

**Town of Narragansett**

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Affordable Housing Plan

**REVISED**

July 2005

**Town of Narragansett**  
**Affordable Housing Plan**

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## **INTRODUCTION**

In adopting this plan the Town of Narragansett formally commits itself to meeting the 10 percent affordable housing goal mandated by the Low and Moderate Income Housing Act (RIGL 45-53) and specifies the strategies and means by which the goal is to be achieved. The plan is specifically tailored to the existing housing conditions in Narragansett and the economic, physical, regulatory and environmental obstacles that have prevented attainment of the State's and the Town of Narragansett's housing objectives.

## **PROSPECTS FOR AFFORDABLE HOUSING DEVELOPMENT**

The Town of Narragansett has many favorable factors that can be used to assist the development of affordable housing. Narragansett has the following areas of opportunity:

1. A well-developed utility infrastructure that supports a relatively high density of housing in already developed neighborhoods. In many of these neighborhoods there exists merged lots of record that are under the same ownership which may be separated for affordable housing purposes without violating the standards of the Comprehensive Plan. Sewer capacity is available for infill of affordable housing in areas serviced by the Scarborough Treatment Plant and the Town is currently studying alternatives for increasing capacity in the North End sewer area.
2. Under its Stormwater Phase II program, the town is working to retrofit many of the established developed areas in the Narrow River watershed with enhanced control for non-point source pollution. These improvements will reduce the environmental impact of infill and scattered site affordable housing within existing neighborhoods.

3. The center of Town has larger historic and estate-style housing that were originally occupied by larger families and servants. Town zoning policies may be liberalized to allow for accessory apartments for affordable housing in the Pier Area. The nearby Ocean Road area with its larger-lot zoning also has advantages for affordable accessory apartments, provided suitable areas exist for on-site sewage disposal.
4. The Town of Narragansett has supported the activities of the Narragansett Housing Authority and its non-profit partner, the Narragansett Affordable Housing Corporation, and anticipates further cooperation on site identification and development of scattered-site family housing and elderly housing.
5. The Town has had excellent experience with the three group homes now operating in town, and will support the location of additional scattered site homes for special needs individuals.

## **CHALLENGES FOR AFFORDABLE HOUSING DEVELOPMENT**

Despite the prospects for affordable housing development in Narragansett, there are many challenges. The challenges to affordable housing development include:

1. During the past decade Narragansett has seen a steady and acute increase in the value of housing. Much of the increase is attributable to national and regional trends in investment and the real estate market, but Narragansett's values have shown spectacular increases. Much of this is due to the Town's desirable natural features, coastal amenities, and ready accessibility from nearby population centers.
2. Narragansett's housing stock is in many respects not used for normal year-round residential use. On one hand a significant portion of housing (more than 20%) is used exclusively for summer seasonal use. In many cases such housing is owned by retirees who spend the off-season elsewhere. On the other hand, another significant portion of the housing stock is part of a two-season rental market that caters to students at the University of Rhode Island during the academic year, and then serves a high priced vacation/ tourist market during the summer. Low and Moderate income families are often unable to compete for occupancy in this tight market, and are generally unable to secure rental contracts on a year round basis.
3. Narragansett is already the most densely populated town in the South County region and easily developable land is extremely scarce. It is estimated that the Town is currently almost 90 percent developed and much of the remaining land area has severe constraints to development, such as wetlands, extremely high watertables, or is located in environmentally sensitive areas.
4. The Town's development is also constrained by the ability of public facilities to accommodate new growth. The Town's largest wastewater treatment facility is shared with the neighboring Town of South Kingstown and the University of Rhode Island, and Narragansett's allocation of sewage flow is

already at its contracted limit. For the north and central parts of town the Town has had to restrict sewer service to existing development and a small quota of grandfathered lots. While the town is investigating options to increase capacity at this plant, only the Scarborough Wastewater Treatment Facility's service area in the South End has capacity to take on a limited amount of new flow.

5. Approximately 50% of the Town's land area is in watersheds tributary to poorly flushed estuaries for which the State of Rhode Island's Coastal Resources Management Council has established Special Area Management Plans. These plans limit the use of large areas of critical environmental concern to open space or low-density development.

## **EXISTING CONDITIONS**

### **Land Use Patterns**

Narragansett is comprised of a series of residential and commercial clusters which are separated by a series of greenbelts that help define distinct areas of the town.

Narragansett is also known for its historical seaside resort character and unique environmental resources. These assets are vitally important to the Town's economic, social and environmental well-being. Major industries in Narragansett, including tourism, fishing and marine research, are especially dependent upon the protection of the Town's natural resources. The Narragansett Comprehensive Plan aims to effect change that will protect, preserve and enhance the Town's unique assets.

Rapid development over the past 30 years has made Narragansett the most densely developed municipality in southern Rhode Island. There is a high ratio of renter-occupied housing, including summer residents and students from the University of Rhode Island. The town is divided into four distinct areas: the North End, the Pier Area, the South End and Jerusalem. Although all of these areas are primarily residential, each contains significant commercial and/or industrial concentration.

### Development Potential

A build-out analysis of Narragansett’s land area indicated that in 2000 of the 14,828 lots of record, 9,159 were already developed, and there were potentially 1,557 vacant, developable lots (those with more than 50 percent non-wetland). From 2000 to 2004 there were a total of 438 new housing units constructed in Narragansett, leaving only 1,119 vacant developable lots. The remaining 4,112 lots were merged by zoning with adjacent lots, were dedicated conservation land, or were considered undevelopable due to the presence of coastal or freshwater wetlands.

Thus, under the present land scenario, it may be estimated that the Town of Narragansett has reached 89.6 percent of its development potential of 10,716 units. At the Town’s current rate of development, build-out may occur around 2020. In order to reach the 10 percent affordable housing goal, the Town of Narragansett will have to intervene in the construction of market-rate dwellings by adding to the overall inventory of developable lots and restricting them for use as affordable housing.

**Table 1. Narragansett Build-Out Analysis, 2004**

	Lots	Percentage
Developed (2000)	9,159	85.5%
New Construction 2000-2004	438	4.1%
<b>Total Developed (2004)</b>	<b>9,597</b>	<b>89.6%</b>
Vacant Developable	1,119	10.4%
<b>Total Development Potential</b>	<b>10,716</b>	<b>100.0%</b>
Total Development Potential	10,716	72.3%
Undevelopable	4,112	27.7%
Total	14,828	100.0%

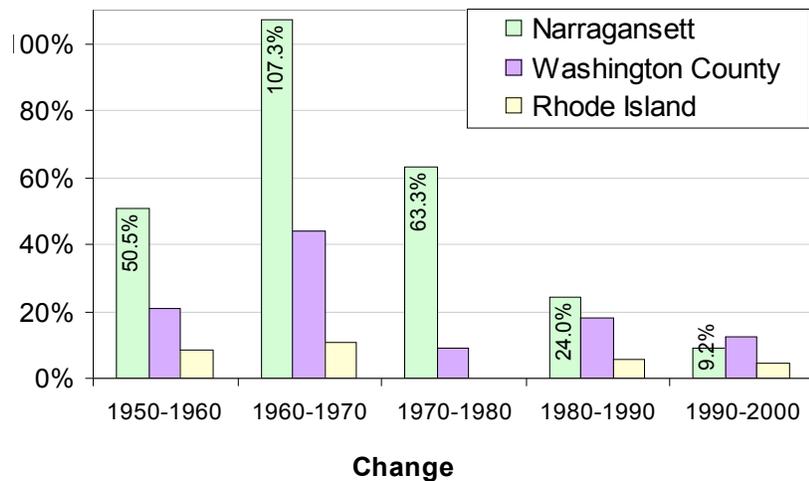
## DEMOGRAPHICS

### Population

From 1950 to 1990 Narragansett experienced a rapid and sustained increase in population. As indicated in Figure 1, Narragansett's 10 year incremental growth rates from 1950 to 1990 were higher than both the

Washington County and Rhode Island growth rates at the time. From 1990 to 2000, Narragansett's population grew by only 9.2 percent, a growth rate lower than the Washington County rate but still higher than Rhode Island's overall rate.

**Figure 1. Population Change, 1960-2000**



Narragansett's population is expected to continue to grow, although at a somewhat slower pace than the last 50 years. Despite the slower growth trend, Narragansett's growth rate is expected to be higher than Washington County and Rhode Island's growth rates.

**Table 2. Population Projections**

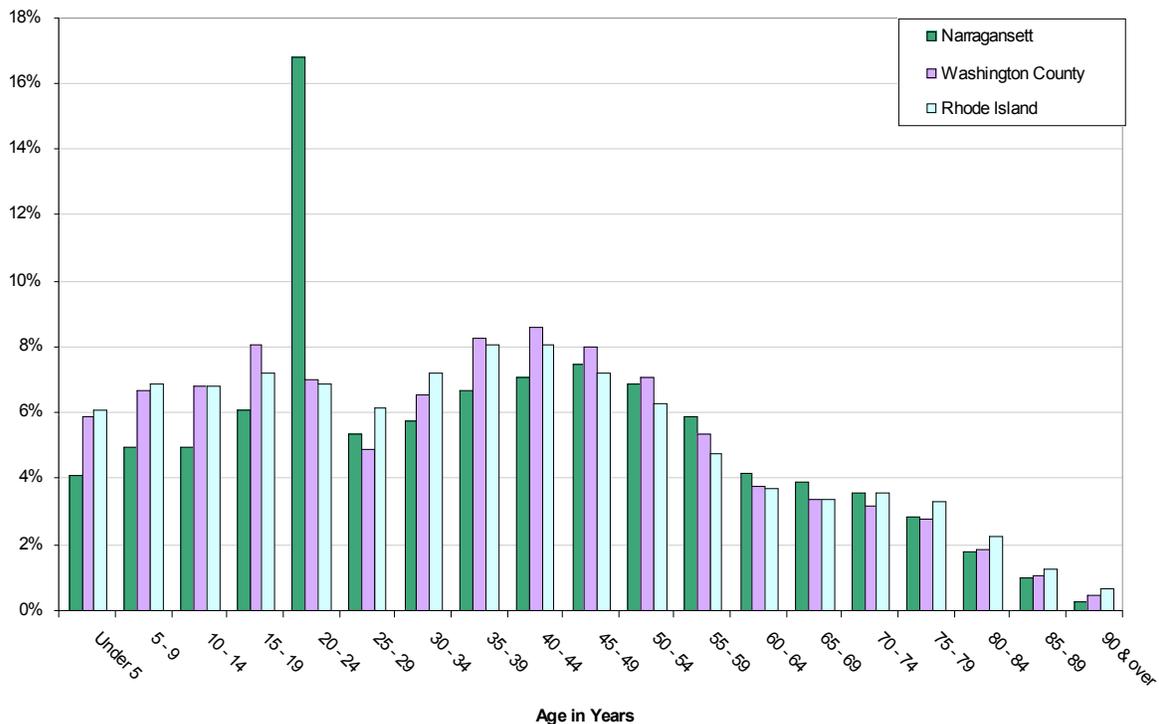
Year	Narragansett		Washington County		Rhode Island	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2000	16,361		123,546		1,048,319	
2010	17,454	6.68%	131,279	6.26%	1,074,199	2.47%
2020	19,028	9.02%	142,414	8.48%	1,111,464	3.47%
2030	20,256	6.45%	151,103	6.10%	1,140,543	2.62%
<b>Average Growth</b>	<b>7.38%</b>		<b>6.95%</b>		<b>2.85%</b>	

Source: US Census Bureau, RI Statewide Planning

## Age

Narragansett's age distribution compares interestingly to that of the state. The age distribution data for Narragansett reflects the presence of a large number of college students who attend the University of Rhode Island. As of 2000, 16.8 percent of Narragansett's population was between the ages of 20 to 24 years old, compared to only 7 percent for both Washington County and the State in same age category (see Figure 2. Age Distribution, 2000). Narragansett also had a slightly lower percentage of residents 19 years old and under than Washington County and the State. Narragansett has approximately the same proportion of middle-aged and elderly (45 years and older) residents as the Washington County and Rhode Island distribution averages.

Figure 2. Age Distribution, 2000



### Income

According to Census data, the median family income in Narragansett in 2000 was \$67,571. This is a 52.3 percent increase from 1990, when the average Narragansett family earned \$44,361. The rate of increase in income, for both households and families, was greater in Narragansett than the rate of increase in the state as illustrated in Table 3.

**Table 3. Income Data 1990 – 2000**

	Household Income		Family Income	
	Narragansett	Rhode Island	Narragansett	Rhode Island
1990	\$35,545	\$32,181	\$44,361	\$39,172
2000	\$50,363	\$42,090	\$67,571	\$52,781
Percent Change	41.7%	30.8%	52.3%	34.7%

*Source: US Census*

## **Job Growth**

According to the most recent information available from the R.I. Department of Labor and Training, Narragansett had 9,575 residents who are employed, and 3,445 jobs located in the community. This indicates that Narragansett is a net exporter of labor, and is consistent with the 2000 U.S. Census figure of 76.2% of Narragansett residents commuting to jobs out of town. As a bedroom community, Narragansett's job growth may be somewhat independent of the number of employed persons living in town.

In terms of employment in Narragansett, the town's strongest sectors are natural resources and mining (i.e. fishing), leisure and hospitality services (tourism restaurants), education and health (URI and South County Hospital), miscellaneous services (tourism and building and ground maintenance), and transportation (ferry services).

Assuming employment growth will be related to projected local population RI growth (approximately 6% per decade) a growth of 230 jobs could be expected. Using RI Department of Labor and Training's statewide estimates of job growth by industry up to 2012, up to 560 new jobs could be created.

Job growth estimates, naturally, are heavily dependent on national and regional economic cycles and localized business conditions, over which local and state governments often have little control. Expansion in the fishing industry will be influenced by the condition of accessible fishing stocks, regulation, and even global trade conditions. Based on recent developments in New England and local fisheries, any real expansion in fishing is questionable. Similarly, projected growth in education and health sectors are dependent upon local and state funding for facilities expansion. School populations in Narragansett and surrounding communities are currently declining, slowing and even in some cases reversing job growth. The scale of expansions in URI's bio-sciences facilities is dependent on State budgets. Moreover, with the town reaching build-out within the planning period, growth in local service industries may slow. Therefore growth in the lower end of the 230-560 range is a more likely result.

## HOUSING STOCK

### Housing Units

The 2000 Census identified 9,159 total housing units in Narragansett. In 2000 79.4 percent were classified as single family one unit detached dwellings.

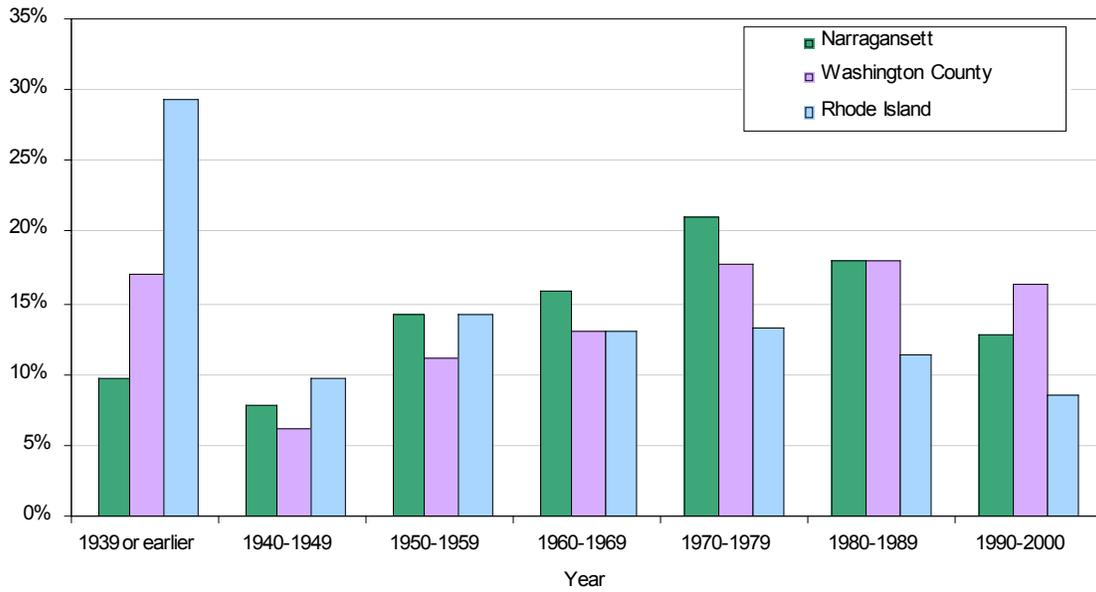
**Table 4. Housing by Type of Structure in Narragansett, 2000**

	Number	Percentage
1 Unit Detached	7,271	79.4%
1 Unit - Attached	368	4.0%
2 Units	478	5.2%
3 - 4 Units	283	3.1%
5 - 9 Units	295	3.2%
10 - 19 Units	128	1.4%
20 or More Units	252	2.8%
Mobile Home	17	0.2%
Boat, RV, Van, Etc.	67	0.7%
Total	9,159	100.0%

### Age of Housing

Narragansett’s housing stock is a mix of historic structures, post-World War II construction and many newer homes as well. According to the 2000 US Census, almost 48 percent of housing units were built before 1970, 39 percent between 1970 and 1989, and nearly 13 percent in the last decade (1990 to 2000).

Figure 3. Percentage of Housing Units Built by Year



### Building Permits

From 1992 to 2004 1,036 single family homes and 46 multi-family units were built in Narragansett. Narragansett does not implement a building cap limit. Since 2002, the number of building permits issued has declined due to the growing scarcity of buildable land in Narragansett, which has resulted in high prices for vacant lots. In addition, many of the sites of new construction are subject to strict environmental regulations and construction modifications that typically increase the cost of production.

**Table 5. New Home Construction in Narragansett, 1992 - 2004**

Year	Single Family	Duplex / Multi-Family
1992	55	0
1993	60	0
1994	62	14
1995	79	16
1996	74	4
1997	67	0
1998	62	12
1999	139	0
2000	101	0
2001	107	0
2002	95	0
2003	62	0
2004	73	0
<b>Total</b>	<b>1,036</b>	<b>46</b>
<b>Yearly Average</b>	<b>80</b>	<b>4</b>

*Source: Narragansett Building Official*

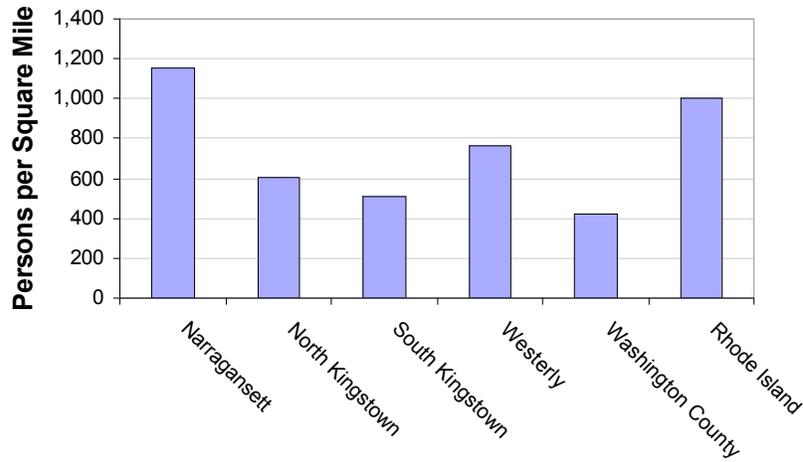
**Table 6. Major Subdivisions Built in Narragansett Since 2000**

Subdivision Name	Units	Year of Construction
Schooner Cove	39	2001
Canonchet Farm	15	2001-2004
Ocean Meadow	8	2003
Banfield Estates	7	2004
Thayer Avenue	14	2004

### Density

Narragansett has a population density of 1,156 persons per square mile. Narragansett is the only town in Washington County to exceed the statewide average of 1,003 persons per square mile.

Figure 4. Population Density, 2000

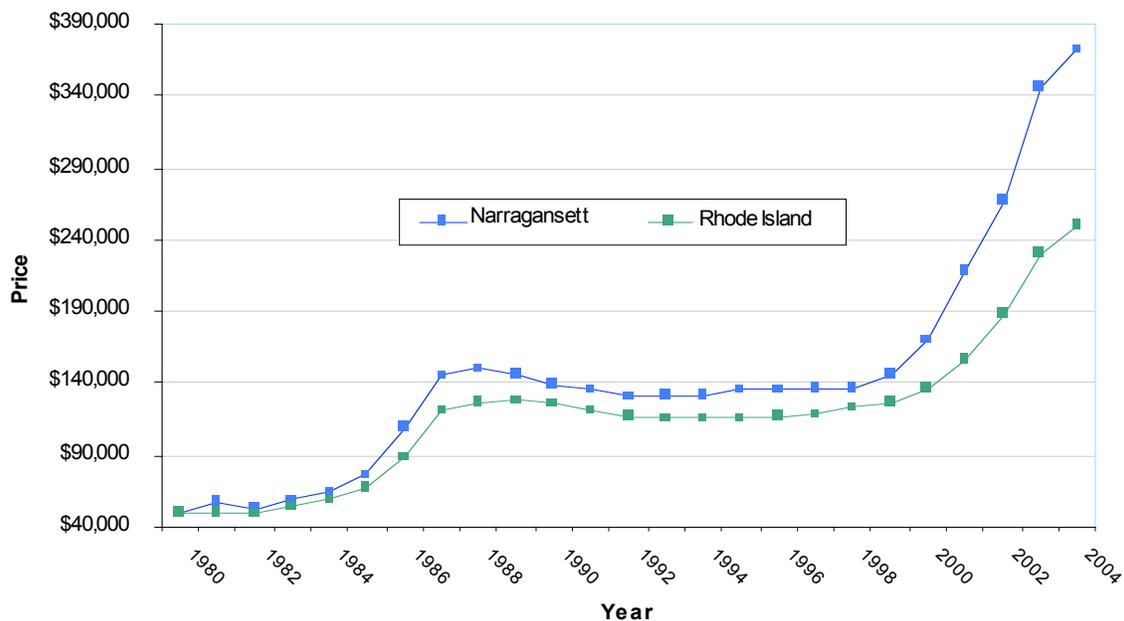


## HOUSING DATA

### Residential Sales

The median sale price of a single family home in Narragansett increased 22.1 percent from 1990 to 2000. However, since 2000, the median price of a single family home has risen from \$170,000 to \$347,250 as of year-end 2003, an increase of 104.3 percent in just three years, thus indicating a rapid inflation in the local housing market. As of 2004 to date (January 2004 thru June 2004) the median sales price of a single family home in Narragansett was \$373,000.<sup>1</sup> This confirms the existence of a growing gap between housing prices and income levels, thereby creating an affordability problem for Narragansett residents, who had a median family income of only \$67,571 as of 2000. The disproportionate rise of housing cost to income level has created a pressing need to provide affordable housing to individuals, families and seniors in Narragansett and in other communities throughout Rhode Island.

Figure 5. Single Family Home Sales



Source: Statewide Multiple Listing Service, Inc.

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<sup>1</sup> Statewide Multiple Listing Service, Inc.

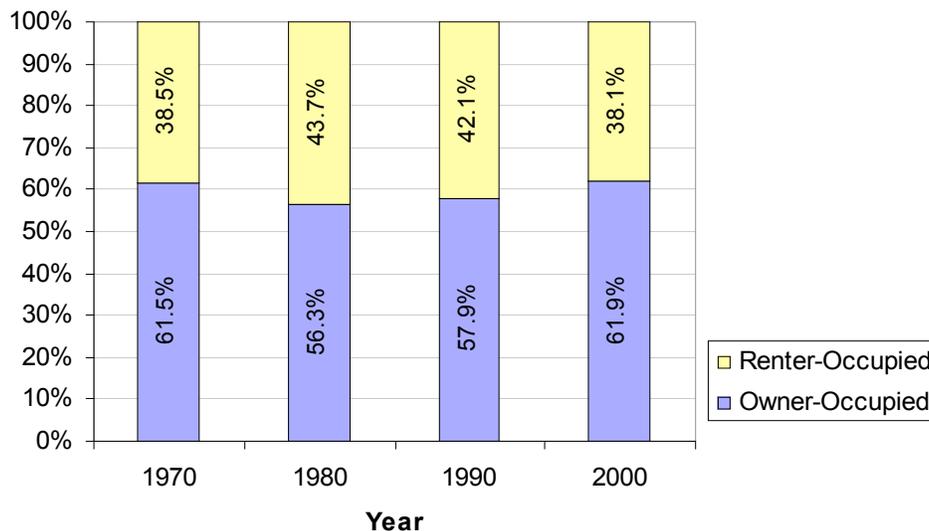
### Availability of Developable Land

The shortage and high cost of developable land in Narragansett are barriers to affordable housing development. As of December 2004, the price of vacant lots in Narragansett range from \$150,000 for 8,330 square feet to \$1,600,000 for 43,560 square feet ocean view lot. At this time, there were 16 vacant parcels for sale with a median price according to Statewide Multiple Listing Service of \$455,856. With land prices this high, it is very difficult to build a new home and make it affordable to individuals or families at 80 percent of median income, even with funding through subsidies.

### Occupancy

Most housing units in Narragansett are single family owner-occupied units (see Figure 6). As of 2000, 61.9 percent of all occupied units in Town were owner-occupied and 38.1 percent were renter-occupied. The ratio of owner to renter-occupied housing in Narragansett has remained fairly consistent over the last 30 years, as indicated in Figure 6.

**Figure 6. Narragansett Homeownership Rates  
as a Percentage of Total Occupied Units**



## Rental Housing

The average monthly rental cost for a two bedroom unit in Narragansett in 2002 was \$1,132, according to a Rhode Island Housing survey. This price is \$269 more than the state average, which is \$863.

The rent on the average 2 bedroom unit in Narragansett is affordable for a household earning at least \$45,280 per year. Housing is considered unaffordable when households

have to spend more than 30 percent of their incomes on housing in the form of either a mortgage or rental payment. According to 2000 US Census data, renter-occupied households in Narragansett spend just over 35 percent of their income on housing, which is the highest percentage in the state.

**Table 7. Average Monthly Rents for Advertised Vacant Units, 2002**

	1 Bedroom	2 Bedroom	3 Bedroom
Narragansett	\$844	\$1,132	\$1,400
Rhode Island	\$694	\$863	\$1,017

*Source: Rhode Island Housing*

**Table 8. Rent Burden by Income, 2000**

	Median Gross Rent	Median Renter Income
<b>Narragansett</b>	<b>\$765</b>	<b>35%</b>
South Kingstown	\$656	26%
North Kingstown	\$614	27%
<b>State</b>	<b>\$553</b>	<b>27%</b>

*Source: US Census Bureau*

Narragansett's waterfront location and close proximity to the University of Rhode Island's Kingston campus creates the unique presence of a two-season rental market that limits the Town's supply of affordable, year-round rental housing. Many of the rental properties in town are rented at a premium on a weekly basis during the summer months to vacationers at rates ranging from \$400 to \$5,000 per week. Then for the nine-month off-season (September to May), they are rented at more affordable rates to college students attending the University of Rhode Island. Consequently, the year-round rental housing market is fairly limited and unaffordable for many of the Town's low

to moderate income residents. Furthermore, it is common for upwards of five URI students to share rental payments on an off-season rental house. This allows the landlord to charge a higher rent because presumably four or five URI students sharing rental payments and utility costs can afford to pay more than a low or moderate income family with one or two incomes.

This relatively high rate of return on rental property, as compared to properties in other localities, makes Narragansett a desirable location for individuals seeking opportunities in investment property, thereby driving up the prices of the local for-sale housing market. This makes homeownership increasingly out of reach to local low and moderate income residents in Narragansett.

### **Seasonal Housing**

Narragansett is a waterfront community, and, as a result has the region's largest supply of seasonal or vacation housing units. Just over 22 percent (2,035 units) of Narragansett's housing stock consists of seasonal housing. The Town's high percentage of vacation housing also limits Narragansett's supply of year-round rental housing stock. The vacation rental market in Narragansett is dependent upon the presence of University of Rhode Island students who rent vacation properties during the academic year and leave before the summer rental season. In addition a significant amount of housing that would appear to be vacant seasonal housing is used by owners only during the summer season.

## AFFORDABLE HOUSING

### Achieving the 10 Percent Goal

This plan has been prepared in response to the shortage of affordable housing opportunities in the Town of Narragansett. This plan also serves to comply with the *Rhode Island Comprehensive Planning Act* and the *Low and Moderate Income Housing Act, 45-53*, which was amended in July 2004. The *Act* promotes the development of low and moderate income housing in Rhode Island. This plan will ensure that a minimum of 10 percent of the permanent housing units in Narragansett will be affordable to residents earning less than or equal to 80 percent of the area median income.

According to a July 2004 report by Rhode Island Housing and Mortgage Finance Corporation, 2.9 percent (204 units) of Narragansett's 7,124 permanent housing units are designated affordable to low- and moderate-income households. This figure is below the state requirement of 10 percent. Currently, the Town would need 508 additional units of affordable housing to meet the 10 percent threshold.

It is expected that Narragansett will achieve build-out in the next 20 years. According to the Town's current build-out estimate, a total of 834 affordable units will be needed to achieve the 10 percent goal. Based on the 204 existing affordable housing units in Narragansett, 630 additional units will be needed to reach the 10 percent goal when build-out is achieved.

**Table 9. Affordable Housing in Narragansett**

	Number of Units	Percent of all Units
<b>Housing Data, 2000</b>		
Total Housing Units	9,159	100.0%
Seasonal Housing	2,035	22.2%
<b>Permanent Housing Units</b>	<b>7,124</b>	<b>77.8%</b>
<b>Affordable Units</b> (% based on Permanent Housing Units)		
Existing Affordable Units	204	2.9%
Affordable Units Needed for 10% Goal	508	10.0%
<b>Build-Out Numbers</b> (expected to be achieved in next 20 years)		
Total Units Expected to be Built	1,557	(+)16.7%
Total Housing Units	10,716	100.0%
Total Seasonal Housing*	2,379	22.2%
<b>Permanent Housing Units</b>	<b>8,337</b>	<b>77.8%</b>
<b>Future Affordable Units</b> (% based on Permanent Housing Units)		
Affordable Units Needed for 10% Goal	834	10.0%
Affordable Units Needed to be Built	630	7.6%

\*Assuming proportion remains the same

**Existing Affordable Housing**

Table 10 depicts existing affordable housing within the Town. Also, please refer to GIS Map #1 for the geographical locations of affordable housing units in Narragansett. In addition, as of 2002 Narragansett had 182 Section 8 vouchers applied within the Town, however the vouchers do not count toward the 10 percent affordable housing threshold.

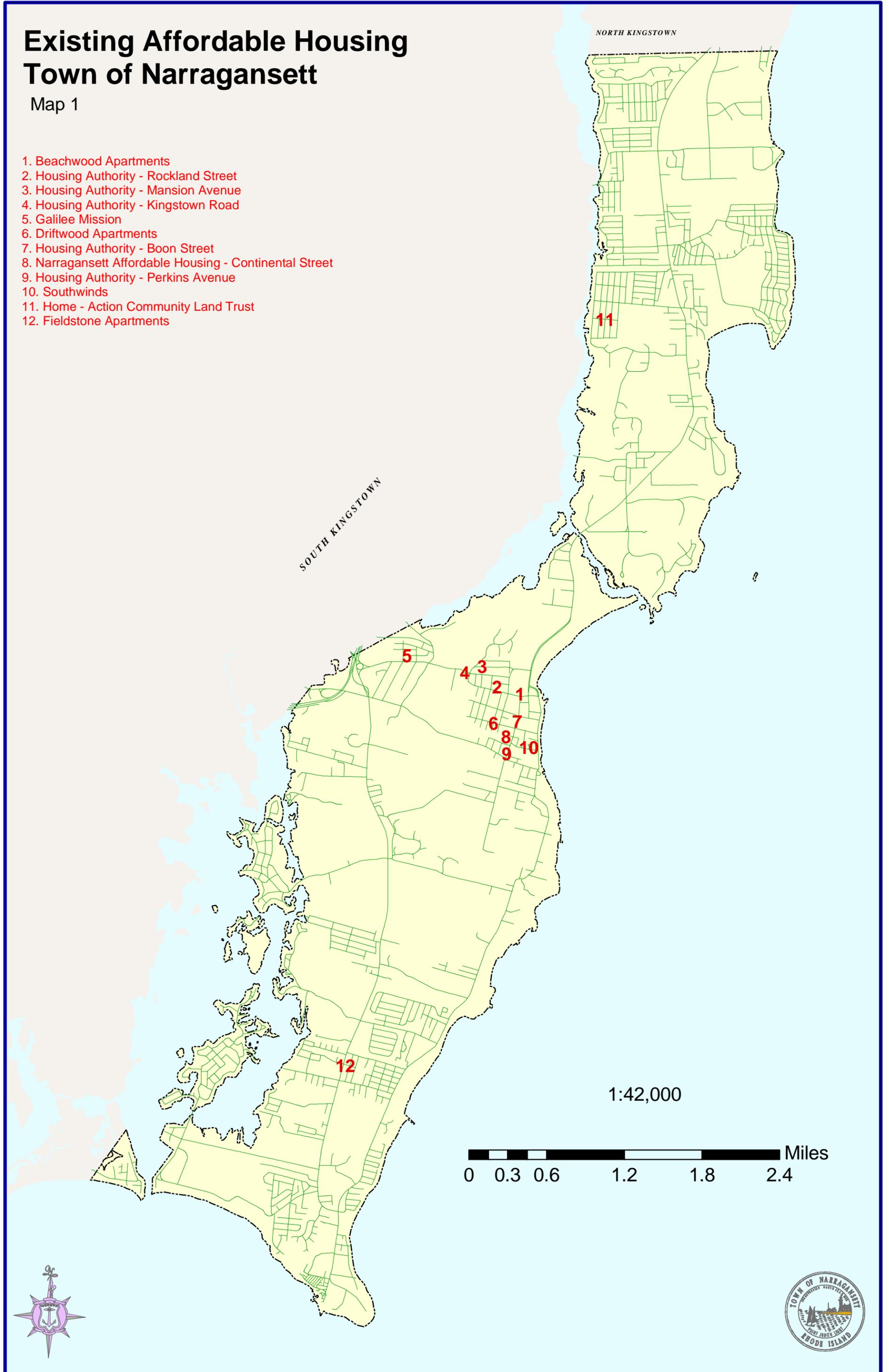
**Table 10. Existing Affordable Housing in Narragansett**

<b>Name</b>	<b>Number of Units</b>	<b>Source of Subsidy</b>	<b>Occupancy</b>	<b>Occupants</b>
Action Community Land Trust	1	HOME	Owner	Family
Driftwood Apartments	32	RIH, Sec. 8	Rental	Family
Fieldstone Apartments	24	RIH, LIHTC	Rental	Family
Federal Family Public Housing	10	LIPH	Rental	Family
Narragansett Affordable Housing	2	HOME	Rental	Family
Beechwood Apartments	56	RIH, Sec. 8	Rental	Elderly
Southwinds	48	RIH, Sec. 8	Rental	Elderly
Mansion Avenue	4	RHS 515	Rental	Elderly
Federal Elderly Public Housing	2	HOME	Rental	Elderly
Galilee Mission	9	HOME	Transitional	Special Needs
Group Home Beds	16	Various	Transitional	Special Needs
<b>Total</b>	<b>204</b>			

# Existing Affordable Housing Town of Narragansett

Map 1

1. Beachwood Apartments
2. Housing Authority - Rockland Street
3. Housing Authority - Mansion Avenue
4. Housing Authority - Kingstown Road
5. Galilee Mission
6. Driftwood Apartments
7. Housing Authority - Boon Street
8. Narragansett Affordable Housing - Continental Street
9. Housing Authority - Perkins Avenue
10. Southwinds
11. Home - Action Community Land Trust
12. Fieldstone Apartments



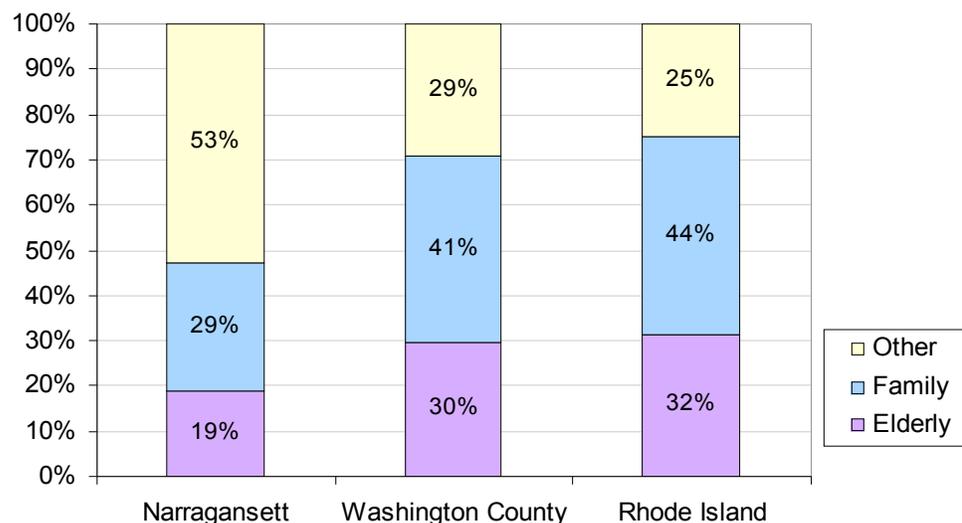
### Demand & Future Need

There exists a clear demand for more affordable housing options in Narragansett. One indication of this demand is the number of elderly residents on the waiting list for subsidized housing at the Town’s various elderly affordable housing developments. As of August 2004, there were 325 elderly residents on the wait list for either the Southwinds or Beechwood Apartments, both of which consist solely of elderly affordable rental housing units.

A second indication of the demand for more affordable housing in Narragansett is the U.S. Department of Housing and Urban Development’s (HUD) Comprehensive Housing Affordability Strategy (CHAS) database. The CHAS data provides a means for a community to examine the housing needs and problems of its residents at all income and household levels. An examination of Narragansett’s CHAS data reveals that there is a proportionally higher need for affordable housing among those classified as “other” (53 percent) as compared to family (29 percent) and elderly (19 percent). HUD defines the category of “other” as housing for singles, individuals with special needs and transient housing. Narragansett’s CHAS data proportions are inconsistent with the regional Washington County and Rhode Island data. This disproportionate need among “others” may be an overestimate of the true need in Narragansett because under the classification of

“other” households includes college students. As mentioned above, Narragansett has a high student population living in town and attending the

**Figure 7. Proportional Affordable Housing Need Projected**



nearby University of Rhode Island. Student households will typically have both artificially low incomes and high rent burdens. In addition, the student presence in the “other” category serves to displace the affordable housing need among families, elderly and other tenants. For this reason, the Town of Narragansett will use the regional trends of Washington County as proxy for its low and moderate income housing plans.

When the Washington County CHAS data is plotted against the current low and moderate income units in Narragansett, the future need is projected. Table 11, illustrates the breakdown by household type.

**Table 11. CHAS Data, Narragansett's Low & Moderate Income Housing Need**  
(Based on Washington County Data)

Household Type	Proportional Need Projected	Number of LMI Units Needed by 2025 <small>(834 x CHAS %)</small>	Existing Supply	Future Need
Elderly	29.7%	248	110	138
Family	40.9%	341	69	272
Other	29.3%	245	25	220
Total LMI Units		834	204	630

## HOUSING PROBLEMS

### Homeless

From 2002 to 2003, of the total people seeking housing from the Rhode Island Emergency Shelter Program, 28 individuals (0.5 percent) listed Narragansett as their last place of residence. This figure is well below many other municipalities in Rhode Island, but is similar to other comparable nearby towns (33 individuals in Charlestown and 55 individuals in North Kingstown).

### CHAS Data

According to 2000 projected U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data, Narragansett contains 1,827 households at or below 80 percent of median income that have housing problems.

**Table 12. Narragansett Household Income & Housing Problems, 2000**

Percentage of Median Income	Percentage of Median Income			
	< 30%	30-50%	50-80%	80%+
Total Households	858	834	1,159	4,011
Percentage	12.5%	12.2%	16.9%	58.5%
Households with Housing Problems	669	614	549	381
Percentage	78.0%	73.6%	47.4%	9.5%

*Source: Author's Tabulation of 2000 CHAS Data*

## **AFFORDABLE HOUSING RESOURCES**

Narragansett contains a number of available resources that support and encourage affordable housing development.

### **Narragansett Housing Authority**

The Narragansett Housing Authority (NHA) is a public service agency that is a valuable asset and resource in the Town's efforts to increase housing affordability. The NHA administers 182 Section 8 vouchers in Narragansett. Other programs and goals administered by the NHA include:

- *Section 8 Home Ownership Program* – This program is designed to assist families in achieving homeownership while, having the security of the Section 8 Program. This program allows the monthly Section 8 payment to be used to cover mortgage and other home ownership costs. It is essentially the same as the current Section 8 Program with the exception that the family is the owner of the property, rather than renter. This exception allows families the opportunity to benefit from equity in the home, tax deductions and the pride involved in owning a home.
  
- *Homebuyer Education Program for First Time Homebuyer* – The goal of the program is to provide the foundations of knowledge necessary for an individual to move forward in the steps to homeownership. Homebuyer Education teaches the basic “financial literacy” skills of budgeting, saving, credit and debt management. Homebuyer Education helps consumers make wise financial decisions, avoid predatory lenders and other pitfalls related to home ownership. Graduates of the Program are better able to access affordable financing, become successful long-term homeowners and have a better chance of avoiding delinquency and default.

### **Narragansett Affordable Housing Corporation**

The Narragansett Affordable Housing Corporation (NAHC) is a nonprofit corporation that works to develop affordable housing in Narragansett. The NAHC applies for, accepts and manages government grants to develop affordable housing. In addition the NAHC plans, develops, finances, and manages a variety of affordable housing projects either directly or in partnership. The NAHC has already demonstrated that it has the capacity to develop small volumes of affordable housing in Narragansett. Other programs and goals administered by the NAHC include:

- *Rehab/Construction of Affordable Units for Rent* – In September 2003, NAHC completed its first affordable housing construction project. The new duplex is located on Continental Street in Narragansett and is rented to low income families. Funding was received from CDBG funds for the asbestos removal and demolition of the condemned structure on the property. Grant funds in the amount of \$120,000 were received from RI Housing’s HOME fund. Additional funding in the amount of \$40,000 was received from the Neighborhood Opportunities Program. The Town of Narragansett completed the financing package with a fixed-rate mortgage. Landscaping and planting was done by the Narragansett High School Future Farmers Association.
  
- *Single Family Home Construction for Ownership* – The NAHC most current project is the construction of four single family three bedroom homes that will be available for purchase to families who have successfully completed the Homeownership Education Program. The homes are located on Coffey Avenue and Frances Avenue within the Town of Narragansett. Sources of funding for this project came from RI Housing’s HOME program (\$200,000) and from the State of Rhode Island’s Housing Resource Commission (\$200,000). All necessary approvals have been received and construction is set to begin in March 2005, weather permitting.

- *Construction of Elderly Affordable Housing Units* – Currently, the NAHC is in the preliminary planning stages for constructing an elderly affordable housing structure that will consist of 46 one-bedroom units on the site of a former summer camp, Camp JORI. In the meantime, NAHC will continue the process of developing additional affordable housing units within the Town.

The NAHC will also serve as the monitoring agent for the Town of Narragansett to insure the affordability of dedicated units. The NAHC will provide the following monitoring services to the Town:

- For Rental Developments;
  - Determine eligibility of potential tenants at the time of rental occupancy for housing units according to relevant subsidizing program restrictions;
  - Determine consistency of proposed rents with relevant subsidizing program restrictions; and
  - Conduct annual recertification of compliance with relevant subsidizing program restrictions.
- For Homeownership Developments;
  - Determine eligibility of potential homebuyers at the time of purchase to occupy housing units according to relevant subsidizing program restrictions; and
  - Determine consistency of proposed purchase prices with relevant subsidizing program restrictions; and
  - Over the term of the affordability restrictions, certify buyers and purchase prices at the time of resale to ensure compliance with deed restrictions.
- Work with and educate existing and prospective tenants or owners about subsidy program requirements and restrictions; and
- Comply with all requirements of state and federal fair housing laws.

### **Narragansett Affordable Housing Board**

The Town of Narragansett formed an Affordable Housing Board in April 2004 to guide the development of the Town's Affordable Housing Plan. The Affordable Housing Board was instituted and appointed by the Narragansett Town Council to replace and continue the work of the prior Affordable Housing Task Force. While that Task Force was "ad-hoc" in its charge, the new Affordable Housing Board is a permanent entity of the Town to serve as an advocate for affordable housing in Narragansett. The Affordable Housing Board is comprised of representatives of Town Government (Town Manager, Community Development Director and Housing Authority Director), members of Town boards and commissions (Town Council, Planning Board, Zoning Board, Conservation Commission, Land Trust and Housing Authority), as well as a representative of the general public (a Narragansett resident).

The Board will monitor the implementation of the Affordable Housing Plan, and report annually to the Town Council on the Plan's progress. The Town Council and Community Development Department will be responsible for ensuring the Plan is implemented according to the specified timeframe. The Board will also oversee and administer a new Housing Trust Fund that will provide financial support for the development of affordable housing within the Town of Narragansett.

## **POLICIES TO PROMOTE AFFORDABLE HOUSING**

### **Inclusionary Zoning**

A mandatory inclusionary zoning ordinance will require that all new residential development, whether new construction or substantial rehabilitation, of five or more units, including single family subdivisions, multi-unit buildings (condominiums or rental developments) contribute at least 25 percent of the total units as affordable housing. Half of the affordable units must be on the same site as the market-rate units so that it disperses affordable housing throughout Narragansett and prevents income-based concentrations. Up to half of the required affordable units maybe fulfilled at an off-site location in Narragansett, only if the off-site location is more desirable for the community and for the low or moderate income residents. Desirable benefits could include if the off-site location yields more affordable units than the on-site location would or if a different type of affordable housing is needed in Narragansett. For example, if Narragansett is more in need of family affordable housing, a separate site would be more desirable if the market-rate units are luxury condominiums for single or empty-nesters.

The affordable units may differ from the market-rate units in a covered project with regard to interior amenities and gross floor area; provided that:

1. These differences, excluding differences related to size differentials, are not apparent in the general exterior appearance of the project's units; and
2. These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency of the project's units; and

A density bonus will be allowed only in zones outside of Rhode Island's Coastal Resource Management Council's (CRMC) areas designated of critical concern and self sustaining lands. Please see attached GIS Map #2 (after p.27) for CRMC's

classification of areas in Narragansett. The density bonus received will be evaluated by the Community Development Department on a case-by-case basis, according to soils, drainage, utilities and sustainability of the land. In cases where including affordable units is not feasible in CRMC's areas of critical concern, paying an in-lieu-of fee to Narragansett's Housing Trust Fund will be permitted. Payment in-lieu-of will not be allowed in all other areas. In addition, developments shall not be segmented or phased in a manner to avoid compliance with these provisions.

### **Housing Trust Fund**

A new Housing Trust Fund will be established by the Narragansett Town Council to financially support the development of affordable housing within the Town. Sources of money for the Fund will include endowments and grants; surplus reserve funds from refinancing municipal bond issues; payments of fee-in-lieu of constructing affordable housing units; and in-kind donations. The Fund may be used for new construction, rehabilitation, retention, and operation of low and moderate income housing. The Fund will be administered by the Narragansett Affordable Housing Board.

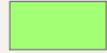
# Potential Major Subdivisions and Density Bonus Areas Town of Narragansett

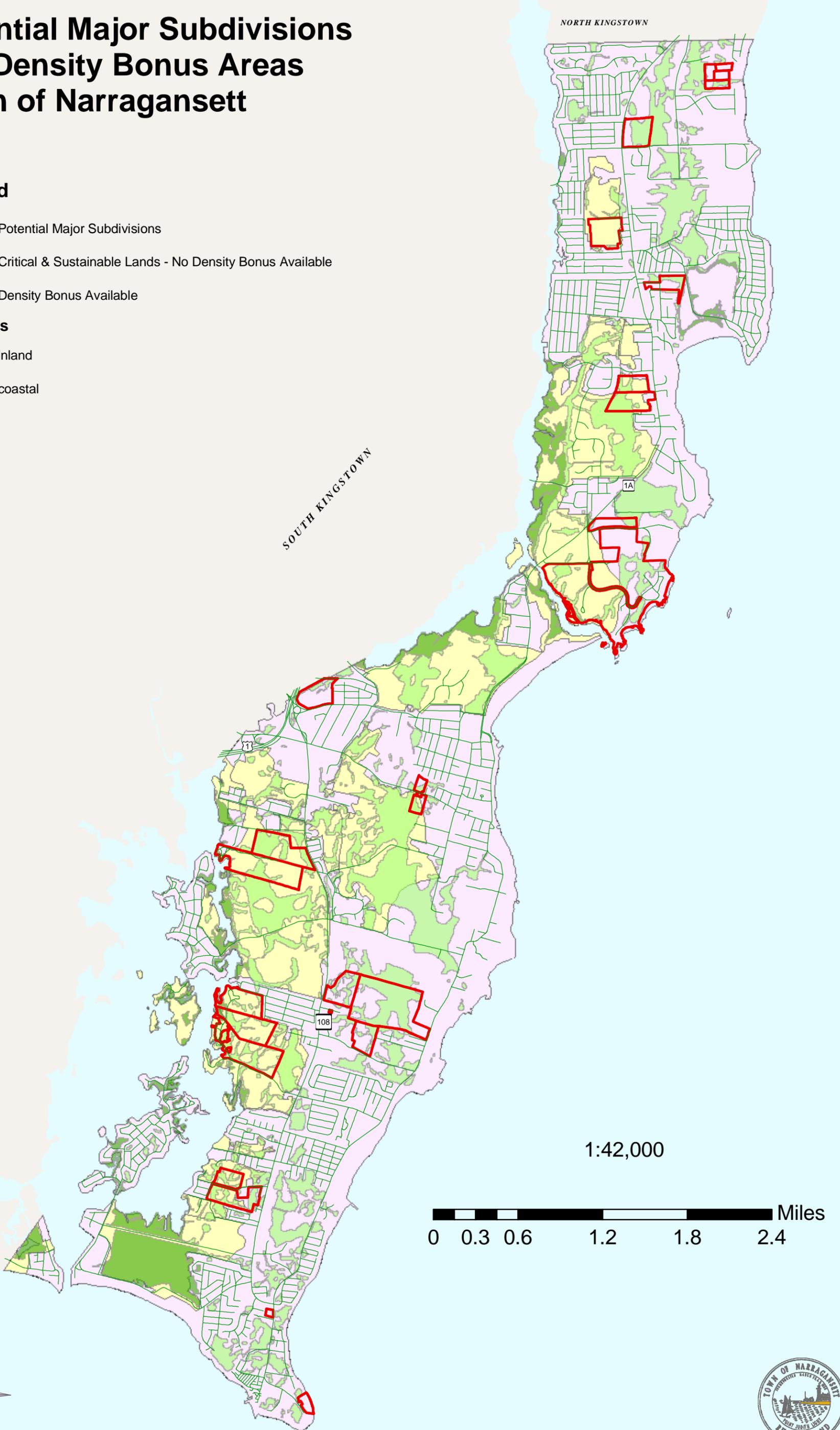
Map 2

## Legend

-  Potential Major Subdivisions
-  Critical & Sustainable Lands - No Density Bonus Available
-  Density Bonus Available

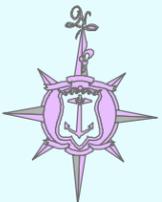
## Wetlands

-  inland
-  coastal



1:42,000

0 0.3 0.6 1.2 1.8 2.4 Miles



## **AFFORDABLE HOUSING IMPLEMENTATION BY TYPE**

### **Introduction**

As presented in Table 13 (on the subsequent page) the distribution of affordable housing into the categories “elderly, family, and special needs” as requested by Rhode Island Housing. This format does not strictly reflect the CHAS data in Table 11 (on page 22), where the classification of singles, transient housing and individuals with special needs are all a subset of the CHAS category of “other.” All subset classifications have been removed from the “other” category except those individuals with special needs. Therefore the units achieved in Table 13 will not directly match the CHAS goals for “other.” The single and transient housing subset categories have been redistributed to the elderly and family categories. The means by which the affordable housing goals will be met are discussed below. In 20 years the proportion of affordable housing by tenure will be 69 percent rental (579 units) and 31 percent ownership (255 units).

It is clear that any successful strategy for the Town of Narragansett to meet the 10 percent goal will have to rely on creating affordable housing opportunities not only in new developments, but also to a large extent in existing housing developments and neighborhoods. It should also be noted that the timeframe for the implementation of each housing strategy listed in Table 13, serves as a general schedule for the Town of Narragansett to follow over the next twenty years. The Town recognizes that if certain affordable housing development opportunities arise that exceed the specific 5 year project numbers they will not be discounted based on this factor.

**Table 13. PROGRESS TOWARD THE 10% GOAL**

Program / Type of Housing	Current	Number of New Affordable Units				Total
		5 Years	10 Years	15 Years	20 Years	
<b>Elderly</b>	110	66	38	36	35	285
Multi-Unit for Elderly (Rental)	110	46	32	30	30	248
Accessory Apartments for Elderly (Rental)	0	20	6	6	5	37
<b>Family</b>	69	132	118	97	96	512
Inclusionary Zoning Single Family Units (Ownership)	0	15	15	8	8	46
Inclusionary Zoning Multi-Unit (Ownership)	0	22	22	12	12	68
Inclusionary Zoning Multi-Unit (Rental)	0	3	3	3	3	12
Unmerge Lots for Single Family (Ownership)	0	33	33	31	31	128
Unmerge Lots for Single Family (Rental)	0	3	3	3	3	12
NAHC Single or Multi-Unit (Ownership)	1	3	3	3	3	13
NAHC Multi-Unit (Rental)	12	2	2	2	2	20
Accessory Apartments (Rental)	0	20	6	6	5	37
Privately Owned Multi-Unit (Rental)	56	3	3	3	3	68
Tax Incentive Programs for Multi-Unit (Rental)	0	24	24	23	23	94
Boon Street Special District Mixed-Use (Rental)	0	4	4	3	3	14
<b>Special Needs</b>	25	3	3	3	3	37
Persons with Special Needs (Rental)	25	3	3	3	3	37
<b>Total</b>	<b>204</b>	<b>201</b>	<b>159</b>	<b>136</b>	<b>134</b>	<b>834</b>

- Multi-Unit for Elderly Rental (New Construction)
- Accessory Apartments for Elderly Rental (Conversion, Rehab, or New Construction)
- Inclusionary Zoning Single Family Units for Ownership (New Construction)
- Inclusionary Zoning Multi-Unit for Family Ownership (Rehab, Expansion, New Construction)
- Inclusionary Zoning Multi-Unit for Family Rental (Rehab, Expansion, New Construction)
- Unmerge Lots for Single Family Units for Ownership (New Construction)
- Unmerge Lots for Single Family Units for Rental (New Construction)
- Narragansett Affordable Housing Corporation (NAHC) Single or Multi-Unit for Family Ownership (New Construction)
- NAHC Multi-Unit for Family Rental (Conversion of Existing Buildings or New Construction)
- Accessory Apartments for Rental to Singles or Small Families (Conversion, New Construction)
- Privately Owned Multi-Unit Apartments for Family Rental (Conversion, Rehab, New Construction)
- Tax Incentive Programs for Existing Privately Owned Apartment / Multi-Unit Buildings for Rental (Conversion, Rehab)
- Boon Street Special District Mixed-Use Units for Rental (Conversion, Rehab, Modification, New Construction)
- Persons with Special Needs Housing for Rent (Existing, Conversion, Rehab, New Construction)

**Table 14. Affordable Housing Progress Timeline by Strategy**

Development Strategy	5 Years	10 Years	15 Years	20 Years	Total
Multi-Unit Elderly Rental (4-5 Sites)	46	32	30	30	138
Inclusionary Zoning (Single Family & Multi-Unit)	40	40	23	23	126
Unmerge Lots for Single Family	36	36	34	34	140
NAHC - Single Family & Multi-Unit	5	5	5	5	20
Privately Owned Multi-Unit - Conversion, Expansion, Tax Incentive	27	27	26	26	106
Boon Street Special District Mixed-Use	4	4	3	3	14
Accessory Apartments	40	12	12	10	74
Persons with Special Needs	3	3	3	3	12
<b>Total</b>	<b>201</b>	<b>159</b>	<b>136</b>	<b>134</b>	<b>630</b>

**Table 15. Affordable Housing Progress by Type**

Development Strategy	Elderly		Family		Special Needs		Total
	Rental	Ownership	Rental	Ownership	Rental	Ownership	
Elderly Rental (4-5 Sites)	138	-	-	-	-	-	138
Inclusionary Zoning (Single Family & Multi-Unit)	-	-	12	114	-	-	126
Unmerge Lots for Single Family	-	-	12	128	-	-	140
NAHC - Single Family & Multi-Unit	-	-	8	12	-	-	20
Privately Owned Multi-Unit - Conversion, Expansion, Tax Incentive	-	-	106	-	-	-	106
Boon Street Special District Mixed-Use	-	-	14	-	-	-	14
Accessory Apartments - Rental Registration	37	-	37	-	-	-	74
Persons with Special Needs	-	-	-	-	12	-	12
<b>Total</b>	<b>175</b>	<b>0</b>	<b>189</b>	<b>254</b>	<b>12</b>	<b>0</b>	<b>630</b>
<b>Total</b>	<b>175</b>		<b>443</b>		<b>12</b>		

## **Elderly Housing**

### Multi-Unit for Elderly Rental

The CHAS data indicates that 138 additional units of elderly affordable rental housing will be needed within the next 20 years. Currently, Narragansett has an existing supply of 110 elderly affordable housing units. The Town and the Narragansett Affordable Housing Corporation are currently in the preliminary planning stages for constructing a 46 unit elderly affordable housing development on the site of a former summer camp, Camp JORI. The Camp JORI site is an ideal location for elderly housing due to its onsite recreational facilities which include an outdoor swimming pool, basketball court, and tennis courts, as well as multipurpose rooms and a multipurpose field. This site is also serviced by the Rhode Island Public Transit Authority's (RIPTA) Flex Zone (please see description below). As indicated in Table 13, these units should be on line within 5 years.

In addition, the Town, the Affordable Housing Board, Narragansett Housing Authority, and the Narragansett Affordable Housing Corporation will cooperate on identifying 3 or 4 additional sites, of 3 acres or more, suitable to construct more multi-unit buildings of elderly affordable housing in the next 20 years. Sites likely for consideration could include property already owned by the Town of Narragansett, property that is donated to the Town, NHA, or NAHC through private charitable gifts and property that is purchased by the Town or the NAHC. It is expected that elderly housing (age 62 and over, no children) will be built in a multi-unit format with the following lot area per dwelling unit:

- 2,000 square feet for each one bedroom or efficiency dwelling unit;
- 2,500 square feet for each two bedroom dwelling unit.

For projects that are age-limited family housing (age 55 and possible children) the density for multi-unit developments will likely be in the 3,500 square feet range for each unit. The difference in density between age restricted and elderly results from the potential for children and more parking required per unit.

GIS Map #5 identifies potential locations for the development of multi-unit buildings designated for elderly affordable housing. The potential sites have been evaluated based on their availability of to public water and sewer, as well as zoning and environmental feasibility (wetlands, soils, flood plains contours, etc.). Financing for these projects will be sought from State (Rhode Island Housing) and Federal (HUD) sources or through cooperative agreements with private developers using HUD subsidies.

Many of the potential elderly housing sites are located within close walking proximity to RIPTA bus route number 14 (service from Narragansett Salt Pond Plaza to Wickford, Newport, East Greenwich, T.F. Green Airport, and Providence) and bus number 64 (service from and within Narragansett's Pier Area and North End to Wakefield, the University of Rhode Island, Kingston Railroad Station, Jamestown, and Newport). The remaining sites are located within RIPTA's Narragansett Flex Zone, which covers most of Narragansett's South End. The RIPTA Flex Service provides door to door transportation service within the Zone and to fixed bus route stops for connections. The Narragansett Flex Service is available at specified bus stop locations and times or by reservation. Narragansett is also serviced by RIPTA's RIDE Program which provides transportation for individuals with disabilities and seniors. In addition, the Town of Narragansett provides bus transportation is for elderly Town residents. Currently, the bus provides the following transportation services:

- Tuesdays for doctor appointments,
- Wednesdays for bingo and lunch, and
- Fridays for area shopping.

The listed transportation services and routes provide the elderly with access to local and regional shopping areas, cultural amenities, and recreational facilities.

Accessory Apartments for Elderly Rental

The Town of Narragansett's proposed program of granting amnesty for existing accessory apartments (as described in the following section on page \_\_) will provide an additional source of elderly affordable rental units. Accessory apartments are also often called in-law apartments or granny-flats for the fact that many middle-aged adults have their elderly parents living in these accessory units while they occupy the main dwelling. This arrangement permits both the elderly parent and their grown children to maintain their privacy but remain within close living proximity to one another. It is estimated that within the first 5 years of implementing the amnesty program there will be approximately 20 accessory units that get designated as affordable for elderly residents. However, it is expected that this number will decrease to about 6 units every 5 years for the following 10 years, as the many of the existing accessory units would be captured during the first 5 years of the amnesty program. The number is expected to further decrease to 5 units for the final 5 years of 20 year "Progress Toward the 10 Percent Goal." At the end of the 20 year progress plan, the Town of Narragansett estimates that 37 accessory units will be dedicated as long-term affordable rental housing for the elderly.

### **Family Housing**

Family housing is indicated as the category in greatest need of affordable housing units in Narragansett according to the Washington County CHAS data. Applying the housing needs identified in the CHAS data to Narragansett's existing and anticipated housing growth, there will have to be 272 additional affordable units created for families in Narragansett, for a total goal of 341 units within the next 20 years. In addition to the 272 family units indicated by the CHAS data there will be 171 additional family housing units derived from the units described as "other" in the CHAS data. The total final goal for affordable family housing in Narragansett is 512 units within 20 years.

### Inclusionary Zoning for Single Family Units

As stated in Table 5 "Narragansett New Housing Construction, 1992 – 2004" on page 13, there are on average 80 new single family homes constructed each year in Narragansett. In addition, major subdivisions built in Narragansett since 2000 have an average size of 17 homes per subdivision. However it is expected that the number of new construction single family homes will be decreasing and the size of major subdivisions will be smaller due to increasing land scarcity in Narragansett. A conservative estimate is that there will one major subdivision built per year in Narragansett, with an average size of 12 units. Assuming that 25 percent of these 12 units are affordable, 3 new single family affordable housing units will be created per year in Narragansett through inclusionary zoning. If this level of new construction is maintained for the next 10 years there will be 30 new single family affordable housing units built through this policy in Narragansett. However, it is expected that this number will decrease to 8 new affordable units constructed every 5 years thereafter, as the price and availability of land diminishes in Narragansett as indicated in Table 13, "Progress Toward the 10 Percent Goal." These affordable units will be targeted for homeownership.

### Inclusionary Zoning for Multi-Unit Family Ownership & Rental

As indicated in Table 5 “Narragansett New Housing Construction, 1992 – 2004” on page 13, there has not been a new multifamily or duplex building constructed in Narragansett since 1998. However, the Narragansett Community Development Department projects that in the coming years there will be an increasing number of new and significantly rehabilitated multi-unit buildings in Town. This shift will be attributed to increasing land scarcity and high residential desirability in Narragansett. This will cause developers to pursue some of the following construction options:

- rehabilitate existing underutilized multifamily structures,
- convert / teardown commercial properties and build either residential or mixed-use multifamily buildings/condos,
- Add on to existing multifamily buildings or build new multifamily buildings on vacant land.

As an indication of this shift, the Community Development Department currently has multiple private developers who are either in the planning approval process for the construction of new multifamily buildings or have expressed interest in pursuing the construction or rehabilitation of multiunit developments in Narragansett. For example, a twelve-unit duplex condominium land development is scheduled for construction in spring, 2005. The developers have committed to provide the Town with an adjacent site for 3 or 4 affordable units to be built by Narragansett Affordable Housing Corporation. In addition, the Town Council is in the process of changing a lot zoned as business commercial to high density residential.

A conservative estimate for the average number of new construction or rehabilitation of multifamily units is 20 units produced per year. If a minimum of 25 percent of these 20 units are affordable, there will be 5 new affordable units produced each year. If this level of construction is continued for the next 10 years there will be 25 affordable units created every 5 years in Narragansett. However, it is expected that this number will decrease as well to 15 new affordable units every 5 years thereafter, as the availability

of land diminishes in Narragansett as indicated in Table 13, “Progress Toward the 10 Percent Goal.” The majority of the affordable units will be targeted for homeownership and will be subject to binding affordability requirements for a minimum of 30 years. The remaining units created through inclusionary zoning will be available as affordable rental housing, approximately 3 units created every 5 years.

#### Unmerge Lots for Single Family Affordable Housing - Ownership

According to data from the Narragansett Tax Assessor, as of January 2005, there are approximately 320 “substandard lots of record” that are under the same ownership of an adjacent conforming lot for the applicable district. The Narragansett Zoning Ordinance defines a substandard lot of record as “a lot which does not satisfy one or more of the dimensional requirements prescribed in the dimensional regulations, but which was shown on a plat or deed recorded . . . and which has not been merged by use or ordinance.”

The Narragansett Zoning Ordinance will be amended to allow for the separation of currently merged substandard lots of record only for the construction of new single family affordable housing for ownership. Specific criteria will be set forth in each residential zone and will comply with the Narragansett Comprehensive Plan.

Development standards will require suitable front, rear and side-yard setbacks, parking, and sufficient utility capacity (sewer and water) for all units. The permitted density is a maximum of one house per 5,000 square feet in existing in-fill neighborhoods where merged lots are involved. The homes created will be subject to binding affordability requirements for a minimum of 30 years.

While there are 320 substandard lots of record under the same ownership of an adjacent conforming lot, it can be anticipated that not every owner will take advantage of the separation of merged lots for the development of affordable housing. However, this policy does provide the owner with an economic windfall, as there is no alternative use for the property. Merged lots located in the neighborhoods of Pettaquamscutt, Rio

Vista, Mettatuxet, Bonnet Shores, the Pier, Briggs Farm, and Sea Breeze among others that are most suitable for separation and affordable housing development, as indicated by GIS Map #3. A conservative estimate for the average number of single family affordable units built for ownership through this policy is between 6 and 7 units per year. If this level of construction is continued, there will be 33 single family affordable units created every 5 years in Narragansett for the first 10 years and then 31 units every 5 years for the subsequent 10 years, for a total of 128 units over the course of 20 years when build-out is achieved.

#### Unmerge Lots for Single Family Affordable Housing – Rental

In addition to the separation of merged substandard lots of record for the construction of single family housing for ownership, the construction of new single family affordable housing for rent will also be allowed. By providing the property owner with the option of rental on separated lot will enable the owner to retain some degree of control over the separated lot, will provide a source of income for the owner, as well as increase the Town's stock of affordable rental housing for families. The newly created single-family rental unit will be restricted and protected as affordable for a minimum of 30 years from the date of initial occupancy. A deed restriction will be placed on the unit to enforce its affordability. The unit will be retained as a year-round rental dwelling with at least one-year lease agreements.

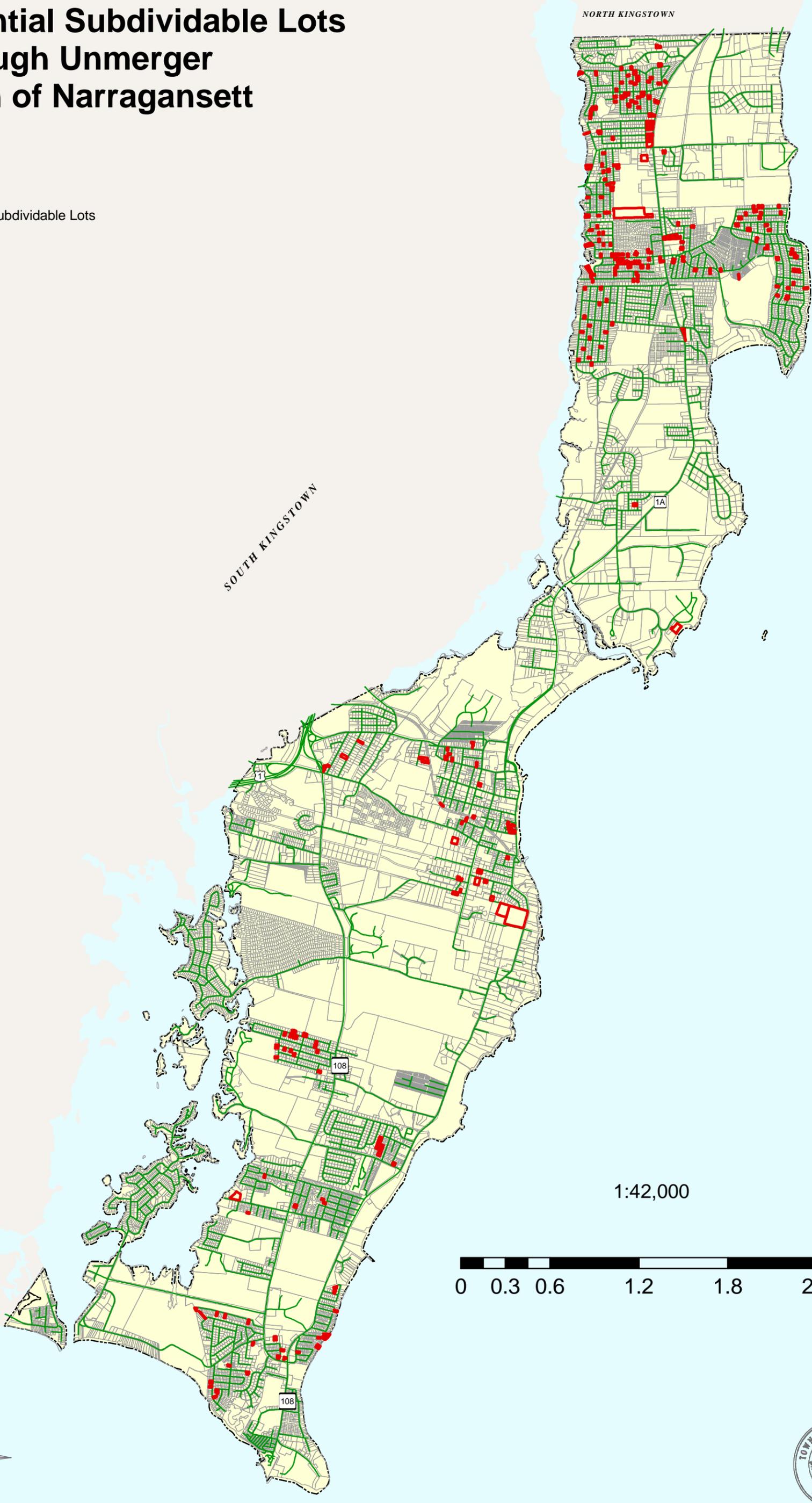
A conservative estimate for the average number of single family affordable units built for rental through this policy is 3 units every 5 years, for a total of 12 units created over the course of 20 years

# Potential Subdividable Lots Through Unmerger Town of Narragansett

Map 3

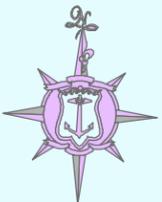
## Legend

 Subdividable Lots



1:42,000

0 0.3 0.6 1.2 1.8 2.4 Miles



#### Narragansett Affordable Housing Corporation Single & Multi-Family Units for Ownership

The Town of Narragansett will continue to work with the NAHC to construct and rehabilitate single family affordable housing units. As mentioned above, the NAHC will begin construction in March 2005 on four single family homes on Coffey Avenue and Frances Avenue in Narragansett. The Town and the NAHC are also in the beginning stages of planning for the construction of 4 affordable condominium units on a one-acre parcel of land at 141 Clark Road in Narragansett. Units created from both projects will be available for purchase to families who have successfully completed the Narragansett Housing Authority's Homeownership Education Program. It is estimated that the NAHC will construct and/or rehabilitate 3 to 4 single or multi-family units every 5 years in Narragansett. If this level of construction is continued over the course of 20 years the NAHC will produce a total of 13 single family affordable housing units in Narragansett.

#### Narragansett Affordable Housing Corporation Multi-Unit Family Rental

The Town of Narragansett will continue to work with the NAHC to construct and/or rehabilitate multi-unit family affordable housing that will be designated as rental units. As mentioned above, the NAHC has already constructed a duplex for rent on Continental Street in Narragansett. The NAHC plans to continue its work of creating more affordable rental units in Narragansett. It is estimated that the NAHC will construct and/or rehabilitate at least 2 multi-unit family homes every 5 years in Narragansett. If this level of construction is continued over the course of 20 years, a total of 8 multi-unit family affordable housing units will be created in Narragansett.

#### Accessory Apartments

While no survey data is currently available, it is estimated from discussions with local rental agents and reviewing real estate listings that there may be up to 500 accessory apartments already existing in Narragansett. These accessory apartments have been developed without zoning and building approval, and are kept "hidden" from the Narragansett Tax Assessor to avoid an increase in the property's tax appraisal. These

units usually accommodate a one-bedroom or studio unit either in the principal dwelling or in accessory buildings on the property. Many of these non-conforming accessory units are located throughout the Town's older residential neighborhoods, such as the Historic Pier and Ocean Road districts.

Notwithstanding their current legal status, accessory apartments provide housing to individuals in need of affordable rental housing as well as providing a source of income for homeowners. When designed attractively and in relation to the principal structure, accessory apartments will maintain the single family composition of the neighborhood. In addition, accessory apartments create additional living units without the expense of new infrastructure (streets, sewers, utilities, and public services). Accessory apartments are attractive to a diverse array of people: Young homeowners who need additional income to help pay their monthly mortgage payments. Middle-aged children who desire private living situations where elderly parents can maintain their privacy but remain within close living proximity. In addition, renting out an accessory apartment can be particularly attractive to an elderly homeowner because the additional source of income generated can enable them to continue to live in their own home. Tenants can also provide personal services to the elderly homeowner such as maintenance work around the house and yard, shovel snow, and provide occasional transportation.

It is proposed that the Town permit such accessory units via a use restriction that would grant amnesty for existing accessory dwellings in need of rehabilitation or an allowance to build a new accessory unit for the purpose of providing affordable rental housing in Narragansett. For existing accessory units, the Town of Narragansett will assist in the rehabilitation costs incurred in bringing the unit into conformance with the local codes (zoning, building, housing and fire codes, and related health and safety standards). To be granted amnesty by the Town of Narragansett the owner must agree to the following provisions for the accessory unit:

1. The unit must be a single unit accessory structure to an owner occupied single family dwelling on the same single lot.

2. The accessory unit shall be designed so that the appearance of the principal structure remains that of a one-family residence.
3. The unit for which amnesty is sought will be rented and occupied by an individual of low to moderate income.
4. The unit will be retained as a year-round rental dwelling with at least one-year leases.
5. The rental unit will be restricted and protected as affordable for a minimum of 30 years from the date of initial occupancy. A deed restriction will be placed on the unit to enforce its affordability.
6. Total square footage and number of bedrooms will be limited to provide a service for one or two person occupants.
7. Development and building standards will require adequacy of utilities and parking, as well as water availability and wastewater disposal sufficient to support one or more individuals.
8. The unit will be subject to frequent monitoring and enforcement of the affordable restrictions listed by the Town of Narragansett.

In order to encourage compliance and to induce owners of existing unauthorized accessory units to dedicate their unit as affordable, the Town of Narragansett will strictly enforce its zoning ordinances and rental registration laws. Family members related by blood or marriage living in the accessory unit are not subject to this enforcement, as it is still considered single family occupancy. It is estimated that within the first 5 years of implementing the amnesty program there will be approximately 20 accessory units that get designated as affordable. However, it is expected that this number will decrease to about 6 units every 5 years for the following 10 years, as the many of the existing accessory units would be captured during the first 5 years of the amnesty program. The

number is expected to further decrease to 5 units for the final 5 years of the 20 year “Progress Toward the 10 Percent Goal.” At the end of the 20 year progress plan, the Town of Narragansett estimates that 37 accessory units will be dedicated as long-term affordable rental housing for families.

#### Development of Privately Owned Multi-Unit

There are a number of privately owned multi-unit family structures in Narragansett that provide rental apartment units to small families. Many of these existing buildings or properties could support the construction of additional dwelling units, however current zoning regulations prohibit this development. These buildings are ideal for affordable housing development because they are already serviced by existing infrastructure and would not require expensive extensions of roads, water / sewer lines and other facilities.

In locations where it is environmentally feasible, property owners of existing multi-family buildings will be granted a special use permit to construct additional units on their property, provided that the developer produce a number of affordable units equal to 50 percent of the net increase of units in the development. The developer may opt to build new affordable units, or convert existing unsubsidized units to affordable housing. If additional units are added the allowable density will be about 2,500 to 3,000 square feet per unit. The affordable units must be rented to low or moderate income families. The incentive for building owners to take advantage of this program, is that they are able to increase the number of units (and in turn their profits) on property that would otherwise be ineligible for the development of additional units under current zoning regulations. For example, an existing 18 unit complex wants to add 20 new units to the property. In order to be granted the special use permit for construction, the developer will have to provide 10 affordable units within the housing complex. At present, two such projects which would yield 16 affordable units are under preliminary discussion with the Planning Board.

A conservative estimate for this policy will result in 3 affordable rental units created every 5 years in Narragansett. If this level of infill development is continued for the next 20 years, there will be a total of 12 multi-family affordable rental units produced in Narragansett through this program.

#### Tax Incentive Program for Multi-Unit Rental Housing

The Town of Narragansett will develop a tax incentive program for multi-unit property owners who are willing to rehabilitate and convert their existing rental apartment units into protected affordable housing for a minimum of 30 years. There currently exist over one dozen apartment buildings (with a combined total of roughly 182 units) that are already rented to predominantly low and moderate income residents (see GIS Map # 5). Many of these buildings are ideal candidates for affordable housing because they are in need of rehabilitation and are already serviced by the necessary infrastructure (roads, water, sewer, etc.). However there is no guarantee that these units remain affordable due to the fact that they are all privately owned and operated.

The Town of Narragansett will encourage the property owners to keep these units as affordable by offering them a reduction on their property taxes if they commit their units to remain affordable for a minimum of 30 years. The Town will also offer grant funds and low interest loans to provide an incentive for these units to be rehabilitated and brought up to local codes (building, housing and fire codes, and related health and safety standards). In addition, in locations where it is environmentally feasible, the building's owner will be granted a special use permit to construct additional units on their property, provided that the new units as well as the existing units are guaranteed as affordable. If additional units are added the allowable density will be about 2,500 to 3,000 square feet per unit. Proposals for expansion will be reviewed on a case-by-case basis according to zoning standards, density, soils, drainage, water, sewer, utilities and sustainability of the land.

As stated above, it is estimated that there are over one dozen privately owned apartment buildings (with a combined total of roughly 182 units) that are rented to predominantly low and moderate income residents in Narragansett. It is expected that within 20 years more than half of these units will be converted (or created) into a protected affordable rental unit through the property tax incentive program. It is estimated that within the first 10 years of implementation there will be approximately 24 rental units that get designated as affordable every 5 years. However, it is expected that this number will decrease to around 23 units every 5 years for the remaining 10 years. At the end of 20 years there will be approximately 94 affordable rental units created through this program as indicated by Table 13 “Progress Toward the 10 Percent Goal.”

#### Boon Street Special District Mixed-Use Units

As part of the “Design Plan for the Boon Street Neighborhood, 1998-2001,” the Planning Board envisions creating a special district plan to encourage revitalization of this vital low and moderate income neighborhood, located in the area between Caswell Street on the West, South Pier Road on the South, and Kingstown Road on the North (please refer to GIS Map #4). One of the proposed measures is to construct new two-story mixed-use buildings with retail or commercial uses at street level, and an apartment above that would be rented to low or moderate income persons. The corner of the present parking lot facing Congdon Street lends itself to this type of development as the buildings form would emphasize the importance of the corner to vehicles and pedestrians approaching from Ocean Road.

Another design measure calls for adding second floor apartments to existing one-story buildings within the Boon Street Neighborhood. These buildings would also have retail uses such as antique or clothing shops at the street level and affordable residential rental units on the upper floor. Adding a second story to these buildings would improve the visual harmony of buildings along Boon Street, as well as maximize the advantageous and appropriate economic and social interaction of mixed-used within the

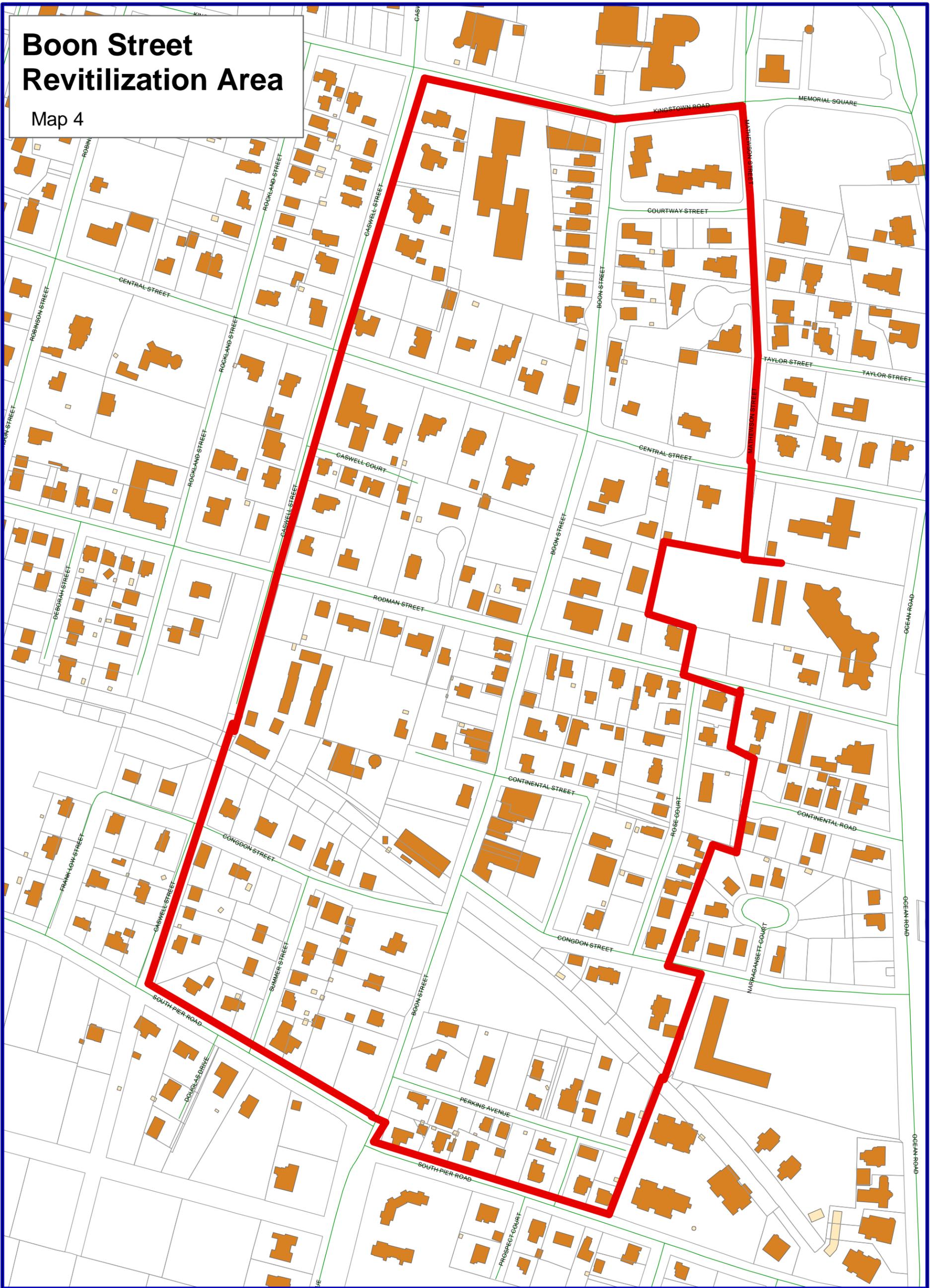
neighborhood. The intensification of residential use would be allowed, provided the property owners enter into agreement with the Town of Narragansett protecting the affordability of the units.

The affordable housing component of the Boon Street Revitalization Project will be managed by the Narragansett Housing Authority. Funding available via State grants and the Town's existing Housing Rehabilitation Loan Program will be used to provide a combination of matching grants and low interest loans for property owners within the Boon Street Revitalization Project Area. Low interest loans could also be made available for the cost involved in the conversion of existing units into affordable housing and for the maintenance of low and moderate income units from the Town's Revolving Rehabilitation Loan Program. The additional dwelling units gained from this district would principally address small families in need of affordable rental housing.

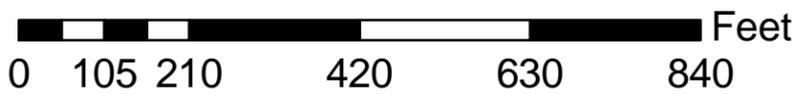
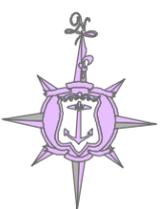
There are approximately 50 buildings and sites for infill development in the Boon Street Neighborhood. It is estimated that within the next 10 years the Boon Street Neighborhood Revitalization Project will yield approximately 8 units of affordable housing through building modifications and infill development. However, it is expected that this number will slightly decrease to 3 new affordable units every 5 years thereafter. Within 20 years it is expected that there will be a total of 14 affordable rental housing created through this project.

# Boon Street Revitalization Area

Map 4



1:2,700



### **Special Needs**

Currently, Narragansett has 25 units classified as housing for persons with special. The Town hopes to raise that number to 37 total units within the next 20 years.

#### Housing for Persons with Special Needs

The Town of Narragansett has had positive experience with special needs and group homes located in Town. The Town will continue to support the homes that already exist as well as promote the construction and or conversion of new special needs facilities. Residents with special needs will be accommodated through subsidies from Mental Health, Retardation & Hospitals (MHRH) and the McKinney Homeless Act. The success of adding additional special needs housing is mainly dependant upon MHRH subsidies and their housing programs. The Town of Narragansett's goal is to support the construction and or conversion of 12 additional beds in as many as 3 sites over the next 20 years.

**Table 16. Narragansett Project Based Affordable Housing Opportunities**

Map Reference #	Plat	Lots	Total Acreage	Total Buildable Acreage	Units	Total Units per Acre	LMI Units	Zoning District	Requires Zoning Change	Public Sewer	CRMC Watershed Classification*	Construction Type	Program
1	NA	52, 191, NE 686	0.716	0.716	16	22	16	R-80	Yes	No	S	Conversion, Expansion, or New Construction	Family
2	NE	612 - 625	1.621	1.621	6+	4	6	R-80	Yes	No	S	Conversion, Expansion, or New Construction	Family
3	NE	602 - 611	1.206	1.206	16	13	16	R-80	Yes	No	S	Conversion, Expansion, or New Construction	Family
4	NE	588-597	1.141	1.141	14	12	14	R-80	Yes	No	S	Conversion, Expansion, or New Construction	Family
5	NH	133-2, 133-3	1.118	1.118	9+	8	9	R-20	Yes	No	D	Conversion, Expansion, or New Construction	Family
6	A	125, 129, 130, 131	3.878	3.878	32	8	8	R-80	Yes	Yes	D	New Construction	Elderly
7	B2	2	24.857	21.507	8	0.5	8	R-80	Yes	No	D	New Construction	Family
8	C	344-A	0.146	0.146	3	21	3	R-10A	No	Yes	D	Conversion or Expansion	Family
9	D	86, 86A-F, 86H-I	0.984	0.984	14	14	14	R-10	No	Yes	S	Conversion, Expansion, or New Construction	Family
10	C	O-R1	5.125	5.125	5	1	5	U-R	No	Yes	S	Conversion or Expansion	Family
11	D	189	0.47	0.47	18	38	18	R-10	No	Yes	S	Conversion or Expansion	Family
12	D	210	3.436	3.436	56	16	14	R-10A	No	Yes	S	Conversion or Expansion	Elderly
13	D	221	0.46	0.46	4	9	4	B-B	No	Yes	S	Conversion or Expansion	Family
14	H	13-32	7.592	7.592	4+	0.5	4	R-40	No	Yes	S	Conversion or Expansion	Family
15	P	285	3.824	3.824	42 - 62	11 - 16	42 - 62	R-10	No	Yes	D	Conversion or Expansion	Family
16	W	86, 90-1	5.252	5.252	20 - 50	4 - 9.5	20 - 50	R-40	Possible	Yes	D	New Construction	Elderly
17	W	various lots	-	-	56	-	14	R-40	No	Yes	S & C	New Construction	Family
18	F	4, 7, 8, 9, 15, 16, 16A, 17, 18	40.858	39.35	40	1	40	R-80	Yes	No	S	New Construction	Elderly
19	Z1	5, 6	105.319	23.843	50 - 100	0.5 - 1	50 - 100	R-80	Yes	Yes	S	New Construction	Elderly
20	V	22	12.682	8.63	16	1.5	4	R-20	No	Yes	S	New Construction	Elderly
21	V	28, 34	11.395	10.503	46	4	46	R-20	No	Yes	S	New Construction	Elderly
22	S1	303	4.493	2.424	30 - 96	7 - 21	32	B-B	Yes	Yes	S	New Construction	Family
23	S1	84-91	1.205	1.205	5	4	1	R-10	No	Yes	S	New Construction	Family
24	S1	291	11.689	11.689	40	3.5	10	R-10	No	Yes	S	New Construction	Family
25	K	362-364	0.337	0.337	2	6	2	R-10	No	Yes	S	New Construction	Family
26	K	371-373	0.341	0.341	2	6	2	R-10	No	Yes	S	New Construction	Family

\* CRMC Watershed Classification

C - Critical  
D - Developed  
S - Sustainable

# Project Based Affordable Housing Opportunities Town of Narragansett

Map 5  
Created July 8, 2005

## Legend

..... Bikeways

———— RIPTA Bus Service

### Construction Type & Program

◆ Conversion or Expansion, Elderly

◆ Conversion or Expansion, Family

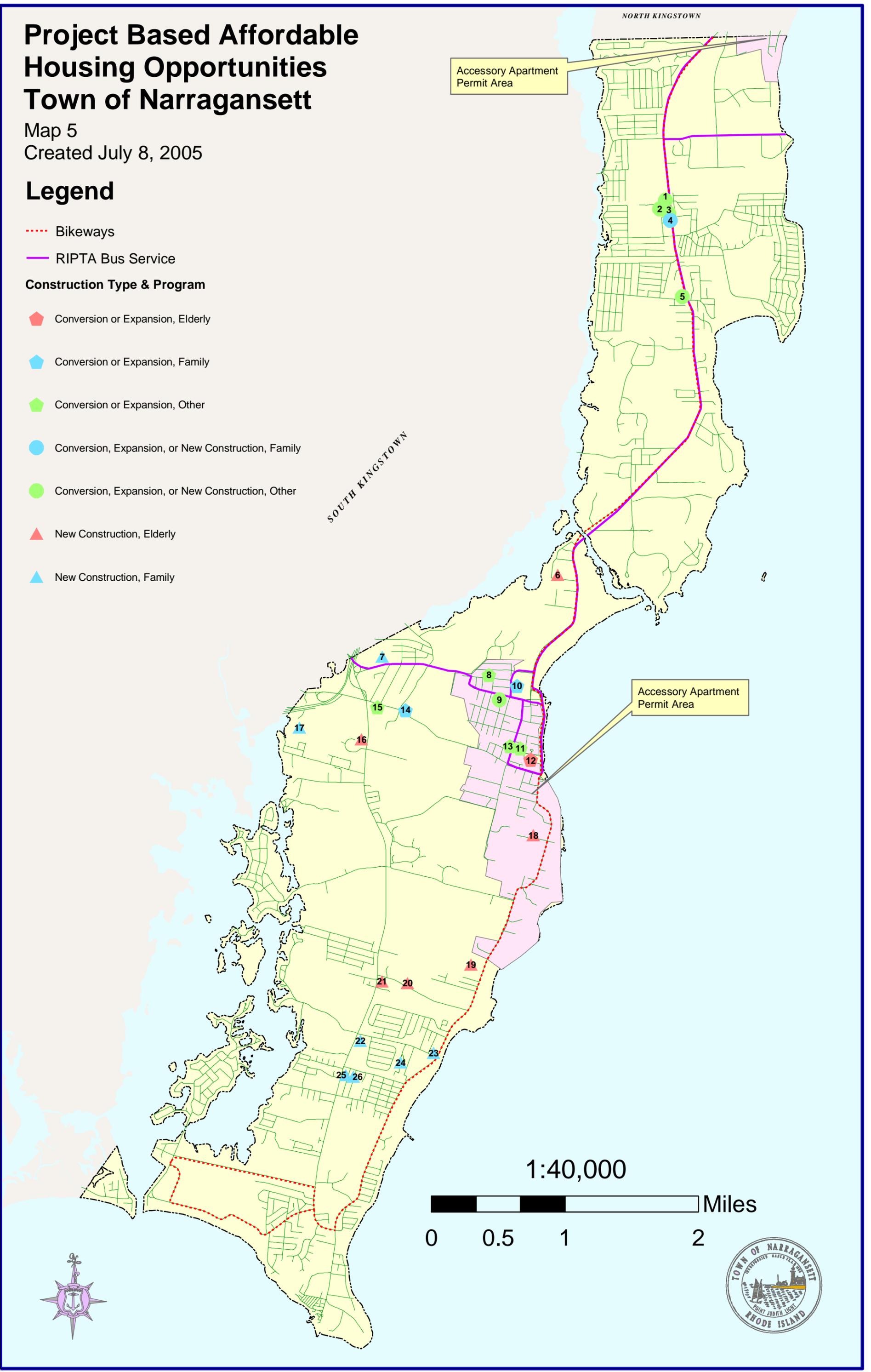
◆ Conversion or Expansion, Other

● Conversion, Expansion, or New Construction, Family

● Conversion, Expansion, or New Construction, Other

▲ New Construction, Elderly

▲ New Construction, Family



NORTH KINGSTOWN

SOUTH KINGSTOWN

Accessory Apartment Permit Area

Accessory Apartment Permit Area

1:40,000

0 0.5 1 2 Miles



## **IMPLEMENTATION CONSIDERATIONS**

### **Water Supply**

The Town of Narragansett purchases most of its potable water from United Water of Rhode Island (about 75 – 80 percent). The remaining source of water for Narragansett comes from the Town of North Kingstown (about 20 – 25 percent). At this time, and for the foreseeable future, these will be the Town of Narragansett's only two sources of water supply.

According to the Town of Narragansett's Engineering Department the Town has not received any information from the Rhode Island Water Resources Board that would suggest that demand of water would prevent an increase of 1,557 dwelling units (16%) representing anticipated normal growth and the affordable housing increment cannot be sustained over a period of 20 years. The town would welcome more information on safe yield from the aquifers that provide Narragansett's water supply.

### **Public Sewers**

It is estimated that the above actions would create a potential of 630 units of affordable housing over the next 20 years. However, a majority of the potential affordable units slated for the North End of Narragansett are tributary to the Westmoreland Street Regional Wastewater Treatment Facility (Westmoreland WWTF) which currently has insufficient capacity to service more than 388 additional units. The Westmoreland WWTF and its tributary collection system in Narragansett are currently being studied by the Town for potential upgrades, which may increase treatment capacity or decrease peak flow in the future. Consequently, this plan assumes only merged lots in the South End of Narragansett which are tributary to the Scarborough WWTF will be prioritized for affordable housing development during the first five years of this plan's implementation. As treatment capacity is increased, or alternatively, as the Town is successful in reducing infiltration and inflow into the North End collection system, it is strongly recommended that a significant portion of new flow capacity (50%) be set aside as a priority for affordable housing development.

## Action Steps

Once the Town of Narragansett's Affordable Housing Plan is adopted and approved by the State of Rhode Island the Town of Narragansett will implement the following action measures:

Abbreviations	
AH	Affordable Housing
TC	Town Council
PB	Planning Board
ZB	Zoning Board
TM	Town Manager
CD	Community Development Department
BD	Narragansett Building Official / Department
NTC	Narragansett Tax Collector
HA	Narragansett Housing Authority
AHB	Narragansett Affordable Housing Board
NAHC	Narragansett Affordable Housing Corporation
NPD	Non-Profit Developer
FPD	For-Profit Developer
HUD	U.S. Department of Housing and Urban Development
RIH	Rhode Island Housing and Mortgage Finance Corporation
HRC	Rhode Island Housing Resource Commission
HOME	Federal funds administered by Rhode Island Housing
SWP	Rhode Island Statewide Planning Program
NPO	Neighborhood Opportunities Program
RRLP	Town of Narragansett's Revolving Rehabilitation Loan Program
CDBG	Community Development Block Grants
MHRH	Rhode Island Department of Mental Health Retardation & Hospitals

**Table 17. Implementation Actions**

Action	Responsible Party	Resource	Timeframe	Action
<b>Zoning Strategies</b>				
Mandate Inclusionary Zoning for all Land Developments of 5 or More Units	<b>TC PB ZB CD AHB</b>	FPD	1 -3 months	Adopt zoning amendment to subdivision/land development requirements
Allow on a District-by-District Basis, Unmerge Substandard Lots of Record for the Development of AH	<b>TC PB ZB CD AHB</b>		Within 1 year	Adopt zoning amendment
Revise the Accessory Apt. Ordinance for AH Use	<b>TC ZB CD BD HA AHB</b>	Narragansett Home Owners RRLP	Within 1 year	Adopt zoning ordinance amendments
Permit Affordable Residential Units in Mixed-Use Commercial Districts	<b>ZB CD</b>	RRLP	Within 1 year	Adopt zoning amendment
Additional Development of Privately Owned Multi-Unit Buildings for AH	<b>TC ZB CD AHB FPD</b>		Within 1 year	Adopt zoning amendment & special use permits
<b>Resources for Affordable Housing Development</b>				
Narragansett Affordable Housing Board	<b>TC AHB</b>		Completed	
Establish Housing Trust Fund	<b>TC AHB</b>		1- 3 months	Adopt Resolution
<b>Affordable Housing Development / Rehabilitation / Conversion</b>				
Monitor for Potential Sites of AH Development	<b>PB CD AHB NAHC</b>		Ongoing	Provide administrative assistance
Target Existing Housing in Need of Rehabilitation for AH	<b>CD BD HA AHB NAHC</b>	CDGB HOME NPO	Ongoing	Identify building/housing code violations, offer assistance for rehab
Develop AH at Appropriate Identified Sites	<b>CD AHB NAHC NPDP FPD</b>		Ongoing	Acquire sites for development

Town of Narragansett  
Affordable Housing Plan

Action	Responsible Party	Resource	Timeframe	Action
<b>Affordable Housing Development / Rehabilitation / Conversion Continued</b>				
Create AH via Infill Development	<b>CD AHB FPD NPD</b>		Ongoing	Encourage AH construction/rehab in existing developments
Adaptively Reuse Underutilized Sites & Buildings to Create Mixed-Use Communities Containing AH	<b>CD FPD</b>		Ongoing	Encourage AH construction/rehab
Boon St Special District Mixed-Use AH	<b>TC PB CD HA</b>	RRLP CDGB	Ongoing	Develop Special District Plan, Zoning Amendments
Tax Incentive Programs for Multi-Unit AH Conversion	<b>TC CD BD NTC AHB</b>		Within 1 year	Amend tax assessment policy for AH
<b>Affordable Housing Development Projects</b>				
Construction of AH located on Coffey Ave & Frances Ave	<b>HA NAHC RIH</b>	HOME HRC	1 - 6 months	Access grant funding
Construction of Camp Jori Elderly AH	<b>CD HA NAHC</b>		Within 5 years	Access grant funding
Construction of Condos on Clark Road	<b>CD HA NAHC</b>		Within 5 years	Access grant funding
Create Additional Units for Persons with Special Needs	<b>CD RIH MHRH</b>	MHRH McKinney Homeless Act	Ongoing	Assist state agencies in finding suitable sites
<b>Monitoring</b>				
Monitoring Agent of Affordable Housing Units	<b>NAHC</b>		1 – 6 months	Formalize agreement
Monitoring for Implementation of Plan	<b>TC TM CD AHB NAHC SWP</b>		Ongoing	Annual Progress Evaluation & Update