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General Mills Logistics Center Coming to Perris

Work is nearing completion on a 1.13-million square foot state-of-the-art logistics center for the Fortune 200 food giant General Mills, which will bring 300 to 500 jobs to Perris and add significant tax dollars to City coffers.

The center is one of the largest buildings constructed in the U.S. this year and construction is already under way to expand it by another 414,000-square feet to accommodate General Mills future occupancy needs.

Exterior work on the logistics center north of Ramona Expressway is expected to wrap up by early-2016 and work to modify the inside to accommodate General Mills' specifications is expected to begin even sooner.

The building is LEED-certified, signifying it is energy efficient and uses design and construction practices that increase profitability while reducing negative environmental impacts and improving worker health and well-being.

The lighting system includes photo-voltaic sensors capable of determining whether the sun is out or conditions are cloudy, adjusting the brightness of each light bulb accordingly. The roof is sturdy enough to hold a solar farm, should General Mills choose to install one.

To keep trucks entering and leaving the sight from snarling traffic, construction engineers created a "queuing" area for them to park while waiting to pick up their loads. The trucks are routed along Indian Avenue to Harley Knox and then onto 215, preventing them from tying up traffic on Ramona Expressway and other City corridors.



Developer Tim Howard (left) talks to Michael McDermott, (right) Chief Operating Officer of the Perris Community Economic Development Corporation, during a visit to the General Mills logistics center, which will bring up to 500 jobs to the City. Howard's partner on the project, Mike Tyre, stands in between Howard and McDermott.

The logistics center is expected to be operational by summer 2016, said project developers Tim Howard and Mike

"This is a real driver of economic activity," Howard said. "The City of Perris worked with us to make it happen. All departments—planning, building, engineering, economic development, the City Manager's office and the City Council —worked together and cooperated for the greater good of the City."

General Mills began by producing flour from mills on the Mississippi River in Minnesota in 1866. Today the brand is sold in more than 100 countries around the world with a total workforce of 42,000. Sales in fiscal 2015 reached \$17.6 billion. The company features iconic brands like Frosted Flakes, Wheaties, Cheerios, Yoplait yogurt and fiber bars, biscuits, soups and pancake mixes.

Only one other distribution center in the U.S. is as big as the Perris site, Howard said.

"This is the real deal," he said.

Michael McDermott, Chief Operating Officer of the Perris Community Economic Development Corporation, said it is important that Perris residents share in the success that occurs when high-profile firms locate to the community.

"One way we may be able to do that is to create an incentive for the employer to hire Perris residents," McDermott said. "We will be exploring our options and the City will be hosting a job fair in early 2016."

McDermott said General Mills is just one of several major corporations who recently made Perris their home

Home Depot recently opened a second e-commerce 1.7 million square foot fulfillment center.

Wayfair.com, a home goods e-commerce company, reported sales of \$1.3 billion in 2014 and is working rapidly to ready an 800,000-square-foot logistics center at Indian Avenue near Rider Street.

Factory 2-U, a discount clothier, will be occupying a 600,000 foot distribution center on Indian near Ramona Expressway in the City. The company operates 300 stores in 22 states and Puerto Rico. It is part of National Stores, which employs 4,000 people and generates about \$370 million in annual sales.

McDermott said the combined logistics operations are expected to employ up to 1,500 people and potentially generate millions in property and sales tax revenues for Perris coffers.



Fortune 200 company General Mills is expected to begin operations from the 1.13-million square foot logistics center by mid-2016.

Those kind of figures bring wide smiles to Perris Mayor Daryl Busch and his fellow elected office-holders.

"The most important thing is jobs," Busch said. "Creating these distribution centers creates jobs and we are really happy to be doing that. Next is tax revenue, which goes into our budget, funds our City and covers all our needs. But all this happens because the City works together as a team, from the City Council to the administration to the department heads to the staff. Without that teamwork, it doesn't happen."

Mayor Pro Tem Tonya Burke said she is happy the new distribution centers will employ significant numbers of Perris residents and pour funds into the City's coffers.

"It's very important for us to partner with businesses to make sure our residents have access to jobs," Burke said. "At

City Councilwoman Rita Rogers called the arrival of General Mills to Perris "another tremendous achievement for our community."

"As we work together to address our unemployment concerns, projects like this will definitely help," Rogers said.

the same time, the City receives more money to keep and expand our services and programs."

As other logistic centers become operational, Rogers said the City will reap the tax benefits that fund public safety, recreation, development, code enforcement departments and ongoing community programs like the Live Well Perris health-eating active-living initiative.

"I am proud to be part of Team Perris that is making this happen," she said.



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