

Bonnet Shores Fire District Voting Scenario Presentation
BSFD Boundary Proposal

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Bonnet Shores Fire District Background:

- Bonnet shores formed in 1932 –The Fire District charter was ratified and defined a voting member as a “....firm, corporation, unincorporated association, person or corporation or over the age of 18 and owning \$400 or more of property”
- The cost to purchase a buildable lot at that time was up to \$500.
- The Beach club’s structure was different when the charter was formed. It was a private, membership only, entity and did not offer individuals the ability to purchase deeded units of the club.
- The current Beach club formed in 1987 and a significant number of new voters were added to the District (not from our community and with different interests)
- Resultingly, our community now faces a unique situation where the deeds to 924 uninhabitable lockers and cabanas with multiple owners per unit, are included in our voting electorate.

Note - Copies of Legal Information in this proposal are available on BSFD Website: Select Council Tab, then Legal Tab

Do Homeowners Have substantial voting interest in their Own Community? Take a Look for Yourself.....

Beach Club:

924 non-residential bathhouses, 6 live-in units.....28 acres..... \$61,893 annual tax dues.....1485 current exclusive voters*

*(930 Units on property with 4,948 deeded memberships spread out between them, each with a potential right to vote.
Average size of property: 51 square feet)*

99% of these units are **non-residential**. Owners have access to the club property during business hours
12% of the total district tax burden is paid by beach club members (11 % by non inhabitable units)
51% of the voting rights are in the hands of the beach club members

Residential Homes:

957 Single Family Homes.....400 acres.....\$452,107 annual tax dues....1,422 eligible voters*

*(majority of homes owned by a combination of single persons, married persons and trusts. An average of 1.8 deeded voting rights per home was used.
Properties range from just under 1000 square feet to over 4,000 square feet.)*

100% of homes are residential properties, each with a vested interest in the well being of the community in its entirety
88% of the total district tax burden is paid by these residents
49% of the voting rights are in the residents hands*

Result of Current By-Law Structure:

Beach Club Members Pay 12% of the taxes but have an overwhelming majority of the voting power

Some Residents:

Pay over \$1,000 annually in taxes
Reside year round in their home on average of 2,000+ square feet
Have 1 or 2 votes in an election

Some Beach Club Members:

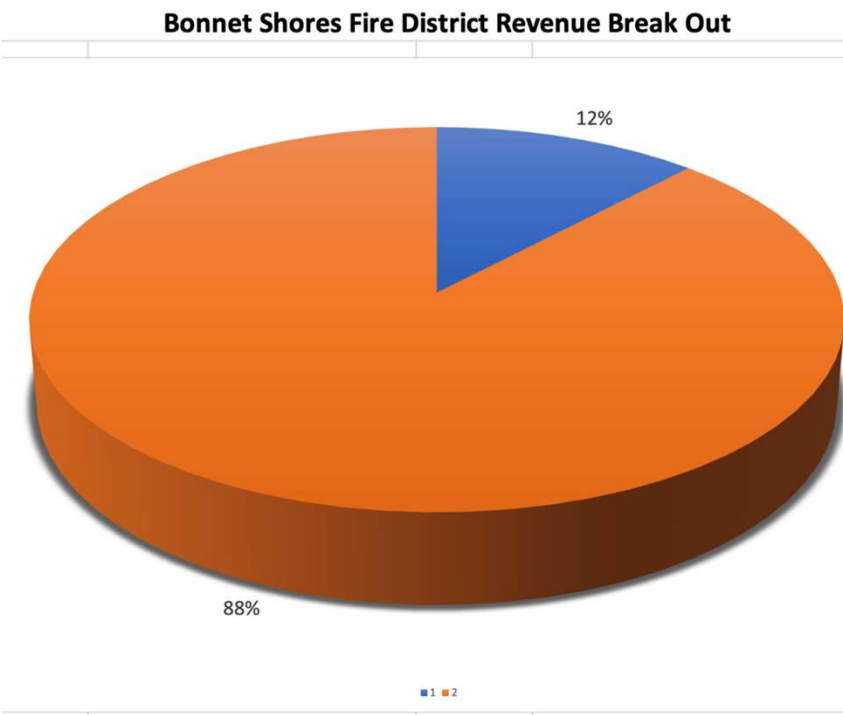
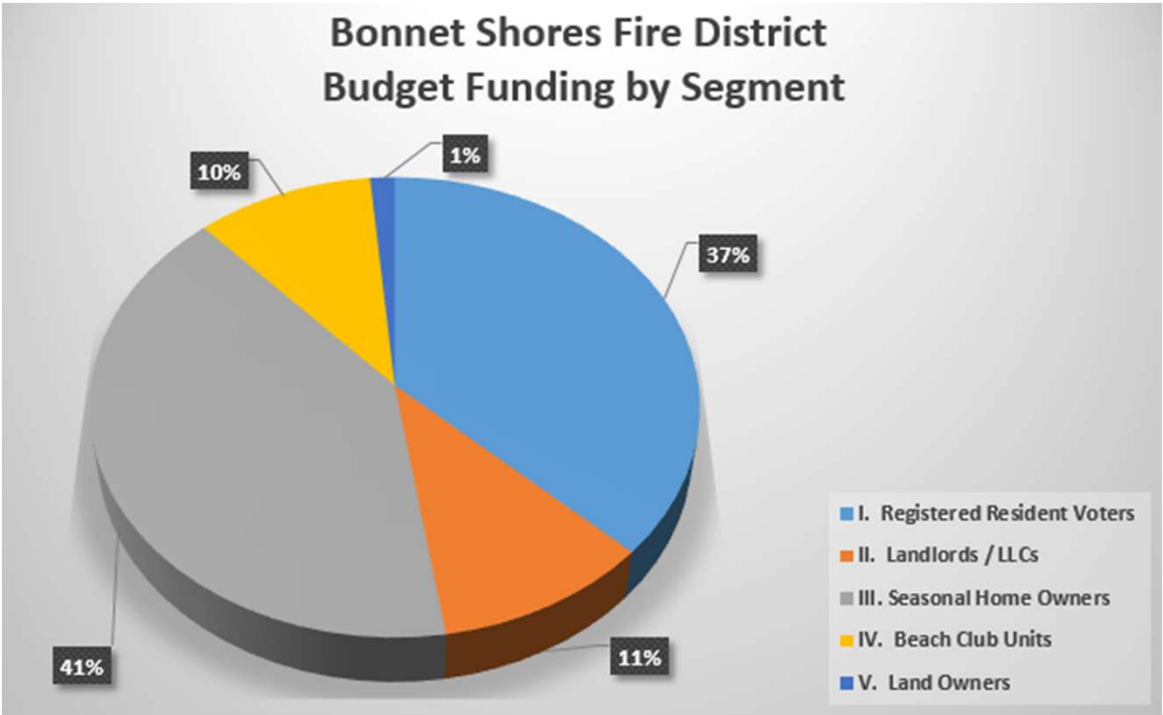
Pay \$37 annually in taxes and split that taxes between 4 families which is \$9.25 annually in taxes for 8 votes
Visit their 4 x 4 foot locker in the summer only
Have FOUR or FIVE votes in an election

*These numbers have been calculated according 2024 Narragansett Town Tax Role. Combination homeowners and Beach Club owners have been "counted" as homeowners"

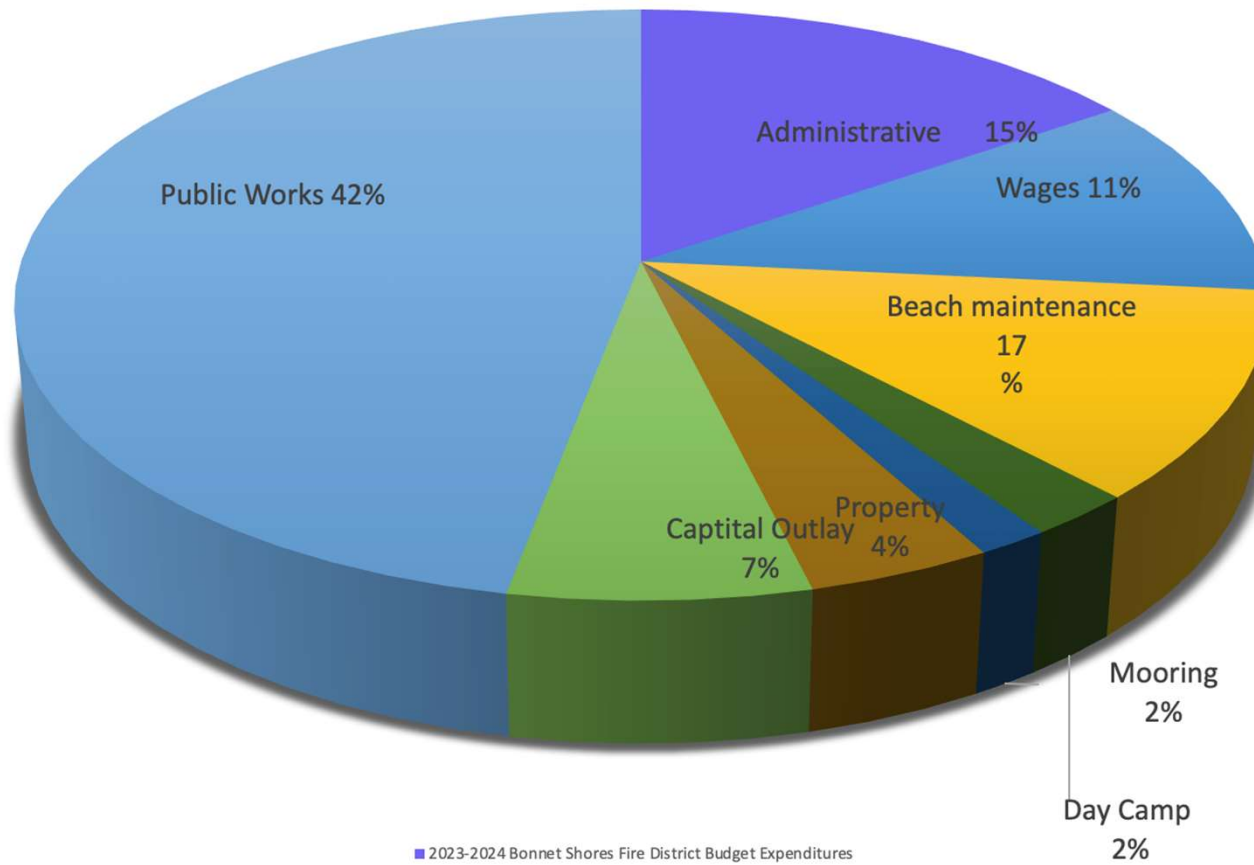
Resulting Situation Over time

Due to the “condominium” structure of the club and the outdated \$400 property clause in the charter, the beach club **eligible** voters now outnumber homeowners. The potential for that number to grow could be near 4:1 based on the possibility to split the beach club deeds into multiple memberships of 4-8 people depending on the unit.

These same beach club unit owners pay approximately 12% of the district’s taxes.



2023-2024 Bonnet Shores Fire District Budget Expenditures



Lawsuit and Judge Taft Decision on Dilution: Substantial Interest

March 13, 2020- Complaint filed against the BSFD in The State of Rhode Island

“ Under Count IV, Voter Plaintiffs bring their vote dilution claim against BSFD under 42 U.S.C. § 1983 as a violation of their Fourteenth Amendment rights. *Id.* ¶¶ 69-74.”

January 7th, 2022 Motion of Summary Judgement: Judge Taft Carter on Pages 40-42 of her Decision stated the following case sighting:

A legislature’s decision to expand the electorate is irrational and unconstitutional where the enfranchised voters do not have a ‘substantial interest’ in the outcome of the election. (Sixth Circuit *Duncan v. Coffee County*)

The substantial interest test developed by the Duncan Court is two part:

1. The degree to which the non-resident voters finance the relevant district
2. The voting power of the non-resident voters

January – May 26, 2022:

More evidence was needed in order to confirm the details of the demography of the voting electorate which would be costly

The Fire District, having been handed Judge Taft Carters test for dilution, settled with the plaintiffs, and the “consent judgement” was born

Allows us to extend franchise to landowners who do not reside in the fire district, **so long as the landowners as a class have a substantial interest. That is the litmus test that Taft Carter sited, setting the bar that any amendment should pass in order for it to be constitutional**

Guiding Principles : Amended Charter

- While it is impossible to please the entire community, a solution must be beneficial to the majority of constituents
- Must have general consensus of the the district
- Must pass the test of substantial interest in order for it not to be contested as unconstitutional again
- Should be forward thinking. We need to accommodate for not only current voting results, which are telling, but also the actual electorate eligibility, and to the extreme, its potential to grow.
- Should not be arbitrary, rather, it should represent a rebalance reflecting the financial interests of the various parties to avoid being contested (substantial interest test).
- Good neighbor policy – The beach and beach club are among the crown jewels of Bonnet Shores, and a good relationship is critical to our community
 - Both the beach club and community of homeowners should support one another and continue to be good neighbors and, further, it's in the best interest of both groups.
 - Maintaining the beach and culvert is mutually beneficial. If the culvert isn't cleaned out flooding would impact both the causeway and beach club parking lot and property. Debris not cleaned off the public portion of the beach would shift to the club beach over time. Access to maintain these areas by both the Beach Club and the Fire District must be part of the provision so as to not inflict hardship on either entity.

Proposed Amendment

Redistricting the Fire District to split off the land that is currently The Bonnet Shores Beach Club

Redrawing community lines is common practice among governing bodies when their communities evolve in such a way that the financial interests of that particular body no longer align with their operational interests.

Plausibility: Originally proposed as a possible solution by Senator William Sheehan, and since supported by his predecessor, Senator Alana DiMario * Copy of email supplied

What this means to Beach Club Owners

- Eliminates taxes paid to the Fire District,
- Eliminate concern of financial and operational well being of a neighborhood for which owners have no interest in
- Protects beach club owners from potential future assessments for mandatory maintenance or capital outlays

What this means for Homeowners

- Voting for governing their neighborhood and budget will be in their hands
- Increase in Tax for homeowners of 11% or \$57 per year on average - a \$57 annual investment that allows homeowners full control of what happens in our neighborhood and what happens to our significant investments is an extremely prudent investment

What this means for Combo Homeowners and Beach Club Owners

- Combination of BSFD Taxes from both entities will be less than current in many cases
- Ability to vote/govern your various interests separately without having to chose between them
- No concerns about being assessed twice for any significant maintenance or improvement projects

Proposed Amendment (cont.)

How this aligns with the guiding principles

- Considers the perspectives of all varieties of taxpayers
- The differing financial interests of the beach club and the homeowners are addressed
- Addresses the potential for increasing membership in the beach club before it happens
- Represents a non-arbitrary solution to the issue
- Good Neighbor policies must be put in effect to ensure we continue to work together to support one another and the common interests in the beach and the road

Pros Overall

- Cleanest solution – separates two entities with different interests and ends the community conflict
- Doesn't disenfranchise voters, it legally redefines the neighborhood to align each region with owners that have common interests.
- Non arbitrary solution
- Restores harmony and good will to our community!

Proposed Amendment (cont.)

Potential Cons

- Adds tax burden to existing homeowners
 - The possibility of ongoing litigation regarding this issue could easily eclipse the cost of taxes not paid by the beach club
- ***What else? Subject to further discussion during Q&A***

Implications to current beach club relationship and services

- No need for this to change our harmonious relationship – we're still neighbors and need each other and both benefit from a supportive relationship and should discuss how services would be performed going forward and how we would support one another to ensure the future success of our collective community.
- Mutual accessibility to the culvert/roads/beach for maintenance will need to be addressed within the Charter
- Question: Are there any potential issues with the beach club obtaining federal funding or grants if not part of the Fire District?
- ***What else? Subject to further discussion during Q&A***

Thank You !