

The Record

FRIEND OF THE PEOPLE IT SERVES

INTRIGUING PEOPLE:
BILL McMICHAEL

Risks, race cars and super-rich

By MIKE KERWICK
STAFF WRITER

There are two men standing near the construction entrance — one holding an orange flag, one holding a shovel — when a black Mercedes-Benz GL 450 pulls up to this 567-acre piece of property in the Town of Thompson, N.Y. They recognize either the luxury car or the man driving it, so the men step aside and wave the vehicle onto the property.

The Mercedes proceeds gingerly along these roads. Too fast, and the car's tires will put ruts in the 10- to 12-inch base of crushed stone. Until construction workers finish pouring three layers of asphalt — two binder layers and then the top coat — Bill McMichael will make sure his speedometer rarely creeps north of 20 mph.

This week, McMichael confesses, has been a disaster. His \$50 million job site is deserted this morning. Only 10 construction vehicles are at work. On a perfect day, that number would be closer to 40.

A series of storms has slowed construction. The stone surface has to be bone dry before workers can pour asphalt on it.

The ground is damp, so McMichael is cautious at the wheel, easing his way around the property while telling the car's three other passengers about his vision. It is the same vision he has sketched out in detail on the map next to him and the three-dimensional model he keeps back at the office.

McMichael, a 40-year-old Franklin Lakes resident, is taking the remains of a small airport and turning it into a 4.1-mile racetrack.

"This will be a... also our skid pad... was the old... down. That will... for us. We'll be... store cars in there... the longest straight... just about three... length."

Attached to this... an eye-popping invoice sticker. Membership to the Monticello Motor Club comes at a cost of \$125,000, plus \$7,500 for annual dues. It is this price tag — and the accompanying amenities — that differentiates the track from others of its size. According to McMichael, the average member has a net worth of \$20 million. Jerry Seinfeld, the club's most prominent member, is worth much more than that.

McMichael has created a playground not for the rich, but the super-rich.



Attached to this auto racing paradise is an eye-popping invoice sticker. Membership to the Monticello Motor Club comes at a cost of \$125,000, plus \$7,500 for annual dues. It is this price tag — and the ac-

"[Racetracks like this] get talked about all the time, but it's very rare that one gets built," said Bob Varsha, a commentator for the auto-racing network Speed. "I can think of several instances where they never get off the ground. As you can imagine, it takes a lot of financial firepower to make something like this happen."

How peculiar that McMichael, a kid who grew up in a one-bedroom apartment with his mother, is the man providing that financial firepower.

He was born in the desert 41 years ago, a Vegas boy who left town long before he could find trouble at the blackjack tables. McMichael settled in Rockland County, N.Y., with his parents. His mother was a secretary. His father ran car dealerships. Occasionally, his dad would come home with one of the fancier cars on the lot.

"I can remember him driving cars, sitting on my father's lap," said Nancy Lynch, McMichael's older sister. "And, of course, being the girl, I never got that privilege."

The marriage did not last. McMichael called his dad "a nomadic GM," someone who rotated through different dealerships in the Northeast. Around the age of 13, with his dad gone and his sister off on her own, McMichael found space to sleep in a cordoned-off section of his mom's dining room.

Inside the four-room apartment his mother rented in Pearl River, N.Y., McMichael learned discipline, tackling one job after another. He delivered papers, waited tables and stocked shelves in ShopRite's dairy section.

"Wherever I could make a buck," McMichael said.

Lynch's kid brother was a born entrepreneur. She remembers when McMichael started a landscaping business, attaching a trailer to the back of his black Datsun 280Z. But his greatest skill was easing money out of someone else's hands, channeling it toward his own pockets.

"I even gave him money when he was

Franklin Lakes entrepreneur Bill McMichael's latest venture is an auto racing track in the heart of New York's Catskills Mountains that's reserved for multimillionaires.

little," Lynch said. "It always seemed like his schemes were worthy."

He picked up a management degree at Pace University and went to work for a series of high-profile companies. McMichael spent time at IBM, U.S. Healthcare and MetLife. It wasn't long before the kid who grew up spinning straw into gold learned this lesson:

If you want to make money — real money — you have to go out on your own.

"People probably thought he was nuts," said McMichael's wife, Laura. "He was moving up in Met. People probably said, 'Stay here. It's secure, it's secure.' He said, 'It's a great time for me to take the risk.'"

Moeica Persaud thought he was a doctor.

"Usually a horse-injection company is started by a doctor, a nurse, a pharmacist," Persaud said.

McMichael was only 27 when he founded Trinity HomeCare. Ever the entrepreneur, McMichael's idea was simple: Take patients out of hospitals and treat them with intravenous fluids in their homes.

"I knew health care could be a lucrative marketplace," McMichael said. "And I knew demand would be growing."

Persaud, one of McMichael's early hires, said McMichael would show up to work in a Nissan Maxima. He logged long hours and worked nights as a bartender. To save money, McMichael and Laura bunked with relatives.

Four years into the experiment, his business caught fire.

"We were sometimes doubling every quarter," McMichael said. "It was an amazing ride."

The Maxima disappeared, replaced by a BMW Z3. He bought a place in Franklin Lakes. Eventually he decided to sell Trinity, swearing to Laura that he was going to take a break from "the crazy life."

Within a few months, the crazy life was

tapping McMichael on the shoulder, beckoning him back.

The waiters are dressed in white jackets and black pants; the models, in low-cut red dresses. As men with deep pockets arrive at the roped-off entrance to Cipriani on East 42nd, the models glide up next to them.

It is a big night for McMichael. He spent weeks — months! — setting up this late April extravaganza inside this Manhattan ballroom with a 65-foot ceiling. And he recruited some big names.

See the guy in the black suit, white shirt and red tie? The one holding a glass of the white, gazing down at the built-to-scale model of McMichael's track? That's Mario Andreotti.

See the guy who showed up without a tie? The one who just walked on stage and got the attention of a room full of millionaires? That's Jerry Seinfeld.

"You know what's funny?" McMichael said. "When I first met Jerry, we didn't talk about his show or kids. We talked about cars. We all share this passion for vehicles. So immediately, it doesn't matter that I'm talking to a billionaire. Frankly, I don't care. The first thing he started talking about was, 'Hey, I just got this Porsche, can you give me some tips on this for your track.'"

He will spend the night moving from room to room, charming the crème de la crème, hoping that some of these rich men will write him a check for \$100,000. Earlier this month, McMichael raised the membership fee to \$125,000.

"The Cipriani's event was fantastic for us," McMichael says a few weeks later. "Our applications tripled after that event, so that was fantastic."

Just one year earlier, McMichael made the trip out to the racetrack for the first time. He paid the \$100,000 ransom and signed on as a member.

Not long after the Trinity sale, Michael Kaplan reached out to McMichael. Kaplan got the ball rolling in New York's Catskills area, acquiring the proper permits and convincing the region to open its arms to a racetrack.

Now he was looking to get out. And he wanted to know if McMichael was interested in carrying the ball.

"It takes a lot of money to do this,"

McMichael said. "This will be about \$45 million to \$50 million before we're done with the total development. It's extremely expensive to get all these giant pieces of equipment and pay these wonderful guys who have a lot of experience in running them. It's not cheap."

McMichael had the money. It was time to take another risk.

A construction vehicle pulls up alongside the Mercedes. McMichael slides down the driver's side window.

"Mr. Argenio," McMichael says.

"How you doing, sir?"

"I'm doing well."

"If you get time, at some point in time, Bill, in the next day or so around here, go up and look at that connect ..."

"I did. It looks great."

BACKGROUND



Bill McMichael
Age: 40
Position: President, Monticello Motor Club
Born: Las Vegas, Nevada
Current residence: Franklin Lakes
Company location: Town of Thompson, N.Y.
Family: Wife Laura; three daughters

Interests: Cars, health care
First car: Datsun 280Z
Quote: "The average net worth of our membership is about \$20 million. God, this sounds really obnoxious. 'Cause you know, I grew up in a one-bedroom apartment. It's not that long ago that I couldn't even contemplate any of this."

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