

# Las Vegas



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## New \$75 Million Penney Center To Be Built In LV

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J.C. Penney Inc. will build a Southern Nevada distribution center in Clark County, O'Callaghan said. The \$70 to \$75 million center will be located on one of two possible sites in Las Vegas, in the northwest section of the city inhabited by minorities, mostly blacks. The other is on property in the unincorporated county near McCarran International Airport.

In his short speech, O'Callaghan

mentioned the emphasis being placed by the Department of Economic Development on not only reducing unemployment but particularly minority businesses.

Otis Harris, head of the Southern Nevada Economic Development Council, was pleased at the possibility of Penney opening the distribution center in North Las Vegas.

It would be the "key," he said, that would open the large minority area of northwest North Las Vegas and West Las Vegas to economic development.

The Penney center should be ready for construction in four or five months

and take two and a half years to build, said Bill Bender, director of industry, Department of Economic Development.

It will employ from 2,000 to, at the peak season, 2,500 persons, he said.

O'Callaghan pointed out the peak period during the catalog distribution business coincides with slack season in gaming, which is during the Christmas holidays.

Penney would bring in a rail line with spurs for other potential plants in the immediate vicinity, O'Callaghan added.

Las Vegas Mayor Bill Briare predicted the persons employed by these ancillary plants would soon outnumber those hired by Penney.

Presently the majority of Penney's distribution centers are in the East, despite increasing business in the West.

Bender will build plants near the distribution center to eliminate much of their transportation costs.

Penney's first interest in Nevada surfaced in 1973 during the National Governors Conference at Lake Tahoe, O'Callaghan recalled.

In 1975, Penney announced it would build its seventh catalog distribution center in Reno. That plant is under construction and should be finished in early 1978.

During the past two or three years, Penney has been looking for another site in the Southwest, and was considering up to 50 possible locations in California.

Robert E. Goodman, head of the Department of Economic Development, told the SUN California lost out because of less favorable tax laws.

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