

**CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

Board Meeting Date: Tuesday, September 15, 2026

Request to Approve Project for a Sales and Use Tax Exclusion¹

**Robert Bosch Semiconductor LLC
Application No. 26-SM007**

Prepared By: *Willy Chen, Program Analyst*

SUMMARY

Applicant: Robert Bosch Semiconductor LLC

Location: Roseville, Placer County

Industry: Semiconductors

Project: Expansion of Existing Semiconductors Manufacturing Facility
(Advanced Transportation)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount ²
\$176,470,588	\$15,000,000

Estimated Net Benefit ³	Dollar Value	Points Earned
Estimated Fiscal Benefits	\$8,693,280	580
Estimated Environmental Benefits	\$9,169,798	611
Additional Benefits	N/A	208
Total	\$17,863,078	1,399
Estimated Quantifiable Net Benefit	\$2,863,078	N/A

Previous Awards and Status: One previous award

- Award 1: Application No. 25-SM003, Award Year 2025, 99% Expended, Status: Active, Compliant on Required Reports

¹ All capitalized terms not defined in this document are defined in the STE Program’s statutes and regulations.

² This amount is calculated based on the average statewide sales tax rate of 8.5%.

³ Applications that earn a Total Score of at least 1,000 points and an Environmental Benefits Score of over 20 points may be recommended for approval. (California Code of Regulations Title 4, Division 13, Section 10033(c)(6).)

Competitive Criteria Score: 220

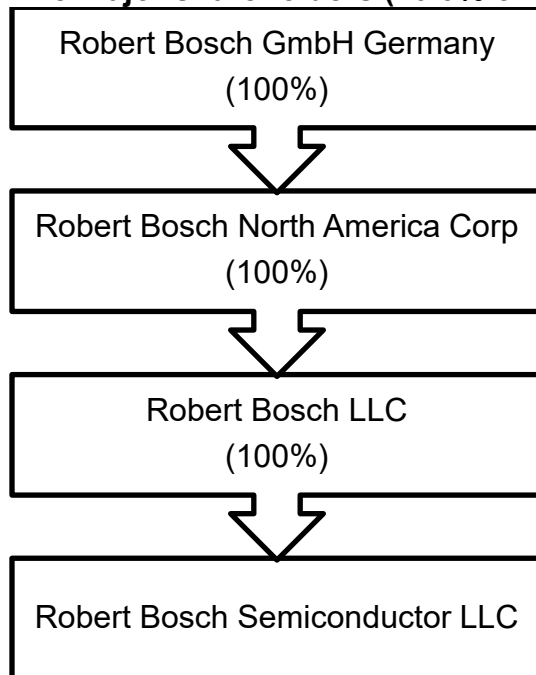
Staff Recommendation: Approval

THE APPLICANT

Robert Bosch Semiconductor LLC (the “Applicant”), formed in Delaware as a limited liability company in 2023. The Applicant is headquartered in Roseville, CA, and manufactures silicon carbide (SiC) power semiconductors used primarily in electric vehicles, with additional applications in renewable energy, industrial systems, and transportation infrastructure.

The Applicant received a \$25 million income tax credit under the California Competes Tax Credit Program⁴ administered by the Governor’s Office of Business and Economic Development on June 15, 2023.

The major shareholders (10.0% or greater) of the Applicant are:



The company officers of the Applicant are:

- Christian Foerster, President
- Malte Reimers, Chief Financial Officer
- Lyndsay Anderson, Secretary
- Tony Serventi, Assistant Secretary
- Jon Schaffer, Treasurer
- Deanna McCann, Assistant Treasurer

⁴ California Code of Regulations, Title 10, Chapter 13, Article 1 (commencing with Section 8000).

THE PROJECT

Robert Bosch Semiconductor LLC requests a sales and use tax exclusion (“STE”) award to expand its existing semiconductor manufacturing facility located in Roseville (the “Project”).

The Project represents the next phase of Bosch’s multi-year investment plan to build U.S. Silicon Carbide (SiC) semiconductor manufacturing capacity. The expansion enables additional wafer fabrication, wafer level testing, sorting, dicing, and bare die packaging on 200 mm SiC wafers. These components are essential for electric vehicle traction inverters, onboard chargers, direct current to direct current (DC-DC) converters, and other critical infrastructure systems.

According to the Applicant, the facility will produce silicon carbide metal-oxide-semiconductor field effect transistors (SiC MOSFETS) on 200-mm wafers. By using dual-channel trench-gate MOSFET designs rather than traditional planar-gate structures, the devices achieve lower gate capacitance and reduced channel resistance per unit area. This design improves performance by reducing power losses by more than 40%, enabling higher switching efficiency and supporting greater power efficiency and density to advance electrification.

Anticipated Costs of Qualified Property

Anticipated Qualified Property Purchases	Cost
Front End Machinery & Equipment	\$156,677,166
Back End Machinery & Equipment	\$19,793,422
Total	<u>\$176,470,588</u>

Note: The Qualified Property purchases reported in the Application and shown here in staff’s report are estimated costs. In accordance with the Regulatory Agreement, a finalized Project equipment list will be prepared detailing the value of the Project equipment actually acquired, and the estimated tax benefit realized pursuant to Revenue and Tax Code Section 6010.8. Variance from the costs shown in the Application and in this report may occur prior to the closing due to increased costs of certain components of the Project over original estimates, and other reasons. In addition, those costs may vary after closing due to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in statute or regulation, or for other reasons.

Timeline

The Applicant acquired the manufacturing facility in August 2023 and began producing test and qualification samples in September 2025. Full series production is planned for Q4 2026, with a production capacity ramp-up to 1,000 wafer starts per day by 2033.

Status of Permits/Other Required Approvals

The Applicant has obtained most of the required permits, with a few remaining that will be submitted after construction is completed in June 2029.

COMPETITIVE CRITERIA SCORE

The Applicant received 220 Competitive Criteria points as follows:

1. **Environmental Benefits (100 of 100 points)**. The Application has a Project that produces an Advanced Transportation Technology, and, therefore, 100 points are awarded.
2. **Unemployment (0 of 50 points)**. The Applicant's Project is located in Placer County, which has an average annual unemployment rate of 4.3%.⁵ When compared to the statewide average annual unemployment rate of 5.5%, the Project location earned the Applicant zero points.
3. **Job Creation (30 of 75 points)**. The Applicant anticipates the Project will support a total of 604 production-related jobs at its Facility. CAEATFA estimates that approximately 36 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 30 points.
4. **California Headquarters (15 of 15 points)**. The Applicant maintains its Corporate Headquarters in Roseville, California, 15 points are awarded.
5. **Natural Disaster Relief (0 of 50 points)**. The Project is not to rebuild or relocate the Applicant's Facility due to a fire, flood, storm, or earthquake identified in a state of emergency proclaimed by the Governor within two years of the time of application, and, therefore, zero points are awarded.
6. **Eligibility for Manufacturing and Research and Development Equipment Exemption (0 of 50 points)**. The Applicant is eligible to use one or more of the exemptions established pursuant to Section 6377.1 of the Revenue and Taxation Code, and, therefore, zero points are awarded.
7. **Emerging Strategic Industry (75 of 75 points)**. The Project's industry, Semiconductor Manufacturing, is in an Emerging Strategic Industry, and, therefore, 75 points are awarded.

PROJECT EVALUATION

Project Benefits

The Project received a Total Score of 1,374 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 611 points, which exceeds the 20-point threshold.

⁵ Unemployment rates are based on data available in March 2026.

1. **Fiscal Benefits (580 points)**. The net present value of the total fiscal benefits over the lifetime of the Qualified Property is derived from the Applicant's sales and use taxes, personal income taxes paid by the firm's employees, firm taxes on profits, property taxes, and other indirect fiscal benefits of the Applicant. The total fiscal benefits amount to \$8,693,280, resulting in a Fiscal Benefits score of 580.
2. **Environmental Benefits (611 points)**. The Project is anticipated to result in \$9,169,798 of total pollution benefits over the life of the Project, resulting in an Environmental Benefits Score of 611 points. These benefits derive from the production of semiconductor components for electric vehicles.
3. **Additional Benefits (183 points)**. Applicants may earn "Additional Benefits" points in the categories listed below. The Applicant received 183 Additional Benefits points.
 - A. **Production Jobs (30 of 75 points)**. The Applicant anticipates the Project will support a total of 604 production-related jobs at its Facility. CAEATFA estimates that approximately 36 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 30 points.
 - B. **Construction Jobs (30 of 75 points)**. The Applicant anticipates the Project will support a total of 610 construction jobs at its Facility. CAEATFA estimates that approximately 36 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 30 points.
 - C. **Unemployment (0 of 50 points)**. The Applicant's Project is located in Placer County, which has an average annual unemployment rate of 4.3%. When compared to the statewide average annual unemployment rate of 5.5%, the Project location earned the Applicant zero points.
 - D. **Non-CA Environmental Benefits (8 of 40 points)**. The Applicant's total value of out-of-state non-greenhouse gas emissions pollution benefits are valued at \$251,055.49 resulting in a Non-CA Environmental Benefits Score of 8 points for the Project.
 - E. **Research and Development Facilities (25 of 25 points)**. The Applicant has verified that it has a facility located in California that performs research and development functions related to developing and improving SiC semiconductor devices and their production processes through process development, characterization, optimization, and electrical testing performed at the Roseville facility.
 - F. **Workforce Partnerships (25 of 25 points)**. The Applicant has a partnership with Sierra Community College, the Sacramento Valley Manufacturing Alliance, California State University and University of California Davis for the purpose of

assisting in the training of potential future workers, including women, racial minorities, and veterans.

G. Benefits and Fringe Benefits (25 of 25 points). The Applicant states it provides medical, health, dental & vision benefits, bonuses, pension plans, retirement contributions, dependent care & assistance reimbursement, education reimbursement, employee discounts, and paid leave to its employees, earning the Applicant 25 points.

H. Emerging Strategic Industry (40 of 40 points). The Project's industry, Semiconductor Manufacturing, is in an Emerging Strategic Industry, earning the Applicant 40 points.

LEGAL STATUS QUESTIONNAIRE

Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the Application. The Executive Director, in consultation with legal counsel, has determined that the legal issues disclosed do not affect the financial viability or legal integrity of the Applicant.

WORKFORCE REQUIREMENT

The Applicant, individually or with its parent corporation and subsidiaries, employs 500 or more employees, and has certified that it, along with its contractors, will do all of the following:

- (1) Provide comparatively good wage and benefits to the employees of the applicant or its subcontractors, relative to the industrial sector of the applicant or its subcontractors, occupation, and labor market of those employees.
- (2) Invest in employee training, growth, and development, such as through comprehensive workforce training programs or apprenticeship programs.
- (3) Adopt mechanisms to include worker voice and agency in the workplace.

CAEATFA FEES

In accordance with STE Program regulations,⁶ the Applicant paid CAEATFA an Application Fee of \$10,000 and will pay CAEATFA a total Administrative Fee of up to \$350,000 should the Applicant be approved for an award. Upon execution of the Regulatory Agreement, the Applicant shall pay \$175,000.

⁶ California Code of Regulations Title 4, Division 13, Section 10036

RECOMMENDATION

Staff recommends the approval of Resolution No. 26-SM007-01 for Robert Bosch Semiconductor LLC's purchase of qualifying tangible personal property in an amount not to exceed \$176,470,588 anticipated to result in an approximate STE value of \$15,000,000. The initial term of the Regulatory Agreement will be for a period of five years, until September 15, 2031, and the full term shall be for a period of 12 years, until September 15, 2038, for providing annual compliance reports.

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A
REGULATORY AGREEMENT WITH ROBERT BOSCH SEMICONDUCTOR LLC**

September 15, 2026

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”) has received the Application of **Robert Bosch Semiconductor LLC** (the “Applicant”) for financial assistance under the Sales and Use Tax Exclusion Program, as established in Public Resources Code Section 26011.8; and

WHEREAS, the Applicant qualifies as a Participating Party under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8; and

WHEREAS, the Applicant’s qualifying tangible personal property meets the requirements of a Project under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8 (the “Project”); and

WHEREAS, after the Authority approves an Application, the Authority enters into a Regulatory Agreement, as described in Authority Regulations Section 10035(a), with the Applicant for the Project; and

WHEREAS, the Applicant has stated the Project has an estimated cost not to exceed \$176,470,588 over a period of five (5) years; and

WHEREAS, the Applicant asserts that this form of financial assistance will enable it to avail itself of the benefits of an exclusion from sales and use taxes relative to the Project pursuant to Revenue and Taxation Code Section 6010.8; and

WHEREAS, the approval of the terms of the Regulatory Agreement and authority for the Executive Director or Chair of the Authority to execute the necessary documents to effectuate the Regulatory Agreement is now sought;

NOW, THEREFORE, BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority, as follows:

Section 1. The Regulatory Agreement includes a Project within the meaning of Public Resources Code Section 26003(a)(8)(B).

Section 2. The Regulatory Agreement constitutes financial assistance within the meaning of Public Resources Code Section 26003(a)(6).

Section 3. The Applicant is a participating party within the meaning of Public Resources Code Section 26003(a)(7).

Section 4. The Executive Director or Chair of the Authority (the “Authorized Signatories”) are hereby authorized for and on behalf of the Authority to approve any changes to the Project that do not affect eligibility, provided that the amount of the qualifying tangible personal property to be purchased for the Project may not be increased above the amount approved by the Authority.

Section 5. The proposed form of the Regulatory Agreement between the Applicant and the Authority, as filed with the Authority prior to this public meeting, is hereby approved. For, on behalf and in the name of the Authority, the Authorized Signatories are hereby authorized and directed to execute, acknowledge, and deliver to the Applicant the Regulatory Agreement in substantially the form filed with or approved by the Authority.

The Regulatory Agreement may contain insertions, deletions or changes as the Authorized Signatories executing the Regulatory Agreement may require or approve, including particular information inserted in substantial conformance with the staff summary and in the Application to the Authority. The approval of the Regulatory Agreement will be conclusively evidenced by the execution and delivery of the final Regulatory Agreement.

The Authority understands and agrees that, pursuant to the terms of the Regulatory Agreement, the obligations of the Applicant, under some circumstances, may be carried out or assumed by a successor or assignee entity, or by an affiliate of the Applicant.

Section 6. Each of the Authorized Signatories, acting alone, is hereby authorized and directed to do any and all ministerial acts, including, without limitation, the execution and delivery of any and all documents and certificates they may deem necessary or advisable to consummate the Regulatory Agreement and otherwise effectuate the purposes of this Resolution.

Section 7. The Applicant shall ensure that all of the qualifying tangible personal property acquired as part of the Project that is listed in the semi-annual reports provided to the Authority pursuant to the Regulatory Agreement will be installed, maintained and operated in compliance with all applicable local, state and federal laws.

Section 8. The Regulatory Agreement shall only apply to qualifying tangible personal property acquired as part of the Project that the Applicant certifies will be installed, maintained and operated at facilities physically located within the State of California.

Section 9. Neither the adoption by the Authority of this Resolution for the Applicant nor the Regulatory Agreement may be referred to in any application before any governmental agency as evidence of the feasibility, practicality or suitability of the Project and may not be referred to in any application for any required permission or authority to acquire, construct or operate the Project.

Agenda Item – 4.A.2
Resolution No. 26-SM007-01

Section 10. This Resolution is effective immediately and will remain in full force and effect unless the Regulatory Agreement is not executed within thirty (30) days of the date of this Resolution. The Executive Director may extend the thirty (30) days for up to an additional thirty (30) days, if necessary.