

March 16, 2006

Nigh, Gumm and Fallin Announce Lake Texoma Lodge Deal

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OKLAHOMA CITY -

Lieutenant Governor Mary Fallin and Senator Jay Paul Gumm (D-Durant) along with Treasurer Scott Meacham, former Governor George Nigh, Interim-Director of the Tourism and Recreation Department and Clifton Scott, Executive Director of the School Land Commission, today unveiled details for a unique private development effort that will revitalize the aging Lake Texoma State Lodge and Park.

Fallin and Gumm said the deeds to all of the lands have been filed in Marshall County and the state will now offer a letter of intent to the private developer. A final agreement must still be approved by the state and the developer, but the two leaders said the bid submitted to the state is almost certain to be formally accepted.

The state will reap a cash windfall of \$14 million from the proposed deal. \$5.2 million will be used to cover costs incurred by the Commissioners of the Land Office and the remaining amount will be deposited over the next nine years. All net profits will be invested in the School Land Trust to benefit Oklahoma school children.

Gagne Development Company, Inc., a Connecticut firm, will construct a new lodge, golf course, walking trails, restaurants and residential developments. By the time the project is completed, Gagne expects to invest up to \$350 million at Lake Texoma.

In addition, the property involved in the proposed transaction will be



A BRIGHTER FUTURE - Senator Jay Paul Gumm, D-Durant, and former Gov. George Nigh, interim director of the Tourism Department, unveil a plan at a Thursday State Capitol news conference to revitalize Lake Texoma Resort. The proposal will lead to a \$350 million private investment at Lake Texoma in Senator Gumm's district. Included are plans for a new, state-of-the-art resort hotel and convention center, new retail shops and restaurants, as well as new private homes. Gumm, along with state Rep. John Carey, wrote the law that led to the development and which provided a generous severance package for those permanent employees who would be displaced.

restored to the tax rolls, boosting population and school and local government revenue for Marshall County. It will also be a direct contributor to new jobs in the region as well as new employment from indirect services such as temporary lodging, restaurants and construction workers.

"This is a spectacular deal for the State of Oklahoma, the tourism industry, south-central Oklahoma, the developer and most of all for the taxpayers," Fallin said. "Within a decade, Lake Texoma will be a family travel destination of immense appeal throughout our region. It's a second life for one of our state's premier tourism attractions."

"I am grateful to everyone who was involved in the lengthy negotiations that led up to this announcement," Gumm said. "This is the largest single investment in the region, and Marshall County, Bryan County and the entire south-central Oklahoma region will benefit from it in the form of new jobs, new population and new businesses."

The public-private partnership crafted for Lake Texoma was made possible by legislation written by Senator Gumm and State Representative John Carey (D-Durant). The bill passed two years ago directing the Oklahoma Department of Tourism and Recreation to pursue such a deal. The aging Lake Texoma State Lodge, built in 1951, had been in poor repair, which had resulted in a steady decline in tourism.

"This agreement will turn that around," Fallin said. "Texoma has always been one of the crown jewels of Oklahoma tourism, and it is about to shine."

"So comes to close another chapter in bringing major economic development to Southeastern Oklahoma. Stressing that tourism is not just an industry of fun and games, in reality it means jobs and new opportunities," former Governor and Interim Tourism.

Director George Nigh said. "Many hard hours were put in to bring us this far and now the new owners can concentrate on building one of the finest developments on either side of the Red River."

The details of the agreement include:

- Gagne Development Company, Inc., will purchase 750 acres, including the old Lake Texoma Lodge and property at Chickasaw Pointe.
- The Commissioners of the Land Office paid \$2.2 million for 558 acres formerly owned by the Army Corps of Engineers; they also purchased 192 acres formerly owned by the state tourism and

wildlife departments for \$2.4 million.

- According to the letter of intent, Gagne will also pay \$5.2 million initially to close the deal, with the balance of the \$14 million to be paid over nine years. Those parcels had previously been sold to the Commissioners of the Land Office, which will reap the sale proceeds and distribute some \$9 million of those funds to schools.
- The old Lake Texoma Lodge and surrounding areas will be replaced with a world-class resort hotel which will include a conference center and cottages. Gagne will also renovate the Chickasaw Pointe golf course.
- Gagne will develop private homes and condominiums, retail shops and other recreational property throughout the area.

"There is tremendous potential for new jobs and new businesses all around Lake Texoma," Gumm said. "The population growth for Marshall County alone could reach into the thousands. The entire south-central part of our state is going to get a huge boost from the new Texoma."

Fallin and Gumm said the state will reap benefits in four ways. First, the Tourism Department will save an estimated \$250,000 per year by shedding the aging lodge. Second, the state will no longer be confronted with the costly need to upgrade or replace the old lodge. Third, the funds paid to the Commissioners of the Land Office will be distributed to local schools. And fourth, the expected boom in residential and retail development, along with development of the new resort, will put 750 high-value acres back on the property tax rolls.

Gumm said some areas of the Lake Texoma State Park, including an airport and Catfish Bay Marina, will remain in state hands. Also the lawmaker said a key component of the enabling legislation is a generous severance package for state employees displaced because of the transfer.

"The employees have done a great job and this agreement insures a bright future for the area," Gumm said. "Without the agreement, it was likely the lodge and the jobs it supports would have been lost forever."

Fallin said the planned residential development at Chickasaw Pointe would be attractive for people in Oklahoma and north Texas who are seeking vacation or retirement homes.

"It's hard to imagine a more appealing location," she said. "Lake Texoma has long been a prime destination for boating, fishing and other recreational uses. Under this proposed agreement, we will add the final parts of the equation to make it a first class place to visit or live."

