



Photo by Gideon Lewin

BY ALIZA DAVIDOVIT

As pretty young girls sample endless colors of makeup at Sephora, at Whole Food Markets deliberate shoppers fill their carriages with rice cakes and organic delights. Fashionable females slide into fabulous shoes at Stuart Weitzman, while just a few floors above friends and colleagues meet for drinks and laughs at the trendy Stone Rose lounge. Others delight at Godiva's Chocolaterie, whereas the more calorie conscious enjoy an elliptical workout at Equinox Gym. Tourneau clients keep a "watchful" eye on the magnificent merchandise as CNN anchors report live from their New York headquarters. With designer luggage, visitors check in and out of the Mandarin Hotel, while the permanent residents retreat to their luxurious condos. And though this whirlwind of comings-and-goings, commerce, activity, and life could span an entire postal zone, it animates but one building: New York's famous Time Warner Center on Columbus Circle.

As one observes the miniature architectural model of the Time Warner Center, which is currently displayed in the developer's office reception area, a question certainly comes to mind. "What kind of individual could have envisaged the life-size pulsating \$1.7 billion project from this lifeless, toy-like structure? Perhaps only an innovative, tenacious, prescient man like its developer, Stephen M. Ross, chairman, founder, and CEO of The Related Companies, L.P.

STEPHEN M. ROSS

building a dream

From the window of his former office on 59th Street and Madison, Ross often looked out at Columbus Circle and dreamed about building a great structure to replace the decrepit New York Coliseum. He decided to buy that dream by outbidding competitors, giving the phrase "window shopping" a whole new meaning. "I had a vision for that site," Ross tells *Lifestyles*, "and I knew I had the capabilities."

His "vision" for Columbus Circle materialized into a 2.8 million square foot development that has invigorated the core of the city, has weaved together the Upper West Side, Midtown, and Central Park South, and is the first mixed-use complex of its kind in New York. "This is the most important building I've built in my lifetime," Ross feels. "It will be an icon for New York for the 21st century."

And Ross, whose offices are located at the Time Warner Center, will soon be taking a pricey penthouse of his own there. He laughingly says, "It will be like the old fashioned way of working above the shop."

Stephen Ross founded his company in 1972. He remembers writing up a business plan in which he charted his strengths and the areas he needed to be complemented. "The most important thing is to surround yourself with really great, smart people and to create an environment where everyone can benefit," Ross says.

And that is exactly what he did. He had a concept that didn't center around him, but rather focused on a vision of creating a complex, integrated real estate entity. As such, he didn't even name his company after himself, as is common practice in the industry. And with \$10,000 he borrowed from his mother, Ross went into business. "No guts, no glory," he says.

The company began by developing government subsidized multi-family housing developments. It later branched out into market rate residential, office, and retail buildings, and eventually branched into the large multi-use facilities exemplified by the Time Warner Center. Today, The Related Companies is a fully integrated real estate firm with divisions in development, acquisitions, financial services, and property management. Its real estate portfolio is valued in excess of \$12 billion. Related currently ranks as the second largest owner of family rental apartments in the U.S., with approximately 250,000 units in 44 states. Ross has risen to be one of the country's preeminent developers and has become known for his creativity and for specializing in mixed-use complexes that combine office space, hotels, shopping, restaurants, etc., such as the Time Warner Center, as well as City Place in West Palm Beach, Florida, which both won Related the Urban Land Institute Award for Excellence in the Mixed-Use Large Scale category.

Although the penthouses in Ross's Time Warner Center have sold for up to \$45 million, Ross is also an avid supporter

of affordable housing developments and for the enhancement of neighborhoods to improve the quality of life for all people, not just the rich.

As a member of the executive committee and the Board of Governors of The Real Estate Board of New York, his heart is certainly where the housing is. As a result, he has been bestowed with the



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"2005 Housing Person of the Year Award" by the National Housing Conference. During the award presentation ceremonies, the NHC chairman noted that it was an honor to recognize Stephen Ross with the award because "for more than three decades, Steve and his colleagues have shown unwavering commitment and focused dedication to affordable housing."

That commitment, as well as his unyielding efforts to bring the 2012 Olympics to New York, his devotion to the City's charitable and cultural institutions, and his distinguished career, have also earned him the 2005 Harry B. Helmsley Distinguished New Yorker Award. Over the years, Ross has also been named Owner & Developer of the Year by *New York Construction News* (2000) and the New York Building

Congress's 80th Anniversary Leadership Award (2001).

Despite the well-earned accolades, his road to success had its bumps. He remembers when the real estate market was headed for a crash and he was personally indebted for \$120 million. He had the assets, but not the liquidity. "They were very difficult times," Ross recalls. "Luckily, I was very proactive before the real estate depression hit, a period that caused many of my peers to go into bankruptcy." The persuasive business man was able to convince the banks to wait on his loans until he was able to pay them back. He says that those rough times made him change his business philosophy. He no longer would borrow unsecured debt, give personal guarantees, or mismatch long-term needs with short-term borrowing. Because of his foresight before the market came tumbling down, Ross says his company was able to rebound better than anyone else at the time. They recapitalized in 1992 and soon started growing

and expanding to become the biggest developer in New York City.

But long before Stephen Ross was negotiating big deals, he was just a young boy with big dreams, dreams that started many miles away from New York, in Detroit, Michigan. His family was middle class and lived in a part of town where Jews comprised only 10% of the population. Nonetheless, Ross loved his home town and said it taught him how to get along with all kinds of people.

With his affable, ingratiating smile, Ross, now 65, tells *Lifestyles* how as a young man he was a bit of a trouble maker. He remembers ringing doorbells with his friends and then running away or throwing snowballs at cars or waxing peoples' windows. The one time Ross wasn't able to join his buddies in real fun

occurred when his best non-Jewish friend had a birthday party at a local skating rink and Ross was not invited. The rink policy: "No Jews allowed." Ross, however, grew up very proud to be a Jew but also realized what it means to be a minority. Regardless, he had a free-spirited youth and was always very popular.

As most other young boys in the Midwest he says he was weaned on sports. But even as he played, his entrepreneurial side was brewing. His first of many money-making endeavors was a paper route.

Ross began to read books about successful people and how they made it. The stories spurred his young mind and fired up his ambitions. But the greatest inspiration for Ross was his legendary uncle, Max M. Fisher. Fisher, a billionaire who made his fortune in oil and real estate, was the quintessential Jewish leader who dominated American Jewish philanthropy for half a century. He supported Jewish and general causes worldwide and played a major role in almost every major Jewish communal organization. As chairman of the United Jewish Appeal, Fisher raised more money than anyone had before. For decades, he also served as a trusted advisor to U.S. presidents and Israeli prime ministers, becoming an unofficial ambassador between the White House and Israel. He was instrumental in convincing President Nixon to start a procession of cargo plane transports to Israel during the Six Day War. He died March 5, 2005 at the age of 97.

His deeds, however, live on in Ross. Although Ross's own father worked very hard, he was a rather unsuccessful inventor. Ross often says that the most influential people in his life were his Uncle Max and his grandfather. "They taught me that the most important thing you have in life is your word and your reputation."

Keeping those words close to his heart he pursued his course in life. But his course was sorely interrupted when his parents decided to move to Florida when he was a

freshman in high school. Ross did not take to that change well, finding himself in a school filled with New York émigrés whom he found to be very materialistic and too fast paced. It was a culture shock for him and having never been to New York, he was sure he would hate it. Ross rebelled and began to perform very poorly in school. When he graduated 400th in a



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imagined, and there he specialized in real estate and corporate finance and went on to become assistant vice president at Laird Inc. and Bear Stearns & Company. After his experience on Wall Street, however, he decided to start his own business, The Related Companies.

Ross says that his success has not changed him. People who know him would agree. He still pinches himself everyday, not believing what he has built from his dreams. "I really love what I do," Ross tells *Lifestyles*. "But what I'm doing is not merely about collecting material wealth, it is about creating and giving back."

One of the greatest lessons he learned from his uncle was to give back, and Ross has done so in a big way. Choosing never to forget where he came from, in September 2004, Ross donated \$100 million to his alma mater, the University of Michigan. It was the largest gift in the university's 187-year history and the largest gift ever to a U.S. business school. In his honor, the school was renamed the Stephen M. Ross School of Business. In his speech to the students at that momentous occasion, he reserved special praise for his Uncle Max.

"My uncle is the most important role model and inspiration for me in life...particularly in instilling in me the obligation one has to make the world a better place." Fisher returned the compliment to his nephew saying, "Despite the fact that you are a great success in business, to me the fact that you are a great success to people is the most important thing that I can say about you." Ross had also made a \$5 million donation for construction of a new athletic academic center at U of M and a \$1 million gift to establish an endowed professorship in real estate in the business school.

The Juvenile Diabetes Research Foundation, where he is member of the board of directors, is also personally close to his heart. Ross says that the saddest

class of 440, his teachers told his parents it would be a waste of time to send him to college. "Those three years in Miami were the worst in my life," Ross reflects.

When Ross returned to Detroit to attend the University of Michigan, it was like a homecoming for him. He borrowed the tuition money from his Uncle Max, but promptly paid him back (the only money he ever took from his uncle). He graduated with a bachelor's degree in business administration. Then, further exposing the shortsightedness of his high school teachers, he pursued a law degree and then a Masters of Law in Taxation from New York University School of Law.

Ross began his career in Detroit, Michigan, working for the accounting firm of Coopers & Lybrand as a tax attorney. He later moved to New York, which was nothing like he had once

day of his life was finding out that his two daughters had diabetes. He donates millions to the foundation, accompanied, perhaps, by a special prayer. In 2001, he was the honoree for the Juvenile Diabetes Research Foundation's Promise Ball.

In addition, Ross is a trustee of the National Building Museum and a member of the board of directors of the Guggenheim Museum. He is directly involved in the planning of the museum's renovations as well as the building of new museums. He is also a trustee of the Jackie Robinson Foundation, a national organization that awards four-year scholarships to academically gifted students of color with financial need.

He admits to being a sucker for good causes and wishes he had the liquidity to give as much he aspires to. "Someone once told me you give until it feels good," Ross says. "There is nothing better than giving." Few people know that Ross donated the \$6 million sculpture in Union Square simply to beautify the area. He and some of his partners at the Time Warner Center have donated \$60 million toward the construction of the new jazz facility at Lincoln Center.

Once again he proved that the apple didn't fall far from the philanthropic tree, when in 1998, he received the Tree of Life Award in recognition of outstanding community involvement and devotion to peace and the security of human life. In 1999, he was honored by the Lincoln Center Real Estate and Construction Council and received the "What New York Needs" award.

One thing Ross thinks New York really needs is the 2012 Olympic Games. He is one of the staunchest supporters of Mayor Bloomberg's proposed West Side stadium which would ultimately host the games. He is a member of the board of directors and executive committee of NYC2012, a group that strongly advo-

cates bringing the 2012 Olympics to New York. Putting his money behind his belief, he has been the largest contributor to that campaign and plans to donate a majority of his time and skills to develop the site if the stadium is approved and New York wins the Olympic bid.

"We should build it because it will bring the community together; it will



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beautify the city; it will bring people together to accomplish something very important. It will leave a great legacy for future generations." He also says the Olympic village would eventually provide affordable, work-force housing.

As far as his Jewish giving goes, Ross donates undisclosed millions to UJA and to the State of Israel. In 2003, he received the Jack D. Weiler Award from the UJA of New York and the Henry Pearce Award from the Jewish Association of Services for the Aged.

In the Middle East he created a foundation called Bridging the Rift, a scientific, education, and research collaboration between Arab and Israeli students, whereby the governments of Jordan and Israel have agreed to set aside 150 acres along their border for the construction of a major environmental research center that will be operated in collaboration with

Stanford and Cornell universities. He met with Israel Prime Minister Ariel Sharon and Jordan's King Abdullah at the groundbreaking.

Ross is also financially backing an American company that is involved in the use of Israeli technology for American homeland security. "Nobody knows homeland security like the Israelis," he says.

As for his own homefront—ladies don't cry—but the fit, rich Ross is a happily married man. He may have met his wife, Kara, on a blind date, but it was love at first sight. "There was an instant attraction and chemistry when we met," Ross shares. How could there not be? Kara Ross is a stunning blonde with brains. She is a certified gemologist, jewelry designer, and a successful business woman. Her jewelry designs combine the finest quality gem stones with unique, handcrafted designs to create stand-out pieces that have won her much acclaim. Her jewelry has been featured in hundreds of magazines such as *Oprah*, *In Style*, *Town and Country*, *Elle*, *Harpers Bizarre*, just to list a few. Some of the many famous faces who wear her creations are

Oprah Winfrey, Cindy Crawford, and Christie Brinkley.

One of her most recent innovations, "Tech Necklaces"—designer necklaces with loops to attach cell phones—was featured on ABC's *Good Morning America*.

From all her dazzling jewels, Ross would say that his wife of four years is the most dazzling gem of them all. He has been quoted as saying that she is the person whom he relies on the most. The couple has four children, each having two daughters from prior marriages.

As Ross reflects on his own life, without the intention of ever slowing down, he has but simple words of wisdom to impart to his dear children, "Find something you love to do and give it all you've got!" #styles