



Lucas Piatt

ON THE INSIDE

With
LUCAS PIATT

By Michael Bradwell

Company: Millcraft Investments
Title: President

Sitting in the dining room of the recently remodeled Jacksons Restaurant + Bar in Southpointe, Lucas Piatt finds himself in the middle of his company's past successes and a bright future.

As president of Millcraft Investments, the company founded by his father, Jack Piatt, Lucas Piatt, 40, is part of a growing commercial real estate firm that has its roots in one of the most successful mixed-use business parks in the state, if not the country. But over the past decade, he has also helped Millcraft transform downtown Pittsburgh from a corporate city where everyone left town at 5 o'clock to a place that welcomes residents home to new city apartments and condominiums as well as a continuously expanding menu of interesting places to dine and shop just around the corner from where they live.

Millcraft may have had its biggest commercial success in Southpointe, as the private development entity of a partnership with Washington County, but in the decade since the first phase of the mixed-use park began to fill up, the company is now running a close second to that accomplishment with its ongoing development projects in downtown Pittsburgh. The success is reflected in the growth of Millcraft itself, which began business with a handful of people, and now has 60 employees as it continues to develop projects around the region.

The long list of projects and a winning track record are something for which the company can take credit, as well as for its role in helping Washington County attract a wide range of businesses to build out the widely diversified economy that exists here today.

It is a dynamic that Piatt sees working in Millcraft's commercial real estate dealings, given the current downturn in the energy industry in the region.

"Oil and gas is down a little, but the average daily rate is steady," Piatt said of Hilton Garden Inn's ability to continue to attract business guests during the week and host wedding receptions and other events on the weekends.

“We are a half-billion dollar company now. I think our growth is indicative of the growth of the region.”



While acknowledging a contraction in energy, Millcraft is seeing non-energy clients thriving in Southpointe, particularly Crown Castle Communications, the operator of cellular telephone towers for all of the major carriers that has a significant – and growing – presence in the business park.

“We are handling energy tenants that call and ask to downsize or terminate leases, but we are able to backfill those spaces with tenants from other industries,” Piatt said. “There are challenges for Southpointe, but with the amount of supply, we are still able to do well.”

“Crown Castle is growing at an exponential rate,” he said, adding that other non-energy Southpointe companies like generic drugmaker Mylan and engineering simulation software company ANSYS, Inc. are also in a growth mode.

While Millcraft has sold some of its buildings in the park, it retains the Hilton Garden Inn with its adjacent Jacksons Restaurant + Bar, and the Summit Corporate Center as well as the Plaza II Building Southpointe Commons and the restaurant plaza across from the Hilton.

Given Southpointe’s strategic location along Interstate 79, it was a logical conclusion that Millcraft would see plenty of opportunity down the road in Pittsburgh.

“This is our tenth year in Pittsburgh,” Piatt said. A decade ago, the company purchased the former Lazarus Department Store to build Piatt Place, a building of upscale condominiums with first-floor retail and some office space that proved to be the spark for a string of other projects that continue to the present,

where Millcraft has invested a half-billion dollars in downtown development.

In addition to Piatt Place, the projects include the recently completed Tower Two Sixty, a mixed-use office and retail building that also includes a Hilton Garden Inn and Rebel & Roost; a unique “two restaurants-in-one concept” Market Square Place, an apartment and retail complex that includes restaurants, retail and a YMCA; and River Vue, an ambitious conversion of a former state office building in Gateway Center into 219 apartments overlooking Point State Park.

“We are continuing to grow,” Piatt said, noting that in early 2017, the company will open the first phase of 350 Oliver – the former Saks Fifth Avenue – which will feature parking and retail, including a Brazilian steakhouse. A second phase will include a luxury hotel and residential space. Outside of the city, Millcraft is also opening a Hampton Inn in Irwin.

Back in Washington County, it continues the buildout of Piatt Estates in Chartiers Township, a 110-acre mix of luxury, family and patio homes.

Around the time that the first Southpointe was gaining recognition as the region’s best corporate address, it announced its \$100 million “Crossroads” plan for downtown Washington, a concept that proposed revitalizing the business district with new retail as well as apartments.

While Millcraft built the first new office building in town in decades, The Crossroads Center, where the company is headquartered today, the Crossroads concept itself never took

off, despite the fact that the city added new sidewalks and refreshed storefronts.

Piatt believes there is still an opportunity to do something creative in the county seat.

“You need to make more storefronts active and make the city feel safer. But the history of the city gives it a character and it has some great architecture,” he said. “We are still committed to doing something in Washington, but we would need to feel that development is welcome there.”

Meanwhile, opportunities continue to abound for the company, which has opened a Microtel Inn & Suites and has announced a Home 2 Suites and a Hilton Garden Inn in Beaver County, where Shell Oil just announced it will build an ethane cracker plant for the production of ethylene - the feedstock for plastics - from the region’s abundant natural gas output. And back in Washington County, the state Department of Transportation is moving forward with construction of the next phase of the Southern Beltway, a 13-mile stretch that would pass directly by Southpointe on its way to the Pittsburgh International Airport.

“It is going to open up a huge opportunity for sustainable development,” Piatt said of the transportation project. So when he wants a break from all of the development projects, where does he go for some downtime?



Crossroads Center in Downtown Washington

“I really enjoy Jacksons, it is very contemporary, but very relaxing,” he said. Other favorite stops include The Union Grill in Washington and the Bistecca Steakhouse • Wine Bar in The Meadows Casino • Racetrack • Hotel. And for children River, 6, and Marlea, 4, Piatt and his wife, Renee, they enjoy trips to the Pennsylvania Trolley Museum in Arden.

It is a wide set of choices, not unlike those that drive Millcraft’s business strategy.

“We look at this regionally,” Piatt said, noting the strength in energy, technology, education, medical and advanced manufacturing that now drives the economy of Southwestern Pennsylvania.

“We are a half-billion dollar company now,” he said. “I think our growth is indicative of the growth of the region.”

*Hilton Garden Inn,
Southpointe
in Canonsburg*

