



Narragansett Pier Residents Association

August 16, 2021

Narragansett Town Council
Narragansett Town Hall
25 Fifth Avenue
Narragansett, RI 02882

RE: August 18, 2021 Three Student Hearing - NPRA Testimony

Dear Town Council Members,

NPRA strongly and respectfully requests on behalf of our membership that you promptly reinstate the Three Student Ordinance that Judge Taft-Carter recently ruled against based upon a procedural error.

This ordinance was heavily vetted before its passage a year ago by residents who have waited more than twenty years since the unfortunate Fortunato decision in *DeStefano v. Haxton* shot down the Town's original ordinance that imposed a three-student limit. NPRA provided extensive written and oral testimony on August 17, 2020 in support of the three student per rental ordinance at that time. The text of that memorandum cited the many references in the Town Comprehensive Action Plan as summarized below:

- **Goal H1 – Maximize the benefits and minimize the costs of short -term residents without adding undue burdens to year-round residents and municipal resources:**
 - H1.1 - Ensure timely response to student rental issues.
 - H1.2 - Reduce student rental impacts on quality of life in local neighborhoods.
 - H1.3 – Ensure that seasonal rentals do not unduly strain public services.
 - H1.4 - Ensure that seasonal rentals meet state and local housing codes.
 - H1.5 - Maximize Town benefits from seasonal rentals.

- **Goal H2 – Protect the unique character of Narragansett's neighborhoods.**
- **Goal H3 – Provide Residents with a high quality of life, energy efficiency and mobility.**
- **Goal H4 – Ensure long-term community sustainability by promoting diverse opportunities that are equitable and affordable for residents of all ages and incomes.**

To summarize, the Plan Roadmap says the Town needs to implement policies to attract and reestablish families and year-round residents. This isn't a wish of a few; it's the council enacted plan for growth and housing. Yet, in the past ten years Narragansett's resident population has declined by 8.4%, the number of rental properties has risen by nearly 20% and property values have skyrocketed as shown in detail in the tables and figures that follow. If mitigation steps are not taken, we will eventually cease to be a residential community

No doubt the same old arguments will be rolled out again on August 18, 2021 by the Narragansett 2100 group representing landlords:

- Limiting rental densities will not stop parties.
- Police statistics show fewer police attended disturbances.
- Students support Narragansett during the winter months.
- Imposing a three student ordinance limits full utilization of private properties.
- Many landlords need higher student rental densities to afford summer homes.

These arguments have been systematically debunked time and time again over the many years residents have been fighting for the right to peaceful enjoyment of their properties. For the record:

- A no-more-than-three students per unit ordinance, along with our existing no-more-than-four unrelated's ordinance are not aimed at preventing parties, they are aimed at lowering or returning neighborhood densities to their original family capacities.
- While rental abutters suffer noise, trash and parking abuse, loss of neighbors to the steady conversion of family homes to rental properties has reached the tipping point of changing the character of many neighborhoods.
- It is obvious that full time residents primarily support Narragansett businesses year-round, while student contributions are mostly limited to a strip mall economy.
- Judge Taft Carter recently ruled against the Narragansett 2100 claim that a three-student ordinance limits full utilization of rental properties. It's hard to argue that converting three and four-bedroom family homes to five to eight-bedroom dormitories is essential to full utilization of single-family residential properties.
- Narragansett resident taxpayers are not obligated to underwrite investments by out of town landlords claiming such rentals are essential to their retirement.

No doubt Narragansett 2100 will also roll out as many URI students as possible at the hearing to testify that a three-student limit is unfair to them. However, twenty-years of URI-Town-Resident coalition efforts have yielded nothing. Rather, they have proven that URI does not care about Narragansett, as evidenced by their July 1, 2020 Town Council letter from URI President Dooley and Student affairs director Cathy Collins. This letter chastises the Town for "negative impacts of its exclusionary zoning," and goes so far as to reference URI's fight against "pandemic, racial injustice and economic downturn???" Racial injustice? Beyond its condescension and offensiveness, this letter infers that Narragansett bears responsibility for URI's own "exclusionary" housing policy during Covid-19. URI restricted dormitory housing while turning a deaf ear to five to eight students living in three to four-bedroom homes converted to dormitories. These rentals have no regulatory oversight regarding fire and safety provisions that URI must and does provide for its on-campus student living facilities.

For the record, NPRA's support for a new three-student per rental house limit does NOT stem from anti-student sentiment, as Narragansett 2100 will likely argue. We were all students once. Rather, it is a campaign to curb the steady trend by which out-of-town investors turn family homes into dormitories at the expense of neighborhoods. Landlords capitalize on the chronic lack of zoning enforcement in a town with a long history of students who want to "live down the line." Students who attend a university that has been negligent for years in its commitment to provide suitable student housing commensurate with its growth.

It is also a recognition that students are still-developing young adults who, in most cases are living on their own for the first time. Thus, the ability to live on their own, in houses that are often overcrowded and lack fire, safety and other regulations that URI is forced to provide for on-campus living has resulted in an oversized police department that residents pay for on behalf of out-of-town landlords. These are the same residents who are forced to become de-facto property managers simply because they live next to student occupied rental houses. They are the ones awakened by late night noise, the ones who call the police, the ones who pick up trash and the ones whose right to the peaceful enjoyment of their properties is compromised by out of town landlords making easy money at their expense.

Beyond the arguments put forth above, current census, tax assessment and rental registration data highlight the legitimacy and urgency of the need for a three-student ordinance.

Table 1 - Narragansett Housing Survey - 2019 Update*			
	2010	2019	Loss/Gain
Total Housing Units	9,910	10,092	182
Residential Owner-Occupied Houses	6,830	6,467	(363)
Seasonal Vacant Housing	3,080	3,625	545
Residential Owner-Occupied Only	4,795	4,507	(288)
Residential Owner/Rental Occupied	2,035	1,960	(75)
* 09.05.2017 Comprehensive Plan Baseline Report - Updated through 2019 via the mandatory Census Bureau's American Community Survey.			

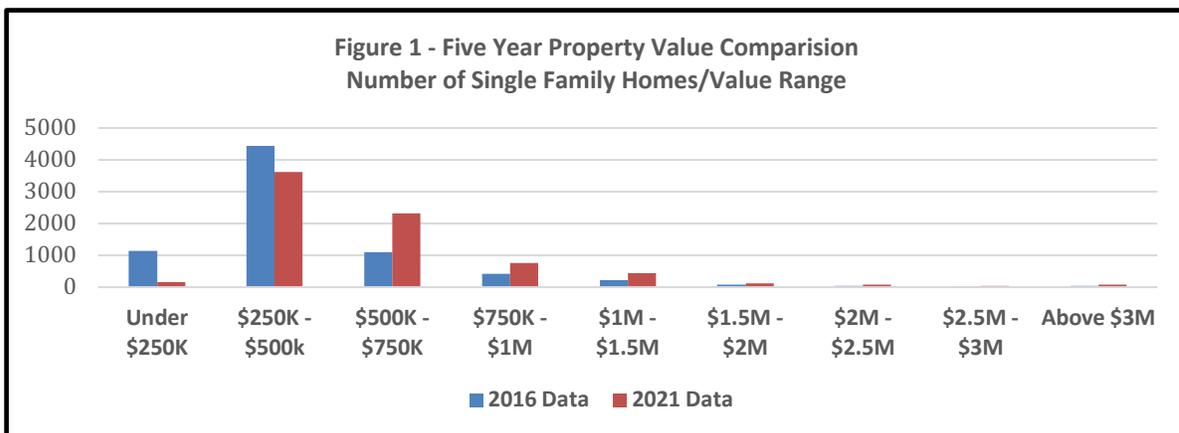
Table 1 highlights the steady ongoing conversion of owner-occupied homes to rentals. According to this data, 36% of all Narragansett homes are rentals as of 2019, and this data is now two years old. Sadly, the Town does not track and accumulate this data. This in itself is a major failing of Town government in a town so heavily affected by investment rentals. Doing so would, among other benefits, provide an accuracy check on the rental registration numbers. And do residents who rent rooms via Air B&B or VRBO fill out rental registration forms?

The message from Table 1 is that Narragansett is steadily becoming an investor driven community at the expense of families. Current census data reveals that Narragansett's population declined by 8.4% from 15,868 residents in 2010 to 14,532 residents in 2020. Our declining school population further verifies this sad fact. Years of police data reveals that three and four-bedroom family homes that have had their garages, porches and basements converted to become seven and eight-bedroom dormitories are havens for neighborhood disruption.

Finally, Table 2 reveals the latest tax assessment statistics and Figures 1 and 2 graphically reveal the magnitude of the valuation changes. Notably, the number of homes assessed at under \$250K have dropped from 1140 in 2016 to 163 in 2021.

Table 2 - Five Year Comparison					
Single Family Homes	2016 Data	2021 Data	Category Change	Change %	
Under \$250K	1140	163	-977	-85.70%	
\$250K - \$500k	4428	3618	-810	-18.29%	
\$500K - \$750K	1106	2314	1208	109.22%	
\$750K - \$1M	427	754	327	76.58%	
\$1M - \$1.5M	210	448	238	113.33%	
\$1.5M - \$2M	86	130	44	51.16%	
\$2M - \$2.5M	35	73	38	108.57%	
\$2.5M - \$3M	18	48	30	166.67%	
Above \$3M	45	73	28	62.22%	

Figure 1 below illustrates the upward shift in assessed property values and Figure 2 dramatizes the losses and gains by value category. This data reveals that Narragansett has become unaffordable for young families. The number of properties valued under \$250K and \$500K have declined by 80% and 20% respectively, whereas the number of properties valued above \$500K have increased by 50% to 150% per value category.



Several Council members have, in the past, expressed the idea that sticking with our four-unrelated's ordinance is sufficient. As former Chair of the Ad-Hoc Sub-Committee that developed the four-unrelated's ordinance I certainly want to see it enforced. But the simple fact is that it is harder to enforce than a three-student ordinance because it relies on personal relationship data. Further, referring to Table 1, 3,625 rental homes with even three students per home is 10,875 students. This amounts to approximately two-thirds the population of URI. Adding a fourth student amounts to adding another 3,625 students.

Considering that we now face water quality and quantity limitations along with sewer capacity issues that are exacerbated in the summer by the heavy load of overstuffed summer rentals, these issues alone should suffice to drive home the importance of a three student per rental limit. When you add the steady growth in rentals shown in Table 1 with the dramatic valuation changes shown in Table 2 and Figures 1 and 2, it is irrefutable that Narragansett's fifty million-dollar rental business is squeezing out residents. These trends, now town wide, have made Narragansett unaffordable and many neighborhoods undesirable for young families, as evidenced by our declining school population. Adding to this problem, Air B&B and VRBO rentals that now command thousands of dollars per week are making homes worth one million (\$1M) dollars and more profitable as rental investment properties. Regulation is needed here as well.

The data presented herein proves these current trends are not compliant with the goals and action items of the Comprehensive Plan listed on Page 1 of this testimony. Zoning changes should be based on factual data and NPRA respectfully submits that the facts presented herein demand re-enacting our no-more-than-three- students per rental house ordinance. We are not looking or expecting to eliminate rentals or students. Rather, we simply seek to rebalance these current trends in favor of residents before it's too late. Any rental owner who claims they can't afford their retirement property with only three students per house can sell it for a healthy profit as shown in Figure 2.

Please re-enact our three-student ordinance with the legal precision needed to survive the legal challenge it is sure to get. Residents who have waited more than twenty years deserve nothing less.

Respectfully,

A handwritten signature in black ink that reads "Harold Schofield". The signature is written in a cursive, flowing style.

Harold Schofield
Chair,
Narragansett Pier Residents Association (NPRA)