

nessee, but it looks like, in order to get a fair price from TVA, we are going to have to have some help. We have known all along that it was going to be necessary to sell to TVA. However, it was not until late last fall that they contacted us. Just recently, after several months of correspondence, they have offered \$231,600 for our approximate 700 acres of land which, as you know, is located on Kentucky Lake on the east side of the lake adjoining the highway bridge and north of same.

I have on this date, mailed a letter to Mr. I. M. Pitts and a copy of same is attached hereto. The following information was previously furnished to TVA on October 12, 1967:

"This corporation was formed in 1959 for the expressed purpose of developing a major resort, residential, and recreation enterprise on Kentucky Lake. Incidentally, this was prior to any knowledge or announcement of the Land Between the Lakes Park. We want to emphasize that we are heartily in accord with the Land Between the Lakes project. This is evidenced by the fact that all of our development plans were dropped, arrested or stopped when it was obvious that the project would materialize. As you know, in the early days of this project, there was considerable uncertainty which Government would develop the property or the extent of its boundaries. Early maps indicated that our property would not be included in the project.

The entire tract of land is a part of the historic Gray property which was partially purchased by TVA in the formation of Kentucky Lake. My brother, Joe Gray, and I, realizing the significant recreation potential of the site and its prospective contribution to the economy of the entire region, decided to seek the aid and assistance of competent men with particular qualifications to join us in forming a corporation to achieve these goals. Some of the people that joined us in the corporation were:

A. C. Jackson, Director of First Trust and Savings Bank, Paris, Tennessee; owner of a prominent motel and hotel in Paris; manager and executor of a major hotel chain extending from Maine to Texas, including more than two dozen establishments. His background knowledge and experience were to be used in the organization in the building and operation of a major resort-motel facility.

J. R. Hayes, a qualified major highway builder and contractor in the mid-south region on interstate roads and other projects. It was expected that he would perform earthwork and road building work on this project in the amount of about \$175,000.

J. B. Conn, Vice President and Director of Home Federal Savings and Loan of Paducah, Kentucky; President and owner of the Calvert City Lumber Company, Calvert City, Kentucky; Treasurer of the Calvert Realty Company; developer of residential subdivision property in Kentucky; builder of residential, commercial, and lake property. The corporation expected the Conn Enterprises would build resort and commercial structures and 10 to 25 cottages and residences a year over a period of 10 to 15 years.

Following the formation of this group and in the furtherance of the plans for development of the property, one of the outstanding planners in the Tennessee Valley and former head of the TVA planning division (O. H. Graves) was engaged to prepare conceptual and master plans for this 800-acre project. Some of the major segments of the accepted concept for the development of the properties included:

1. A major resort-motel complex.
2. A sportsman's lodge and cottage in connection with a marine and harbor improvement.
3. Airstrip.
4. Lakeside and residential subdivisions and club site developments. These were planned for the very highest standards to meet the strictest subdivision regulations. Standards and general improvement of the property were discussed at length with the County Judge, Ira Atkins, and other local civic leaders.
5. Golf course.
6. A water system—One deep well has been provided on the property. Arrangements were under way to create a water district with a prominent area water company.

In order to finance this ambitious project, the corporation met with the Memphis office of the Small Business Administration to arrange for a recreation development loan for the motel complex amounting to nearly a half million dollars. Meetings were also conducted with officials of the Third National Bank