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The prestige of being 'prudent'

Law firm leaves Capitol Mall for more environmentally friendly address

Sacramento Business Journal - by [Michael Shaw](#) and [Kathy Robertson](#) Staff writers

An office on Capitol Mall still conveys power and authority for many of the city's largest law firms, but one firm is looking for a different feel in greener confines in midtown Sacramento.

Pillsbury Winthrop Shaw Pittman LLP, the region's 12th-largest law firm, is leaving the Wells Fargo Tower at 400 Capitol Mall where it has been for 15 years after signing a long-term lease at 2600 Capitol. The new environmentally friendly building is in a neighborhood of mature trees and Victorian homes.

The change in address is a reflection of the firm's values and those of its clients.

"We had business reasons for being in a LEED-certified building," said John Poulos, managing partner of Pillsbury's Sacramento office. "We have more and more clients focusing on renewable energy, including (**Sacramento Municipal Utility District**), so it seemed a prudent thing to do."

The four-story building, developed by the **Loftworks** partnership that includes Mike Heller Jr. and Mark Friedman, achieved the gold standard in the Leadership in Energy and Environmental Design program. The building is 82 percent leased since opening late last year, Heller said, and includes another law firm, **Ellison, Schneider & Harris**.

"We feel blessed," Heller said of the interest from tenants. "It's admirable in this brutal market."

Heller is still searching for a restaurant operator to open on the first floor.

He declined to discuss lease terms, other than to say the building is "competitive with rate structures on Capitol Mall."

Due to increasing competition for tenants, the lease was likely below the asking rate of \$2.75 per square foot, sources said.

Broker Chris Strain, who represented Pillsbury in the lease negotiations as well as other tenants who have moved to the building, said the midtown vibe is drawing interest.

"There's certainly a trend in companies seeking an alternative work environment to the urban high-rise," he said. "In midtown, it's much more intimate."

Ken Turton, who represented Loftworks in the transaction, said Pillsbury was interested in "the cultural value of midtown and demonstrating to their employees and clients their commitment to a sustainable future."

The firm examined several options, such as the new green high-rise on the West Sacramento side of the Sacramento River that houses the **California State Teachers' Retirement System**, and staff took field trips to the two new high-rises at 621 and 500 Capitol Mall and other downtown properties.

Current space on the 17th floor of 400 Capitol Mall was not a good option because it needs work.

"As a law firm, it is very difficult to be in an office while it's being rehabbed," Poulos said.

The amount of space is about the same — Pillsbury had about 15,000 square feet on Capitol Mall — but the layout is better at the new place. There is room for about 28 offices; 24 of them with exterior views.

The space is more flexible, too. There will be five conference rooms and an ability to open all of them into one big room for events, Poulos said.

The firm has 17 lawyers, so there is plenty of room to grow. The local office would like to get up to 25 lawyers, but has bounced around the low 20s in recent years. Longtime former managing partner Ben Webster left the firm in April for **Littler Mendelson PC**.

The Sacramento office of what used to be San Francisco-based **Pillsbury Madison & Sutro LLP** opened in 1991. It merged with **Winthrop, Stimson, Putnam & Roberts** of New York in 2001 and Shaw Pittman LLP in Washington, D.C., in 2005.

A full-service law firm with an emphasis on energy, financial services, financial and technology sectors, Pillsbury has 750 lawyers in 14 offices worldwide.

Business work is soft at the local office, due to the bad economy. So is financial services, but security fraud lawyers are doing well and



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2600 Capitol is a LEED gold-certified building in a leafy neighborhood.

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litigators' work is "close to 100 percent" of their normal workload, Poulos said.

The vote to move to midtown was not unanimous. One group of lawyers thought midtown was the place to be, while others wanted to retain the prestigious Capitol Mall address.

Another draw for midtown, Turton said: "Great parking, \$2 happy-hour well drinks at the Monkey Bar and Biba's tiramisu one block away."

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