

## Google To Buy Chicago's Thompson Center After Renovations

By **Charlie Innis**

*Law360 (July 27, 2022, 7:18 PM EDT)* -- Google plans to grow its presence in Chicago by buying the James R. Thompson Center, currently valued at \$105 million, after the building goes through renovations with a developer that acquired the landmark from Mayer Brown LLP-advised Illinois, the state and tech giant said Wednesday.

Illinois officials announced the state closed its sale of the building to JRTC Holdings LLC, an entity run by Chicago developer Michael Reschke, in a deal worth \$105 million. The developer plans to renovate the Thompson Center for Google to the company's specifications, the state said.

Google said in a blog post that it plans to buy the Thompson Center once the building is renovated, and the company expects to move employees into the space in 2026. It's unclear what Google's purchase price may be after the renovations.

Karen Sauder, Google's president of global clients and agency solutions, said in a statement Wednesday that moving into the building will help the company meet the needs of its "flexible hybrid workforce" as it grows its footprint in the Midwest.

"By establishing a presence in Chicago's central business district, we will be getting in on the ground floor of a broader revitalization of the Loop," she said.

Sauder added that the tech sector has made a significant impact on Chicago's economy, and that the city has become a global hub for the industry.

According to Illinois Gov. JB Pritzker, the deal will allow the state to consolidate additional leases in the downtown Chicago area and save money.

"This transformative agreement will save our taxpayers nearly a billion dollars over the next 30 years — and further Chicago's reputation as one of the great tech hubs not just of the U.S., but of the world," Pritzker said in the announcement.

The state will receive \$30 million in cash from the deal with JRTC Holdings and acquire the property title to 115 LaSalle, an office building valued at \$75 million, according to the statement.

The building at 115 LaSalle St., the former home of BMO Harris Bank, will be renovated to accommodate state employees after they are relocated from the Thompson Center, Illinois officials said.

"With one of the top locations in downtown Chicago, we knew after the planned renovation that the iconic building would attract world-class tenants," Reschke said in the statement. "These transactions are transformative for the state and the city, and will create key anchors for the future success of Chicago's downtown district and LaSalle Street for many more generations."

Google's potential takeover of the space fits well with the city's vision of becoming a major tech hub, according to Kevin Kolton, a Chicago-based partner in Perkins Coie LLP's construction practice who previously represented the Thompson Center's architect, Helmut Jahn, in a dispute connected to the building.

"It's another badge, if you will, for Chicago just demonstrating its commitment to that sector of the economy," Kolton told Law360.

The announcement comes within a month of news outlets reporting that Google plans to slow hiring, as the broader economy faces fears of a global recession.

A representative for Google did not immediately respond to a request for comment.

Counsel information for Google and JRTC Holdings was not immediately available.

The state of Illinois is represented by Mayer Brown LLP, with a team that includes partners David Narefsky, Joanna Horsnail and Brian Davis, with counsel Sara Hess and Sarah Shaw and associate Suchitra Paul.

--Editing by Covey Son.