





















January 13, 2020

Mr. Judson Snyder Ernst & Young Infrastructure Advisors LLC 155 N. Wacker Dr. Chicago, IL 60606

RE: James R. Thompson Center

Dear Mr. Snyder:

Congratulations on your selection to provide Technical and Project Management of the sale of the James R. Thompson Center. We look forward to working with your team to find a responsible and qualified buyer for this Postmodern masterpiece built by Helmut Jahn.

The attached fact sheet shares our collective message about the value in finding a buyer for the building who will commit to keeping the Jahn-designed building intact:

- 1. Historic and cultural significance. As architectural and historic preservation advocates, our organizations collectively value the Thompson Center and its place in telling the story of the Postmodern period in America and worldwide.
- Historic designation incentives. There are significant incentives for adaptive reuse of historic buildings listed on the National Register of Historic Places and designated a Chicago Landmark including access to federal and state historic tax credits, federal income tax deductible preservation easement, Class L property tax incentive and waived building permit fees.
- 3. Demolition is cost prohibitive. The cost to adapt and reuse the space will be significantly less than the cost to demolish and build new.
- 4. Transportation disruption. The cost and service disruption to the CTA Clark/Lake L station will be a significant burden to the 22,000 people each weekday who enter the station. It is one of the most accessible stations in the Loop.
- 5. Reuse potential. There is a broad spectrum of potential reuse scenarios that would protect the building's integrity and be profitable for a buyer.
- 6. Sustainability. The environmental impact of demolishing a functional building and creating new material to build over it is substantial and should be factored into future plans for the Thompson Center.

We urge the reuse of the existing building as a part of its listing and sale of the property. Just as the State values retaining on the site the name of former Governor James R. Thompson with any future use, it should similarly put a priority on retaining the historic and nationally significant building itself. We welcome the opportunity to speak more with you about how best to achieve that most desirable outcome.

Respectfully,

Warthunes

Ward Miller Executive Director, Preservation Chicago

Elizabeth Blasius James R. Thompson Center Historical Society

Theo Prudon President, Docomomo US

Ajit Naik Chicago Chapter of International Building Performance Simulation Association-USA

Jason Sippel AIA Chicago – Committee on the Environment

Brian Imus Executive Director, Illinois Green Alliance

Attachments:

James R. Thompson Center Fact Sheet Adaptive Reuse Rendering National Register Nomination Update

Bonnie McDonald

Bonnie McDonald President & CEO, Landmarks Illinois

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### James R. Thompson Center Fact Sheet

## Postmodern People's Palace must be repurposed, not demolished

Completed: 1985 Architect: Helmut Jahn

The Thompson Center is nationally significant for its contribution to grand-scale Postmodern architecture, and it is a testament to the people of the State of Illinois. We strongly urge the State of Illinois to sell the Thompson Center to a developer that will retain the Helmut Jahn-designed building, keeping the atrium intact and accessible for public use.

A glassy reinterpretation of a traditional state capitol building in shades of pink and blue and with a sliced off dome, the James R. Thompson Center represents the high-water mark of Postmodernism in Chicago. Its extraordinary architecture and significance as a place for public gathering and protests has established a legacy that should be retained and repurposed.

### Historic Significance

The Illinois State Historic Preservation Office has determined that this building is eligible for listing on the National Register of Historic Places. It also meets multiple criteria to become a Chicago Landmark.

Preservation organizations at the local, state and national level advocate for keeping this building intact. In 2019, the National Trust for Historic Preservation included the Thompson Center on its list of America's 11 Most Endangered Historic Places. Landmarks Illinois included the building on its Most Endangered list in 2017, 2018 and 2019. Preservation Chicago included the Thompson Center on its Chicago 7 Most Endangered buildings in 2016, 2018 and 2019.

### **Cultural Significance**

The Thompson Center/State of Illinois Building's design was meant to suggest a more open and transparent government while referencing the grand public buildings of the late 19th and early 20th centuries. Architect Helmut Jahn specifically noted in a public lecture in the 1980s on the building's design that it recalled the massive dome and vast interior atrium space of the old Chicago Federal Building and Post Office designed by architect Henry Ives Cobb in 1905 and demolished in 1965.

The public plaza with the Jean Dubuffet "Monument with Standing Beast" sculpture is the site of regular public protests and rallies on issues across the political spectrum. It has become an important symbol of free speech and the right to publicly gather. The interior atrium's breathtaking beauty again harkens back to that sense of an open and transparent government. It, too, has become a place for public gathering – for meals, shopping, visits to State of Illinois offices, to visit the DMV or just to admire the remarkable grandeur of this public space.

#### Historic Designation Incentives

In addition to ensuring that the historic and cultural integrity of a building remains intact, both designation on the National Register of Historic Places and a Chicago Landmark designation offer incentives to developers and owners committed to an adaptive reuse of the James R. Thompson Center.

In exchange for landmarking, federal, state and local governments offer attractive financial incentives to property owners that undertake a substantial rehabilitation of a historic building in a commercial or other income-producing use, while maintaining its historic character. These incentives could be used together to help the future owner of the James R. Thompson Center to pay for a portion of the cost to rehabilitate the building.

Listing on the National Register of Historic Places allows a building owner to take advantage of the Federal Historic Tax Credit Program, providing a 20% income tax credit for the rehabilitation of income producing buildings. The State Historic Preservation Office (SHPO) and the National Park Service (NPS) work together with the building owner to ensure that the work complies with the Secretary of the Interior's Standards for Rehabilitation. In addition to the 20% federal tax credit, owners who donate a preservation easement to a qualifying nonprofit organization may be eligible for a charitable donation federal income tax deduction based upon an independent appraisal of the easement's value.

The Illinois Historic Preservation Tax Credit Program provides a state income tax credit equal to 25% of a project's qualified rehabilitation expenditures. This program is offered twice a year in competitive rounds.

Landmarking a building in Cook County offers the opportunity for a special real estate tax assessment classification if the building is an individually designated City of Chicago Landmark. Owners can have their property tax assessment levels reduced for a 12-year period providing they invest at least half of the value of the Landmark building in an approved rehabilitation project. The City of Chicago Department of Planning and Development also administers the Adopt-A-Landmark Fund, allocating in competitive rounds rehabilitation funding generated by downtown construction projects to support the restoration of buildings that have been designated as Chicago Landmarks.

#### Cost

The cost to adapt and reuse the building will be significantly less than the cost to demolish and then rebuild. If the building is sold to be demolished, a developer could potentially spend up to \$250 million just to have an empty lot.

#### Transportation Disruption

The additional cost and disruption of service to relocate or reconfigure the CTA Clark/Lake L station located entirely within the State of Illinois building will be a burden to the 22,000 people

each weekday who pass through that station. That number does not count how many people exit the station. The Orange, Green, Blue, Pink, Purple and Brown lines converge at this busy station on a daily basis. It is a major transportation hub, and it offers one of the most accessible stations in the Loop. Rerouting commuters during any demolition phase would put a significant burden on all commuters but especially commuters with accessibility needs.

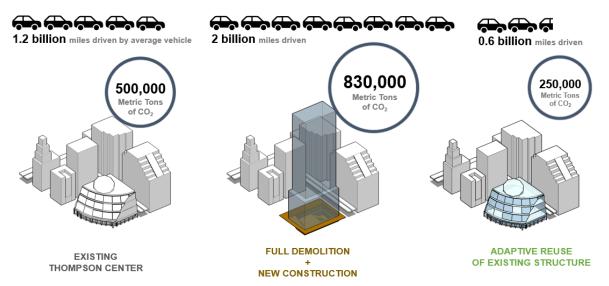
#### **Reuse and New Construction Potential**

The Thompson Center has significant reuse potential. Recent examples of large, complex buildings successfully rehabilitated include Old Cook County Hospital and the Old Chicago Main Post Office, which could serve as models for how developers utilized a range of incentives to successfully bring new life to these historic structures. For decades these buildings were scorned as a hopeless burden, but both are well on their way to a profitable and permanent reuse. The Thompson Center could also be a reuse success story.

Renderings commissioned by Landmarks Illinois show one reuse option proposed by Helmut Jahn that includes adding a high-rise tower to the southwest corner of the building.

With its existing 1.2 million square feet of interior space, there is great reuse potential for the Thompson Center building as is.

#### Sustainability



# 30 YEARS OF CO<sub>2</sub> EMISSIONS: REINVISION THE THOMPSON CENTER

As one of his first acts in office, Governor JB Pritzker signed an executive order committing the State of Illinois to the US Climate Alliance, which aims to reduce greenhouse gas emissions at least 26-28% below 2005 levels by 2025. The City of Chicago also hosted the North American Climate Summit in December 2017, where Chicago, among more than 50 mayors from around the globe, committed their cities to meet or exceed the Paris Agreement greenhouse gas

reduction targets. Building operations ("operational carbon") accounted for 28% of 2019 total global greenhouse gas emissions while the manufacturing and transportation of construction materials such as steel, concrete, and glass ("embodied carbon") accounted for an additional 11%.

A high-performance renovation of the Thompson center could permit operation with up to 50% less emissions per year than in 2018. Further, building renovations have significantly lower emittance during construction due to material reuse. The table shows current and potential carbon emissions for the building options shown above.

	Existing Thompson	Demolition +	Adaptive Reuse
	Center	New Construction	
Embodied Carbon	0 tons CO <sub>2e</sub>	18,900 tons CO <sub>2e</sub>	6,100 tons CO <sub>2e</sub>
Operational Carbon	16,700 tons CO <sub>2e</sub> /yr	8,300 tons CO <sub>2e</sub> /yr	8,300 tons CO <sub>2e</sub> /yr

Successful adaptive reuse of the Thompson Center would position Illinois and the city of Chicago as leaders in meeting their international climate commitments. By emphasizing efficient and sustainable building performance, the Thompson Center can set an example of how aging assets can be repositioned inclusively of the community's financial, cultural, and environmental priorities

## Call to Action

We urge the reuse of the existing building as a part of its listing and sale of the property. Just as the State values retaining on the site the name of former Governor James R. Thompson with any future use, it should similarly put a priority on retaining the historic and nationally significant building itself. As corporations continue to migrate to Chicago from suburbs and beyond, we believe the Thompson Center presents itself as a desirable reuse option for corporate offices or any number of other uses and there should be equal marketing toward its rehabilitation and reuse.

Representatives from our organizations welcome the opportunity to speak more with Ernst & Young about how best to achieve that most desirable outcome.



# James R. Thompson Center National Register of Historic Places Nomination Update

The James R. Thompson Center Historical Society (JRTCHS) has been tasked with drafting and submitting a National Register of Historic Places (NRHP) nomination for the James R. Thompson Center. The James R. Thompson Center was determined eligible for inclusion into the National Register of Historic Places by the Illinois Historic Preservation Agency in 2009. With this determination constituting the first step, the JRTCHS has begun conducting historical research on the building and assembling a detailed description of the structure.

The National Register of Historic Places program is administered by the National Park Service and is the official list of the nation's historic places worthy of recognition and preservation. The NRHP works in tandem with other national programs to support public and private efforts to identify, evaluate and protect America's historic and archaeological resources.

While a National Register nomination listing will not prevent demolition or significant alteration of the Thompson Center unless federal funding is being used to do so, listing will unlock a series of financial incentives once the building is transferred from the State of Illinois into private hands. In an ideal setting, the information included in the National Register nomination could be used to draft a Chicago Landmark nomination for the James R. Thompson Center, protecting it from demolition, providing it with local recognition and making it eligible for city- and county-level incentives.

The JRTCHS expects to complete the Thompson Center nomination by March 31, 2020.

Updated: January 13, 2020