

## An Conversation with Peter Rosen

by Ian Granick

*I first met Peter Rosen at a club called Metropolis. He was tending bar. As it turned out he was one of the partners. He did not own the club, which would eventually fold and go through a series of transformations finally becoming Floyd's Music Bar, but rather the building—a property he eventually sold, realizing a significant profit. It was early in Pete's career, as it was in mine, and we became friends. In the six years that have passed since, Peter has moved slowly but steadily into what I call the "big time." By big time I mean, a position where people who don't know him can recognize his handiwork without his having to point it out to them. He is the recipient of a growing number of plaques and awards each one attesting to his skill and thoughtfulness.*

*I met with Peter in his home on the corner of Seventh avenue and Gadsden Street. You've probably seen it. Its a three-story "townhome", with an impressive balcony which protrudes from the second story, and a tin roof. I like to sit on that balcony in the early evening rocking in one of the wooden rocking chairs he keeps out there watching the parade of cars slowly file past.*

**The Pragmatist: You graduated from FSU in 1991, what was your major?**

Peter Rosen: Originally, I majored in engineering, and then business, and then medicine, and then construction and then finally business with an emphasis on real estate.

**And you worked while you were in school?**

Yeah. My first job in Tallahassee was with a friend of mine, Steve Leoni. We started our own T-shirt company.

**What kind of T-shirts were you selling?**

Knock-offs. You know, to college students. The campus life t-shirts, Hard Rock Campus, Corona-FSU T-shirts.

**And how did you segue' that into construction?**

I got a job as a "do-boy" for some construction companies and I quickly realized that I knew more than they did—because I grew up around it. My dad is an architectural draftsman. I was finally able to get enough experience to get a job working as a superintendent running a relatively big construction project. I enjoyed the work and decided to get my degree in construction management. But by working for this company I realized I knew enough to sit for my contractor's license. Well the reason you go to school is to sit for that exam. I took it early and passed it so I no longer needed the degree. I decided to switch to business and real estate. I was really inspired by John Louis who owns all of the Super Lubes in town. Some of my professors taught me how it is supposed to be—he taught me how it really was.

**How is it?**

It is not like school. It is the real world. It is hand shakes and back door deals and give and take. It is negotiating. It is fudging when you've gotta fudge to make a deal work.

**The company you are probably best known for is Benchmark Construction. What is your goal for the company.**

Benchmark Construction is a vehicle. I combine that with real estate properties, rental units and some side businesses.

**And the destination for these vehicles? Financial success?**

The destination is to make an impact—in my life, in other people's lives, it's about making a difference.

**Most people in Tallahassee have this picture of developers as people who want to cut down trees, destroy farmland and build houses out in suburbia. Then here you come along and offer a slightly different picture. I am not saying that you don't build out in suburbia and that you've never cut down a tree but it seems like you do a lot of inner-city revitalization as well.**

True. I build out in suburbia. That is where the customers are. In town I have to make the market for myself. I have to scratch and be creative. I have to live in my projects and coax other people to do the same. I have to be a lot more creative and tactful in dealing with my bankers. If I tell a banker to give me two hundred thousand dollars because I want to build a spec house in Killlearn—the money will be here tomorrow. If I tell someone I want to build a condo complex in a blighted downtown neighborhood, I don't think the banks are going to give me any money. So I

have to say I'm going to live there and I am going to make a difference and I am going to change the neighborhood and I am going to make other people want to be there. People are not yet clamoring for my product. I have to convince people that in-town living is good and that revitalizing in town neighborhoods has value.

**Why should we care about the central city at all?**

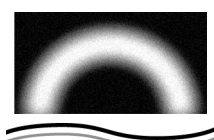
Lots of people in this culture have a kingdom mentality. Everyone wants to be the ruler of all they can see. They want to have a little fiefdom of their own. If you have the mentality that your home is your castle and you rule within your property line that is not a cooperative way of living. You put a big fence around your yard. Living in town is about compromise. It's true. But you get some nice rewards. Human interaction, for one. Most people who live in the suburbs work all day in the city and then go home. They don't need to see another soul until they come to work the next day. They like it that way. I can't stand it. I want to have interaction with other people. I want to learn about other people and interact with them and not have to deal with a neighbor who has a leave-me-alone philosophy. At the same time, I will continue to build out in the suburbs as long as I still have to make money to fund my other projects.

**This desire to connect with others seems to flow over into the way you have structured your work life. As best as I can tell, your success stems from your ability to form relationships with people who have particular skills and talents. People who can help you realize your goals.**

I have learned something about myself. I am completely and totally incapable of finishing anything. My business relationships come from what I have seen in certain people—my brother, for example—he is a great finisher. He is not a big idea person. He is not charismatic. He does not want to juggle a large number of relationships. He enjoys having a few close personal friends. We work very well together. I don't even let him near the customers. He likes it that way. I like it that way.

**The customers like it that way.**

Right. He doesn't want the responsibility. Not that he lacks talent. But he is happy just doing his job, making a living, and picking blueberries on his farm. We have been in business together for eight



# Industry

## Continued

years and as long as we are both busy, it works well. He does his job. I do my job. I work this way with several people. With the exception of one piece of real estate, every piece of property I own, every project I am involved in, I have partners.

### **So what is your job?**

I come up with ideas. I even start the process but I need a follow through. Jim at the airport is a follow through partner. You on the bridal magazine are the follow through partner, my brother in Benchmark is a follow through partner. Cory is a follow through partner. I prefer to be involved in the initial stages. I try to figure out how to turn everything I see into a business opportunity. Some of them never leave the idea stage. Others become hobbies. And a few get turned into businesses.

### **You have hobbies?**

Sure. Skiing is a hobby. I still haven't figured out how to make money on that. The airplanes started out as a hobby.

### **But no longer.**

Right. Now it is a business. Construction started out as a hobby. Real estate also. A lot of people say that once they turn a hobby into a business they can no longer enjoy it. I think I do pretty well at enjoying the things that were once hobbies even though I am now making money at them.

### **How much of that has to do with your formula of letting other people finish projects for you?**

A lot of it. But I hope that my partners appreciate the front end loading that I put into the project even when they are having to finish it up. And if they don't, I guess nobody is required to stay in a business relationship with me.

### **True, although my guess is that there are not many people dying to get out of a business relationship with you.**

Right. In fact there are a lot of people that want to get into relationships with me. There was one relationship that did not work out and that was with Steve Leoni. We are both big picture people. We did not offer each other anything. He is kinda like me. He surrounds himself with partners. The problem was that we are both big picture guys. One of us had to be follow through. I don't think I am capable of doing follow through. Not that I don't want to, I just don't

seem to be capable of it. I find it monotonous and dragging. I find myself wanting to think about the next big project.

### **Let's list the projects you are currently involved with? Construction.**

Well, Benchmark Construction and Cornerstone Realty, of course. My goal with that is to involve myself with farther reaching projects. Bigger restorations and greater influence on in-town living. I am also affiliated with Eagle Aircraft. We lease them planes. It has worked out very well. Airplanes are a lot like real estate. You can buy them used, you can renovate them, you can rent them out and they appreciate. The good news with airplanes is that unlike real estate, you can rent it out one day and use it the next. So they are a little more fun to play with.

### **And now publishing.**

Yes. A new and definitely exciting venture. I actually believe *Bridal Elegance* is going to be one of the vehicles that will allow me to do real estate projects with out a financial motive.

### **Really? Are you working on something I don't know about?**

I think publishing could take off by itself. I think it could take on a mind of its own. With the real estate and the airplanes, if I'm not pushing it, it isn't going to happen. But I think there is a way that the bridal magazine can take on its own momentum and grow in spite of us instead of because of us. I believe it has that kind of ability.

### **Tell me about the process you go through when you come up with an idea and take that idea into the fruition stage.**

I attribute that to my upbringing. I grew up in Miami and Miami is definitely the land of the entrepreneur. If there is money to be made in Miami someone is doing it and actually everybody is doing everything. Once I got to Tallahassee I saw a lot of things that I wanted to do but it was confusing because no one else was doing it. And that is when I realized that Tallahassee was very different from Miami. Just because there is money to be made here doesn't mean someone is working on a particular project. So I came up with this idea and I don't know how true or accurate it is but here goes. Tallahassee lacks a merchant class. We have state workers and they make their living and go home. Some of them may work hard but they are all entrenched in the system. Then there are pro-

fessors that do the same. There are students that can't wait to get out of Tallahassee. They don't really do anything. They spend a lot of money here but they don't really create much in terms of infrastructure or value. They are not making money. And finally there is a very small merchant class. But this is the group that is most important to the growth of the economy. And maybe the growth of the culture. The merchant class is the group of people who actually do things. They are engaged in projects, they run businesses, they provide services, they make the community interesting. Our merchant class is very weak. So just because someone is not doing something does not mean it is not profitable. Just because no one was publishing a bridal magazine didn't mean no one wanted to read one or advertise in one. Just because someone is not buying inner city real estate and renovating it and renting it doesn't mean people don't want to live or work in these locations. It just means that either there is no one here to do it which is clearly not the case or the people who are here have not thought to do it themselves. This is a problem with the community. At the same time, I am fortunate to be a go getter. If I have an idea I don't just squelch it or dismiss it, I am willing to risk some time and energy maybe even some money to see if it is doable. And I don't want to seem like I am all that creative. I don't think I have ever had an original idea—

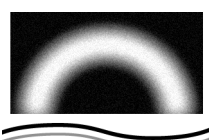
### **Except for the merchant class thing**

Right, that one was all mine. But all the others, all I do is keep my eyes open. Then I say "hey, if they are doing that in Chicago, why can't they do it here in Tallahassee?"

### **You seem to embody the true American spirit. You know, ideas, innovation. But we don't have much of that here and yet you stay. Why?**

I think the community has embraced me. And I say they have embraced because they have chosen to give me accolades and write stories about me and my companies and my partners. It is a way of appreciating me. It is a way of saying "you are doing a good job here. Keep it up. We like what you are doing."

### **In fact you have recently won three awards for historic preservation which was phenomenal given that only a dozen were given out. The first one was for your oldest project. You call it Midtown Square. It is on the corner of Adams Street and 6th Avenue. This was the first time that I**





## Continued



**noticed that you were interested in central city renovation.**

Actually, I hadn't realized it either. Even while I was doing the project. I didn't really know what I was doing. Not in terms of the big picture. I bought a dump. A house that two smokers had lived and rotted in for 60 years. They never lifted a finger to maintain it. In fact I think the cigarette smoke preserved the structure by forming a layer of tobacco resin on everything and sealing the house from deterioration. So I was able to clean the tobacco off and it was as good as the day it was built. It was actually almost a blessing. It was a well built house and while they did nothing to upgrade it they also did not make any detrimental construction decisions that could have caused problems later on. So, I was working on the house and then someone said "Oh, when did you get into centralized urban infill?" and I was like "what?" "Sure," he said "revitalizing blighted urban areas, it is great what you are doing." And I was like "gee I am just building myself a house that is close to everything I have to go to so I don't have to drive a lot." But I came to find out that this is a whole theory and whole philosophy. That people have degrees in this and here I was just doing what I thought was a practical and smart way of living.

**And so you completely restored it. Is restored the right word?**

Yeah. I didn't do much to change it. I simply brought it back to its original condition.

**What did it do to the property values.**

It has almost doubled the value of the property and it has done a lot for the neighborhood. Normal property inflation has been about two to three percent per year, this area has gone up at a rate of ten to fifteen percent. I think we can take credit for a good portion of that. When someone comes in and fixes up a neighborhood it prompts neighbors to follow in suit. When everyone begins to fix things up and take better care of their property, the values go up.

**Do you think you could do that in any part of the city?**

I think so. This neighborhood had something going for it. Even though the houses were run down, they were still nice houses at one time. You can't say that about every area. All of the restoration in the world is not going to turn a shack into something else. In some areas you are better off bulldozing and starting from scratch. Other neighborhoods have character and should be restored.

**What are some places you'd like to bulldoze?**

Killearn. No. I could only make that statement after 50 years. We have to wait and see. There are areas like Ingleside and Hillcrest which have these 1930's cute little houses and 10 or 15 years ago prices weren't doing very good. Nobody wanted to live in such small houses. Then people started to appreciate the character and those houses now have some of the most expensive prices per square foot in the city. In some cases they are more expensive than Killearn.

**Your second award went to a project on Brounough Street. A sort of midtown-Frenchtown transition neighborhood.**

Yeah. That one was a harder call. With Adams street we knew that the structure was going to hold. It was just tender loving care. With Brounough—that was a lot more work. That was a marginal call. Another five years of degradation and there would have been no salvaging that thing. But we took what we could out of it and we made it into a decent project. It is really popular, a lot of people like it—it is only three units on a little piece of land but it is real close to downtown. We

were happy with the way it turned out.

**I am not as familiar with the third project.**

That was a swap deal. I built them a new office in Killearn and they gave me their office in the middle of town on Park Avenue. I took it and fixed it up. It was a historic register home and I sold it. It was actually sold before it was completed which was fortunate because I could not afford to put in the money that it took to complete the historic restoration. But the people who bought it thought it would be worth the extra expense and agreed to spend the additional cost to make it a really high quality restoration.

**Can we reverse the flight to suburbia and if so what do we need to do to the central city to make things more livable.**

Two things. The first is repair the infrastructure. We could invest in parks and better sidewalks. Mandate the design of more attractive buildings. People will desire a place if they think it is attractive and livable. The second thing is financial. Give people incentives—tax breaks and so forth. If the city is for it, all they have to do is change their assessment in certain districts. Lower taxes will make properties more affordable. This will help to bring people back into town.

**Which areas would you like to see that happen in?**

Well midtown certainly. But also All Saints and Frenchtown. I am not trying to be a social engineer. I am just living my life in a way that is practical. This includes living and working in close proximity to one another. It is a life style.

P

**UPTOWN**  
—AND—  
**CATERING** *Cafe*

**Breakfast  
Lunch  
Desserts  
and  
Catering**

*Try our Ruby Diamond or Greek Garden Sandwiches  
and our World Famous Congo Bars*

**111 E. College Avenue  
Tallahassee, FL 32301**

**(850) 222-3253  
Fax: 681-7845**