

Google signs lease in Austin

Internet company will occupy the second floor of the Scarbrough Building.

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Google is headed to downtown Austin.

The Internet search leader has leased the second floor of the historical Scarbrough Building for an engineering center, said Office Leasing Advisors Inc., the Austin firm that represented Google Inc. in the deal.

Google will occupy 25,000 square feet of the art-deco-style building at Sixth Street and Congress Avenue, Office Leasing said.

Mountain View, Calif.-based Google did not respond to inquiries about the Austin office.

In recent months, Google has posted Internet job listings for an engineering director in Austin to head up a group of 100 or more engineers. It also has posted listings seeking software engineers in Austin. The Scarbrough office could hold 125 to 150 people, according to real estate brokers.

The entrance of a high-profile, national tech player like Google is a coup for Austin's technology industry, tech recruiters and executives said.

"Google is another marquee name in the technology world that we can say we have in Central Texas, and in addition to getting the Google name, we'll probably get some good-paying jobs with it," said David Porter, senior vice president of development for the Greater Austin Chamber of Commerce.

The Google news follows announcements by other California-based firms to relocate or expand in Austin, including PayPal Inc., an eBay-owned online payment system that is locating a data services center in Austin that could have up to 300 workers by next year. Also, Borland Software Corp., a personal computer software company, is moving its headquarters to Austin from Cupertino, Calif., and expects to have 150 to 200 employees in Austin this year.

High-tech recruiters said Austin is a natural fit for Google, which has nearly doubled its work force every year for the past four years and now has about 12,200 employees worldwide.

In addition to the specific technical skills that match Google's personnel needs, Austin's youthful, freewheeling attitude that encourages risk-taking makes it a good cultural fit, said Kim Butler of Greywolf Consulting Services Inc.

Google, which has become a high-powered recruiter on college campuses and has opened a number of research and development centers near university communities, stresses that it looks for ability more than experience when it hires.

"It's a tremendous match for the city," Butler said. "They're looking for innovation, and that's what Austin brings to the table."

In turn, Google will accelerate growth in Austin, he added, saying, "It's like if you're trying to start a fire, you can twirl the stick in the pit and wait for friction or you can get one of those Duraflame logs and light it up with a match. That's the kind of impact that a Google can have on a city like Austin."

Google's choice of ZIP code is also a boost for downtown, which is undergoing major changes, from the new shops and restaurants in the Second Street retail district to a residential building boom that is adding hundreds of apartments and condominiums. Tech companies expanding downtown include Silicon Laboratories Inc., the chip design company that has 430 employees at its headquarters on West Cesar Chavez Street and is negotiating to buy a neighboring six-story building.

"Downtown has always been home to state government and accountants and attorneys, and now we're becoming a destination for tech companies," said Molly Alexander, associate director of the Downtown Austin Alliance, which represents downtown business and property owners. "They're looking for unique and unusual spaces that are reflective of their culture."

When a player like Google lands downtown, Alexander said, "it raises the profile for others to say, 'If we want to go to Austin, we need to go downtown.' "

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Scarborough Building history

- The Scarborough Building was Austin's first skyscraper and marked the beginning of Austin's downtown business district.
- It was built for Emerson Monroe Scarborough, a successful merchant.
- It was designed in the Chicago style by Fort Worth architects Sanguinet and Staats and opened in 1910.
- Bets were taken on whether it, the city's first steel and concrete structure, would stand or fall.
- Art deco elements were added in 1930.
- The second story, which will be home to Google, housed the Scarboroughs department store for years until its closing in 1983.

Sources: Austin History Center, American-Statesman archives

Courtesy of JB Goodwin