



a community development partner of United Bank

September 30, 2020

For Immediate Release

Coastal Growers to Build Facility in Atmore

Coastal Growers LLC and the State of Alabama today announced the company has entered into an agreement to build a peanut shelling plant in Atmore, bringing 100 or more jobs to the area and turning the Escambia County City into a hub for peanut shelling in southwest Alabama.

The company, which will be owned by a cooperative of farmers – most of them residing in Alabama – will build an \$87 million shelling and storage facility in the Atmore Industrial Park on more than 60 acres of land.

“The Coastal Growers facility in Atmore will become a vital resource for peanut farmers in Alabama and beyond by helping to make their operations more sustainable and profitable,” Alabama Gov. Kay Ivey said. “I look forward to seeing the impact that this project is going to have for our farmers and for the region.”

“We are excited to be able to announce this project today, to bring peanut shelling to south Alabama, and to bring economic benefit to the hard-working farmers of our state who so desperately need it,” said Paul Turner, an attorney representing the company. “We also offer our sincere gratitude to Alabama Gov. Kay Ivey, Atmore Mayor Jim Staff and everyone else who made this project possible and brought us to Atmore, including the Alabama Farmers Federation and the Alabama Peanut Producers Association, both of which were vital in the project's development.”

Coastal Growers' Brad Smith and Joe Parker, two of the driving forces behind the project, said the Atmore location proved to be the perfect site for the company and what it wants to do.

“The peanuts we have in this area are among the highest quality available, yet we really had no infrastructure for shelling in this area,” said Parker, who is also owner and general manager of Summerdale Peanut in Baldwin County.

“While we looked at other possibilities in other states, Atmore really did make the best sense for us in the end, and the state was strongly supportive of our efforts the entire time,” Smith said. “They did a fantastic job of making us feel welcome in Escambia County.”

Mark Kaiser, a Baldwin County farmer, said the new facility would allow farmers to capture more of the profit from their own crops, enriching them and giving them more control over their own operations.

“The process doesn't end when you grow the peanut and harvest it; you still have to shell it before you can sell it to an end user,” Kaiser said. “So you're kind of at the mercy of being able to find a good price from an out-of town sheller, but it's going to cost you some of your crop profit regardless. This facility will be owned by the farmers that use it, and they'll keep those profits themselves. That's good for both the farmers and for the immediate area, because the money will just keep turning over locally.”

Another local farmer, Darrin Driskell, concurred with Kaiser.

“As a Gulf Coast family farm that has been in the production of peanuts for many years, Coastal Growers will be the best thing that has happened to the peanut producers in this area,” said Driskell. “Whether producers are a member or not, the local farmerstock peanut prices are going to rise and create stability for farmers in these uncertain times.”

Atmore Mayor Jim Staff said the city welcomed Coastal Growers and was excited to be able to help the area's local farmers at the same time.

“It's not just the jobs at the plant itself, even as much opportunity as that will bring to the city,” said Staff. “It's what we're able to do for our farmers and their families who have lived here and worked here for generations. They've spent their money in Atmore and they're an important part of our community. So the fact they win and the workers of the plant win, too, makes this a win for all of Atmore and Escambia County.”

Glenn Spivey, president of Hollis & Spann Inc. of Dothan, will be heading up the construction efforts for the new facility. Spivey said the new facility will take about a year to build and would encompass more than 400,000 square feet of enclosed space.

“This is a huge project with a lot of moving parts, and it needed to be sited correctly the first time and in the best location possible,” Spivey said. “We think Atmore is the perfect place for this, and we appreciate the hard work of the governor's office and local officials to help us make this a reality for Coastal Growers.”

Jess Nicholas of Centerfire Economic, who serves in the capacity of executive director for the Escambia County Industrial Development Authority, said ultimately the project will employ more workers and possibly attract other businesses to the immediate area.

“We expect to eventually see 150 people working here, and the total impact will be even more significant,” said Nicholas. “Shelling operations tend to attract other businesses in this sector, and also spur development in infrastructure and other areas. We expect it to have a positive effect on the Port of Mobile as well. We worked hard to bring Coastal Growers here, and we're very thankful to Coastal Growers for picking us, and for Governor Ivey for supporting our efforts. We're on the map now as far as peanut production is concerned.”

Alex Jones, president of UB Community Development LLC, a community development affiliate of United Bank, led efforts to secure financing for the project, utilizing New Market Tax Credits, incentives and traditional financing, and said the impact across the region would be immense.

“We have farmers from one side of the state to the other who are involved in this, in Florida and Mississippi as well, and even up the state into the Sand Mountain area,” said Jones. “This is a complex process and not the typical economic development project in any way, but in the end, it's going to mean a lot for our region, for Atmore, for Escambia County and our state. We are committed to supporting projects across Alabama and Florida that support rural communities and their residents.”

Turner said the average wage in the plant would be more than \$17 per hour for the 100-plus full-time workers. The company plans to offer benefits on top of that. There will be other temporary positions added each year during peak shelling times.

Nicholas added that the project couldn't have come at a better time for the state and Escambia County. “We're all dealing with Covid-19 and other matters, and the economy, while resilient, has been affected,” he said. “But even with Covid-19 out there, peanuts keep growing and we have to find a way to get them to market. This may not be a totally 'Covid-proof' industry but it certainly helps us to diversify our local economy and helps get us through difficult times.”

For more information about UB Community Development or for assistance with funding or structuring your next project, contact Alex Jones, President, UB Community Development at (251) 446-6017 or email alex.jones@unitedbank.com. For more information about United Bank, please contact Tonya Lambert, SVP, Chief Marketing and Public Relations Officer, at (251) 446-6004 or email tonya.lambert@unitedbank.com.

###

About United Bank

United Bank is a \$890,000,000 financial institution that has enjoyed 116 years of continuous service to Atmore, Alabama and surrounding communities. United Bank has offices in Atmore, Brewton, East Brewton, Flomaton, Monroeville, Frisco City, Bay Minette, Foley, Lillian, Loxley, Magnolia Springs, Silverhill, Spanish Fort, Daphne, Summerdale and Semmes in Alabama. United Bank serves Santa Rosa County, Florida in Jay, Milton, and Pace. For more information about United Bank, please visit our website at www.UnitedBank.com. Member FDIC.

About UB Community Development

UB Community Development's strong history and experience in New Markets Tax Credit transactions, coupled with our passion for improving communities, make UBCD Alabama's premier financial partner for economic and community development. Through our NMTC projects, Community Facilities Lending Program and Community Housing Capital Fund, UBCD is working with community development partners in the fields of healthcare, education, manufacturing, public works, affordable housing and more. For more information about UB Community Development, visit our website at www.UBCommunityDevelopment.com.