California Competes Tax Credit Program

Committee Meeting

Thursday, April 13, 2017
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

AGENDA

OPEN SESSION

A. Call to Order and Roll Call

B. Approval of Minutes from November 17, 2016, Committee Meeting

C. Deputy Director’s Report
   • Agenda Overview – Agreements with 114 Businesses, Total Tax Credits $91,410,355

D. Discussion and Approval of California Competes Tax Credit Agreements with Businesses other than Small Businesses

   Total Recommended Tax Credits: $70,877,755
   Total Recommended Tax Credits after Adjusting for S-Corporation Law\(^1\): $74,324,422

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\(^1\) 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. General Motors Company
   Industry: Automobile Manufacturing
   Primary Location(s): San Francisco
   Net Increase of Full-time Employees: 1,163
   Investments: $14,000,000
   Amount of Tax Credit: $8,000,000
   Link to Tax Credit Agreement: http://bit.ly/generalmotorscompany

2. Proterra, Inc.
   Industry: Electric Automobile Manufacturing
   Primary Location(s): City of Industry and Burlingame
   Net Increase of Full-time Employees: 432
   Investments: $85,967,500
   Amount of Tax Credit: $7,500,000
   Link to Tax Credit Agreement: http://bit.ly/proterrainc

3. Renovate America, Inc.
   Industry: Energy Efficiency Consulting Services
   Primary Location(s): San Diego and San Francisco Counties
   Net Increase of Full-time Employees: 542
   Investments: $24,400,000
   Amount of Tax Credit: $5,475,000
   Link to Tax Credit Agreement: http://bit.ly/renovateamericainc

4. Hulu LLC
   Industry: Online Streaming Media Service Provider
   Primary Location(s): San Francisco, Santa Monica, and Novato
   Net Increase of Full-time Employees: 410
   Investments: $109,656,500
   Amount of Tax Credit: $4,260,600
   Link to Tax Credit Agreement: http://bit.ly/hulullc

5. Course Hero, Inc.
   Industry: Educational Online Services
   Primary Location(s): Redwood City
   Net Increase of Full-time Employees: 265
   Investments: $22,885,000
   Amount of Tax Credit: $3,300,000
   Link to Tax Credit Agreement: http://bit.ly/courseheroinc
6. NuVasive, Inc.
   Industry: Medical Device Manufacturing
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 245
   Investments: $36,008,000
   Amount of Tax Credit: $3,000,000
   Link to Tax Credit Agreement: http://bit.ly/nuvasiveinc

7. Honey Science Corporation
   Industry: Software Development
   Primary Location(s): Los Angeles and Santa Barbara
   Net Increase of Full-time Employees: 254
   Investments: $10,256,000
   Amount of Tax Credit: $2,500,000
   Link to Tax Credit Agreement: http://bit.ly/honeysciencecorp

8. Procore Technologies, Inc.
   Industry: Software Development
   Primary Location(s): Carpinteria, San Jose, and San Diego
   Net Increase of Full-time Employees: 739
   Investments: $4,690,000
   Amount of Tax Credit: $2,500,000
   Link to Tax Credit Agreement: http://bit.ly/procoretechnologies

9. ServiceTitan, Inc.
   Industry: Software Development
   Primary Location(s): Glendale
   Net Increase of Full-time Employees: 177
   Investments: $4,036,369
   Amount of Tax Credit: $2,500,000
   Link to Tax Credit Agreement: http://bit.ly/servicetitan

10. Nevro Corp
    Industry: Medical Device Design and Manufacturing
    Primary Location(s): Redwood City
    Net Increase of Full-time Employees: 216
    Investments: $19,175
    Amount of Tax Credit: $2,000,000
    Link to Tax Credit Agreement: http://bit.ly/nevro
11. Wipro Limited
   Industry: Information Technology Consulting Services
   Primary Location(s): Mountain View
   Net Increase of Full-time Employees: 304
   Investments: $8,133,740
   Amount of Tax Credit: $2,000,000
   Link to Tax Credit Agreement: http://bit.ly/wiprolimited

12. Compass California, Inc.
   Industry: Online Real Estate Services
   Primary Location(s): Beverly Hills, San Francisco, and San Diego
   Net Increase of Full-time Employees: 77
   Investments: $16,600,000
   Amount of Tax Credit: $1,500,000
   Link to Tax Credit Agreement: http://bit.ly/compasscalifornia

13. Trailer Park, Inc.
   Industry: Motion Picture and Video Production
   Primary Location(s): Los Angeles
   Net Increase of Full-time Employees: 131
   Investments: $32,360,000
   Amount of Tax Credit: $1,500,000
   Link to Tax Credit Agreement: http://bit.ly/trailerparkinc

   Industry: Food Manufacturing
   Primary Location(s): Merced, or Merced and Riverside
   Net Increase of Full-time Employees: 51
   Investments: $23,000,000
   Amount of Tax Credit: $1,250,000
   Link to Tax Credit Agreement: http://bit.ly/safewayinc

15. Vege Mist, Inc.
   Industry: Display Fixtures Manufacturing
   Primary Location(s): Compton
   Net Increase of Full-time Employees: 32
   Investments: $5,000,000
   Amount of Tax Credit: $1,250,000
   Link to Tax Credit Agreement: http://bit.ly/vegemist
16. Psyonix, Inc.
   Industry: Video Game Development
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 69
   Investments: $11,893,030
   Amount of Tax Credit: $1,200,000
   Link to Tax Credit Agreement: http://bit.ly/psyonix

17. Sunset Aviation LLC
   Industry: Aircraft Management Services
   Primary Location(s): Petaluma
   Net Increase of Full-time Employees: 77
   Investments: $275,000
   Amount of Tax Credit: $1,100,000
   Link to Tax Credit Agreement: http://bit.ly/sunsetaviation

18. The New IEM LLC
   Industry: Electrical System Manufacturing and Installation
   Primary Location(s): Fremont
   Net Increase of Full-time Employees: 90
   Investments: $6,000,000
   Amount of Tax Credit: $1,075,500
   Link to Tax Credit Agreement: http://bit.ly/thenewiem

19. Diyotta, Inc.
   Industry: Software Development
   Primary Location(s): Unknown
   Net Increase of Full-time Employees: 44
   Investments: $200,000
   Amount of Tax Credit: $1,000,000
   Link to Tax Credit Agreement: http://bit.ly/diyotta

20. Fanatics Retail Group Fulfillment, Inc.
   Industry: Online Retail Warehouse and Distribution
   Primary Location(s): San Mateo
   Net Increase of Full-time Employees: 235
   Investments: $400,000
   Amount of Tax Credit: $1,000,000
   Link to Tax Credit Agreement: http://bit.ly/fanaticsretailgroup
21. United Material Handling
   Industry: Warehouse Equipment Distribution and Installation Services
   Primary Location(s): Perris
   Net Increase of Full-time Employees: 91
   Investments: $9,687,000
   Amount of Tax Credit: $1,000,000
   Link to Tax Credit Agreement: http://bit.ly/unitedmaterialhandling

22. IBISWorld, Inc.
   Industry: Business Research and Publishing
   Primary Location(s): Los Angeles
   Net Increase of Full-time Employees: 47
   Investments: $250,000
   Amount of Tax Credit: $971,655
   Link to Tax Credit Agreement: http://bit.ly/ibisworldinc

23. Labcon, North America
   Industry: Plastics Manufacturing
   Primary Location(s): Petaluma
   Net Increase of Full-time Employees: 47
   Investments: $17,420,000
   Amount of Tax Credit: $800,000
   Link to Tax Credit Agreement: http://bit.ly/labconnorthamerica

24. Crossinstall, Inc.
   Industry: Mobile Application Development
   Primary Location(s): San Francisco
   Net Increase of Full-time Employees: 75
   Investments: $294,400
   Amount of Tax Credit: $775,000
   Link to Tax Credit Agreement: http://bit.ly/crossinstall

25. Lulu’s Fashion Lounge, Inc.
   Industry: Clothing Manufacturing
   Primary Location(s): Chico and Los Angeles
   Net Increase of Full-time Employees: 167
   Investments: $6,824,715
   Amount of Tax Credit: $750,000
   Link to Tax Credit Agreement: http://bit.ly/lulusfashionlounge
26. Montrose Environmental Group, Inc.
   Industry: Emission Testing Services
   Primary Location(s): Irvine, Berkeley, and San Diego
   Net Increase of Full-time Employees: 63
   Investments: $6,286,500
   Amount of Tax Credit: $750,000
   Link to Tax Credit Agreement: http://bit.ly/montroseenvironmentalgroup

   Industry: Eyeglass Manufacturing
   Primary Location(s): Torrance and Los Angeles County
   Net Increase of Full-time Employees: 56
   Investments: $10,050,000
   Amount of Tax Credit: $735,000
   Link to Tax Credit Agreement: http://bit.ly/youngermfg

28. MFour Mobile Research, Inc.
   Industry: Mobile Application Development
   Primary Location(s): Irvine and Orange County
   Net Increase of Full-time Employees: 77
   Investments: $1,050,000
   Amount of Tax Credit: $680,000
   Link to Tax Credit Agreement: http://bit.ly/mfour

29. San Francisco Spice Company
   Industry: Food Manufacturing
   Primary Location: Woodland
   Net Increase of Full-time Employees: 24
   Investments: $25,000,000
   Amount of Tax Credit: $650,000
   Link to Tax Credit Agreement: http://bit.ly/sanfranciscospiceco

30. Cabeau, Inc.
   Industry: Travel Accessory Design
   Primary Location(s): Woodland Hills
   Net Increase of Full-time Employees: 51
   Investments: $3,000,000
   Amount of Tax Credit: $600,000
   Link to Tax Credit Agreement: http://bit.ly/cabeauinc
31. Prism Aerospace
   Industry: Aerospace Component Manufacturing
   Primary Location(s): Corona
   Net Increase of Full-time Employees: 23
   Investments: $6,000,000
   Amount of Tax Credit: $600,000
   Link to Tax Credit Agreement: http://bit.ly/prismaerospace

32. SOR Technology LLC
   Industry: Online Travel Arrangement and Reservation Services
   Primary Location(s): Carlsbad and San Diego County
   Net Increase of Full-time Employees: 80
   Investments: $1,705,000
   Amount of Tax Credit: $600,000
   Link to Tax Credit Agreement: http://bit.ly/SORTechnology

33. 3D Systems, Inc.
   Industry: 3D Printer Manufacturing
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 89
   Investments: $8,000,000
   Amount of Tax Credit: $550,000
   Link to Tax Credit Agreement: http://bit.ly/3dsystemsinc

34. Advanced Spectral Technology, Inc.
   Industry: Optical Instrument and Lens Manufacturing
   Primary Location(s): Simi Valley
   Net Increase of Full-time Employees: 24
   Investments: $825,000
   Amount of Tax Credit: $500,000
   Link to Tax Credit Agreement: http://bit.ly/advancedspecialtechnology

35. George Fischer Corporation
   Industry: Pipe Manufacturing
   Primary Location(s): El Monte, Bakersfield, and Irvine
   Net Increase of Full-time Employees: 42
   Investments: $5,400,000
   Amount of Tax Credit: $500,000
   Link to Tax Credit Agreement: http://bit.ly/georgefischer
36. GearLaunch, Inc.
   Industry: Online Payment Services
   Primary Location(s): San Francisco
   Net Increase of Full-time Employees: 72
   Investments: $320,000
   Amount of Tax Credit: $495,000
   Link to Tax Credit Agreement: http://bit.ly/gearlaunch

37. San Antonio Winery, Inc.
   Industry: Winery
   Primary Location(s): Los Angeles, Ontario, and Paso Robles
   Net Increase of Full-time Employees: 33
   Investments: $15,430,000
   Amount of Tax Credit: $475,000
   Link to Tax Credit Agreement: http://bit.ly/sanantoniowinery

38. Enviro Tech Chemical Services, Inc.
   Industry: Chemical Manufacturing
   Primary Location(s): Modesto
   Net Increase of Full-time Employees: 14
   Investments: $2,375,500
   Amount of Tax Credit: $400,000
   Link to Tax Credit Agreement: http://bit.ly/envirotechchemicalservices

39. Hodo, Inc.
   Industry: Food Manufacturing
   Primary Location(s): Sacramento and Oakland
   Net Increase of Full-time Employees: 54
   Investments: $2,253,200
   Amount of Tax Credit: $400,000
   Link to Tax Credit Agreement: http://bit.ly/hodoinc

40. PCTest Engineering Laboratory, Inc.
   Industry: Electronic Device Testing Services
   Primary Location(s): San Jose and Morgan Hill
   Net Increase of Full-time Employees: 17
   Investments: $25,000,000
   Amount of Tax Credit: $400,000
   Link to Tax Credit Agreement: http://bit.ly/pctestengineering
41. MatterHackers, Inc.
   Industry: 3D Printer Manufacturing and Sales
   Primary Location(s): Foothill Ranch
   Net Increase of Full-time Employees: 77
   Investments: $1,225,000
   Amount of Tax Credit: $380,000
   Link to Tax Credit Agreement: http://bit.ly/matterhackers

42. Universal Audio, Inc.
   Industry: Audio and Visual Equipment Manufacturing
   Primary Location(s): Scotts Valley
   Net Increase of Full-time Employees: 27
   Investments: $3,023,091
   Amount of Tax Credit: $300,000
   Link to Tax Credit Agreement: http://bit.ly/universalaudio

43. Watsonville Auto Body
   Industry: Automotive Repair
   Primary Location(s): Salinas, Santa Cruz, Monterey, and Freedom
   Net Increase of Full-time Employees: 24
   Investments: $2,470,500
   Amount of Tax Credit: $280,000

44. Digital-Telepathy, Inc.
   Industry: Web and Product Design and Marketing Services
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 15
   Investments: $350,000
   Amount of Tax Credit: $275,000
   Link to Tax Credit Agreement: http://bit.ly/digitaltelepathyinc

45. Diakont Advanced Technologies, Inc.
   Industry: Robotics Manufacturing
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 28
   Investments: $6,796,160
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/diakontadvancedtechnologies
46. J. Moraga Construction, Inc.
   Industry: Commercial and Institutional Building Construction Services
   Primary Location(s): Merced
   Net Increase of Full-time Employees: 49
   Investments: $1,960,500
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/jmoragaconstruction

47. Materion Brush, Inc.
   Industry: Chemical and Adhesive Manufacturing
   Primary Location(s): Fremont
   Net Increase of Full-time Employees: 11
   Investments: $3,146,750
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/materionbrush

48. Ventura Health Care, Inc.
   Industry: Healthcare Administration
   Primary Location(s): Newport Beach
   Net Increase of Full-time Employees: 64
   Investments: $3,128,750
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/venturahealthcare

49. Mather Aviation LLC
   Industry: Aircraft Engine and Engine Parts Maintenance
   Primary Location(s): Mather
   Net Increase of Full-time Employees: 6
   Investments: $6,290,000
   Amount of Tax Credit: $200,000
   Link to Tax Credit Agreement: http://bit.ly/matheraviation

50. Regent Aerospace Corporation
   Industry: Airplane Interior Repair
   Primary Location(s): Valencia
   Net Increase of Full-time Employees: 20
   Investments: $10,500,000
   Amount of Tax Credit: $200,000
   Link to Tax Credit Agreement: http://bit.ly/regentaerospace
51. South Bay Biomics
   Industry: Medical Laboratories
   Primary Location(s): Torrance
   Net Increase of Full-time Employees: 7
   Investments: $325,300
   Amount of Tax Credit: $200,000
   Link to Tax Credit Agreement: http://bit.ly/southbaybiomics

52. mPulse Mobile, Inc.
   Industry: Mobile Device Application and Software Development
   Primary Location(s): Encino
   Net Increase of Full-time Employees: 44
   Investments: $0
   Amount of Tax Credit: $175,000
   Link to Tax Credit Agreement: http://bit.ly/mpulsemobile

53. Sherpa Clinical Packaging LLC
   Industry: Biomedical and Biotechnology Shipping Equipment Manufacturing and Services
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 41
   Investments: $4,650,000
   Amount of Tax Credit: $175,000
   Link to Tax Credit Agreement: http://bit.ly/sherpaclinicalpackaging

54. Simplexity Product Development, Inc.
   Industry: Engineering Services
   Primary Location(s): San Diego and Sunnyvale
   Net Increase of Full-time Employees: 11
   Investments: $58,500
   Amount of Tax Credit: $175,000
   Link to Tax Credit Agreement: http://bit.ly/simplexityproductdevelopment

55. Berkeley Forge & Tool, Inc.
   Industry: Tool Manufacturing
   Primary Location(s): Berkeley
   Net Increase of Full-time Employees: 10
   Investments: $1,500,000
   Amount of Tax Credit: $170,000
   Link to Tax Credit Agreement: http://bit.ly/berkeleyforgeandtool
56. Agromillora California, Inc.
   Industry: Tree Nursery
   Primary Location(s): Gridley
   Net Increase of Full-time Employees: 65
   Investments: $9,200,000
   Amount of Tax Credit: $150,000
   Link to Tax Credit Agreement: http://bit.ly/agromilloracalifornia

57. Durham Construction Company, Inc.
   Industry: Construction Services
   Primary Location(s): Fresno County
   Net Increase of Full-time Employees: 6
   Investments: $250,000
   Amount of Tax Credit: $140,000
   Link to Tax Credit Agreement: http://bit.ly/durhamconstruction

58. Western Engineering Contractors, Inc.
   Industry: Engineering Services
   Primary Location(s): Loomis
   Net Increase of Full-time Employees: 23
   Investments: $5,000,000
   Amount of Tax Credit: $130,000
   Link to Tax Credit Agreement: http://bit.ly/westernengineeringcontractors

59. RuffStuff, Inc.
   Industry: Automotive Parts Manufacturing
   Primary Location(s): Loomis
   Net Increase of Full-time Employees: 18
   Investments: $964,000
   Amount of Tax Credit: $110,000
   Link to Tax Credit Agreement: http://bit.ly/ruffstuffinc

60. El Centro Lanes, Inc.
   Industry: Bowling Alley
   Primary Location(s): El Centro
   Net Increase of Full-time Employees: 5
   Investments: $65,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/elcentrolanes
61. Fleet Guy LLC
   Industry: Vehicle Refurbishing Services
   Primary Location(s): Sacramento
   Net Increase of Full-time Employees: 28
   Investments: $380,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/elcentrolanes

62. Printopya LLC
   Industry: Book Publishing
   Primary Location(s): Redding
   Net Increase of Full-time Employees: 5
   Investments: $165,000
   Amount of Tax Credit: $75,000
   Link to Tax Credit Agreement: http://bit.ly/printopya

Remainder of this page intentionally left blank.
E. Discussion and Approval of California Competes Tax Credit Agreements with Small Businesses

Total Recommended Tax Credits: $15,319,100
Total Recommended Tax Credits after Adjusting for S-Corporation Law\(^2\): $17,085,933

1. Cutwater Spirits, Inc.
   Industry: Beverage Manufacturing
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 64
   Investments: $17,000,000
   Amount of Tax Credit: $2,000,000

2. Survios, Inc.
   Industry: Software Development
   Primary Location(s): Los Angeles
   Net Increase of Full-time Employees: 200
   Investments: $6,543,400
   Amount of Tax Credit: $1,900,000

3. Central Valley Eggs LLC
   Industry: Agricultural Food Processing
   Primary Location(s): Wasco, Bakersfield, and Kern County
   Net Increase of Full-time Employees: 53
   Investments: $149,379,414
   Amount of Tax Credit: $1,850,000

4. Pacific Auto Recycling Center, Inc.
   Industry: Automotive Recycling Services
   Primary Location(s): Lancaster
   Net Increase of Full-time Employees: 78
   Investments: $1,300,000
   Amount of Tax Credit: $1,000,000

\(^2\) 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)).
5. Flavor Insights LLC
   Industry: Food and Beverage Manufacturing
   Primary Location(s): Benicia
   Net Increase of Full-time Employees: 17
   Investments: $2,951,000
   Amount of Tax Credit: $550,000
   Link to Tax Credit Agreement: http://bit.ly/flavorinsights

6. HM Systems, Inc.
   Industry: Healthcare Services
   Primary Location(s): San Diego
   Net Increase of Full-time Employees: 18
   Investments: $8,990,00
   Amount of Tax Credit: $500,000
   Link to Tax Credit Agreement: http://bit.ly/hmsystems

7. Maas Energy Works, Inc.
   Industry: Biogas Energy Services
   Primary Location(s): Redding and Galt
   Net Increase of Full-time Employees: 13
   Investments: $1,800,000
   Amount of Tax Credit: $491,000
   Link to Tax Credit Agreement: http://bit.ly/maasenergyworks

8. Cool Steam Pasteurization LLC
   Industry: Food and Beverage Manufacturing
   Primary Location(s): Madera
   Net Increase of Full-time Employees: 19
   Investments: $3,511,650
   Amount of Tax Credit: $450,000
   Link to Tax Credit Agreement: http://bit.ly/coolsteam

9. First Pick Builders, Inc.
   Industry: Construction Services
   Primary Location(s): Lakeport
   Net Increase of Full-time Employees: 19
   Investments: $1,341,000
   Amount of Tax Credit: $450,000
   Link to Tax Credit Agreement: http://bit.ly/firstpickbuilders
   Industry: Biotechnology Research and Development
   Primary Location(s): Carlsbad
   Net Increase of Full-time Employees: 39
   Investments: $1,005,000
   Amount of Tax Credit: $425,000
   Link to Tax Credit Agreement: http://bit.ly/biospyder

11. Milano Technical Group, Inc.
   Industry: Agricultural Equipment Manufacturing
   Primary Location(s): Merced
   Net Increase of Full-time Employees: 20
   Investments: $2,270,000
   Amount of Tax Credit: $400,000
   Link to Tax Credit Agreement: http://bit.ly/milanotechnicalgroup

12. Top-Tier Engineering, Inc.
    Industry: Electrical Engineering Services
    Primary Location(s): Ontario and Merced
    Net Increase of Full-time Employees: 39
    Investments: $1,158,000
    Amount of Tax Credit: $360,000
    Link to Tax Credit Agreement: http://bit.ly/toptierengineering

13. The Marketing Department, Inc.
    Industry: Online Marketing Consulting Services
    Primary Location(s): Salinas, Monterey, and San Diego
    Net Increase of Full-time Employees: 9
    Investments: $1,022,500
    Amount of Tax Credit: $300,000
    Link to Tax Credit Agreement: http://bit.ly/themarketingdepartment

14. Chief Digital Advisors LLC
    Industry: E-Commerce Technology and Marketing Services
    Primary Location(s): Carlsbad
    Net Increase of Full-time Employees: 36
    Investments: $141,500
    Amount of Tax Credit: $275,000
    Link to Tax Credit Agreement: http://bit.ly/chiefdigitaladvisors
15. Bargas Environmental Consulting LLC
   Industry: Environmental Consulting Services
   Primary Location(s): Sacramento and Los Angeles
   Net Increase of Full-time Employees: 13
   Investments: $193,600
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/bargasenvironmental

16. RRS Accounting Services, Inc.
   Industry: Accounting Services
   Primary Location(s): Laguna Hills
   Net Increase of Full-time Employees: 9
   Investments: $99,400
   Amount of Tax Credit: $250,000
   Link to Tax Credit Agreement: http://bit.ly/rrsaccounting

17. Critical Structures
   Industry: Architectural and Engineering Consulting Services
   Primary Location(s): Anaheim and Lomita
   Net Increase of Full-time Employees: 7
   Investments: $90,000
   Amount of Tax Credit: $225,000
   Link to Tax Credit Agreement: http://bit.ly/criticalstructures

18. Civitas Advisors, Inc.
   Industry: Consulting Services
   Primary Location(s): Sacramento
   Net Increase of Full-time Employees: 7
   Investments: $86,330
   Amount of Tax Credit: $200,000
   Link to Tax Credit Agreement: http://bit.ly/civitasadvisors

19. Sonoma Springs Brewing Company LLC
   Industry: Brewery
   Primary Location(s): Sonoma and Vacaville
   Net Increase of Full-time Employees: 17
   Investments: $1,485,000
   Amount of Tax Credit: $200,000
   Link to Tax Credit Agreement: http://bit.ly/sonomaspringsbrewingco
<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
<th>Industry</th>
<th>Primary Location(s)</th>
<th>Net Increase of Full-time Employees</th>
<th>Investments</th>
<th>Amount of Tax Credit</th>
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<tbody>
<tr>
<td>20.</td>
<td>Tracey Rivera Insurance Agency, Inc.</td>
<td>Insurance Agencies and Brokerages</td>
<td>Imperial Beach and San Diego</td>
<td>6</td>
<td>$85,000</td>
<td>$200,000</td>
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<td>21.</td>
<td>Zenith Manufacturing, Inc.</td>
<td>Marine and Aerospace Component Manufacturing</td>
<td>Sun Valley</td>
<td>11</td>
<td>$300,000</td>
<td>$200,000</td>
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<td>22.</td>
<td>Zeno Tax Solutions LLC</td>
<td>Accounting Services</td>
<td>Eureka</td>
<td>6</td>
<td>$244,000</td>
<td>$200,000</td>
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<td>23.</td>
<td>Anthony G. Avila</td>
<td>Engineering Services</td>
<td>Fresno</td>
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<td>$490,000</td>
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<tr>
<td>24.</td>
<td>Meridian Investment Counsel, Inc.</td>
<td>Business Management Consulting Services</td>
<td>San Leandro</td>
<td>4</td>
<td>$318,700</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

Link to Tax Credit Agreement:
25. Plan Tierra LLC
   Industry: Environmental Consulting Services
   Primary Location(s): Davis
   Net Increase of Full-time Employees: 8
   Investments: $258,717
   Amount of Tax Credit: $150,000
   Link to Tax Credit Agreement: http://bit.ly/plantierra

   Industry: Information Technology Services
   Primary Location(s): Aliso Viejo
   Net Increase of Full-time Employees: 22
   Investments: $142,800
   Amount of Tax Credit: $150,000
   Link to Tax Credit Agreement: http://bit.ly/rednightconsulting

27. Griswold & Griswold Insurance Agency, Inc.
   Industry: Financial and Insurance Services
   Primary Location(s): Torrance
   Net Increase of Full-time Employees: 8
   Investments: $101,600
   Amount of Tax Credit: $147,500
   Link to Tax Credit Agreement: http://bit.ly/griswoldandgriswold

28. Stillwater Family Therapy Group, Inc.
   Industry: Mental Health Services
   Primary Location(s): Gardena
   Net Increase of Full-time Employees: 9
   Investments: $8,000
   Amount of Tax Credit: $145,600
   Link to Tax Credit Agreement: http://bit.ly/stillwaterfamilytherapy

29. David Peel
   Industry: Online Marketing and Advertising Services
   Primary Location(s): Huntington Beach
   Net Increase of Full-time Employees: 5
   Investments: $75,000
   Amount of Tax Credit: $125,000
   Link to Tax Credit Agreement: http://bit.ly/davidpeel
30. Officengine, Inc.
   Industry: Software Development
   Primary Location(s): San Francisco
   Net Increase of Full-time Employees: 16
   Investments: $45,000
   Amount of Tax Credit: $125,000
   Link to Tax Credit Agreement: http://bit.ly/officengine

31. The Hive Digital Marketing, Inc.
   Industry: Web Design and Marketing Services
   Primary Location(s): Fairfax and San Rafael
   Net Increase of Full-time Employees: 4
   Investments: $615,000
   Amount of Tax Credit: $120,000
   Link to Tax Credit Agreement: http://bit.ly/thehivedigitalmarketing

32. Rocket Composites, Inc.
   Industry: Carbon Fiber Manufacturing
   Primary Location(s): West Sacramento
   Net Increase of Full-time Employees: 10
   Investments: $485,000
   Amount of Tax Credit: $115,000
   Link to Tax Credit Agreement: http://bit.ly/rocketcomposites

33. New City Executive Insurance Services LLC
   Industry: Financial and Insurance Services
   Primary Location(s): San Diego, Los Angeles, and San Francisco
   Net Increase of Full-time Employees: 13
   Investments: $677,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/newcityexecutiveins

34. Newomics, Inc.
   Industry: Biotechnology Research and Development
   Primary Location(s): Emeryville
   Net Increase of Full-time Employees: 8
   Investments: $19,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/newomics
35. North Star Sensors LLC
   Industry: Thermometer Manufacturer
   Primary Location(s): Oceanside
   Net Increase of Full-time Employees: 5
   Investments: $197,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/northstarsensors

36. Stretch Solutions LLC
   Industry: Fabricated Metal Product Manufacturing
   Primary Location(s): Corona
   Net Increase of Full-time Employees: 5
   Investments: $260,000
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/stretchsolutions

37. Symphony Financial Planning LLC
   Industry: Financial Planning and Management Services
   Primary Location(s): Davis
   Net Increase of Full-time Employees: 3
   Investments: $268,600
   Amount of Tax Credit: $100,000
   Link to Tax Credit Agreement: http://bit.ly/symphonyfinancialplanning

38. Charlie Marano
   Industry: Graphic Design Services
   Primary Location(s): Sacramento
   Net Increase of Full-time Employees: 11
   Investments: $460,000
   Amount of Tax Credit: $75,000

39. N3X MSP, Inc.
   Industry: Information Technology Services
   Primary Location(s): Yuba City and Roseville
   Net Increase of Full-time Employees: 6
   Investments: $303,530
   Amount of Tax Credit: $75,000
   Link to Tax Credit Agreement: http://bit.ly/n3xmspinc
40. Van Duerr Industries, Inc.
   Industry: Industrial Machinery Manufacturing
   Primary Location(s): Chico
   Net Increase of Full-time Employees: 38
   Investments: $3,842,550
   Amount of Tax Credit: $75,000
   Link to Tax Credit Agreement: http://bit.ly/vanduerr

41. Mansell Designs LLC
   Industry: Anatomical Model Manufacturing
   Primary Location(s): Temecula
   Net Increase of Full-time Employees: 2
   Investments: $134,860
   Amount of Tax Credit: $65,000
   Link to Tax Credit Agreement: http://bit.ly/manselldesigns

42. Calm Computing, Inc.
   Industry: Information Technology Services
   Primary Location(s): Sacramento
   Net Increase of Full-time Employees: 12
   Investments: $0
   Amount of Tax Credit: $50,000
   Link to Tax Credit Agreement: http://bit.ly/calmcomputing

43. Cornerstone Eye Center
   Industry: Ophthalmologic Surgery and Related Services
   Primary Location(s): Rowland Heights
   Net Increase of Full-time Employees: 5
   Investments: $225,000
   Amount of Tax Credit: $50,000
   Link to Tax Credit Agreement: http://bit.ly/cornerstoneeyecenter

44. Lieb Cody & Co., CPA’s Inc.
   Industry: Accounting Services
   Primary Location(s): Torrance
   Net Increase of Full-time Employees: 2
   Investments: $249,950
   Amount of Tax Credit: $50,000
   Link to Tax Credit Agreement: http://bit.ly/liebcodyandco
45. MacKinnon Products LLC
   Industry: Equine Therapy Product Manufacturing
   Primary Location(s): Sonoma
   Net Increase of Full-time Employees: 4
   Investments: $178,500
   Amount of Tax Credit: $50,000
   Link to Tax Credit Agreement: http://bit.ly/mackinnonproducts

46. SoCal Packaging Repair, Inc.
   Industry: Warehouse Equipment Installation and Repair Services
   Primary Location(s): Chino
   Net Increase of Full-time Employees: 8
   Investments: $226,150
   Amount of Tax Credit: $50,000
   Link to Tax Credit Agreement: http://bit.ly/socalpackagingrepair

47. SCG- Spicer Consulting Group LLC
   Industry: Financial Planning and Management Services
   Primary Location(s): Murrieta
   Net Increase of Full-time Employees: 8
   Investments: $27,800
   Amount of Tax Credit: $48,000
   Link to Tax Credit Agreement: http://bit.ly/spicerconsultinggroup

48. Samuel C. Derouin
   Industry: Fabricated Metal Product Manufacturing
   Primary Location(s): Oakland
   Net Increase of Full-time Employees: 2
   Investments: $85,000
   Amount of Tax Credit: $45,000
   Link to Tax Credit Agreement: http://bit.ly/samcderouin

49. AMC CPAs & Consultants
   Industry: Accounting Services
   Primary Location(s): Los Angeles
   Net Increase of Full-time Employees: 3
   Investments: $0
   Amount of Tax Credit: $42,000
   Link to Tax Credit Agreement: http://bit.ly/amccpas
50. Fine Construction, Inc.
   Industry: Construction Services
   Primary Location(s): Truckee
   Net Increase of Full-time Employees: 4
   Investments: $50,000
   Amount of Tax Credit: $40,000
   Link to Tax Credit Agreement: http://bit.ly/fineconstruction

51. CPA Insight, Inc.
   Industry: Accounting and Financial Management Services
   Primary Location(s): Fremont
   Net Increase of Full-time Employees: 2
   Investments: $48,000
   Amount of Tax Credit: $30,000
   Link to Tax Credit Agreement: http://bit.ly/cpainsight

52. MinowCPA Corporation
   Industry: Accounting Services
   Primary Location(s): Newport Beach and Santa Ana
   Net Increase of Full-time Employees: 8
   Investments: $1,700,000
   Amount of Tax Credit: $20,000
   Link to Tax Credit Agreement: http://bit.ly/minowcpa

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

Total Tax Credits Recommended to be Recaptured: $730,000
Total Tax Credits Recommended to be Recaptured after Adjusting for S-Corporation Law\(^3\): $730,000

1. Connectivity, Inc.
   Industry: Online Marketing and Advertising Services
   Primary Location(s): Burbank
   Amount of Tax Credit Awarded: $250,000
   Amount of Tax Credit to be Recaptured: $250,000
   Link to Tax Credit Agreement to be Terminated: http://bit.ly/ConnectivityInc
   Reason for Agreement Termination and Credit Recapture:
   Connectivity, 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.

   Industry: Aerospace Product and Parts Manufacturing
   Primary Location(s): Torrance
   Amount of Tax Credit Awarded: $250,000
   Amount of Tax Credit to be Recaptured: $250,000
   Link to Tax Credit Agreement to be Terminated: http://bit.ly/HoneywellInternational
   Reason for Agreement Termination and Credit Recapture:
   Honeywell 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.

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\(^3\) 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)).
3. Pacific Blue Innovations LLC
   Industry: Research and Development
   Primary Location(s): Vista
   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/PacificBlueInnovations
   Reason for Agreement Termination and Credit Recapture:
   Pacific Blue Innovations 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.

4. American Marine Abatement Services LLC
   Industry: US Navy Ship Maintenance and Repair Services
   Primary Location(s): National City
   Amount of Tax Credit Awarded: $30,000
   Amount of Tax Credit to be Recaptured: $30,000
   Link to Tax Credit Agreement to be Terminated: http://bit.ly/1hKytid
   Reason for Agreement Termination and Credit Recapture:
   American Marine Abatement Services 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.

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 Scott Dosick, Assistant Deputy Director, at 916-322-0676 or 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.