

dded step for Graduate Hotel skirts the process - Herald-Times (Bloomington, IN) - August 24, 2017

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What happened between the developer of the **Graduate Hotel** under construction on Kirkwood Avenue and Mayor John Hamilton appears to illustrate what the business community has complained about for decades.

The concerns have centered on predictability — the existence of clearly defined steps that would need to be taken in order to build a project in Bloomington. Developers willing to invest millions in Bloomington have wanted to know that as soon as the steps had been taken and boards had signed off, the developer would be able to go forward with the project.

There are places built into the approval process for some give and take. And clearly, the reasons for the concerns voiced for so many years have not squelched growth and development, though they likely have increased the cost of building in Bloomington because of unanticipated changes and delays.

It had become obvious by the big hole in the ground where Old National Bank used to be that something had slowed down construction of the **Graduate Hotel**. Following some controversy and a little of that give and take, the plan commission by a 5-3 vote approved the project in February 2015. At that time, the developer said the hotel could take 15 to 16 months to build after the bank moved to its new location, down the street, which it did the first week of June 2016. That would have made the projected completion date this month at the latest.

What happened behind the scenes, however, was a post-approval new set of negotiations in the mayor's office before the developer could get the necessary approvals from the Board of Public Works. A memorandum of understanding asked AJ Capital Partners, the developer, for more than \$790,000 in a commitment to public art. It also asked for some design changes to the building.

Though the developer wouldn't comment about the private talks for publication, Randy Lloyd, president of the board of the Greater Bloomington Chamber of Commerce who worked in city economic development under Mayor John Fernandez, was vocal in his distaste for that request.

"What is unprecedented is the mayor's office using the board of public works to extort and extract extra things out of this project after it was approved," Lloyd said. "The process itself — whatever you're going through — the process has to have integrity. If I do A, B and C, I should wind up somewhere around D."

The mayor disagrees, of course, calling his meeting with developer Tim Franzen "an appropriate conversation with an investment in the community."

In the end, Franzen agreed to invest about \$350,000 in public art and said he's happy to do it. But this is a case where the end doesn't justify the means.

The development process should follow a predictable, fair and rigorous path, through proposals,

staff recommendations and votes by boards and commissions. There shouldn't be added steps after approval, such as a new \$790,000 request from the mayor.

A, B and C really should lead to D, not back to B.

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