

Fufeng | USA

Grand Forks

Fufeng USA is a global leading bio-fermentation company manufacturing products that serve fast-growing animal nutrition.

Fufeng USA's headquarters is in Chicago, Ill. They have chosen to invest in Grand Forks to establish a wet corn mill processing plant in the United States. Fufeng USA will extract high-valued amino acids, Lysine and Threonine, which are essential ingredients in animal nutrition feed formulations.

Fufeng USA will acquire a 370-acre greenfield site in the north end of Grand Forks for a facility that will require substantial amounts of electric power, natural gas, water, and sewer capacity.



Employment

The construction phase is estimated to employ 1,000 construction contractors for 2.5 years. New operation is expected to employ 233 at full build-out.



Timing

The client's goal is to begin Phase 1 trial production within approximately two and a half years. Break ground in spring 2022, build for 2.5 years.

Key Site Considerations

- **Corn Feedstock** 25 million bushels
- **Natural Gas** 36,000 DecaTherm per day peak, 12,000,000 annually
- **Water** 6.6 Million Gallons per Day average demand
- **Wastewater** 3.1 Million Gallons per Day average discharge
- **Electricity** 15 MW reserve power on 115 Kv line
- **Rail** 50 inbound cars and 180 outbound cars per week
- **Road** 877 inbound and 403 outbound trucks per week

Economic Impact

Table 1	Category	Hourly	Annual
Employee Wages	Overall Employee Compensation	\$28.50	\$59,280
	Management Staff (Salary)	\$56.00	\$133,120
	Salary Staff	\$34.50	\$71,760
	Hourly Staff	\$25.00	\$52,000

233
employees

Table 2	Category	Total Jobs	Total Wages & Salaries	Average Wage/Salary
Market-wide Employment Effects	During Construction (Emsi Analysis)	1,412	\$58,135,742	\$72,943
	Ongoing (Remi Analysis)	525	\$32,800,000	\$63,529

Economic Impact on Corn Pricing (estimated)

This project may increase the basis of corn pricing anywhere from \$.20 to \$.40. Using the high end of that range, a 150 bushel per acre yield could mean an increase of up to \$60 per acre. That would be nearly a \$10,000 increase for a farmer on each quarter of corn.

\$60
per acre

Economic Increase in School-Aged Children (estimated)

This project is estimated to generate 53 additional school children. With a state per-pupil payment of \$10,136, the total annual increase to the schools is \$537,208.

\$537,208
Annually

The city of Grand Forks anticipates an estimated \$96 million of investment to support the project development. These expenses are supportive of off-site infrastructure including, roads, storm water infrastructure, potable water treatment, raw water supply, wastewater pumping and force main improvement, and wastewater treatment expansion.