



# PACIFIC COAST FERTILIZER PROJECT FAQs

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## WHAT IS THE PROPOSED PROJECT?

Pacific Coast Fertilizer (PCF) intends to construct a new, state-of-the-art manufacturing facility for the production of liquid anhydrous ammonia fertilizer on a 56-acre site in the Mint Farm Industrial Park in Longview. The bulk of this product now used in the Pacific Northwest is made overseas and imported into this market at a premium price to the agriculture industry. One of the goals of this facility is to replace the imported fertilizers with a locally-made, less-expensive product.

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## WHAT DREW THE FACILITY TO LONGVIEW IN PARTICULAR?

The company was looking for a location to serve the Northwest market with convenient access to all types of transportation (ship, rail, and truck). What they also found in Longview is industrial property that has had some of the permitting already taken care of, in a community with an industrial history and an industrial workforce, and ready access to the feedstock required for production (natural gas).

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## HOW MANY PEOPLE WILL THE PLANT EMPLOY?

Company estimates tell us that they will be employing up to approximately 1,000 people over the course of a two-year construction process. Once the plant is in operation, the company expects to generate 80-100 full-time, family-wage jobs. Nearly all of the operating workforce is expected to come from the local area.

Due to the maintenance and servicing required in these types of facilities, it is expected that the facility will generate and support numerous other jobs in the community. The Manufacturing Institute has estimated a multiplier of 1.58 jobs being created for each manufacturing job. Other studies suggest that number might be too low, but using that multiplier the Longview area should expect an additional 126-158 jobs being created as a result of this facility.

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## WHAT IS THE PLANT'S ANTICIPATED PAYROLL?

Waiting for info from PCF.

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## WHAT IS THE TAX IMPACT OF THE FACILITY TO THE CITY?

We have preliminary estimates of the value of the facility ranging from \$800M to \$1B. At that value, the City would eventually receive an additional \$2.6-\$3.3M per year in property taxes at full build-out, and \$8-\$10M in sales taxes over the construction period. (Property tax revenues would escalate up to the full amount based on the value of construction completed in any year.)

## WHAT PROPERTY IS THE COMPANY PURCHASING FROM THE CITY?

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PCF will be purchasing two stormwater conveyance parcels and lots 8, 9, 10 and 11 in "Phase I" of the Mint Farm Industrial Park from the City of Longview. The properties total just over 18.5 acres. The sale price in the Purchase and Sale Agreement for these properties is \$1,782,693. This price has been more than supported by independent appraisal. Additionally, the City will receive option payments quarterly for the property that do not apply to the sale price. In the first year, the four quarterly payments total \$71,827. In year two, the payments increase to a total of \$92,700, and if the option is extended to a third year, the payments increase again to \$116,802.

## WHAT ADDITIONAL PROPERTIES ARE INVOLVED?

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In order to have adequate land to construct the plant, PCF will also be acquiring the property currently owned by Pacific Northwest Metal Recycling. Their two parcels add up to nearly 38 acres. Pacific Northwest Metal Recycling intends to remain in Longview and expects to relocate to property nearer the Port of Longview.

## WHEN WILL THE SALE TAKE PLACE?

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The City and PCF have agreed to a two-year option term in the purchase and sale contract that can be extended to include a third year. This option period will be used to evaluate how best to construct the facility, prepare all required studies and plans and initiate the permitting process for the construction. Option payments under the contract do not apply to the final purchase price.

## WHAT IS THE ZONING IN THE MINT FARM?

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The zoning in the Mint Farm is Heavy Industrial (HI). It is the zone in the City created for projects such as this.

## HOW LONG WILL THE PERMITTING PROCESS TAKE?

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The length of time any project takes in the permitting process depends on a host of factors. Sometimes the issues that need to be addressed are complex and require time to understand what impacts may occur and how to adequately address them. Sometimes jurisdictions or state agencies are slow to process permits, and other times consultants are overbooked and are slow to respond to comments. City staff is committed to moving the permitting process along as expeditiously as possible.

When the City begins receiving applications and develops a more complete picture of what is being proposed, it will be easier to forecast what the process will need to be, the specific permits required, and then estimate the permitting timeframe. Typically the process begins with a development application which triggers a SEPA review. Often these initial applications are filling and grading permits or the like. At that point, the company submits a SEPA checklist describing the project in detail. That will give a City a clearer idea of the impacts of the process and determine which path the review will take.

The three paths a SEPA review can take include a Determination of Non-Significance which states

that a project is not likely to generate a significant environmental impact. A second path, a Mitigated Determination of Non-Significance, acknowledges that a project will create environmental impacts but that there are actions the company can perform that will reduce them below threshold levels. Finally, a Determination of Significance says that a project is likely to have environmental impacts that require further study to resolve. That determination triggers the Environmental Impact Statement (EIS) process. This is the more time consuming process being applied for two other large proposed projects in our area currently, Millennium Bulk Terminals' proposed coal export facility just outside the Longview city limits and Northwest Innovations Works' proposed ethanol manufacturing plant at the Port of Kalama.

There are formal times in the SEPA review process which encourage public comment. Citizens are encouraged to follow the process and contribute to the discussion regarding the company's potential impacts.

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### WHEN SHOULD WE EXPECT TO START SEEING ACTIVITY ON THE PROPERTY?

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After the Purchase and Sale Agreement is executed, it is likely that some activity will be noticeable very soon. The company will need to send surveyors, biologists, geologists, and more to begin the evaluations that lead to State Environmental Policy Act (SEPA) documents and engineering design.

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### WHAT IS THE COMPANY MAKING?

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The company produces anhydrous ammonia fertilizer. Anhydrous ammonia is a widely used commercial fertilizer that is very efficient at converting to nitrogen in the soil. It is stored and shipped as a liquid. Typically, you would notice it on agricultural fields in tanks attached to the back of a tractor where it is pumped through blades and captured by the moisture in the soil.

According to an article published in *The Daily News* on September 21, 2016, the plant's daily production would be the equivalent of 11 semi-truck loads. Shipping of the material will not be solely by road. The company also hopes to use rail and ship loading facilities in the area as well. *The Daily News* article can be read here: [http://tdn.com/news/local/mint-farm-fertilizer-plant-could-create-to-jobs/article\\_a8dcea86-099d-5d3b-8387-aa8c3641f729.html](http://tdn.com/news/local/mint-farm-fertilizer-plant-could-create-to-jobs/article_a8dcea86-099d-5d3b-8387-aa8c3641f729.html).

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### IS IT DANGEROUS?

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Like many chemicals, anhydrous ammonia has properties that can be hazardous and requires special handling procedures from the manufacturing facility to the farm. Not an explosive hazard like ammonium nitrate, anhydrous ammonia is considered a corrosive chemical and bonds rapidly with water and becomes inert. In a strong concentration, anhydrous ammonia can be harmful to humans, reacting especially to moist organs such as eyes and lungs. There are many precautions designed into the facilities of this type intended to eliminate potential releases of the product and to protect more vulnerable points, such as loading areas, from accidental releases.

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### WILL THERE BE AN AROMA?

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Anhydrous ammonia, like the cleaning formula sold for home use, has a strong aroma when exposed

to air. There should not be any kind of pervasive odor around the manufacturing facility, however. From production through loading, the system is closed.

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### WILL THE FACILITY BE NOISY?

There are compressors and other equipment involved in the manufacturing process. This equipment does make noise but would not be expected to exceed levels for a typical manufacturer. The City has noise standards which would be need to be met that would limit the noise travelling away from the plant.

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### WILL THE PLANT USE CITY UTILITIES?

Yes, the plant would use a significant amount of water in their production process. They anticipate using approximately 2.5M gallons of water per day that would be sourced from the City water supply in the Mint Farm Industrial Park. While this is a significant amount of water, it is within the City's capacity to provide it without the need to expand and does not jeopardize the City's long-term supply.

The company also expects to discharge approximately 1M gallons per day of treated water from their cooling process. That water would go to the Three Rivers Regional Wastewater Treatment Plant.

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### WHAT OTHER UTILITIES ARE REQUIRED?

Again, according to *The Daily News* article cited above, the company intends to use approximately 45M cubic feet of natural gas per day to meet their production demand. That supply is available via a private supply line in the Mint Farm area. That demand could change one way or another as the company moves toward a final design for the plant.

Electricity for the plant would likely be supplied by the Cowlitz Public Utility District.

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### WHERE CAN I GO FOR MORE QUESTIONS RELATED TO ANHYDROUS AMMONIA AND THE PRODUCTION PROCESS?

Sources abound on the internet with information regarding anhydrous ammonia. The company has been collecting questions and posting answers in their own FAQs since the idea of the facility was first announced in The Daily News in September last year. The company has committed to continue answering questions on their website at: [www.pacificcoastfertilizer.com](http://www.pacificcoastfertilizer.com)