

Aug. 3 - 9, 2012

Vol. 32, No. 2



Craig Davis, president and CEO

of VisitPittsburgh.

Check-in time for more hotels VisitPittsburgh CEO Davis forecasting 500-1,000 new rooms by 2014

BY TIM SCHOOLEY

With the local hotel market thriving, the head of the region's tourism marketing and promotion agency said he expects to see a fresh supply of between 500 and 1,000 new rooms added to the local inventory in the next two years as the organization continues to push for a hotel long designed as a companion to the David L. Lawrence Convention Center.

Craig Davis, who became president and CEO of VisitPittsburgh in March, said the region's ability to maintain an overall occupancy rate of about 70 percent will only help ease the way for more hotels in the area. Davis made his comments during a July 31 meeting with the Pittsburgh Business Times' editorial board. "That's kind of a magic number where developers take interest." said Davis of the region's occupancy levels, which VisitPittsburgh said ranked best among comparable competing cities such as Baltimore, Charlotte, Milwaukee and Columbus, Ohio. "We keep building more inventory and absorbing it."

While the region has seen its share of stalled hotel plans, Davis

and Jason Fulvi, an executive vice president of sales and marketing for VisitPittsburgh, said they expect to see four or five hotels built in Pittsburgh in the next year or so.

\$4.00

Besides the Hyatt Summerfield Suites, now in the middle of construction on a riverfront site at the SouthSide Works,

SEE VISITPITTSBURGH, PAGE 37

TriState cash infusion would quicken loans

Lovell Minnick seeking quarter stake

BY PATTY TASCARELLA

A Philadelphia-area private equity firm has signaled its intention to acquire about a quarter stake in TriState Capital Holdings, a five-year-old start-up that ranks among Pittsburgh's 10 biggest banks. It's an "extremely positive" development for fast-growing TriState, potentially providing a cash infusion that would enable it to underwrite more loans at an even swifter pace, said President William Schenck.

Lovell Minnick Partners LLC last week received approval from the Pennsylvania Department of Banking to acquire up to 24.9 percent of TriState's common stock. The remaining regulatory hurdles are with the Federal Reserve and Federal Deposit Insurance Corp., Schenck said.

This marks the first time privately held TriState has turned to private equity investment. To begin operations in 2007, it raised \$85 million from wealthy individuals and other banks in one of the largest capital raises ever by a financial institution in the United States, setting the bar for others in Pennsylvania.

TriState is in strong shape, Schenck said. As of June 30, the

SEE TRISTATE, PAGE 37



Stu Williams and his wife, Frani, are majority owners of the independent Frontier League's Washington Wild Things baseball team, which plays at the 3,200-seat Consol Energy Park.

Wild Things make baseball groovy Hard play, offbeat promotions outshine on-field woes

attracted at Consol Energy

BY JIM O'BRIEN

he win-loss record and ballpark attendance are down, but the principal owner of the Frontier League's Washington Wild Things remains up.PaStu Williams is acutelybleaware that his team hasn'tthebeen playing as well as in thethepast, or drawing the kinds ofUpcrowds they've traditionally

Park, but he is an indefatigable optimist.

"We are doing our best," said the 58-year-old attorney from Upper St. Clair, who provides

SEE WILD THINGS, PAGE 36



INSIDE: LIST: CONSTRUCTION PROJECTS • 14 | LIST: SPECIALTY CONTRACTORS • 16 | LIST: UNION LOCALS • 18 | FOCUS: CONSTRUCTION & DESIGN • 10 | AFTER HOURS • 28 | PEOPLE AND AWARDS • 24 | INDEX • 2



I AM NOT A U.S. OLYMPIC ATHLETE. BUT I AM INSURED LIKE ONE.

Highmark Blue Cross Blue Shield is a proud supplier of health insurance for Team USA.

HIGHMARK, P. WSA

Highman Blare (riss Bue Shed a sin Interendent Lenner (The Blare (riss and Blare Shed Association 38 (552))/554





Dennis Astorino is founder and CEO of DLA+ Architecture & Interior Design, which designed the Budweiser Bowtie Bar at PNC Park.

AUG. 3 - 9.2012

Designs on diversity

As industry struggles, Astorino firms see growth through varied business models

ew names are stamped on the architecture field in Pittsburgh quite like Astorino. While the industry continues to struggle through an economy with still limited private construction activity, the Astorino flag is being newly hoisted as the namesake firm works through a transition in leadership while ramping up hiring to serve a healthy backlog of work, both here and in the Middle East.

"There's a great energy now," said Louis P. Astorino, who was named president and CEO of the firm a few months ago. While only a single firm, Astorino's recent growth represents perhaps a fresh sign of health for an industry that has seen double-digit unemployment in recent years and real concerns of losing a generation of new architects because the profession has more limited opportunities for them.

It wasn't easy to keep the firm's main talent together, said Tim Powers, president of architecture at Astorino.

"We were the last in town to lay off," Powers said. "Lou was committed to keeping the team together." At the same time, Dennis Astorino, the brother of Astorino chairman Louis D. Astorino, has been busily growing his own firm - DLA+ Architecture & Interior Design - four years after stepping down as president of his brother's firm in a planned succession.

Whatever the state of the architecture business, the Astorino business appears to be doing just fine.

To read more about both architectural firms, see Pages 12 and 15.





DLA+ Architecture & Interior Design recently was awarded the master plan for the redevelopment of the former Pittsburgh Brewing Co. facility in Lawrenceville.

DLA+ adds to legacy of Astorino name

BY TIM SCHOOLEY

Project renderings sit stacked and leaning throughout the Green Tree corner office of Dennis Astorino like an architectural show-and-tell waiting to happen.

A possible \$228 million office tower Downtown. A riverfront apartment complex. A redesign of a former school into a new center promoting energy innovation in the Hill District. And a variety of others suggesting a very busy architecture firm: new stores, schools, hospitals, arenas, hotels, dorms; projects for clients such as Oxford Development Co., Dick's Sporting Goods, Giant Eagle and Robert Morris University, among many others.

"It's not something you think about at 56," said Astorino of starting a new business around the same age many consider retirement. "But I'm really happy that I did. I get excited and juiced every day."

GROWING FAST

Four years after he stepped down from his brother Lou's firm, Astorino, where he served as president for 10 years, Dennis Astorino has plenty of reasons to be excited.

His DLA+ Architecture & Interior Design, which he launched soon after his departure from Astorino, has quickly grown into the ranks of the region's largest architecture firms, with 12 registered architects and total staff of 18, landing the firm among the region's 10 largest in an industry that's seen most firms shrink under the grinding pressure of a challenging economy.

Astorino said the firm's billings have doubled each year and it has seen 2012 billings through July exceed all of last year.

"We think we have to be one of the fastestgrowing firms in the country right now," said Chris Haupt, who joined the firm as a principal in September after previously working with Dennis Astorino and in leadership roles at other firms in town.

While Haupt acknowledges he has little proof for such an assessment beyond a gut sense of the industry, the architecture field as a whole has seen so little growth in recent years that any at all tends to stand out.

Kermit Baker, chief economist for the American Institute of Architects, acknowledged that growing architecture firms are still rare in an industry environment that has yet to see any uptick in construction activity despite the recession now being long over.

"Most firms are kind of holding their own now. Some are starting to pick up staff that they let go during the downturn. There are very few firms that are seeing good, healthy growth as of yet," Baker said. "If you had asked what the probability was of a true start-up being up to 20 people in four years, I'd say it's pretty slim."

MEET THE PARTNERS

An important part of the growth came because of the people DLA+ has brought in, Astorino said.

In September, Astorino named a core group of Nick Dolchev and Joseph Sepcic, both well-established architects, and Jennifer Pavlik, an interior designer, as owners and shareholders at the firm, along with Haupt, who brings strong experience in sports facilities.

"I came from an environment where I had a lot of quality people around me," Astorino said.

The four partners all spoke about the possibility of working for a firm small enough to be nimble and where they could focus most on quality design and serving their clients. All expressed satisfaction with jumping on board a new, growing firm.

"It has exceeded my expectations," said Doichev, who was one of Astorino's first hires when he started DLA+.

Astorino makes it clear he is working to foster a culture where different perspectives get heard.

"Decision-making is rich that way," he said. "That's a dangerous path to go down where people think like you do."

PROJECTS AND PROSPECTS

Seek out the mark of DLA+ in Pittsburgh and you won't have to look far.

The firm is handling the design of the proposed 33-story office tower Oxford Development Co. proposed a month ago, as well as the renovation of the building it would replace. It's also doing the master plan for the Buncher Co.'s development of its 55-acre property in the Strip District as well as the first apartment building there.

With assignments in long-familiar parts of town such as Lawrenceville, where the firm recently was awarded the master plan for the Pittsburgh Brewing facility, or the Bowtie Club at PNC Park, Astorino acknowledges his firm benefits from his name and past experience, which includes helping to lead such major projects as the development of UPMC's Children's Hospital and PNC Park while at his brother's firm,

DLA+ has been able to grow while taking on a broad range of assignments —whether it's hospitals in India, serving as project manager for two Penn State sports facilities, offices or planning working against conventional wisdom that favors specialization.

"If you listen to some of the strategies, they'll always tell you to be narrow and deep," Astorino said. "Narrow and deep would bore me to death."

Haupt noted that such diversified skills can help to recession-proof a firm by enabling it to chase different kinds of work when demand warrants.

Fast growth comes with plenty of hard work, and Astorino said he has had little downtime at the firm, let alone time off to play golf or take a vacation.

But it doesn't seem like he'd have it any other way, understanding the firm has to perform and meet deadlines to prove it has staying power after such a strong start. "You can be proud about your ability."

Astorino said. "But you still have to do it."

tschooley@bizjournals.com | (412) 205-3626

WHAT'S YOUR PROBLEM?



Rely on SGK to navigate the maze of complex legal issues that every project faces somewhere between concept and completion



The solutions and experience you need, at a cost your project can afford, based on decades of experience representing developers, owners, architects, engineers, contractors and many others in the construction field



28th Floor, Two PNC Plaza 620 Liberty Avenue Pittsburgh, PA 15222 412-355-0200 www.sgkpc.com