

FREQUENTLY ASKED QUESTIONS (FAQs) REGARDING OKLAHOMA'S LAKE TEXOMA DEVELOPMENT PROJECT

INTRODUCTION

Much of the original Lake Texoma State Park, including the area where the lodge, cabins and golf courses once operated, has been sold (or is under contract to be sold) to Pointe Vista Development, L.L.C. ("Pointe Vista"), an Oklahoma real estate development company. Pointe Vista purchased approximately 750 acres from the Oklahoma Commissioners of the Land Office ("Land Office") after the Land Office purchased the acreage from the Oklahoma Tourism and Recreation Department ("Tourism") and the Oklahoma Wildlife Department. This transaction included approximately 523 acres north of U.S. Highway 70 (referred to as "Area A"), which Pointe Vista purchased in January 2008, and approximately 227 acres south of U.S. Highway 70 (referred to as "Area B"), which Pointe Vista purchased in May 2008. Pointe Vista has entered into an agreement with Tourism to purchase approximately 1,000 additional acres south of U.S. Highway 70 (referred to as "Area C") which is comprised of approximately 1,100 acres that is owned by the U.S. Army Corps of Engineers ("Corps") and approximately 100 acres that is owned by Tourism.

The sale of land in Lake Texoma State Park was authorized by state and federal legislation: (1) the federal Water Resources Development Act of 1999 (PL 106-53, codified at 113 Stat. 359)(the "Federal Legislation"), which directed the Corps to convey to the State of Oklahoma approximately 1,580 acres of land located in Marshall County, Oklahoma, that was included in the Lake Texoma (Denison Dam), Oklahoma and Texas Project and leased to Tourism for public park and recreational purposes, and (2) state legislation enacted in 2005 (Title 74 O.S. 2223), which allowed Tourism to sell real estate and personal property owned or acquired by the State of Oklahoma or Tourism located in Marshall County and situated within Lake Texoma State Park.

The Oklahoma legislation further requires that for every developed acre of land containing campgrounds that is sold by Tourism, an equivalent amount of replacement land must be selected by Tourism in a suitable area at Lake Texoma or in the vicinity, and developed to provide comparable outdoor public recreation facilities for operation as part of the Oklahoma state park system.

All contracts, documents and additional background information regarding the Land Office/Pointe Vista land sale are available for review at the following link:

<http://www.clo.state.ok.us/PointVistaDocuments.htm>

The land transactions between the Land Office and Pointe Vista encompassed approximately 558 acres of the 1,580 acres that the Corps had leased to Tourism for public park and recreational purposes. In a letter dated February 14, 2007, Governor Brad Henry notified the Corps that the State was interested in purchasing up to 1,022 additional acres of land at Lake Texoma.

In May 2008, after many months of review, and nearly a dozen public Tourism Commission meetings, Tourism Commissioners authorized Tourism to work with the Corps to sell additional land at Lake Texoma to Pointe Vista, and the Commissioners approved a Real Estate Purchase and Redevelopment Agreement between Tourism and Point Vista (the “Tourism Agreement”). Under the terms of the Tourism Agreement, in addition to purchasing approximately 1,000 acres of land leased by Tourism and owned by the Corps, Pointe Vista also will purchase approximately 100 acres of land that is currently owned by Tourism.

What follows are several frequently asked questions (FAQs) concerning the sale and redevelopment of the former Lake Texoma State Park, and corresponding answers to those questions:

Q1. Why in 2005, did the State of Oklahoma authorize the sale of publicly-owned Lake Texoma property for private development?

A: Texoma Lodge and cabins were showing significant wear and tear, and legislative efforts to secure funding for capital upgrades were not successful. The economic situation at the time did not support an opportunity for Tourism to receive \$20-40 million needed for repairs and upgrades to keep the facilities market competitive. Occupancy was down and needs at Texoma State Park were becoming urgent. Additionally, the entire State Parks system was operating under a backlog of major maintenance needs that totaled nearly \$90 million. The opportunity for a developer to rebuild the lodging and recreational infrastructure was identified as the best long-term solution.

Q2. How was the sale negotiated and how was the private developer chosen?

A: The private developer was selected through a public, competitive bid process. The request for proposals was developed by the Land Office. Initial bids were opened and the selected developer was Gagne Development, of Connecticut. Gagne did not make a required \$1 million earnest money payment which resulted in the Land Office canceling Gagne’s bid. The Land Office re-advertised for proposals in October 2006 and received two proposals. The Land Office Commissioners selected Pointe Vista. Since selection, Pointe Vista has closed its transactions with the Land Office and purchased approximately 750 acres, including 558 acres that Tourism formerly leased from the Corps. Pointe Vista also expressed interest in acquisition and development of a larger area of about 1,000 additional acres, which is now the subject of the Tourism Agreement.

Q3. Is the final sale of land to Pointe Vista Development complete?

A: The Land Office sold approximately 750 acres (including approximately 558 acres that Tourism had leased from the Corps) to Pointe Vista in 2008. Pointe Vista now owns and operates Chickasaw Pointe Golf Course (which is open to the public). Prior to completion of the land sale, the Land Office asked Tourism to close Texoma Lodge and cabins. Lake Texoma Golf Course was subsequently closed to the public. However, Catfish Bay Campground and day-use facilities remain open to the public. Pointe Vista negotiated with owners of Catfish Bay Marina and Marina Mart convenience store to purchase their interests, and Pointe Vista now operates both of those facilities. The marina and marina mart are lease-concessions through Tourism. This operating

structure assures continued operation of the facilities at Catfish Bay and further assures public access to Lake Texoma even after development begins and is completed.

Pursuant to the Federal Legislation, the sale to Pointe Vista of the additional 1,000 acres leased by Tourism and owned by the Corps is subject to an environmental review process pursuant to the National Environmental Policy Act (NEPA), as well as a process that requires updated appraisals.

Q4. What is the National Environmental Policy Act (“NEPA”)?

A. NEPA is a federal statute that requires federal agencies to undertake an assessment of the environmental effects of their proposed actions prior to making decisions to ensure that their decisions are better informed and provides opportunities for citizen involvement. Specifically, under the NEPA process, agencies are required to determine if their proposed actions have significant environmental effects and to consider the environmental and related social and economic effects of their proposed actions. NEPA does not require the decision maker to select the environmentally preferable alternative or prohibit adverse environmental effects. But, NEPA does require that decision makers be informed of the environmental consequences of their decisions. The full scope of NEPA is discussed in a publication created by the Council on Environmental Quality, entitled “A Citizens Guide to the NEPA,” which can be located at the following weblink: http://ceq.hss.doe.gov/NEPA/Citizens_Guide_Dec07.pdf. See also the general NEPA weblink, NEPA.net: <http://ceq.hss.doe.gov/nepa/nepanet.htm>.

Q5. What is an Environmental Impact Study (EIS) and is one being performed to evaluate how the new development impacts the lake and surrounding areas?

A. A federal agency must prepare an EIS if it is proposing a major federal action that may significantly affect the quality of the human environment. The EIS is intended to ensure that federal agencies take a “hard look” at any potential significant impacts using a rigorous study process done to determine the impact development might have on undisturbed land. See, “A Citizen’s Guide to the NEPA,” at: http://ceq.hss.doe.gov/NEPA/Citizens_Guide_Dec07.pdf. In order to determine whether an EIS is appropriate, usually an Environmental Assessment (EA) is completed in order to determine whether the environmental impact from a project is expected to be “significant.” If the EA concludes that the environmental impact is not expected to be “significant,” then an EIS is not required and a “Finding of No Significant Impact” (FONSI) is issued. In 2005, the Corps completed an EA with respect to the sale by the Land Office to Pointe Vista of some portions of Lake Texoma State Park, which was conducted prior to the sale of Areas A and B.

Q6) Will the public be allowed to comment on the sale before it is finalized?

A: In regards to Area C, in implementing NEPA for this project the Corps has decided that it will require an Environmental Impact Statement (EIS) initially, rather than perform an Environmental Assessment. The NEPA EIS process provides opportunities for public involvement, including comments, in the scoping of the EIS and during the review of the draft EIS. See, “A Citizens Guide to the NEPA,” at: http://ceq.hss.doe.gov/NEPA/Citizens_Guide_Dec07.pdf

Q7) Does any element of the sale violate the National Environmental Protection Act (NEPA)?

A: No. In fact, the Tourism Agreement specifically contemplated full and complete compliance with NEPA.

Q8) How will the sale of Lake Texoma State Park affect the surrounding area?

A: The already-completed sale of Areas A and B assures an area of new development adjacent to Chickasaw Pointe golf course and in the area where the old lodge and cabins once operated. There are provisions in place in both the Land Office/Pointe Vista contract documents as well as the Tourism Agreement that require construction to commence within a specified period of time. In its agreement to sell additional land to Pointe Vista, Tourism further negotiated with Pointe Vista to develop tourism lodging facilities early in the development process. Additionally, Pointe Vista agreed to ensure that road access to the people located south of the Rooster Creek Bridge would remain intact over land owned or controlled by Pointe Vista as part of the future development. It is anticipated the multi-million dollar development will bring jobs, increased economic prosperity and a more competitive tourism product to the area/region. Additionally, because of a state bill authored by Senator Jay Paul Gumm of Senate District 6, for every developed acre of land containing campgrounds that is sold by Tourism, an equivalent amount of replacement land must be selected by Tourism in a suitable area at Lake Texoma or in the vicinity, and developed to provide comparable outdoor public recreation facilities for operation as part of the Oklahoma state park system. The private development, combined with a new state park to be built nearby, will provide a wide selection of family activities in various, affordable price ranges.

Q9. Were there any requirements placed by the state for any development on the Lake Texoma property?

A: The contract between Pointe Vista and the Land Office includes specified development requirements and timetables. The Tourism Agreement similarly imposes development requirements and timetables and requires the development of tourism lodging facilities, as well as ensuring the continued operation of Catfish Bay Marina and marina mart facilities.

Q10. How much publicly-owned land is involved in the three phases of the sale?

A: Approximately 1,850 acres. Pointe Vista purchased approximately 750 acres from the Land Office (which included approximately 558 acres of land formerly owned by the Corps), and Pointe Vista has entered into a contract with Tourism to purchase approximately 1,100 additional acres (which includes approximately 1,000 acres that Tourism leases from the Corps and approximately 100 acres that Tourism currently owns.)

Q11. How is the price of the land being determined for sale?

A: The land that Pointe Vista will purchase under the terms of the Tourism Agreement is being surveyed and will be appraised by an independent appraiser that is acceptable to the Corps.

Q12. Why aren't the development plans available to the public?

A: Pointe Vista's preliminary plans for redevelopment of Lake Texoma State Park have been shown repeatedly at a variety of public meetings. Updated plans will be available for public review during the environmental review conducted by the Corps pursuant to the National Environmental Policy Act ("NEPA") as mandated by the Federal Legislation.

Q13. Is a plan in place for a replacement state park at Lake Texoma and where will it be located?

A: Approximately 300 acres of the original state park remain open to the public at this time. Tourism is in talks with the Corps to begin operating and upgrading other camping areas in the Texoma area so that public camping will always remain open. Acquiring such alternative public areas are contemplated by the State Legislation and the LWCF (see next FAQ).

Q14. Does the sale violate the Land and Water Conservation Fund Act of 1965?

A: No. LWCFA requires Tourism to replace any lands converted into private development with similar property called "like recreational lands." There will be replacement park land created as required by this Act and OTRD officials are actively working now to acquire that property.

Q15. Did any state or federal employees lose their jobs during the sale process?

A: Upon the closing of the Lake Texoma Lodge by Tourism, Tourism offered state employees with at least two-year's service a compensation package if their jobs were no longer required. In 2008, the Chickasaw Pointe and Lake Texoma Golf Courses were closed, and Tourism offered state employees serving at these locations the same compensation package. Since then, Pointe Vista has hired almost all of state employees who chose to continue working rather than retire, who had been employed in connection with the Chickasaw Pointe and Lake Texoma Golf Courses. All parties anticipate that a much larger hospitality work force will be needed in the near future in connection with the proposed development.

Q16. Why was the land sale not something approved by voters in the affected area or in a statewide election?

A. Because the Oklahoma Legislature approved the sale, no referendum was needed. However, residents in the affected area and other interested parties will be provided an opportunity to comment during the NEPA process as discussed in Answers to Questions 4 through 6.

Q17. Will eminent domain laws be used to acquire any of the land needed for the private development or the acquisition of the property used for the new state park?

A. OTRD does not have the legal ability to exercise eminent domain action under Title 74 O.S. 2281 in regard to Oklahoma Trails System Act, but does have the ability under Title 74 O.S. 2212 (2) to condemn for other purposes. No condemnation of land is required to facilitate the sale and that process is not being contemplated for any further acquisitions.

Q18. Will current public roadways in the development area be closed?

A. No. Some of the current public roadways may be realigned or reconfigured in connection with redevelopment of the property; however, Tourism's contract with Pointe Vista requires that all roads remain open so the public has access to state park areas near the marina.

NOTE: If you have additional questions please submit them in writing to kim.moyer@oklatourism.gov. A response will be provided – and the information will be added to the on-line document.