of Tax Credit: \$1,500,000  
 Link to Tax Credit Agreement: <http://bit.ly/silananotechnologies>
  
3. Whitefish Enterprises, Inc.  
 Industry: Candle Manufacturing  
 Primary Location(s): Sierra Foothills or Central Valley  
 Employee Net Increase: 34  
 Investment: \$2,210,000  
 Amount of Tax Credit: \$1,350,000  
 Link to Tax Credit Agreement: <http://bit.ly/whitefishenterprises>
  
4. Custopharm, Inc.  
 Industry: Pharmaceutical Manufacturing  
 Primary Location(s): Carlsbad  
 Employee Net Increase: 26  
 Investment: \$48,040,000  
 Amount of Tax Credit: \$1,000,000  
 Link to Tax Credit Agreement: <http://bit.ly/custopharm>

<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)).



5. Freedom Home Health & Hospice, Inc.  
Industry: Healthcare Services  
Primary Location(s): Marysville  
Employee Net Increase: 42  
Investment: \$900,000  
Amount of Tax Credit: \$500,000  
Link to Tax Credit Agreement: <http://bit.ly/freedomhomehealth>
  
6. Telaeris, Inc.  
Industry: Location Tracking Software and Technology Development  
Primary Location(s): San Diego, Visalia  
Employee Net Increase: 10  
Investment: \$275,366  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/telaerisinc>
  
7. LHAS LLC  
Industry: Automotive Repair  
Primary Location(s): Petaluma and Santa Rosa  
Employee Net Increase: 21  
Investment: \$1,225,000  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/lhasllc>
  
8. Telogiks LP  
Industry: VOIP Telephone Service Provider  
Primary Location(s): Fullerton  
Employee Net Increase: 59  
Investment: \$450,000  
Amount of Tax Credit: \$400,000  
Link to Tax Credit Agreement: <http://bit.ly/telogikslp>
  
9. BDP Technologies LLC  
Industry: Wastewater Treatment Technology Development and Services  
Primary Location(s): Bloomington, Los Angeles, Irvine, and Laguna Hills  
Employee Net Increase: 11  
Investment: \$6,000,000  
Amount of Tax Credit: \$360,000  
Link to Tax Credit Agreement: <http://bit.ly/bdptechnologies>



10. 4C Global, Inc.  
Industry: General Contracting  
Primary Location(s): Visalia  
Employee Net Increase: 15  
Investment: \$1,390,000  
Amount of Tax Credit: \$350,000  
Link to Tax Credit Agreement: <http://bit.ly/4cglobal>
  
11. IFM Towing, Inc.  
Industry: Automotive Towing Service Provider  
Primary Location(s): San Diego  
Employee Net Increase: 30  
Investment: \$2,500,000  
Amount of Tax Credit: \$305,000  
Link to Tax Credit Agreement: <http://bit.ly/ifmtowing>
  
12. The Guru LLC  
Industry: Software Development  
Primary Location(s): San Diego  
Employee Net Increase: 39  
Investment: \$750,000  
Amount of Tax Credit: \$300,000  
Link to Tax Credit Agreement: <http://bit.ly/thegurullc>
  
13. Siteserver, Inc.  
Industry: Web Hosting Services  
Primary Location(s): Simi Valley  
Employee Net Increase: 14  
Investment: \$250,000  
Amount of Tax Credit: \$250,000  
Link to Tax Credit Agreement: <http://bit.ly/siteserverinc>
  
14. Pacific Planning Group, Inc.  
Industry: Business Management Consulting Services  
Primary Location(s): Laguna Beach, Los Angeles, Orange, and Sonoma  
Employee Net Increase: 22  
Investment: \$0  
Amount of Tax Credit: \$200,000  
Link to Tax Credit Agreement: <http://bit.ly/pacificplanninggroup>



- 15. Sirens Java & Tea LLC  
Industry: Coffee, Tea, and Baked Goods Café  
Primary Location(s): San Pedro and Long Beach  
Employee Net Increase: 8  
Investment: \$5,200,000  
Amount of Tax Credit: \$200,000  
Link to Tax Credit Agreement: <http://bit.ly/sirensjavaandtea>
  
- 16. Ideal Cabinetry, Inc.  
Industry: Furniture Design and Manufacturing  
Primary Location(s): Fresno  
Employee Net Increase: 13  
Investment: \$690,000  
Amount of Tax Credit: \$200,000  
Link to Tax Credit Agreement: <http://bit.ly/idealcabinetry>
  
- 17. Techonsite Corporation  
Industry: Information Technology Services  
Primary Location(s): Marina del Rey  
Employee Net Increase: 10  
Investment: \$41,800  
Amount of Tax Credit: \$200,000  
Link to Tax Credit Agreement: <http://bit.ly/techonsite>
  
- 18. West Kern Environmental Consulting LLC  
Industry: Environmental Consulting Services  
Primary Location(s): Bakersfield  
Employee Net Increase: 7  
Investment: \$283,086  
Amount of Tax Credit: \$150,000  
Link to Tax Credit Agreement: <http://bit.ly/westkernenvironmental>
  
- 19. Bluebird Freight Lines, Inc.  
Industry: Trucking Services  
Primary Location(s): Yuba City  
Employee Net Increase: 6  
Investment: \$555,000  
Amount of Tax Credit: \$150,000  
Link to Tax Credit Agreement: <http://bit.ly/bluebirdfreightlines>



- 20. VM Pharmacy, Inc.  
Industry: Pharmacy  
Primary Location(s): Long Beach  
Employee Net Increase: 4  
Investment: \$218,300  
Amount of Tax Credit: \$150,000  
Link to Tax Credit Agreement: <http://bit.ly/vmpharmacy>
  
- 21. Paragon Business Solutions LLC  
Industry: Accounting Services  
Primary Location(s): La Crescenta  
Employee Net Increase: 12  
Investment: \$20,250  
Amount of Tax Credit: \$150,000  
Link to Tax Credit Agreement: <http://bit.ly/paragonbusinesssolutions>
  
- 22. 5 Point Detail, Inc.  
Industry: Automobile Detailing Services  
Primary Location(s): San Diego, Costa Mesa, Santa Clara, and West Hollywood  
Employee Net Increase: 15  
Investment: \$793,886  
Amount of Tax Credit: \$140,000  
Link to Tax Credit Agreement: <http://bit.ly/5pointdetail>
  
- 23. Geraci Media, Inc.  
Industry: Magazine Publishing  
Primary Location(s): Irvine  
Employee Net Increase: 17  
Investment: \$55,000  
Amount of Tax Credit: \$125,000  
Link to Tax Credit Agreement: <http://bit.ly/geracimedia>
  
- 24. AMS HR Services LLC  
Industry: Management Consulting Services  
Primary Location(s): Santa Rosa and Napa County  
Employee Net Increase: 3  
Investment: \$44,940  
Amount of Tax Credit: \$105,000  
Link to Tax Credit Agreement: <http://bit.ly/amshrservices>





25. Ceutix Labs LLC

Industry: Pharmaceutical Manufacturing and Testing

Primary Location(s): Oceanside

Employee Net Increase: 3

Investment: \$313,000

Amount of Tax Credit: \$105,000

Link to Tax Credit Agreement: <http://bit.ly/ceutixlabs>

26. Lightpoint Scientific LLC

Industry: Accident Recreation Services

Primary Location(s): Culver City

Employee Net Increase: 3

Investment: \$111,992

Amount of Tax Credit: \$100,000

Link to Tax Credit Agreement: <http://bit.ly/lightpointscientific>

27. Fechter & Company, Certified Public Accountants

Industry: Accounting Services

Primary Location(s): Sacramento

Employee Net Increase: 6

Investment: \$1,560,000

Amount of Tax Credit: \$100,000

Link to Tax Credit Agreement: <http://bit.ly/fechterandcompany>

28. Sean T. Boyd & Associates P.C.

Industry: Accounting Services

Primary Location(s): Folsom

Employee Net Increase: 3

Investment: \$306,000

Amount of Tax Credit: \$100,000

Link to Tax Credit Agreement: <http://bit.ly/seantboyd>

29. Murti LLC

Industry: Furniture Design and Manufacturing

Primary Location(s): Torrance

Employee Net Increase: 9

Investment: \$85,000

Amount of Tax Credit: \$100,000

Link to Tax Credit Agreement: <http://bit.ly/murtillc>



30. True Light Electric, Inc.  
Industry: Electrical Contracting Services  
Primary Location(s): La Mesa  
Employee Net Increase: 4  
Investment: \$75,000  
Amount of Tax Credit: \$100,000  
Link to Tax Credit Agreement: <http://bit.ly/truelightelectric>
31. Croma Vera Wines, Inc.  
Industry: Winery  
Primary Location(s): San Luis Obispo  
Employee Net Increase: 4  
Investment: \$380,780  
Amount of Tax Credit: \$90,812  
Link to Tax Credit Agreement: <http://bit.ly/cromavera>
32. Royal Summit, Inc.  
Industry: Metal Box Manufacturing  
Primary Location(s): Modesto  
Employee Net Increase: 5  
Investment: \$2,100,000  
Amount of Tax Credit: \$90,000  
Link to Tax Credit Agreement: <http://bit.ly/royalsummit>
33. Dougherty CPAs, Inc.  
Industry: Accounting Services  
Primary Location(s): Stockton  
Employee Net Increase: 3  
Investment: \$113,028  
Amount of Tax Credit: \$80,000  
Link to Tax Credit Agreement: <http://bit.ly/doughertycpas>
34. SAFECHECKS  
Industry: Business Check Manufacturing  
Primary Location(s): Canoga Park  
Employee Net Increase: 6  
Investment: \$10,000  
Amount of Tax Credit: \$80,000  
Link to Tax Credit Agreement: <http://bit.ly/safechecks>



- 35. California Cloth Foundry, Inc.  
Industry: Clothing and Apparel Manufacturing  
Primary Location(s): San Francisco and Los Angeles County  
Employee Net Increase: 13  
Investment: \$0  
Amount of Tax Credit: \$75,000  
Link to Tax Credit Agreement: <http://bit.ly/californiaclothfoundry>
  
- 36. Design Swagg, Inc.  
Industry: Apparel and Accessory Manufacturing and Distribution  
Primary Location(s): San Diego  
Employee Net Increase: 5  
Investment: \$0  
Amount of Tax Credit: \$72,000  
Link to Tax Credit Agreement: <http://bit.ly/designswagg>
  
- 37. John Hawley Wines, Inc.  
Industry: Winery  
Primary Location(s): Healdsburg  
Employee Net Increase: 2  
Investment: \$99,750  
Amount of Tax Credit: \$70,000  
Link to Tax Credit Agreement: <http://bit.ly/johnhawleywines>
  
- 38. Todd Sloat Biological Consulting, Inc.  
Industry: Environmental Consulting Services  
Primary Location(s): McArthur  
Employee Net Increase: 2  
Investment: \$65,000  
Amount of Tax Credit: \$50,000  
Link to Tax Credit Agreement: <http://bit.ly/toddsloatbiologicalconsulting>
  
- 39. TRobertson Consulting  
Industry: Information Technology Consulting Services  
Primary Location(s): Rancho Cordova and Cameron Park  
Employee Net Increase: 4  
Investment: \$14,000  
Amount of Tax Credit: \$50,000  
Link to Tax Credit Agreement: <http://bit.ly/trobertsonconsulting>



40. Rosemarie Drieslein

Industry: Accounting Services

Primary Location(s): Whittier

Employee Net Increase: 4

Investment: \$60,000

Amount of Tax Credit: \$40,000

Link to Tax Credit Agreement: <http://bit.ly/rosemariedrieslein>

41. Stephanie Chew

Industry: Insurance Agencies and Brokerages

Primary Location(s): Whittier

Employee Net Increase: 3

Investment: \$542,500

Amount of Tax Credit: \$20,000

Link to Tax Credit Agreement: <http://bit.ly/stephaniechew>

42. The HVAC Guys

Industry: Heating and Air-Conditioning Installation and Repair Services

Primary Location(s): La Habra

Employee Net Increase: 4

Investment: \$108,000

Amount of Tax Credit: \$20,000

Link to Tax Credit Agreement: <http://bit.ly/thehvaguids>

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**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>\$7,588,000</b>
<b>Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law<sup>3</sup>:</b>	<b>\$7,874,667</b>

1. Ultragenyx Pharmaceutical, Inc.  
 Industry: Pharmaceutical Research and Development  
 Primary Location(s): Novato  
 Amount of Tax Credit Awarded: \$2,100,000  
 Amount of Tax Credit to be Recaptured: \$2,100,000  
 Link to Tax Credit Agreement to be Terminated: <http://bit.ly/1hKwQkO>  
 Reason for Agreement Termination and Credit Recapture:

Ultragenyx Pharmaceutical, 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.

2. Pristine Sun LLC  
 Industry: Renewable Energy Services  
 Primary Location(s): San Francisco, Auberry, Biggs, Corning, and Winton  
 Amount of Tax Credit Awarded: \$1,750,000  
 Amount of Tax Credit to be Recaptured: \$1,750,000  
 Link to Tax Credit Agreement to be Terminated: <http://bit.ly/PristineSun>  
 Reason for Agreement Termination and Credit Recapture:

Pristine Sun 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.

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<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)).



- 3. ISO Nano International LLC dba BST NanoCarbon  
Industry: High-Tech Commercial Fiber Design and Manufacturing  
Primary Location(s): Temecula and San Diego  
Amount of Tax Credit Awarded: \$1,450,000  
Amount of Tax Credit to be Recaptured: \$1,450,000  
Link to Tax Credit Agreement to be Terminated: <http://bit.ly/1n2CSuu>  
Reason for Agreement Termination and Credit Recapture:

GO-Biz has determined that BST ISO Nano International LLC (ISO Nano) will not achieve its Milestones and is in material breach of the Agreement. Accordingly, GO-Biz recommends that the CCTC Committee terminate the Agreement between GO-Biz and ISO Nano and recapture its CCTC.

- 4. Graphic Packaging International, Inc.  
Industry: Food and Beverage Packaging Design and Manufacturing  
Primary Location(s): Oroville, Irvine, and Santa Clara  
Amount of Tax Credit Awarded: \$1,150,000  
Amount of Tax Credit to be Recaptured: \$1,150,000  
Link to Tax Credit Agreement to be Terminated: <http://bit.ly/1l1rYSK>  
Reason for Agreement Termination and Credit Recapture:

Graphic Packaging International, 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. Canyon Plastics, Inc.  
Industry: Plastics Container Manufacturing  
Primary Location(s): Valencia  
Amount of Tax Credit Awarded: \$350,000  
Amount of Tax Credit to be Recaptured: \$350,000  
Link to Tax Credit Agreement to be Terminated: <http://bit.ly/canyonplasticsinc>  
Reason for Agreement Termination and Credit Recapture:

Canyon Plastics, 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.



6. Digital Telepathy, Inc.

Industry: Web and Product Design and Marketing Services

Primary Location(s): San Diego

Amount of Tax Credit Awarded: \$275,000

Amount of Tax Credit to be Recaptured: \$275,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/digitaltelepathyinc>

Reason for Agreement Termination and Credit Recapture:

Digital Telepathy, 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.

7. Brown Bear Digital, Inc.

Industry: IT Digital Marketing Consulting Services

Primary Location(s): Solana Beach

Amount of Tax Credit Awarded: \$200,000

Amount of Tax Credit to be Recaptured: \$200,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/BrownBearDigital>

Reason for Agreement Termination and Credit Recapture:

Brown Bear Digital, 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.

8. Media3sixty LLC

Industry: Video Production

Primary Location(s): Sacramento

Amount of Tax Credit Awarded: \$110,000

Amount of Tax Credit to be Recaptured: \$110,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/Media3Sixty>

Reason for Agreement Termination and Credit Recapture:

Media3sixty 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.



9. Amsert Group LLC

Industry: Baking Supplies Manufacturing and Distribution

Primary Location(s): Fullerton

Amount of Tax Credit Awarded: \$100,000

Amount of Tax Credit to be Recaptured: \$100,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/AmsertGroup>

Reason for Agreement Termination and Credit Recapture:

Amsert Group 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.

10. Swanson Hulling, Inc.

Industry: Food Processing

Primary Location(s): Turlock

Amount of Tax Credit Awarded: \$48,000

Amount of Tax Credit to be Recaptured: \$48,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/SwansonHulling>

Reason for Agreement Termination and Credit Recapture:

Swanson Hulling, 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.

11. Melcon, Inc.

Industry: Site Preparation Contractors

Primary Location(s): West Sacramento

Amount of Tax Credit Awarded: \$35,000

Amount of Tax Credit to be Recaptured: \$35,000

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/Melcon>

Reason for Agreement Termination and Credit Recapture:

Melcon, 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.





12. Vertical Earthworks, Inc.

Industry: Site Preparation Contractors

Primary Location(s): Newport Beach

Amount of Tax Credit Awarded: \$20,000

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

Link to Tax Credit Agreement to be Terminated: <http://bit.ly/VerticalEarthworks>

Reason for Agreement Termination and Credit Recapture:

Vertical Earthworks, 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.

**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](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.