

**Two developers and
their developments****The art of deals
and dreams** **By
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Two men have some mighty big shoes to fill. Both are developers whose mentors have died, leaving behind only their integrity and their legacy. Their developments are as different from each other as the developers themselves. One project is a four-season five-star resort nestled in the hills of the Wyoming Valley, overlooking the Wisconsin River. Development: The Spring Green. Developed by: Euroactividade, overseen by Robert Graves, managing director. The other is a luxury condominium project perched on the north shore of Lake Mendota. Development: Mariner's Cove. Developed by: Blue Water Development Company, Inc. with Michael Peterson at the helm.

Not yet a well-known name in Madison, Michael Peterson is building one of the most visible, amenity-laden condominium projects in Madison. He's one of the late Professor James Graaskamp's students made good. Peterson's other two projects, Lighthouse Cove and Sunset Cove are nearing completion in the Wisconsin Dells. He's a young, confident developer who prefers his projects command attention rather than him personally.

Then there's Robert Graves. A lot of Madisonians are familiar with Robert Graves and The Spring Green facilities. Gracious dinners at The Spring Green Restaurant, the only restaurant designed by Frank Lloyd Wright. A relaxing 18 holes at "The Springs" golf course. As of July 28, 1990, these familiar features were joined by some immense new arrivals.

After building a \$1.6 million ski lodge and refurbishing Wintergreen's ski slopes, Spring

Green skiers had their appetite whetted for this summer's bounty of additions. Under new ownership, The Spring Green is spending a lot of money to create what Robert Graves calls "a complete resort destination" within one year. Wintergreen enjoyed a good response to its reopening, even though the warm winter afforded less than ideal skiing conditions. How did all this come about? The story spans two decades, several men's ideals, and one man's patience.

The Spring Green Restaurant, the flagship project in this ever-growing development, opened in 1967. William Keland was the owner and Robert Graves was the manager. Keland subsequently built the ski hill and "The Springs" golf course—and then ran out of money. Though The Spring Green changed hands several times during the next 14 years, Robert Graves remained, even when it went into foreclosure in 1976. Growth Realty of California bought the property, held onto it for a few years until bought out by British Land of America. It ended up as a listing with Sotheby's International, who is responsible for its current ownership.

Sotheby's sold The Spring Green Resort on February 21, 1989, to Euroactividade AG, a Swiss firm specializing in luxury resorts. But there were parameters on the sale Euroactividade needed to justify purchasing its first "image" project in the United States. There were three stipulations. 1. An additional 9 holes; 2. Three hundred sixty units of accommodations; 3. A complete renovation of the Wintergreen ski hill. Euroactividade planned to pump \$40 million into this unique resort. Robert Graves started dusting off some blueprints.

Robert Graves kept Frank Lloyd Wright's passion alive throughout the entire development of the Spring Green complex.

He and his son Ross, and Ross' landscape architectural firm of Gilmore-Graves, worked on the master-plan for the resort community based on Euroactividade's wishes and Frank Lloyd Wright's precepts. The solution as Graves saw it was, "To develop a project sympathetic to the valley, to the environment, and to the people (of Spring Green) in relation to the lower Wisconsin River project, a cooperative project with the Department of Natural Resources." And Robert Graves deftly manages this natural beauty.

Graves graduated from UW-Madison in 1956 with a degree in landscape architecture and a lot of trophies for his days as a member of the rowing team. W-Club plaques now hang in his office, appropriately carpeted in a lush green. A drafting table, bins of organized blueprints, and a model of the entire Spring Green expansion complete his office.

Robert Graves is as much a part of Spring Green as is Taliesin. He and his family have lived in this pastoral valley for over 50 years, and his father managed Frank Lloyd Wright's property. Who better than Graves to oversee the blossoming of this resort? "Before Mr. Wright's death in 1959, I had the opportunity to spend a fair amount of time working with him on his later buildings and his last homes," he said. "I know how he felt about Spring

Green—how close he was to this valley and how important its preservation was. His ancestors were from here and his sympathies lie here.”

Graves kept Frank Lloyd Wright’s passion alive throughout the entire development. “Everything we’ve done here is exactly what should be done when building a first-class development.” The burgeoning resort includes three distinct types of housing: 200 condos (The Fairway Condominiums), 80 single family villas, and 80 suites in an apartment hotel. The hotel will serve as the hub for this enormous development. The structure houses a complete health center (swimming pool, weight room, aerobics, jacuzzi, and more), a pro shop, and a 150-seat dining room outfitted with Frank Lloyd Wright-designed furniture. Every window, and the entire back of the structure is nothing but windows, overlooks the new nine-hole golf course designed by two-time U.S. Open Champion Andy North and Roger Packard.

The question has to arise, “What would Frank Lloyd Wright think of this new development?” I asked and Graves answered: “Mr. Wright had some plans for cottages on the hillside near the restaurant for people who were sympathetic to this area.” It seemed Mr. Wright also intended to expand Spring Green’s facilities. All the new buildings were designed by Taliesin Associated Architects, the firm Mr. Wright founded in 1940. “I think Mr. Wright would be very happy with this development.” Graves is probably right. He talks a lot about people who are “sympathetic” to the area. He’s been the leader of the pack, ensuring adherence to Mr. Wright’s philosophy that “land, nature, buildings and furnishings should be treated as one.”

The environmental aesthetics of this resort took obvious priority. In one instance a box turtle native only to the fourth hole on the new nine-hole course had to be accommodated. There are yellow flags marking the turtle’s “stomping grounds.” To a golfer, that means off limits. Replanting the area was another prime consideration for Graves. All the areas have been planted back to native grasses, so as to harmonize with their surroundings. You won’t feel the function of this place. You’ll just see the

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main attraction: The view. Not only is the view incredible, but the scale of the project is almost hard to absorb as well.

The biggest challenge for Graves? “Getting the project done.” Another concern is finding a labor pool large enough to staff the additional facilities. Most of the contractors and subcontractors are locals. Harold Doede, Vice President of Rowland Construction who is building the project, also has an affection for Spring Green, having shared the valley for 22 years with long-time friend Robert Graves. Besides being a game of patience for Graves it has also been an opportunity to renew a friendship. Both men see this project as one of the most exciting opportunities either has experienced.

What next? Graves pauses, “I’m perfectly happy to finish this. It’s a realization of a dream I’ve had for a long, long time. I’m sure Frank Lloyd Wright would be pleased because the whole project is sensitive to the environment. Using his precepts of architecture we’ve created one of the finest four-season five-star resorts in the country.” There is quiet reserve in Graves’ response. Graves calls The Spring Green expansion his premier fulfillment, but his ambivalence is obvious. In completing his long-awaited project Robert Graves had to share a secret he’d been holding onto for 20 years. “A few years ago I took up golf, and around here I can go out at 6 a.m. dressed however I want and shoot a round of golf however I want. It’s not going to be like that much longer.” Robert Graves’ fortitude in staying with a project many might have abandoned paid off.

Perservance and adherence to his mentor’s teachings also play a key role in Michael Peterson’s career. He received his Master’s in Marketing and Real Estate in

1982 from UW-Madison and started his first development in 1981, while still in graduate school. Framed newspaper clippings of interviews with Professor Graaskamp hang in his office. Like his guide taught him, Peterson, whose undergraduate degree was in education, returns his practical experience back to the classroom. From 1984 to 1988 he taught real estate, business law and marketing principles at Madison Business College. Now he hires his previous students.

Several former students work with him at present. Randy Stenbroten assists with construction supervision at Mariner’s Cove. Another student, Kevin Stoll is a young, clean-cut Peterson protege overseeing a project up in the Dells.

“I’m swamped” was Peterson’s response to a request for an interview. It’s not surprising. Since 1981 he’s completed seven projects. He’s currently working on three condominium developments—Mariner’s Cove in Madison and two in Wisconsin Dells. He’s a one-man development company who sees to every element on every project...creatively. “Creativity was a big part of what Graaskamp taught. He strongly believed in it and emphasized it,” he said. Peterson remembers and quotes Graaskamp like a preacher would the Bible. “He taught that everything had to be first class. If you’re first class your likelihood for success is greater and you’re establishing a good track record.”

Peterson’s made his developments first class alright. There’s not an amenity lacking at Mariner’s Cove. From the luxurious interiors of the 14 different floor plans to the million-dollar clubhouse outfitted like a private health club, there’s nothing wanting here. Not only is everything high quality, it’s also highly visible.

Mariner’s Cove docks itself on the north side of Lake Mendota, moored between Mariner’s Inn and the Nau-Ti-Gal restaurants. With three stories of distinctive design this project is all up front. The clubhouse looms up behind a dramatically lit glass block wall at the entrance, encasing an entire lifestyle: two swimming pools, two whirlpools, weight room, sauna, and a conference/meeting center. Nearby, the tennis courts, basketball courts, and outdoor putting

green complete the facilities.

Everything must be extremely livable in what Peterson calls “a self-contained housing project.” It’s not just any housing project, but a recreational water project—the only type he’ll do these days. “It’s the H₂O effect,” he explains. “If it has water it’ll fly!” That’s why every condominium at Mariner’s Cove has an individual boat slip. With Skipper Bud’s marina nearby, Peterson found this seven-acre plot of land the last ideal lakefront property to develop.

Originally from Rockford, Illinois, Peterson remembers spending summers on Wisconsin’s lakes. “Every year my parents would bring us to the lakes; I guess that’s where my love of the water began.” Peterson stayed in Wisconsin to continue his career, meeting and befriending Jack Von Rutenberg while both were teaching at Madison Business College. The Von Rutenbergs owned the land surrounding their popular restaurants and had been involved in the Whaler’s Cove and Lighthouse Bay condominium developments in the mid-eighties. Over the years the Von Rutenbergs had tossed around some ideas for developing this remaining land. They thought of doing a resort hotel, or possibly a condominium project. But nothing materialized.

They also found they’d spread themselves thin working on the condo projects; they preferred to stay restaurateurs. In 1987 they approached Peterson with the idea of developing the last acreage they owned on Lake Mendota. Peterson had been busy conceptualizing and planning Lighthouse Cove in the Dells, a project similar to Mariner’s Cove when the proposition came. He accepted, bought the land, and named his project Mariner’s Cove for immediate location identity. True to form, Peterson would handle just about everything. The Von Rutenbergs would help him promote and sell the condominiums through their restaurants and word of mouth.

Behind every good developer, especially with multi-million-dollar projects, there’s got to be a good partner. Peterson’s got one—Tom Diehl. Diehl, who is also a partner in the Greyhound Dog Track and Tommy Bartlett Shows, Inc., met Peterson through his first

venture, Aqua Sports, in the Dells. Peterson initially approached Tom and his wife Margaret with an investment opportunity in his Blue Water Condominiums, a 28-unit project not far from the Tommy Bartlett show. Diehl didn’t have the time to start a new enterprise, so he passed. But Peterson didn’t give up.

“Michael doesn’t know what the word ‘no’ means. He simply won’t take ‘no’ for an answer,” says Diehl. Peterson approached Diehl several years later with a new idea: Buy the old Dells Mound Resort, tear it down, and break ground on a condo project the likes of which the Dells has never seen. Peterson made a believer out of Diehl on his first condo project. Diehl was excited yet cautious about this new opportunity. “Prior to the Blue Water development there weren’t any condos in the Dells. I guess after 25 years up here we’d lulled into a routine of becoming comfortable with that.” What Tom Diehl got was “a competent, thorough developer and a beautiful project ideally suited to the area.”

The plan was to build a 101-unit project in three phases over three years with the clubhouse facilities going up at the end of the first phase. Virtually no advertising. All word of mouth. Result: The Lighthouse Cove project is sold out on all of the existing 4 buildings and 92 percent presold into its next phase. The ball keeps rolling. Mariner’s Cove is going much the same way; at this writing with two buildings up, one building is sold out and the second is 81 percent presold. However the markets are extremely different. Whereas the Dells attracts a seasonal, second-home crowd, Peterson is expecting year-round home buyers for Mariner’s Cove.

Diehl’s reservations about going into the Madison marketplace were allayed by Peterson’s convincing plans. The location has access to major arteries (both land and water), two reputable restaurants, high aesthetic value and top quality construction. Diehl affirms, “There’s no question in my mind that Michael Peterson will make the Mariner’s project an award-winning development.” Why?

“Michael isn’t like a normal developer. He doesn’t sit back in his office and wait for things to happen. He’s out there laying sod, landscaping, really involved with his

hands.” Diehl believes this adds to the owners’ comfort level with the condos. Peterson’s also an old-fashioned man of his word. “His word is the most important driving force behind everything he does. He’s so involved with people’s satisfaction that it’s generated a lot of business. People are impressed with the quality of the facility and the quality of the individual.”

This man’s got a lot of steam behind him, no doubt about it. By definition he’s a workaholic. Part of it is the challenge to build an unmatched project, as taught by Graaskamp. The other part, as he puts it, is fear. “If I told you I wasn’t scared to lose all of this, that I was completely confident this project would fly, I guarantee you the bank would own it in 60 days.”

The partnership seems to be a good match. Peterson, a gung-ho aggressive developer ready to take on anything with water, is tempered by Tom Diehl with his conservative approach to the risk involved in land development. Failure doesn’t exist in either’s vocabulary and to date, it hasn’t needed to. What about the future?

Peterson has done several historic renovations in Chicago, and would like to pursue that market. If that’s the case, his partnership with the Diehls is travelling with him. “If Michael Peterson decided to go to Chicago, Margaret and Tom Diehl would be right there with him.”

Both Graves and Peterson shoulder enormous responsibility for a couple of multi-million-dollar developments that vow to be a boon to tourism and to the quality of living in Madison. Each developer holds sacred the precepts of his teacher. Like Graves, Peterson thinks his mentor, Dr. Graaskamp “would’ve thought Mariner’s Cove a tremendous addition to the city.” For the amount of money being pumped into these two enterprises a lot of people are banking on it. ■

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