

October 12, 2006

Dear Resident,

As many of you already know, the Readington Township Committee recently filed proceedings to acquire the open space surrounding Solberg Airport, as well as development rights to the Airport land. I am writing to explain more fully the Committee's actions, and the process being used.

The Committee's purpose is to preserve the open space and natural resources of the airport property, preserve the airport, and to protect the rural character of the community. As you remember, the Township Committee had previously engaged in negotiations with Solberg Aviation during the fall and winter of 2005. Those negotiations produced no result, and the Solbergs terminated discussions in January 2006, advising that expansion of the airport into the open space was a required condition of any agreement. The Committee could not consent to such a condition, given the long-stated policy and objective of preserving this open space.

In a special Bond Referendum held May 16th of this year, Township voters approved funding for the acquisition and preservation of the 624 acres of open space surrounding the airport and the development rights on the 102-acre airport. In July, the Committee voted to authorize acquisition, and proceeded to resume negotiations with Solberg Aviation, this time as part of a formal, public and transparent process. The Committee obtained two independent appraisals of the property, prepared by professional appraisers in accordance with Universal Standards of Appraisal Practices. In early August, the Township offered Solberg Aviation approximately \$21.7 million based on the higher of the two appraisals.

Perhaps due to an acknowledged difference of opinion among the ownership of the airport, written responses to our offer from the Solbergs were evasive. On September 7, the attorney who represented Solberg Aviation, rejected out of hand "limiting the use of the airport" to avoid encroachment into the open space, as we had proposed. This was consistent with the Solbergs' position this January.

October 12, 2006

Page 2

Unfortunately, no amount of time appears sufficient to make negotiations fruitful. The Solbergs had effectively declared a complete impasse. Based on the response from the Solbergs and the impasse in negotiations, and after lengthy and thoughtful consideration, we instructed our legal counsel to initiate eminent domain proceedings

It is, of course, an important and decisive step for the Township, but not one that was taken lightly. If at any time during our preparations to file we had observed any sign of bona fide negotiations from the Solbergs, we would have stopped the process. Unfortunately, no such signs were forthcoming. Subsequently on October 11th the Township deposited \$21.7 million in an escrow account with the clerk of Superior Court in Somerville, NJ, taking title to the open space and development rights.

It should be noted that nothing in this process transfers ownership or operational responsibility for the airport itself — both of which remain with the Solberg family and their business associates. The filing provides Solberg Aviation with ample opportunity to modernize the Airport, enhance its safety, and expand hanger space.

The steps to be completed in the legal process are described in Title 20 of the New Jersey Statutes. After an initial court hearing scheduled for November, a court appointed panel of three Commissioners would conduct a formal review of available appraisal information and certify a value, which either party may contest through a subsequent trial by jury. The Committee is confident that the appraisals conducted on behalf of the Township are thorough and accurate.

Readington Township is currently engaged in pursuing low interest loans and grants to fund this purchase. For the average homeowner, the \$21.7 million purchase translates into an estimated cost of \$65-\$165 per year, depending on the funding.

As Mayor, I promise you that we will continue to keep you posted on all the major decisions and developments during this process. The future of our community depends on all of our participation.

Sincerely,

Gerard J. Shamey
Mayor, Township of Readington