

'It's all been hot air and sunshine'

■ Waiting for developments: None of the 12 projects proposed by Bill Fry has broken ground.

By SCOTT WILLIAMS
The Register Star

ROCKFORD — Bill Fry stepped in front of the TV cameras while the mayor held up a banner. The local paper trumpeted the news that a Sheraton hotel was coming to town.

The place could have been Rockford. But it was not. It was Florence, Ala., a city of about 36,000 people courted by Fry and his Seven Plus Developments Inc. in 1994.

The proposed hotel next to a new convention center was similar to a \$25 million project Fry is promoting across from the MetroCentre in downtown Rockford.

Like other small cities where Fry has visited, Rockford and Florence are places where community leaders have long yearned for a hotel to help boost the local economy or were enchanted by a sales pitch.

"You are going to have a first-class Sheraton," Fry declared in Florence. "It will have everything you will need."

Nearly three years later, Florence residents are still waiting.

Mayor Eddie Frost said he has not heard from Fry in a year. A convention center built with taxpayer dollars sits underutilized. And city officials are hunting for a new hotel developer.

Frost said he still wonders why a venture that began with such promise faded away so disappointingly. The project involved no direct public funding, so officials say they never thought to check Fry's track record.

"We were basically depending on him," the mayor said. "We were disappointed."

Here's a brief synopsis of how 11 other communities describe their experiences with Fry and Seven Plus Developments:

■ Bloomington, Ill.: A new conference center built by the McLean County Farm Bureau was the attraction when Fry approached civic leaders last year. An adjacent hotel, he said, would draw larger events to the facility.

Landowner J.C. Ebach said he's discussed the project with Fry several times and is ready to provide the needed land when Fry demonstrates that financing is in place and a builder is under contract.

Aware that Fry simultaneously is proposing a hotel in Rockford, Ebach said he's impressed by the businessman's frequent trips to Illinois on his private plane.

"I don't think he'd be doing that if he wasn't sincere," he said. "I think he has the capability of pulling it all together."

Mayor Jesse Smart, however, is worried by what he calls a lack of substance in Fry's proposal.

"It's all been hot air and sunshine," he said.

■ Albuquerque, N.M.: Environmentalists were worried when Fry proposed using part of a national monument to develop a hotel resort in Albuquerque in the early 1990s.

Fry told local officials the sprawling development would include a 400-room hotel, four 18-hole golf courses, tennis courts and a conference center. A local firm, Westland Development Co., signed on as a partner.

Concerns arose in 1992 when Fry refused to divulge details of his background. Then an Albuquerque newspaper reported that he had claimed credit for a Beverly Hills hotel in which he had no involvement.

Westland Development attorney Robert Simon said officials at Sheraton headquarters vouched for Fry, who further assured his partners by saying he could tap into "a significant amount of money in Europe."



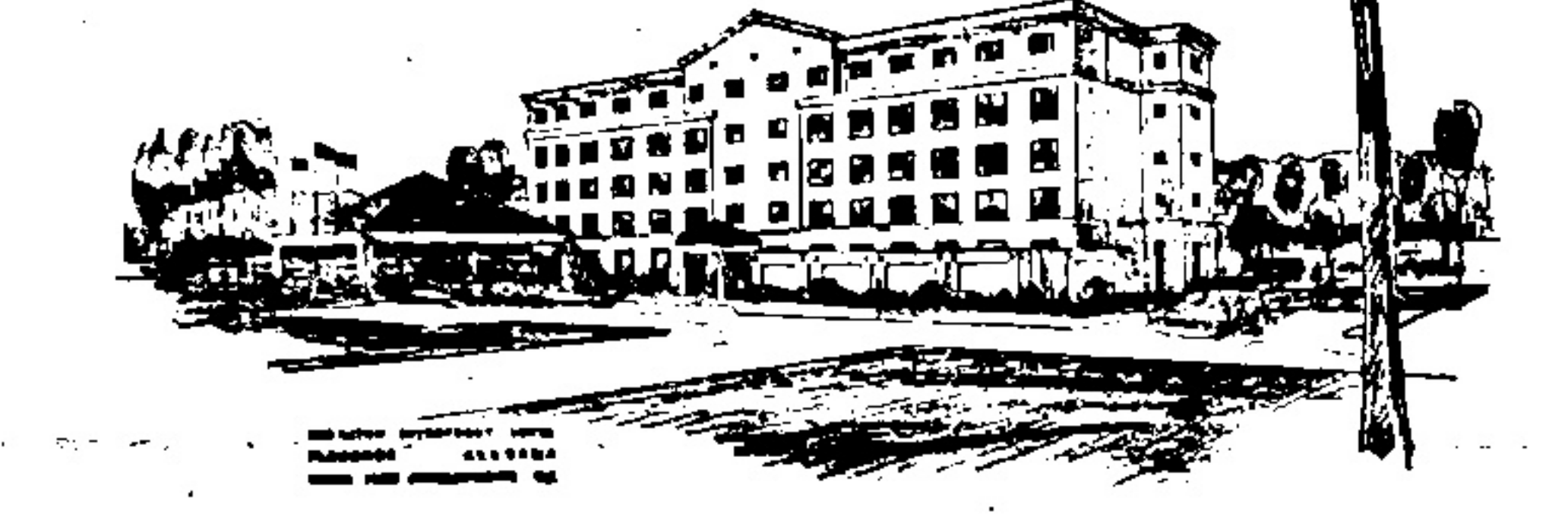
Investors Bob Cicco (left) and Marvin Flam (right) joined Seven Plus Developments after promoter Bill Fry (center) showed them this development site near Albuquerque, N.M.



Bill Fry (standing) discusses his hotel resort proposal in Port Arthur, Texas, with members of the Pleasure Island Commission.



This photo of Florence, Ala., Mayor Eddie Frost and Bill Fry announcing the building of a Sheraton hotel ran in the Florence Times Daily in August 1994. The hotel (shown here in a development drawing) was never built.



came through with financing or development plans.

"He couldn't or didn't — or whatever," the lawyer said. "It never jelled."

Westland scrapped its partnership with Fry last year.

■ Topeka, Kan.: After converting Topeka's old county fairgrounds into an indoor civic center, county officials went shopping for a hotel developer.

They found Fry in 1992. When they heard his plans for a \$16 million hotel with at least 150 guest rooms, officials gave Fry a 90-day option to develop county-owned property adjacent to the Kansas ExpoCenter.

Progress came slowly, so the option was extended. Then extended again.

In the summer of 1995, officials gave up and went shopping for another developer.

"There was a lot of disappointment," said county attorney Sandy Jacquot. "We lost several years."

■ Muskogee, Okla.: A former hotel next to Muskogee's downtown civic center has been in mothballs for years.

In 1991, Fry proposed rejuvenating the property and converting it into a big-name hotel. Then his interest in Muskogee apparently waned, but he resurfaced in 1995 and again pitched the idea to city officials.

Fry listed projects he was developing in other communities. So city development director Tony Kaai decided to check one — in Rockford. He was told that Fry, indeed, was promoting a Rockford

hotel.

The plans for Muskogee have not progressed beyond the conceptual stage, and officials are taking a wait-and-see approach.

"I've worked with a lot of developers," Kaai said. "I know they're sometimes overzealous."

■ Dublin, Ga.: A stretch of property overlooking the Oconee River caught Fry's eye in 1994. Residents of Dublin, an hour southeast of Macon, Ga., were excited by the developer's idea for a riverfront civic center and hotel.

Teaming briefly with landowner Joe Durant, Fry announced he needed about 300 investors at \$10,000 each to make the project fly.

After about six months, few investors had stepped forward. Chamber of Commerce executive director Willie Pawk said the project faded almost as quickly as it had surfaced.

As in other communities, residents of Dublin had little chance to get to know Fry.

"We didn't know anything about him until the day he appeared," she said.

■ Columbia, Tenn.: Business leaders in the Nashville, Tenn., suburb of Columbia have been pushing to make the community more of a tourist attraction.

Three years ago, Fry approached the Chamber of Commerce with an enticing idea — a hotel and conference center. The proposal stirred debate about whether Columbia, 45 minutes south of Nashville, could attract tourists.

Chamber of Commerce spokesman Mike Chance said Fry then disappeared.

"It went cold," Chance said.

Fry's interest apparently has rekindled recently, and he has returned to Columbia to scout sites for his development.

Convention and visitors bureau director Alton Kelley said officials know little about Fry or his business organization but are willing to consider his ideas again.

"He seems very proficient," Kelley said. "He's good at what he does."

■ Decatur, Ill.: Fry has been talking about a hotel in Decatur for three or four years. He tells city officials he can borrow up to \$300 million at a time to simultaneously fund several major developments.

The proposal calls for an \$8 million to \$9 million Sheraton hotel adjacent to the Decatur Civic Center, with guaranteed access to convention space at the downtown arena.

Mayor Terry Howley said civic center officials are reluctant to strike an agreement with Fry until they are assured the hotel will be built.

Although some civic leaders have questioned Fry's legitimacy, Howley said, the developer has not requested taxpayer support and gives every appearance of being bona fide.

"The guy comes up here. He's got plans and architect's drawings. He's made several trips and phone calls," Howley said. "He's either

dead serious, or he's crazy."

■ El Dorado, Ark.: Fry proposed a hotel about five years ago at the convergence of two highways midway between Dallas and Memphis, Tenn.

Chamber of Commerce director Sherrel Johnson said the project has not gotten off the ground, although Fry continues promoting it.

"He's been in and out of town," she said.

Landowner Knox White said he has heard from investors who are angry at Fry and has urged Fry not to solicit investors in El Dorado.

The landowner has worked to obtain highway access for the development, and he hopes a hotel will be built. If not, he said, his losses are minimal.

"It doesn't make a whole lot of difference," he said.

■ Gadsden, Ala.: A hotel proposal northeast of Birmingham made officials in Gadsden wonder about Fry's background three or four years ago.

The town of about 50,000 was trying to stir up convention business but had no downtown hotel. Officials were excited to hear Fry was pursuing a similar project across the state in Florence.

When city planner Ron Carr ran credit checks and did other research on Fry's credentials, he came up with little information. Officials grew concerned and instead found local developers to build a couple of new hotels around town.

Carr, who has since retired, said there was no indication Fry had the resources to complete the job.

"We didn't find a lot of substance," he said. "Nothing bad or good, really."

■ Lawton, Okla.: Another proposed Sheraton hotel about an hour-and-a-half southwest of Oklahoma City excited officials in Lawton two years ago.

Lawton Chamber of Commerce President Mark McCord said Fry met with bankers and other civic leaders several times for more than a year. The project was described as a 140-room Sheraton with a restaurant.

McCord has not heard from the developer for several months. "He has a proposal, but it's been in fairly nebulous form," McCord said.

Banker Gilbert Gibson said the property that Fry was eyeing has been sold to another buyer. Lawton leaders had grown worried about Fry's credentials anyway, Gibson said.

"He has discussed multiple projects all over the nation," he said. "I couldn't give you any that I know he has actually done."

■ Port Arthur, Texas: A small island off the Gulf Coast of Texas was the site of one of Fry's most ambitious projects starting in 1985.

A 400-acre resort, proposed through a company known as Cal-Merc Enterprises Inc., was planned to include two luxury hotels, two golf courses, an aircraft landing strip and possibly a marina. The project's cost was estimated

About this series

■ Today: Florida businessman William Fry, who has proposed a \$25 million hotel development in downtown Rockford, has left similar projects unfinished in small cities across the country. Investors who have poured money into his projects are angry, and at least one law enforcement agency is looking into his activities. Interviews with business people and officials in other cities found a pattern of slick presentations by Fry but no results.

■ Monday: Rockford officials, civic leaders and others who listened to William Fry's presentations on his proposal for a \$25 million downtown hotel offer conflicting opinions on whether information about his background is important at this stage of the project. Plus, a former Fry employee who once admired him says she resigned because of concern about how he treats his investors.

■ Tuesday: In the wake of the Rockford Register Star's investigation of William Fry's background, business people, city officials and residents discuss whether the MetroCentre should proceed further in its discussions with Fry concerning a proposed \$25 million hotel adjacent to the center.

Chronology

Bill Fry's efforts to promote a hotel development in Rockford have spanned nearly two years.

■ July 1995: Fry begins discussions with Rockford business and government leaders.

■ Sept. 1995: MetroCentre manager Brad Walsh hears hotel idea in meeting with Fry.

■ March 1996: Proposed 250-room hotel unveiled before Mayor Charles Box and other civic leaders.

■ June 1996: MetroCentre balks at deal granting Fry guaranteed access to convention space.

■ Sept. 1996: Sheraton representative joins Fry on trip to Rockford; deal with MetroCentre signed.

■ March 1997: With Fry continuing talks for real estate, MetroCentre extends deal through the year.

■ May 1997: Register Star chronicles numerous questions in Fry's background, including ongoing criminal investigation.

ed as high as \$55 million.

The Pleasure Island Commission, a Port Arthur city agency that controls development on the island, worked three years with Fry and leased him real estate to start the project. After delays and setbacks, the commission declared Fry in default of the lease and killed the project in June 1988.

Fry appeared before the commission a short time later seeking to revive the deal, but commissioners refused.

Former commissioner Randy Lofton recalls that Fry charmed Pleasure Island leaders with his enthusiasm and professional demeanor and solicited investors to get involved in the proposal.

"He always failed to live up to his end of the bargain," Lofton said. "I find it difficult to believe that anybody would invest in that. But if they did, they got stuck."