# Readington Township Referendum on Bond Ordinance May 16, 2006

# **Frequently Asked Questions**

### What is the bond ordinance being voted on in this referendum?

In 1999, Solberg Airport received conditional approval from State and Federal authorities for its formal plan to expand into a regional airport suitable for business jet traffic. Since then, both Readington Township and the State of New Jersey have made efforts to purchase various rights pertaining to the property.

After the State's negotiations with the airport's owners were withdrawn, the Township renewed its own discussions. The Township's goal is to preserve the airport as a small recreational airport, and to protect 625 acres around the airport as open space.

To further these negotiations, the Township Committee has passed an ordinance authorizing the issuance of up to \$22 million in municipal bonds. The purpose of the ordinance is to ensure that the Township has the financial capacity to negotiate a purchase of land and development rights from the airport's owners, who would continue to own and operate the airport facility in its current configuration.

#### What exactly is happening on May 16?

A special referendum is being held to ask Township voters if they prefer to ratify or reject the bond ordinance. All residents are encouraged to take part in this important vote.

### Is Readington proposing to purchase or manage the airport?

The Township is not proposing to purchase or manage the airport itself. Current negotiations envision the Solberg family retaining both ownership and management of the airport facility.

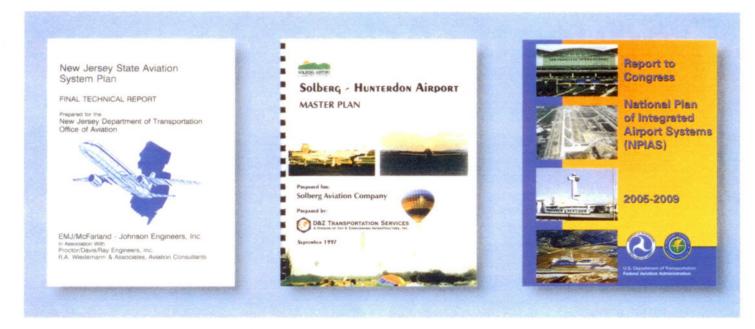
What would change is that the Township would own the rights to determine future development on airport lands. The Township would also buy the open land surrounding the airport, restricting this land for conservation in perpetuity.

#### Can't the Township regulate or prohibit development at the airport without buying these rights?

Because the Federal Aviation Administration (FAA) and the New Jersey Department of Transportation (NJDOT) regulate aviation, municipalities wield far less authority over airport development than they do over ordinary commercial or residential tracts. While local planning boards retain authority over the site plan approval process, their decisions are subject to review and overrule by NJDOT, and in some cases the FAA.

Municipalities are generally constrained from limiting ordinary airport operations—including flight patterns, hours of operation, and noise generated from aircraft that use the facility. Two recent New Jersey court decisions have upheld the supremacy of State priorities over local concerns. So long as the Solberg family owns the rights to develop their property, they are free to pursue an expansion of the airport into a regional jetport. The Township's legal counsel has explained at public hearings that acquiring land and development rights is the only way for the Township to guarantee that the airport is preserved as it is today.

Additional background on the legal constraints on municipalities' control of airports is available at the Municipal Building and both Township libraries during regular business hours. Select resources are also available online at www.readingtontwp.org.



#### Is a regional jetport likely? Didn't the Solbergs promise to keep the airport as it is?

At a public hearing on February 21, Solberg Airport coowner Thor Solberg assured residents that there were no plans to extend the runway "today" in a way that could accommodate jets. However, the Airport's owners have taken several steps in recent years that could make a regional jetport possible in Readington.

An Airport Master Plan for Solberg Airport, approved by State and Federal authorities and shared with Readington Township in 1999, outlines plans to go beyond Solberg Airport's history as a local recreational airport, and grow into a Level 2 Regional Jetport.

This is the same designation given to Teterboro and Morristown Airports. In New Jersey, only Newark Liberty International and Atlantic City Airports have a higher designation.

In addition, Solberg Aviation has filed an Airport Layout Plan with NJDOT. Further, federal authorities have identified a need for \$12.7 million dollars in FAA development grant financing to help Solberg expand to serve corporate jet aircraft.

Federal money has not yet been appropriated for this purpose. However, Solberg Airport is in the FAA's National Plan of Integrated Airport Systems, making it eligible for such grants. Solberg Airport is already designated as a "Reliever Airport," reflecting its prominence among federal planners.

#### What are some advantages and disadvantages of a regional jetport?

Certainly, a jetport would provide a convenience to those throughout our region who travel by private jet aircraft. Moreover, Solberg Aviation would have the opportunity to grow as a local business, seeking increased revenue from the sale of jet fuel and fees from a wider range of jet aircraft flying into and out of the Township.

However, a variety of technical experts retained by the Township have explained that construction of a Level 2 jetport would be inconsistent with Readington's longstanding priorities of preserving open space and protecting natural resources.

#### What natural resources could be compromised by a regional jetport?

Environmental experts have explained the potential negative impact on regional water resources, wooded areas, wildlife, and the rural and historic character of the community. These represent long-stated Township priorities that could be compromised by a regional jetport.

Moreover, acoustics experts have explained that noise levels from jets would be a significant departure from the propeller planes currently in use at Solberg Airport, changing Readington's character and affecting property values. Township residents have also raised concerns about the impacts low-flying jets might have on students at Holland Brook School and Readington Middle School, which border Solberg Airport.

#### What other towns would be impacted by a regional jetport?

Due to a longer runway, higher speeds and a larger turning radius, jets approaching or departing Solberg Airport would be effectively at lower altitudes than today over Readington and surrounding communities such as Bedminster, Branchburg, Bridgewater, Somerville, Bernands, Chester, Raritan Borough, Delaware, Hillsborough, Lebanon, Tewksbury, Flemington, Clinton Town and Clinton Township.

The annual balloon festival might also be affected. It is not clear the balloon festival would be compatible with a jetport serving high speed aircraft operating in the same airspace with the low speed balloons.

#### What about my taxes?

The Township Committee has taken steps to minimize the impact that the proposed purchase would have on Readington taxpayers. Most of the funds would be used for open space preservation, making Readington eligible for reimbursement through a variety of State funding sources.

The Committee has met with state officials who expressed confidence that most of the bonded amount could be reimbursed within a few years, leaving an approximate cost to the average household of \$60/year. While there are no guarantees, the Township has successfully obtained or been approved for over \$40 million in such grants over the past decade.

Readington ranks high among New Jersey municipalities in qualifying for State reimbursement. Mostly recently, the Township received 100% reimbursement for the preservation of 376 acres valued at \$5.4 million.

## What if the Township isn't able to get funding this time?

Without any state reimbursement, the impact on a home assessed at \$400,000 would be \$55 per year for three years, and \$165 per year for 20 years thereafter.

So buying the entire airport is not currently being considered. Are the surrounding land and development rights alone really worth \$22 million?

\$22 million is a "not to exceed" number, and no bonds would be issued unless an arrangement was made to acquire specific development rights and surrounding land. An appraisal of these rights and land is now being undertaken.

#### What if we wait and see? Can't we buy it later?

The Garden State Preservation Trust, which funds most "Green Acres" acquisitions, expires in 2009 with no assurances of renewal. There are no assurances of funding after 2007, as the Trust's funding has declined in recent years. While the Township Committee is committed to maximizing reimbursement under any circumstances, the likelihood of reimbursement is greater now than it could be several years from now.

## What would the financial impacts be if the Township doesn't act?

An expanded airport could require additional infrastructure, such as roads and emergency services. Moreover, lands not consumed by airport expansion could be developed for residential housing, with an attendant increase in Readington's school population.

Nearly two thirds of Readington's property taxes go for our schools. The majority of tax increases over the past decade are directly attributable to growth in the local school population. New housing would likely increase school spending and property taxes.

Property values are another consideration. Other jurisdictions that have allowed the development of jetports have seen significant impacts on local property values. Prospective homeowners seeking a quiet, rural residence are unlikely to put the same premium on properties near a jetport that they do in Readington today.

#### Is Readington using Eminent Domain?

The referendum on May 16 concerns the Township's ability to issue bonds for up to \$22 million. It does not change the Township's right of eminent domain one way or the other, nor does it authorize the use of eminent domain.

While eminent domain remains a legally sanctioned power available to municipalities as a last resort, an additional vote of the Committee would be required on a separate action at a public meeting.

To date, all negotiations between the Township and Solberg Aviation have concerned the possibility of a purchase, not the use of eminent domain. However, bonding approved under this ordinance would remain available should the Township initiate eminent domain proceedings in the future.

## Can't we just have a third party mediator decide the outcome?

Decisions concerning the future development of Solberg Airport will directly affect every resident of Readington Township. The elected officials on the Township Committee have indicated that they consider it inappropriate to delegate decisions concerning the character of the Township to a non-elected mediator.

## What is the meaning of a majority "Yes" or "No" vote on the bond issue?

A "yes" vote would ratify the Township's authority to bond for as much as \$22 million in order to pay the owners of Solberg Airport for open space and development rights on their property. If no transaction to purchase the land and development rights takes place, no bonds will be issued.

A "no" vote would invalidate the ordinance authorizing the Township to bond for up to \$22 million for this purpose. Readington would lose its ability to preserve the airport in its current configuration by acquiring open space and development rights from the airport owners.