

# TONY LICATA

## Proud To Play a Role in Chicago's Development

by Olivia Clarke

Anthony R. Licata can't imagine what it would be like to wake up in the morning and dread coming to work.

Licata, a shareholder and chief operating officer of **Shefsky & Froelich Ltd.**, is excited to get to the office each day. He enjoys his real estate practice because it allows him to work on so many developments that make up the fabric of the city.

"I love what I do," he says. "I've been incredibly lucky, incredibly lucky to have the chance to work on the things I've worked on, to meet the people that I've met."

Licata serves as department head for the firm's real estate group, which in the past three years has handled transactions with an aggregate dollar value of more than \$2 billion. His practice focuses on major commercial real estate transactions and on private equity

the people in the deals because if you don't have that love of the business itself, the work will be very tedious and full of drudgery for you."

Pointing to the piles of paper and files scattered around his office, he says, "This is a tremendously paper-driven business. It's a document-intensive business. If all you're doing is pushing documents through word processing, you will lead a life of quiet desperation."

### Always Around Development

Real estate and development was in Licata's blood.

His father worked for a highway contractor as a civil engineer, and his dad's company built a very significant portion of the interstate highway in southern Illinois. The company also built a large dam and reservoir project

developed an inclination for it."

He jokes that he considered being an engineer, but that dream ended when he was introduced to calculus. He didn't like the subject and eventually gravitated to law.

He graduated from MacMurray College in Jacksonville, Ill. in 1976 and Harvard Law School in 1979.

He never strayed from his dream. In law school, he enjoyed his property class, and he took several tax classes related to real estate development. He remembers a terrific real estate law and finance class.

The summer after his first year of law school, he worked in the legal department at Bechtel Corp. in San Francisco. During his second summer, he worked for Bryan Cave LLP in St. Louis. That summer, he rotated from department to department and learned that he didn't like litigation work.

"I didn't like litigation because it is retrospective," he explains. "It turns into a big archeological dig. You are trying to ferret out e-mails and correspondences and copies of documents to prove a theory. You are looking for stuff to support your theory, and I didn't want to be engaged in that. That didn't float my boat."

Sidley Austin LLP recruited Licata in his third year of law school. He met Newton Minow, the lawyer who he would eventually consider the "greatest lawyer who ever lived."

"I met [Minow] and was captivated by his aura, his genius," Licata says. "I took the job at Sidley and went to see him. I told him, 'I took this job because I want to work for you.' I told him, 'I will do whatever you want me to do. Just give me something and I'll work on it.'"

Licata started doing real estate work for Minow in 1979 and, through him, met Jack Guthman. His work for Guthman represented about 30 percent of his job and 80 percent of the fun.

He worked with Guthman for about 15 years at Sidley until the firm decided to focus on serving Fortune 100 clients; the real estate practice didn't fit with Sidley's goals, Licata says, because the practice tends to be made up of mostly an individual, entrepreneurial clientele.

Guthman moved to Shefsky & Froelich, and



venture capital matters. In addition to his professional practice, he is a principal in numerous private real estate investments.

He tells young lawyers considering the real estate practice that they must "have a love of the business and being around the deals and

involving Rend Lake.

"As a kid growing up, I would go out with him periodically, and we would visit these job sites, and there was all of this equipment and men working," recalls Licata, 55. "I was just always around development activity, and I

Licata followed him in 1995. They've worked together about 30 years.

Others have come to know the quality of Licata's lawyering, Guthman says. What may not be as well known is that he is a great team player and a mentor to younger lawyers, he says.

"Tony is an outstanding lawyer, extremely skilled in a broad range of transactional real estate areas—or for that matter, any transactional activity. And he has remarkable business acumen," Guthman says. "Over the years, whenever I encountered difficult, complex matters, Tony has always been my go-to lawyer."

## Entering the Management Ranks

After running the real estate group for three years, Licata was asked to become the firm's managing partner. He took the position of chief operating officer, he jokes, "in a fit of stupidity."

He says some managing partners make the mistake of giving up their practice to manage the firm full time. While some of the larger firms require that, he didn't see a need to take that path.

"In a firm of 75 or 80 lawyers or whatever it is, I think, in my personal view, it's a mistake to step back from your practice because ultimately the lawyers respect people who have substantial practices," he says. "If you don't keep and maintain a substantial practice, it becomes difficult to compel the other partners to do what you think needs to be done because the critics will say, 'This guy has no clients. He has no practice. He's lost touch with what I'm up against every day in trying to run my practice. Who is this guy to come down and tell me how to run my practice when he's not even practicing himself?'"

"I've made it my personal practice to maintain a very active practice. In fact, I don't let myself spend more than 30 percent of my time on managing the firm."

He controls his time in management by employing a firm administrator and working with a management team that shares similar goals. He concentrates on only those tasks that a lawyer must handle, such as recruiting, finding lateral partners, staffing conflicts, and the rare malpractice issue.

His test for whether his system works is how much "grief" he gets from the partners. If all are silent, then he assumes they are happy.

"The staff's job is to keep the lawyers productive, happy, and concentrating on their practices," he says. "It is extremely dysfunctional and not helpful to the firm if energy is getting burned up on internal issues. We've always had as a primary rule, first in the

department and now throughout the firm, [that] I believe it is a very competitive world out there, and I believe you cannot compete successfully externally if your people are spending their time and energy competing with each other internally. We don't tolerate internal competition...

"We are not envious or jealous by someone else's accomplishments in the firm. You'd be surprised at the number of firms where that is not the case."

If he were to look at his practice's greatest hits album, he would see the work he and the firm have done on Millennium Park. The firm handled real estate issues involving Park Grill Restaurant and the Harris Theater for Music and Dance.

He also worked on the underground parking garage at the Museum of Science and Industry, which he says was a very complex transaction because it involved federal, state, and city funding. Its development was also challenging because the structure is all underground, and there is a high water table there.

"The city is just this incredible place," he says. "To go over to [Millennium Park] every other day or whenever I'm there is tremendously satisfying to know you'll see something there, and you'll realize the reason that's there is because of some arrangements in the deal, and that just happens to be very satisfying to me. Some people could call that weird."

"It's the measure of one's career if you can say after 30 years that you're satisfied with what you did, and you don't have any regrets about that. And I can say that with good conscience. I'm happy with the stuff I've worked on. I'm proud to have played a small, small role overall in many of these major developments. It's been every satisfying. I've been incredibly lucky to have had the exposure to all these different situations."

## All Work, All Play

His wife, Susan, and their daughter Haley may disagree, but Licata doesn't consider himself a workaholic because he enjoys his profession. He does occasionally play golf, although it is typically golf with clients.

"If you enjoy working with people and enjoy solving their problems, if you are there for them when they are in a jam, through thick and thin, and if you love what you are doing," he says, "then it's not work."

He and Susan attended the same college, and they met after Licata graduated from law school. A mutual college friend set them up; they've been married since 1982.

"He's very dedicated to his career and his clients," Susan says. "He loves people and he loves an audience, and I'm always kind of the

quiet one. It's worked out. I don't think it would have worked out quite so well if we both had the same personality.

"He enjoys people and enjoys helping not only his clients but also charitable organizations. He gives a lot to his clients and the organizations that he participates in."

He and his firm do a great deal of real estate pro bono work. For example, they worked on the Kohl Children's Museum of Greater Chicago and have done work with the Museum of Contemporary Art.

"You won't find many firms of our size that can give that kind of line-up of projects," Licata says. "I am proud of all that."

Sheridan Turner, president and CEO of Kohl Children's Museum of Greater Chicago, worked with Licata on the Museum of Science & Industry underground garage and the children's museum.

When she first met Licata, what struck her about him was that he knew his stuff, knew what needed to be accomplished, and knew what was needed to reach each goal. He likes creating a road map that helps his clients, and he likes looking for ways to get around obstacles, she says.

"He's just an incredible strategic thinker," she says.

When they first decided to put in the parking garage at the Museum of Science and Industry, the community was not overly enthusiastic about the project because of the historical value of the building and the land.

But they went all the way back to Daniel Burnham's plan to show that an underground parking garage would actually restore the green space planned in the original plan, she says. It worked, and people supported the garage.

"When I joined the Kohl Museum, Tony was stepping off one board, and I quickly snagged him for our board," Turner recalls. "He was just brilliant in helping us navigate our way through figuring out the best options for finding our new site. ...He's just a great person who has always been a very strong anchor to this museum in so many different ways."

Licata volunteers as chairman of the Illinois Capital Development Board, which has been behind many large projects throughout the state, including the Abraham Lincoln Presidential Library and Museum in Springfield and several major technology research facilities at the University of Illinois.

"I'm especially proud of the fact that in a state with pay-to-play politics, we have run a professional and scandal-free organization," he says, "and we've done that by all being committed to the highest ethical standards." ■