

# FINANCIAL TIMES

## Ronald Wackrow, EVP, Related Companies

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For a man in charge of the largest private real estate development in US history, Ron Wackrow seems remarkably calm. “As long as I leave here at night knowing I’ve done everything that can be done for the big issues, I don’t lose sleep,” he says.

The word “big” is somewhat of an understatement. Standing in his office, we gaze on to a tangle of cranes and a forest of colossal girders. From these will rise New York’s Hudson Yards, a set of skyscrapers — the tallest having 90-storys, making it about as tall as the Empire State Building — housing offices, residences, shops, restaurants, a hotel and a school.

A small-framed man (construction workers tower over him) with a strong Bostonian twang, Mr Wackrow relishes his task. “I’m the luckiest guy in the world,” he tells me with a smile.

Plans for the 28-acre, \$20bn complex prompted the extension of the 7 Line subway and the first new station to be added to the system since 1989. “Hudson Yards wouldn’t have happened without the 7,” says Mr Wackrow, an executive vice-president at Related Companies, which is behind the development.

But the subway is not part of Mr Wackrow’s remit. For him, the challenge is that the entire development will sit on top of 30 commuter rail tracks and three rail tunnels, with a fourth being added.

This has meant building two enormous platforms supported by caissons made from six-inch steel plates welded together. The columns required so much steel (100,000 tonnes) that it had to be purchased from three countries — Mexico, Canada and Italy.

“Naively, I thought it was going to be easy,” he says. “But the complexity of the platform was much more challenging than I ever anticipated.”

Mr Wackrow has overseen big projects before, including the Cosmopolitan, a 6.5m square foot luxury resort in Las Vegas. But Hudson Yards requires different skills. “Developing multiple buildings with multiple partnerships versus a single-building, single-ownership structure adds an entirely different layer,” he explains.

It has become much more specialised. As I was advancing in my career, I’d deal with development, design and construction. Now, you have people who are dedicated solely to development, design or construction.

### **What advice would you give them?**

Aside from the obvious things — hard work, education and experience — maintain your integrity. As I get older, it’s a wonderful feeling to know that everyone I’ve worked with I treated with a degree of honesty.

### **Are you ever overwhelmed by scale?**

I don’t think about it too much because you’re focused on the pieces and the elements all the time. You rarely step back and put it all together.

### **How do you manage the stress?**

You will find me at the gym every morning at a quarter to six. I forget about everything. I just work out. I find that it’s cleansing.

He compares himself to a symphony conductor. “Every now and then, somebody will get off beat or off tone,” he says. “So I’ll walk over with my little baton, tap them on the shoulder and get them back on the right page.”

The 68-year-old Mr Wackrow grew up in Somerville, Massachusetts, the son of a truck mechanic. One summer, he worked at his father’s company replacing brake linings on trucks. “You take a chisel and sledgehammer and you knock the rivets out,” he explains. “I kept slamming my thumb and I realised I didn’t want to grow up and do this.”

So, armed with a degree in mechanical engineering, he joined ITT Sheraton. There, a two-year training programme exposed him to every aspect of the hotel industry but also helped him realise “I didn’t have the people skills to be in the hospitality business”.

Instead of managing hotels, he started building them. He oversaw the construction of his first hotel aged 23 and has since been involved in developing more than 100 hotels across the world. He loves “pulling it all together and working through the problems”, he says.

Though he retired from Sheraton with a package that meant he would never need to work again, Mr Wackrow started his own consultancy and was then persuaded by Stephen Ross, Related’s founder, to join the company. Mr Wackrow’s wife was not pleased as one of their children was still in school. “She said to me ‘Are you out of our mind?’ and was chilly to me for about 30 days.”

But she has since warmed to the project and the family live within walking distance of the site, so Mr Wackrow need not even bother with the 7 train on his commute.

Mounted on the back wall of Mr Wackrow’s office is a set of digital clocks. Each represents one of the Hudson Yards construction projects and each is ticking down the days, hours, minutes and seconds until the project’s scheduled completion date.

Does this make Mr Wackrow nervous? “For us in the business, it doesn’t create anxiety,” he says. “But it’s a constant, subtle awareness of schedule.”



So far, things are on track. But sometimes, plans need to shift.

“Every week, we review it because schedules change and sequences change and you simply have to adjust.”

The biggest the enemy is the weather. “If we hit a horrible winter, we’ll scramble. But with normal weather, we’ll be fine.”

This is not the first time Mr Wackrow has put timekeepers above his desk. When working on the Cosmopolitan resort in Las Vegas, he hung clocks on the wall of the field office.

They did not stay there for long: “The construction people got it. But the operations people freaked out. So, at the request of the director of operations, we removed them. It made them too nervous.”

