



COUNTY ADMINISTRATIVE OFFICE  
**Economic Development**  
**COUNTY OF HUMBOLDT**

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To the California Governor's Office  
of Business and Economic Development, et al.  
1325 J Street, Suite 1800 Sacramento, CA

April 4th, 2019

Subject: State assistance for aquaculture project

Dear, Go-Biz team and other stakeholders.

On February 11, 2019, Nordic Aquafarms, a Norwegian company, by and through its registered California entity, signed a lease-option agreement with the Humboldt Bay Harbor Recreation and Conservation District to pursue final due diligence for a land-based fish farm on the Samoa Peninsula (located in Humboldt County, CA).

Nordic Aquafarms is a leader in land-based fish farming (RAS) which is a new industry practice based on indoor production in a controlled environment using large, independent tanks and water treatment systems. At present, Nordic operates two RAS facilities in Denmark, one in Norway, and is building a fourth facility in Belfast, Maine U.S.

Nordic has identified Humboldt County, CA as a potential site to construct its second U.S. facility which would service its west coast operations. Total construction for such a facility is anticipated to cost approximately **\$400,000,000.00** and, by project completion, would result in the creation of 85 primary, and 25 secondary anticipated full-time employees (FTE's) for a total of **110** jobs.

In addition to the aforementioned FTE's, there also exists real potential for ancillary job creation as a result of Nordic's presence in the region. Nordic's RAS facility in Humboldt County (should the project come to fruition) would be catalyst for development on the Samoa Peninsula and for future aquaculture industries in the State of California.

Should Nordic find, through its due diligence, that Humboldt County is a viable location for its west coast facility it will execute a lease agreement with the Humboldt Bay Harbor Recreation and Conservation District for a period of thirty (30) years, with two ten (10) year renewal options.

Because Nordic intends to pay a living wage to its employees, the total economic impact to the community over a thirty (30) year period (for capital investments, salaries, and production costs, alone) could exceed three and a half (**\$3.5B**) billion dollars.

Furthermore, Nordic's revenues over a thirty (30) year period are expected to approach five **(\$5B) billion dollars** which will be subject to California's tax code.

At present moment, Humboldt County and the State of California are competing for this project. Though an option agreement has been signed, a lease will **not** be fully executed until Nordic can satisfactorily complete its due diligence investigations. Moreover, there are other coastal jurisdictions, located outside of California, who are courting Nordic Aquafarms for this very project.

That said. The Humboldt County Office of Economic Development requests economic development assistance from GO-Biz and other state partners for this project. Because this project carries the potential to create substantial economic value for the state, it is imperative that Nordic's new west coast RAS facility be placed in California, and not elsewhere.

Specifically, as for our request for assistance, the County of Humboldt is seeking your aid in identifying and securing grants and incentives for infrastructure improvements (water, power, etc.) on the Samoa Peninsula which are necessary to secure this, and future, developments.

Moreover, Nordic Aquafarms is seeking state level incentives to offset its anticipated project costs and higher than normal operational costs (in comparison to competing regions who have lower tax and energy rates) and Nordic has asked our office to inquire with the California Governor's Office of Business and Economic Development (and other partners) on the potential for existing and/or new grant and incentive programs to assist in this regard.

Because many of the existing state level economic assistance programs are not specifically designed for aquaculture companies, Nordic is finding it difficult to apply and qualify for existing state programs. As such, if there is potential for an ad-hoc (or project specific) incentive, or an assistance offering from the state, our office would ask that the California Governor's Office of Business and Economic Development assist Humboldt County in obtaining it.

More information regarding Nordic Aquafarms, and its Belfast Maine project, can be found at [www.nordicaquafarms.com](http://www.nordicaquafarms.com)

Regards,



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