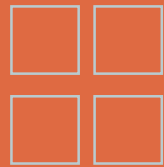
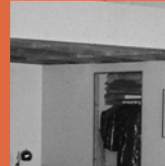
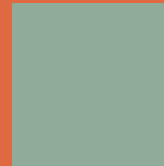
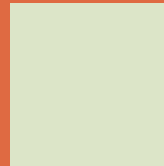
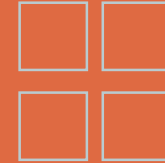
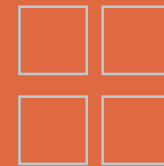
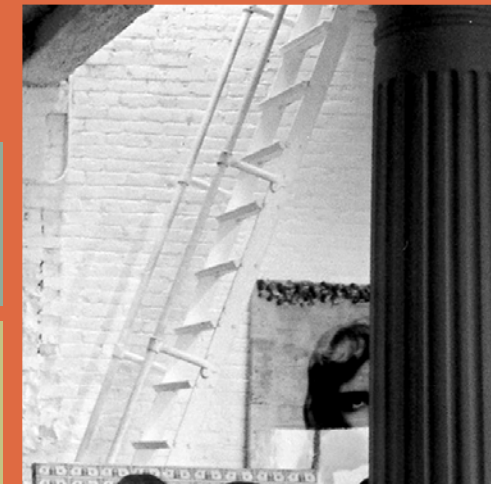




Delaware Valley Regional Planning Commission

JULY 2004



ASSESSMENT
of the POTENTIAL ROLE
of LIVE/WORK
DEVELOPMENT
in CENTERS



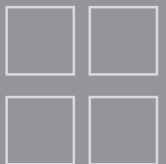
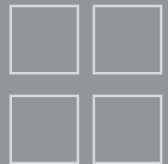
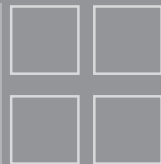
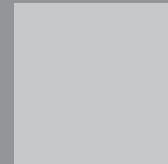
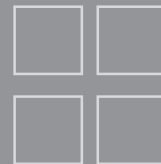
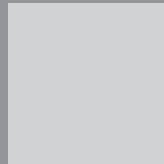
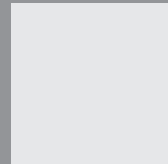
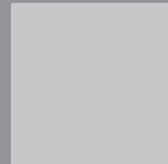
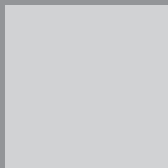
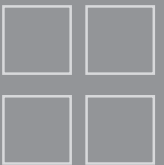
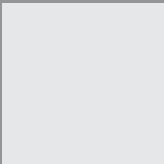
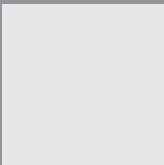
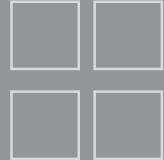


Delaware Valley Regional Planning Commission

JULY 2004



ASSESSMENT
of the POTENTIAL ROLE
of LIVE/WORK
DEVELOPMENT
in CENTERS



Created in 1965, the Delaware Valley Regional Planning Commission (DVRPC) is an interstate, intercounty and intercity agency that provides continuing, comprehensive and coordinated planning to shape a vision for the future growth of the Delaware Valley region. The region includes Bucks, Chester, Delaware and Montgomery counties, as well as the City of Philadelphia in Pennsylvania and Burlington, Camden, Gloucester and Mercer counties in New Jersey. DVRPC provides technical assistance and services; conducts high priority studies that respond to the requests and demands of member state and local governments; fosters cooperation among various constituents to forge a consensus on diverse regional issues; determines and meets the needs of the private sector; and practices public outreach efforts to promote two-way communication and public awareness of regional issues and the Commission.



Our logo is adapted from the official DVRPC seal and is designed as a stylized image of the Delaware Valley. The outer ring symbolizes the region as a whole, while the diagonal bar signifies the Delaware River. The two adjoining crescents represent the Commonwealth of Pennsylvania and the State of New Jersey.

DVRPC is funded by a variety of funding sources including federal grants from the U.S. Department of Transportation's Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), the Pennsylvania and New Jersey departments of transportation, as well as by DVRPC's state and local member governments. The authors, however, are solely responsible for its findings and conclusions, which may not represent the official views or policies of the funding agencies.

TABLE OF CONTENTS	
EXECUTIVE SUMMARY	1
CHAPTER 1	
INTRODUCTION	7
Study Process	8
DEFINING LIVE/WORK	8
Important Notes on Live/Work Relevant to this Report	10
BUSINESSES OPERATING IN LIVE/WORK ENVIRONMENTS	11
BASIC CHARACTERISTICS OF LIVE/WORK	13
CHAPTER 2	
THE VIABILITY OF LIVE/WORK IN THE U.S. AND DELAWARE VALLEY	17
CASE STUDIES	20
Peekskill Art Tech Lofts	21
Walter Baker Lofts	23
Miles & Generalis Lofts	25
The Mills at East Falls	27
249 A Street and 300 Summer Street	29
CHAPTER 3	
BENEFITS OF LIVE/WORK	33
DRAWBACKS OF LIVE/WORK	37
CHAPTER 4	
SUPPORT FOR LIVE/WORK DEVELOPMENT	41
Planning Actions	41
Informational Marketing	43
Technical and Financial Support	44
ZONING CODE ISSUES RELATED TO LIVE/WORK	47
CONCLUSION	57
BIBLIOGRAPHY	59

TABLES

1: Variations of Home-Based Businesses	9
2: Potential Live/Work Businesses	12

APPENDIX

A: Philadelphia Mt. Airy Business Association Small Office/Home Office Survey Results	65
B: Boston Redevelopment Authority, Boston, MA Artist Live/Work Specific Design Guidelines	67
C: City of Peekskill, NY Zoning Code Pertaining to Artist Live/Work	69
D: City of Emeryville, CA Zoning Code Pertaining to Live/Work	74
E: City of Berkeley, CA Zoning Code Pertaining to Affordable Live/Work	80

EXECUTIVE SUMMARY

Mixed-use development has become an increasingly popular option for revitalizing and establishing new communities across the country. One type of mixed-use whose appeal and application have grown in concert with the concept of mixed-use is live/work. **Live/work is basically defined as a unit or building/property that provides distinct spaces for an occupant to reside and to work.** The purpose of this study is to adhere to and promote the priorities outlined in DVRPC's adopted Year 2025 *Land Use and Transportation Plan* through the encouragement of mixed-use development in the region's existing or emerging urban and suburban centers. This study will provide an overview of live/work, examine its impacts, benefits and drawbacks, address issues related to zoning and consider methods which can be applied to influence its development and success. Distinctions pertaining to the Delaware Valley region will be pointed out and explored, and case studies and zoning ordinances from other regions of the country will be presented.

Some common and restrictive misconceptions about live/work prevail due to the limited exposure a large majority of people has to this type of mixed-use. The following statements are intended to help dispel these misconceptions, as well as provide some basic, general descriptions of live/work:

- Live/work exists in various housing types and configurations;
- They are equipped with bathroom and kitchen facilities, as in residence-only units;
- Businesses in live/work units may need to adhere to building codes beyond those necessary for residences;
- Developments tend to be strategically located near public transit and in or near town centers; and
- Live/work units are not exclusive to a particular price range or to tenants of a particular economic status.



Above is the interior of a former warehouse before its conversion into live/work space.

Home-based businesses accounted for 52 percent of all small firms and comprised 11 percent, or \$314 billion, of total receipts in 1992 in the United States (Pratt, *Homebased Business: the Hidden Economy*; 1999). According to the Census Bureau's Journey to Work data, the nine-county Delaware Valley region fell short of the national percentage, 2.9 percent compared to 3.3 percent, of people who worked at home in 2000. However, this is a 0.6 percent increase in the region of at-home workers from 1990 to 2000 at a time when the country as a whole experienced a 0.3 percent increase. The growing popularity of home-based businesses in the Delaware Valley is evidenced in the establishment of the Small Office/Home Office (SOHO) group, an outgrowth of the Mt. Airy Business Association in Philadelphia. The purpose of this group is to provide networking opportunities and support to small business owners who operate from their homes as well as from other spaces.

An assortment of live/work developments in the northeastern United States were selected as case studies to demonstrate building rehabilitations and new constructions, rental- and owner-occupied and affordable to luxury units. The developments also describe various initiation efforts by different parties, processes and means by which each development was completed. The Art Tech Lofts in Peekskill were selected by New York State as a demonstration home-ownership project that would create workspaces within affordable housing through new construction. The Walter Baker Lofts in Boston were developed under the Massachusetts Historic Curatorship Program, whereby underutilized historic properties owned by the State are granted long-term leases to "curators/tenants" in exchange for their rehabilitation and reuse. Miles & Generalis, Inc. holds the distinction of developing the first live/work loft condominiums in Philadelphia in 1983. Another private development in Philadelphia, the Mills at East Falls, a mixed-use "community," acknowledges that an interconnection of different elements, rather than residential or commercial alone, is needed to revitalize a neighborhood. Lastly, the units at 249 A Street and 300 Summer Street in Boston are the only artist-owned live/work properties in the Fort Point section of the city that is experiencing a tremendous amount of development, pushing out artists that have rented their spaces.

When asked to list the benefits and drawbacks of live/work, a common thread of answers is received from planners, developers, property managers, tenants and municipal officials who pursue live/work development in their communities. Among the benefits cited are: by living on the same property that one works, commuting is non-existent; a better balance of one's professional life and personal life can be achieved; occupants invest financially and emotionally into a community; live/work boosts the economic development of the communities where they are located; they may serve as transitional development between residential areas and commercial and/or industrial areas; live/work, by its nature, encourages environmental friendliness; and occupants can benefit financially from residing and operating businesses in live/work units. Among the drawbacks cited are: operating a business on the same property in which one lives may become isolating for some people; tenants of affordable live/work may risk the possibility of being priced out of their units; live/work developments that crop up in industrial zones may end up displacing the primary use that was originally intended for these districts; and noises that are normally linked to the operations in industrial zones may become a source of complaint by new live/work occupants.

Support for live/work development may be through planning actions, informational marketing and technical and financial assistance. Recommended steps that municipalities and other entities can take in order to build and maintain support for live/work include: encourage the evaluation of live/work development through the municipality's comprehensive plan; assess and designate areas in which live/work and the neighborhoods in which this type of mixed-use development is located can mutually benefit from one another; establish user-friendly guidelines for the development of live/work units; foster ongoing communication and reciprocity of information among the municipality, local business and community associations, landlords and developers, existing and potential live/work occupants and other affected groups; create and coordinate the multitude of existing governmental technical and financial assistance from housing, economic development, brownfields, redevelopment and historic preservation resources; and create incentives for developers to include affordable live/work units as part of their projects.

The growing consideration and implementation of live/work throughout the country attest to its reemerging popularity. While statistical evaluations are extremely limited thus far, general favorable consensus by those planning, developing and living in live/work units indicate the value of live/work as a viable type of mixed-use that may help to strengthen the social, economic and environmental structure of a community. With an increasing number of people working at home, it would be worthwhile to develop more concise explorations and initiatives for live/work development in individual communities in the Delaware Valley region.





CHAPTER 1...

INTRODUCTION

Mixed-use development has become an increasingly popular option for revitalizing and establishing new communities across the country. While mixed-use is not new, a shared, conscientious interest in this type of development by different parties has been building in recent years. Planners, developers, municipal officials and citizens at large are returning to the centuries-old utilization of mixed-use as a solution for their deteriorating downtowns and town centers. This development concept is also being employed to create new nodes of activity where land has been unutilized or underutilized in suburbs.

One type of mixed-use whose appeal and application have grown in concert with the general idea of mixed-use is live/work. **Live/work is basically defined as a unit or building/property that provides distinct spaces for an occupant to reside and to work.** The most universally recognized form is artist live/work, which is commonly associated with large cities such as New York and San Francisco. Though live/work is not as widely understood and still relatively embryonic in most areas of the country, a growing number of smaller municipalities have begun to explore the possibility of live/work for artists and non-artists in their communities. Some municipalities have already fostered and implemented live/work development as a tool to revitalize their communities.

This study stems from the implementation agenda defined in DVRPC's adopted *Year 2025 Land Use and Transportation Plan*. Its components are a result of DVRPC's collaboration with the region's citizenry and different governmental entities, including its nine-county planning agencies, the New Jersey and Pennsylvania departments of transportation, public transit authorities and elected officials. The Plan acknowledges the region's future development priorities as encouraging revitalization in designated centers; reducing sprawl and managing growth within these centers and along transportation corridors; focusing infrastructure investment; enhancing community character; and reinforcing places of concentrated employment and economic development opportunities.

The purpose of this live/work study is to adhere to and promote these priorities through the concept of mixed-use development in the region's existing or emerging urban and suburban centers. This study will provide an overview of live/work, examine its impacts, benefits and drawbacks, address issues related to zoning and consider methods which can be applied to influence its development and success. Distinctions pertaining to the Delaware Valley region will be pointed out and explored, and case studies and zoning ordinances from other regions of the country will be presented.

Study Process

The final report for this study derived from a combination of ongoing tasks. The three major tasks were: (1) interviews and site visits with developers, municipal officials, occupants of live/work and representatives of artists organizations; (2) review of articles, municipal documents and reports and other related materials via internet websites, newspapers and other published sources; and (3) outreach to and feedback from local municipal, county and state officials. In addition, an informal survey of members of a local small business/home office organization was administered. DVRPC's Regional Housing Committee (RHC) served as the study's Steering Committee. It is composed of representatives from governmental agencies, non-profits and associations related to housing, community development and planning. Presentations and updates on study progress were presented to the Steering Committee, and their review comments were incorporated into this report.

DEFINING LIVE/WORK

It is not unusual for the term "live/work" to be interpreted differently from one person to the next or to be used interchangeably with terms for related uses. To clarify the definition of live/work for the purposes of this study, it is helpful to distinguish the different variations of home-based businesses. **Table 1** below lists the basic terminologies used to classify these types of businesses along with their more widely regarded definitions and attributes. The associated zoning districts in which each type is generally permitted or found are also provided.

TABLE 1: Variations of Home-Based Businesses

Type of Home-Based Business	General Description	Generally Allowed Zoning District
Home Occupation	<p>The business activity that transpires is incidental to the dwelling, occupying 25 percent or less of the total floor area. A dedicated workspace may or may not be provided for the operation of the business. The type and intensity of business allowed as a home occupation is intended to present no outward intrusions to the residential nature of the community. In the same vein, employees are normally not permitted by zoning, restricting work to just the resident(s) of the dwelling, and customers/clients are also usually prohibited or limited to appointment-only visitations.</p>	Residential
Live/Work	<p>The business component of live/work comprises a greater portion of the dwelling than home occupation, taking up 25 to 50 percent of the total floor area. A workspace is dedicated to the operation of the business. The type and intensity of business allowed depends on the zoning district. Impacts, including noise and odor emission, in residential districts should be minimal. A limited number of employees may be permitted, as may customers/clients with regulated hours.</p>	Residential/ Commercial/ Mixed-Use and Light Industrial
Work/Live	<p>The business component of work/live is the dominant use of the dwelling, comprising over 50 percent of the total floor area. As with live/work, a workspace is dedicated to the operation of the business. The type and/or intensity of business allowed, however, are less circumscribed, but may vary based on the zoning district. Employees and customers/clients may also be permitted.</p>	Commercial/ Mixed-Use and Industrial

Source: DVRPC (2004)

As Table 1 is read in order, the parameters for each type of home-businesses are expanded and less restrictive. The most limiting and most familiar home-based businesses are home occupations. Many municipalities already allow for this activity through their zoning ordinances, often by special exception through the Zoning Hearing Board. Due to these factors, the primary focus of this study is not on home occupations, though aspects of home occupations that overlap and contribute to the topic are discussed in this report.

Live/work and work/live, in contrast, although never completely abandoned, are resurfacing as burgeoning concepts and modern alternatives for economic development and community building. Their impact is greater than home occupations, as the physical workspaces are larger, the businesses are more varied, and employees and customers are usually better accommodated. This study proposes that these “new” concepts are worth further exploration to help carry forth the policy agenda of the *Year 2025 Land Use and Transportation Plan*.

Important Notes on Live/Work Relevant to this Report

Before proceeding, a few points need to be explained about the live/work concepts focused upon in this study. Two of these points are important to the level of impact they may have for municipalities and for DVRPC’s plan implementation agenda. The last point deals with the semantics of the name given to describe this type of space.

First, it should be assumed that the occupants of live/work described in this study utilize both the residential and work spaces, as opposed to leasing or subleasing one portion of their live/work units. While this conveyance of space may be permissible, it would eliminate the uniqueness and negate the benefits (outlined later in this report) that are associated with living and working on the same property. The result would be contrary to the goals of the Year 2025 Plan, as well as the purpose of this study.

Second, more attention is directed toward live/work projects that involve the development of multiple units, as opposed to single units. Due to their numbers, these projects create a greater impact on the communities in which they are located. This is

not, however, intended to discourage or diminish the importance of individual live/work units. Many of the descriptions in this report are applicable to individual units, and many of the recommendations may be used to aid in their establishment and various other needs.

Third, it should be noted that the term “work/live” is less recognized than “live/work” and that most municipalities do not make terminological distinctions between the two. To minimize redundancy and facilitate readability, this report will also utilize “live/work” to encompass both types of home-based businesses.

BUSINESSES OPERATING IN LIVE/WORK ENVIRONMENTS

An extensive range of businesses may operate within live/work environments. The increased accessibility to advanced telecommunications has allowed more people of different occupations to work from their homes and has contributed to live/work’s growing popularity. Each municipality needs to decide on the businesses that would be best suited for their community and the particular location in which live/work will be permitted. A good starting point would be to review the zoning ordinance’s current permitted businesses by district and assess the types that would most help to create or strengthen the kind of energy and economic foundation the municipality is encouraging in the area. As these businesses are already allowed, they would less likely meet with resistance from existing residents and businesses. However, a municipality should not forgo the consideration of new businesses for live/work, particularly if they complement the current businesses and/or if they are in a depressed area where new economic initiatives are much needed.

Table 2 provides a representative cross-section of businesses that may be supported by live/work; it is not meant to exclude other types of businesses that may be appropriate for individual municipalities and locations.



A clothing business operates from this live/work unit, providing individualized service.

TABLE 2: Potential Live/Work Businesses

Art, crafts, music studios and galleries
Healthcare and law practices
Accounting and financial services
Information technology services
Architectural and engineering services
Other consultant services
Desktop publishing
Incubators
Daycare
Retail businesses: gifts, clothing, home and garden, etc.
Food-related businesses: groceries, cafes
Personal services
Small-scale product assembling and finishing
Light industrial

Source: DVRPC (2004)

Businesses that are typically not allowed in live/work spaces, particularly in districts where residential uses are the main concerns, include auto body shops, liquor sales, pet shops and kennels, funeral homes, arcades and adult entertainment. As indicated in Table 2, the emission of noise and odor as well as other pollutants above permissible levels may preclude some businesses from being considered as live/work candidates in more sensitive districts. The health and safety of live/work occupants and their employees also need to be taken in consideration through such measures as ventilation standards and appropriate distance between living spaces and the work

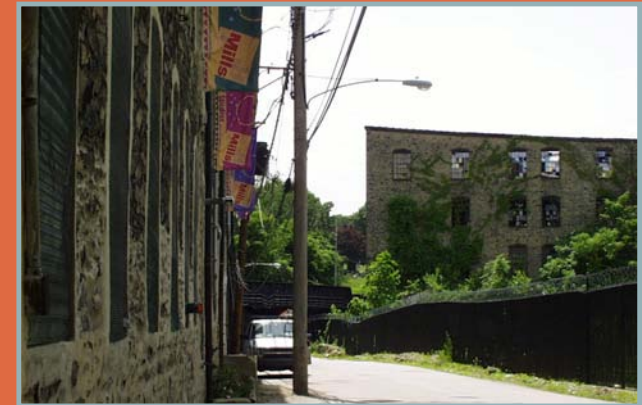
activities that emit such offenses. Loading activities is another factor that may distinguish different types of live/work appropriateness for certain locations.

BASIC CHARACTERISTICS OF LIVE/WORK

Live/work is characterized by a number of factors, including the businesses accommodated, location, physical space, architecture and zoning. This, in effect, can create a diversity, rather than a rigid standardization, of live/work structures and environments. However, some common and restrictive misconceptions about live/work prevail due to the limited exposure most people have to this type of mixed-use. The statements below are intended to help dispel these misconceptions, as well as provide some basic, general descriptions of live/work. All of the descriptions assume the establishment of zoning that permits such a use. The specifics of this permission may vary from one municipality to another.

Lofts may, but not necessarily, house live/work uses. Quite often, lofts are used for a single purpose, either residence-only or work-only.

Live/work does not solely exist in rehabilitated warehouses, i.e. lofts, but rather in various housing types and configurations. The inherent elements of former warehouses (weight-bearing floors, large windows and open floor space) do provide the ideal conditions for certain types of live/work (artist live/work). Essentially, however, any type of housing that is in code-compliance, including new construction, can serve as combined living and working quarters, given adequate square footage. Furthermore, the two uses may be in the same unit, under one roof but in separate units or in different structures on the same lot. An example of the latter is a freestanding structure built or converted into a workspace on the property of a single-family dwelling. The floor level on which live/work is located may also vary. Typically, though, businesses that serve a walk-in clientele will be located on the first level of a building.



Buildings that once served as warehouses or other industrial uses make ideal artist live/work spaces, as they offer large windows for natural sunlight to filter through, high ceilings for art work of different sizes and weight-bearing floors for heavy equipment.

Live/work units are equipped with bathroom and kitchen facilities, as in residence-only units. Due to the size and type of business, publicly accessible bathroom facilities may be required under the Americans with Disabilities Act (ADA) and local ordinances.

Businesses in live/work units may need to adhere to building codes beyond those necessary for residences. Some businesses entail work that may require enhancements, such as better ventilation and stronger electrical power, for the purposes of job performance and the health and safety of everyone working and residing in the units. For example, artists using certain materials or working by certain methods will need more efficient air circulation than occupants of residence-only units.

Live/work developments tend to be strategically located near public transit and in or near town centers, consequently helping to alleviate negative environmental impacts. Convenience for the occupants and their clientele is a key attribute that contributes to the attractiveness and success of live/work. Furthermore, the presence and quality of train and bus service and shopping options can have a direct relationship with the level of reliance and ownership of private automobiles. With less motorized vehicles on the road, less stress is placed on the environment.

The occupancy of live/work may be through rental agreements or ownership. Furthermore, as with residence-only dwellings, condominiums and cooperatives are alternative forms of occupancy that may house live/work.

Live/work units are not exclusive to a particular price range or to tenants of a particular economic status. The cost of live/work ranges from affordable to luxury, catering to those with limited or unrestrained income. Typically, luxury live/work is marketed as part of the “upwardly mobile urban professional” lifestyle and is unhindered by regulated price restrictions. Units that are affordable usually require tenants to fall below an income threshold or to agree to an imposed limitation on the price their units can later be sold. Without enforcement of these restrictions, the affordability of these live/work units is endangered. In places where desirable space is tight, it is not uncommon for tenants to be priced out of their units and for the units to be converted into single-use occupancies.





CHAPTER 2...

THE VIABILITY OF LIVE/WORK IN THE U.S. AND DELAWARE VALLEY

As previously mentioned, the consideration, application and support of live/work to strengthen deteriorating downtowns and town centers are on the rise. A significant sign of its growing popularity was a showcase of live/work homes created by leading architects Duany Plater-Zyberk & Company, builders Beazer Homes and Builder Magazine at the annual International Builder's Show in 2001. Beyond non-quantifiable indicators, however, an attempt can be made to statistically render a picture of live/work using the numerical data available. It is important to note that this type of data is very limited and may sometimes encompass the broader home-based business situations, including home occupations and telecommuting. The statistical information used below was selected as it most narrowly defines home-based businesses, and, thus, is most relevant to live/work. The time span of the sources range from the 1997 economic census and its supplemental Characteristics of Business Owners Survey (CBO), which represent business activity conducted in 1992, to the 2000 census. Most likely, some changes have occurred since the data were collected. The 2002 economic census on home-based businesses was not available at the time of the writing of this report.

Home-based businesses, defined through the CBO as "a business that is conducted in or out of the home with no other headquarters location," accounted for 52 percent of all small firms and comprised 11 percent, or \$314 billion, of total receipts, or total sales before deductions, in 1992 in the United States (Pratt, "Homebased Business: the Hidden Economy"; 2000). Of these businesses, 40 to 44 percent spent \$5,000 for their start-up costs, while 25 percent spent \$5,000 to \$25,000. By comparison, the start-up costs for 25 percent of non-home-based businesses were over \$25,000. More than half of the home-based businesses remained in operation for at least five years; those that folded did so due to financial constraints. The average receipt was \$40,000 for home-based businesses.

As an additional follow-up to the economic census, the U.S. Census Bureau conducted a Survey of Income and Program Participation (SIPP) in 1997. "Home workers," or "those who worked exclusively at home (i.e., every day they worked, they

worked at home)", were compared with two other groups, those who did not work at home and those who alternated between working at home and elsewhere. Home workers comprised 4.8 percent, or 6.4 million, of the 132.7 million U.S. workers. Demographically, 26 percent of home workers were under 35 years old, while 46 percent were at least 45 years old. Fifty-four percent were female, and 38 percent of all home workers earned bachelor's degrees. Occupationally, those classified as executive, administrative, managerial and professional workers constituted, with 40 percent, the greatest majority of the home workforce. Technicians and salespeople were a distant second, with 16 percent. The two least represented classifications of home workers, those who work as operators, transportation and laborers and those who perform precision production, craft and repair, made up 5 percent each of the home workforce. Of the three groups surveyed, home workers were least likely to reside in metropolitan areas. While factors were not given in the SIPP report, one may conjecture that single live/work units in non-urbanized areas may have contributed to this survey finding. Additionally, those who live outside of metropolitan areas are less likely to live within a reasonable distance from standard places of work and, thus, would proportionally have a greater percentage of home workers. This does not, however, diminish the significance of the recent concerted growth and the related benefits of live/work developments in urbanized areas.



Live/work units may be finished or raw spaces. This unit depicts a partially finished space.

While the SIPP survey provides valuable insight on home workers on a national scale, a separate set of data is needed to draw a comparative sketch of the Delaware Valley region. The Journey to Work data from the Census Bureau's Profile of Selected Economic Characteristics allows a measurement of people who work at home locally and nationally. According to this source, the nine-county Delaware Valley region fell short of the national percentage, 2.9 compared to 3.3, of people who worked at home in 2000. The percentages of the four New Jersey counties and the five Pennsylvania counties mirror their respective states on the whole, with 2.7 percent in New Jersey and 3.0 percent in Pennsylvania. (The SIPP and Journey to Work data need to be examined independently, otherwise it may falsely appear that the percentages of people who worked at home have dropped from 1997 to 2000. In actuality, the data collected were taken through different sets of surveys, resulting in incomparable numbers. Utilizing previous Journey to Work data, as an example, the

Delaware Valley region experienced a 28.3 percent increase of at-home workers from 1990 to 2000 while the U.S. experienced a 22.8 percent increase.)

The growing popularity of home-based businesses in the Delaware Valley is evidenced in the establishment of the Small Office/Home Office (SOHO) group, an outgrowth of the Mt. Airy Business Association in Philadelphia. The purpose of this group is to provide networking opportunities and support to small business owners who operate from their homes as well as from other spaces. Since its inception four years ago, about 200 people have attended its monthly meetings, with an average of 20 members per meeting. New attendees continue to join the group, from the Mt. Airy area and beyond. Exchanges center around issues pertinent to individual members and the group as a whole. Speakers are scheduled to provide technical information and motivational discussions, with such topics as “Management of Financial, Tax, Sales and Productivity Data,” “Maximizing Technology for Small Businesses and Individuals,” “Using Public Relations to Market Your Business” and “Professional Business Etiquette.”

DVRPC conducted a brief survey of the attendees of a SOHO meeting during the summer of 2003. Of approximately eighteen attendees, twelve operated businesses from their homes while two have plans to set up businesses in their dwellings. Although ten of the twelve businesses take up 25 or less percent of space in each home, they illustrate the desire people in this region have to work from home. There is also the possibility that the owners may expand their workspaces to accommodate future business growth. The two businesses that currently utilize between 25 to 50 percent of their homes have been in operation for 4 and 7 years, respectively. Seven of the remaining ten businesses have been in operation for 2½ years or less. The types of home businesses owned by the SOHO attendees consist of an advertising company, graphic design and website design services, public relations firm, photography studios, insurance sales, financial planning service, real estate investment firm and food vending company. Eight of the twelve owners acknowledged that their home businesses were their primary source of income. Other results of this survey will be discussed in later sections of this report. (Refer to Appendix A for a summary of survey responses.)

CASE STUDIES

An assortment of case studies, both locally and elsewhere in the northeastern United States, is presented below. New York City and San Francisco seem to be the most obvious choices to cite examples, but, on whole, they do not supply the more applicable models for the Delaware Valley region. They are far beyond the inaugural phase of live/work in their cities and, instead, are dealing with legalizing live/work that were illegally occupied, as well as other problems that have evolved through their long histories. While particular aspects of live/work in these two cities may still provide valuable lessons and will be addressed elsewhere in this report, the absence of case studies from these cities does not prohibit the inclusion of better suited examples for our region. (The last example of live/work, in the Fort Point area of Boston, does reflect some of the difficulties faced by New York City and San Francisco, but it provides a more immediately accessible illustration and lesson due to its smaller geographical scope combined with its more recent experienced struggles and persistence.)

The following live/work developments were selected to demonstrate building rehabilitations and new constructions, rental- and owner-occupied and affordable to luxury units. They also describe various initiation efforts by different parties, processes and means by which each development was completed. The two Philadelphia case studies outline ongoing developments. An overview is presented of Miles & Generalis, Inc. and their past and current efforts to establish lofts throughout the City. The description provided for the Mills at East Falls by Sherman Properties characterizes the development as it is intended upon completion. Most of the multi-unit projects found during the research were arts-related. Despite this, the case studies here may still serve as educational examples for other types of live/work. Additional information on their collective benefits and drawbacks, financial and technical assistance offered by their respective municipalities and effective zoning ordinances are noted later in the report.

Peekskill Art Tech Lofts

Location: Peekskill, New York

Developer: City of Peekskill

Completed: 2002

Description: 28 artists live/work lofts, equally divided between one-bedrooms and two-bedrooms, were constructed on a site that had been vacant for three decades. The studio spaces comprise about 51 percent of each unit, and all units are part of a cooperative. They are located in the designated Artist District in Peekskill's downtown area. Applicants for the lofts must be approved under a process that certifies them as artists and must earn a family income that is at or below the 95 percent median income limit set by the federal government's Department of Housing and Urban Development (HUD).

Public Transit Access: The development is accessible via bus and is located about a half mile from a New York Metro-North train stop.

Size and Price of Units: The one-bedroom lofts have an average of 1,300 square feet and are priced at \$89,500 to \$115,900; the two-bedroom lofts have an average of 1,700 square feet and are priced at \$118,500 to \$139,500.

Notable Distinctions: The development was selected by the State of New York as a demonstration home-ownership project that would create workspaces within affordable housing through new construction. Additionally, according to former Peekskill Mayor Fran Gibbs, the Art Tech Lofts were the first housing construction for artists in the U.S. in over a century (Seideman, "Blending creativity with commerce," June 3, 2004).

Background: The City of Peekskill made a concerted push to support traditional and digital technology-based artists and to develop an artist community in their downtown area. The city's legislative body, the Common Council, and local artists discussed the

use of the upper floors of buildings for housing opportunities 8 years ago, which resulted in a change in zoning that would provide the legal groundwork for artist housing. Besides the zoning changes, the City offers landlords “tax incentives, grants, facade improvement [assistance], and loans to renovate buildings that can be used as live-work spaces by artists” (City of Peekskill). At this time approximately 100 artists, living in various housing units, including some who had moved from New York City, have been certified by Peekskill.

The development of the Art Tech Lofts became a six year process, due to a temporary hold for budgetary reasons. The project was jumpstarted once again when the National Development Council, a non-profit community and economic development organization, restructured the financing and sought additional private funding for the project, and the City hired a new development team to work within the new budget parameters. Although Peekskill does not directly profit from the sales of the lofts, they do strengthen the City’s tax and commercial base.

The Art Tech Lofts and the Artist District are part of a larger downtown effort to attract and bolster Peekskill’s revitalization. The local Chamber of Commerce, Business Improvement District and a Blue Ribbon Downtown Revitalization Committee have contributed significantly to the downtown’s resurgence. New businesses, longer business hours, expansion of the local newspaper and ferry service to and from Peekskill testify to the results of the efforts made by public and private entities.

Another sign of the success of the current live/work lofts is Peekskill’s second venture into developing over 40 more live/work and residential units with a private developer. More than 20,000 square feet of first-floor retail will round out the project. The City is seeking financial aid from the State and County for the \$8 million development.

Assistance: The Art Tech Lofts were assisted with grants that were provided by the New York State Division of Housing and Community Renewal (\$3.7 million) and Westchester County and HUD (\$875,000 in infrastructure funds). Private bank financing (\$2.2 million) also contributed to the funding of this development. Technical assistance on financing was provided by the National Development Council.

Walter Baker Lofts

Location: Dorchester Lower Mills area of Boston, MA

Developer: Keen Development Corporation, with partner Historic Massachusetts

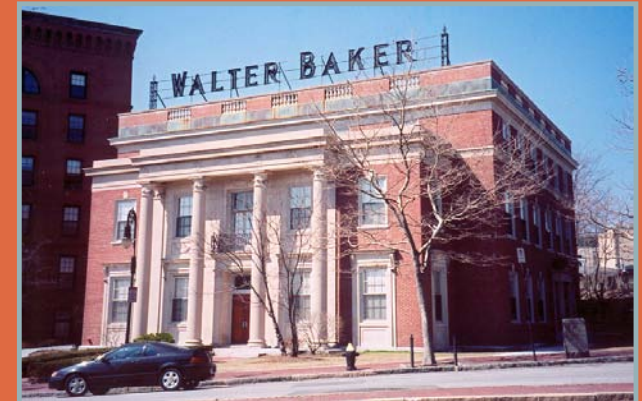
Completed: 2003

Description: The former Walter Baker Chocolate Factory building was rehabilitated to now house 13 live/work units along with an atrium serving as gallery space and two community rooms on the first floor. Tenants must be qualified as moderate-income, as defined by HUD, in order to reside and work on the premises in this working class neighborhood of Boston. Listed on the National Register of Historic Places, the building was erected in 1919 and served as the Administrative Building for the oldest chocolate manufacturer in the U.S. The building had remained mostly vacant for 40 years. It was well preserved by the State when it purchased the property in 1988, but renovation included “plaster restoration, significant repair of the historic marble staircase, restoration of the original laylight, and the replacement...of the historic windows” (Commonwealth of Massachusetts, Press Release, September 12, 2002). The built-out live/work units were designed to utilize the configuration established by the original office spaces. Construction of the \$2.5 million adaptive reuse project started in November 2001 and took about 1½ years to be completed.

Public Transit Access: The development is accessible via local subway and bus services.

Size and Price of Units: The units range from 700 to 1,000 in square feet and rent from the mid-\$900s to \$1,120 per month.

Notable Distinction: The development of the Walter Baker Lofts was part of a state program of the Department of Environmental Management (DEM). Called the Massachusetts Historic Curatorship Program, underutilized historic properties owned by the State are granted long-term leases (99 years in the case of the Walter Baker



The exterior of the Walter Baker lofts, the former administrative building for the oldest chocolate manufacturer in the country.



One of the finished units inside the Walter Baker building.

Lofts) to “curators/tenants” in exchange for their rehabilitation and reuse. The “curators/tenants” are selected through a competitive process.

Background: The Property Manager of the Walter Baker Lofts stated that Robert Kuehn of Keen Development has held a personal interest in the rehabilitation of the Walter Baker Building, having developed two other buildings in the 1980s that were part of the chocolate manufacturer’s complex and having an affinity to the area in which they are located. Mr. Kuehn’s commitment to historic preservation and housing is evidenced by his involvement with the National Trust for Historic Preservation, Massachusetts Housing Finance Agency, Community Preservation Coalition, Citizens’ Housing and Planning Association and Historic Massachusetts, Inc. His regard for the arts is visible by other live/work projects he had and is developing in the Boston area (see description of 300 Summer Street) and in Providence, Rhode Island.

Some of the initiatives enacted by the City of Boston in their support of the artist community and artist live/work in general are noted later in this report, under the section discussing Support for Live/Work Development.

Assistance: Both the DEM and the City of Boston Redevelopment Authority (BRA) contributed \$500,000 each, for a total of \$1,000,000 in grants. Funding from the DEM went toward code compliance, public safety and historic preservation improvements. BRA’s contribution helped to ensure that the lofts are affordable and occupied by City-certified artists. A mortgage loan of about \$1 million was provided by the Property and Casualty Initiative, a group of Massachusetts property insurance companies that invest in community development projects. The rehabilitation also qualified for Federal Historic Tax Credits.

Miles & Generalis Lofts

Location: Various areas, including the Loft District, of Philadelphia

Developer: Miles & Generalis, Inc.

Completed: Various years and continuing, starting in 1983

Description: The Philadelphia-based Miles & Generalis, Inc. has been at the forefront of loft development in the City since the early 1980's, converting existing buildings into habitable spaces in various neighborhoods in and adjacent to Center City. While not all their lofts are used as live/work space (20 percent of units in three of their buildings containing 99 units are used as such), the open floor plans of the units provide live/work opportunities for those who desire to take advantage of their flexibility. Some people have bought two adjoining units and eliminated the shared walls in order to create larger live/work spaces. Tenants of the rented and owner-occupied units include photographers, designers, writers, medical equipment salesmen, financial analysts and antique dealers. The units are generally condominiums that are either rented or sold.

Public Transit Access: The developments are accessible via local bus and/or subway services.

Size and Price of Units: Loft units, with a wide range of sizes, are priced at market rate, with current rentals at \$1,500 to \$2,000 and sales at \$200 to \$300 per square foot.

Notable Distinction: Miles & Generalis, Inc. developed the first live/work loft condominiums in Philadelphia in 1983 (refer to Background section for further information).

Background: Artists by training, Tom Miles and Alex Generalis ventured into loft development when both found themselves in need of larger studio spaces. When the



One of the smaller units developed by Miles & Generalis, Inc., equipped with kitchen and elevated sleeping area.

old Cigar Factory in Philadelphia's Bella Vista district was beyond their budgetary reach, they gathered a group of friends and collected \$50,000, enough, in the bank's eyes, to be a satisfactory downpayment. The 12 owner-occupied units resulted in a \$60,000 profit in 4 years.

Since that time and currently with a 4-person staff, including Mr. Miles and Mr. Generalis, the company has branched out in their endeavors. Miles & Generalis, Inc. has added a real estate arm to their company to broker loft properties, including those other than their own, while pursuing new loft conversions. The company has a small following of investors. They perform the functions of designers, construction managers, general contractors, marketers and property managers. In 2001, they helped to establish the Callowhill Neighborhood Association, which has performed neighborhood clean-ups, organized a town watch program and created a community garden.

Assistance: None of the developments received public financial aid.



The separation of uses need not be defined by physical barriers, as the business in the foreground clearly occupies a different part of the live/work unit without the constraint of a wall.

The Mills at East Falls

Location: East Falls area of Philadelphia

Developer: Sherman Properties

Development Stage: Project is being completed in phases and is partially occupied.

Description: The live/work units to be available at the Mills at East Falls are intended to be part of a larger community development that includes studios, high-end lofts, galleries, an arts and crafts educational center, day spa and gym, restaurants, retail, offices and parking. There will be 50 studios, some of which may accommodate live/work, and 26 residential lofts among the other uses on the 13-acre site. Though the development is heavily arts-related, the live/work units may also include non-artistic businesses. This is an adaptive reuse project that utilizes 32 of the late 19th century buildings that formerly housed textile factories.

Public Transit Access: The development is accessible via bus and is located less than a mile from a SEPTA Regional Rail stop.

Size and Price of Units: The live/work units will range from 900 to 2,700 square feet and are priced at market rate, \$1,200 to \$3,000 per month.

Notable Distinction: The \$10 million Mills at East Falls project is part of a larger \$30 million investment that Mark Sherman of Sherman Properties is dedicating to the East Falls neighborhood. This, in turn, is part of the \$130 million, at minimum, that has and will be spent by the City of Philadelphia and the private sector on East Falls' continuing and expected resurgence. The nature of the Mills, to a certain extent, encapsulates the theory that residential or commercial uses alone will not revitalize a neighborhood. Instead, the interconnection and complementary aspects of residences, commerce, gathering spaces, pedestrian and car traffic, parking and streetscape improvements need to be present for the overall success of a community's health.



This group of buildings is part of a large site that is being transformed into a mixed-use community, with a strong emphasis on the arts.

Background: Sherman Properties, a self-described “boutique real estate development company,” is headed by a former childhood resident of East Falls. The company had acquired the Mills site through the purchase of two adjacent lots and had completed 18 months of environmental clean up before construction began. The development is within the boundaries of an Enterprise Zone and, as mentioned previously, is part of numerous efforts by different parties to help revitalize East Falls through various types of investments.

Sherman Properties worked with the East Falls Development Corporation, Business Association and Community Council, as part of its neighborhood outreach and to build local support for the project. The Mills has received substantial media coverage amidst East Falls’ changing reputation as an emerging trendy place to live. Inquiries from potential Mills tenants have been received from as far away as Virginia, Nashville and California.

Assistance: The development has not received public financial aid.

249 A Street and 300 Summer Street

Location: Fort Point area of Boston

Developer: Fort Point Arts Community (FPAC)

Completed: 249 A Street was completed in 1980; 300 Summer Street was completed in 1995.

Description: The buildings at 249 A Street and 300 Summer Street function as limited-equity cooperatives, thereby securing the affordability of the units. The former consists of 43 live/work units and two commercial spaces while the latter consists of 47 live/work units and eight commercial spaces. The commercial uses include a gallery, café and arts-related offices. Both buildings are exclusive to various kinds of artists, such as visual artists, musicians and architects. A waiting list of over 100 people, from Boston and out-of-state, attest to the desirability of these live/work units.

Public Transit Access: The developments are accessible via local subway and bus services.

Size and Price of Units: The units at 300 Summer Street have an average size of 1,300 square feet and can cost up to about \$75 per square foot.

Notable Distinction: As the Fort Point area has recently been besieged with high-end waterfront development proposals which have jeopardized the affordability and existence of live/work units, the artists at 249 A Street and 300 Summer Street are in enviable positions. The buildings are the only artist-owned live/work properties in the area, thereby removing these artists from the consequences of those who rent. The fact that most of the land in Fort Point is owned by a few companies has also worked against those artists who rent. Although not a guarantee, the attempt to evict or refuse lease renewal to these artists may have been less effective, if a much larger number of landowners with different, including favorable, views on artists were present.

Background: The Fort Point district was mainly composed of vacant warehouses when artists started moving into the area in the mid-1970s. Illegally occupying the buildings, the artists fixed up the spaces in exchange for cheap rent, wide windows that let in large amounts of natural light, high ceilings, freight elevators and weight-bearing floors. By 1980 a group of 200 artists formed the Fort Point Arts Community with the help of a grant from the National Endowment for the Arts (NEA) and developed the cooperative at 249 A Street. A decade later a partnership between two artists, developer Robert Kuehn, a contractor and a group of banks led to the FPAC's second development at 300 Summer Street. Individuals who were interested in obtaining a space in the proposed building would be required to put down a payment of \$1,000 each. The new development came to fruition due in large part to the detailed knowledge, including financial awareness, of the people involved and their political savvy. They were able to convince others of the economic importance of their project, and the commitment they received from one community-based bank persuaded other banks to invest. Besides these two limited-equity cooperatives, FPAC had negotiated with one of the major landowners in Fort Point to lease 33 floors in 17 buildings for rental live/work units.



The artist of this unit converted the once raw open floor space into a personalized space for work and relaxation.

There are about 400 artists in the Fort Point area, making it the largest concentration of artists in all of New England. At one point there were close to 600. Due to the growing popularity of the area, including the proliferation of dot-coms, development interest started to mount in the late 1990s, as talk began about developing this "wasteland." This pressured the Fort Point artists, who had kept a low profile due to the existing illegal status of their occupancy, to be more vocal for the purposes of preserving the community they had cultivated. In mid-2002 the City of Boston helped to broker an agreement between the artists living in the rental live/work units and the landowner. By this time the City took a more active role in supporting artists, including considering the rezoning of the industrial land to permit artist live/work. The agreement allowed for the majority of the leases that were set to expire in January 2003 to be extended for at least two or three more years and for new space to be provided to artists whose leases expire prior to 2005.

The persistent uncertainty of the artists' livelihood in Fort Point has not deterred the pursuit of new live/work space. With financing from various sources, the Fort Point Development Collaborative (FPDC), a new incarnation of the local arts community and Keen Development Corporation, is in construction to create 89 new live/work units, 40 percent of which will be income-restricted, along with a 200-seat theater, rehearsal space, a cafe and arts-related office and retail spaces. Their intention is to be able to provide the spaces through a rent-to-own program. However, for those artists whose rents have been raised or refused renewal, they have left the area, and, in some cases, Boston, in pursuit of more affordable units.

Assistance: The 300 Summer Street cooperative had been assisted in its funding by Boston Community Capital and the Community Economic Development Assistance Corporation. It had also received a construction loan from the Bank of Boston and a permanent loan from the National Cooperative Bank. In the pending Midway Project, FPAC has sought pre-development CDBG funding from the City's Department of Neighborhood Development and technical assistance from Mass Development, the State's economic development authority.



As with other former industrial buildings, the high ceilings and large windows contribute to the spaciousness of this live/work unit.



CHAPTER 3...

BENEFITS OF LIVE/WORK

When asked to list the benefits of live/work, a common thread of answers is received from planners, developers, property managers, tenants and municipal officials who pursue live/work development in their communities. The answers are interrelated and pertain to commuting, transit, the environment, individual employment, finances, economic development, socialization, family and time. Most of the list below are a compilation of benefits that have been described by members of the SOHO group of the Mt. Airy Business Association, the individuals, including tenants, who are associated with the case studies from above, individuals from other live/work projects and various written resources, including national literature, reviewed as part of the research conducted by DVRPC. Some may be considered as “soft” benefits, or psychological/social by-products of live/work. It is recommended that they not be dismissed as insignificant since they convey a general consensus. It is also important to remember that, though individual benefits may apply to mixed-use in general, the benefits combined are unique to live/work.

By living on the same property that one works, commuting is non-existent.

Live/work occupants are saved from the hassles of waking up earlier than their starting work hour and dealing with commuter traffic or, for some, dealing with transferring from one transit mode to another, adding extra time to the commute.

Live/work occupants are their own bosses. They create their own goals, set their own hours and deadlines and establish their own standards of operation. In other words, they set their own rules and do not have to answer to a higher power.

Live/work occupants may spend more time with and be closer to their families.

The time that they would have otherwise spent commuting to and from work may now be spent with their families. This may create closer family relations.

Live/work allows flexibility in the time spent on different activities. By being their own bosses and eliminating their commute, their time spent working, socializing and engaging in other leisurely or personal activities can be interchanged or intertwined throughout the day. As a simplified example that was touted by a SOHO



Both the husband and wife live and work as artists in this unit. They chose to construct walls to delineate their work space from their living space.

survey respondent and others, a person can walk the dog whenever he/she desires or it is needed; this would most likely be impossible if the person is working at a different location, since the dog would still be home. This flexibility would be especially beneficial if errands that need to be done are dependent upon other people's limited hours, such as renewing a photo identification at the Department of Motor Vehicles.

A better balance of one's professional life and personal life can be achieved.

This is most applicable to those with good time management skills. It may result in a healthier psychological and physical state, as well as a healthier outlook on life. People who interact with these individuals will also benefit.

Two professions can be handled more efficiently, for those who choose to pursue more than one employment in their live/work units. Again, this is most applicable to those with good time management skills.

Occupants of live/work invest financially and emotionally into a community.

While that may also be true for those who commute to work, their commitment to the community in which they work and the community in which they reside may be significantly disproportionate. For a lot of people, where they work may only be considered a place to earn an income, rather than a community to invest; for others, if they spend most of their time at work, where they reside may only be considered a place to sleep, rather than a community to invest. As people who live and work in the same place, their commitment to their respective communities will essentially be twice as strong than if they were commuting to work. Their investments into their individual communities will include money and time spent toward their businesses, their neighbors' businesses and time spent with their neighbors, at their kids' schools, in local parks, shops and restaurants.

Live/work tends to enliven communities by generating more foot traffic and activities. In areas where only residential uses are allowed, people are usually only present traveling to and from work and walking to and from their cars into their homes. In areas where only commercial uses are allowed, places essentially become desolate and perhaps unsafe after work hours, and business revenues are most likely unnecessarily limited due to the lack of people during these hours. Live/work, given

enough units and allowable business hours, provides a “24-hour” environment. At any time of the day, the combination of activities associated with living and working in an area may be present. People may be strolling on the sidewalks, shopping, eating at the local restaurants, walking their dogs, running errands, working and resting in their homes.

Live/work boosts the tax revenues and economic development of the communities where they are located. A higher tax rate is particularly true for properties that were formerly vacant or solely residential; the commercial components of live/work units increase the municipality’s revenues through the property tax, personal property tax, employment tax and sales tax. However, offering tax incentives (i.e., reductions) would be a more effective means for a municipality seeking to actively encourage live/work occupancy, as other financial gains are stimulated through live/work. Beyond increasing municipal tax revenues, as businesses become more successful, not only do the profits from the individual establishments increase, but so do those involved in local business-to-business transactions. Furthermore, the disposable incomes of the employers and employees grow, encouraging more personal spending and, once again, greater tax revenues. Communities benefit from the profits made by and the spending conducted by live/work occupants as well as the spending by people visiting from a different locality. As for “the non-profit arts industry, with \$36.8 billion in annual revenue, [it] is a potent force in economic development nationwide” (National Governors Association, “The Role of the Arts in Economic Development,” 2001).

Live/work may serve as transitional development between residential areas and commercial and/or industrial areas. Whether as infill or as part of a larger development plan, the dual purposes of live/work help to transform the otherwise detached neighboring uses into interconnected and sometimes interactive functions.

Live/work, by its nature, encourages environmental friendliness. By eliminating the need to commute to work, overall car usage is curtailed. Some occupants of live/work even choose to get rid of their private vehicles, substituting public transit as the transportation mode of choice when needed. The reliance on public transit may also apply to the people who patronize these businesses and find it more convenient



A large desk with a partition functions as the dividing line between live and work space in this unit.

than driving for arriving at and departing from their destinations. This results in decreases in pollutants caused by car consumption and in the demand for parking spaces. Live/work helps to further support sustainable development by eradicating the development of separate land parcels for different uses, such as residential units at one location and offices at another, thus, minimizing the sprawl that would otherwise be created. Though the conversion of all, or the majority of, businesses to live/work is not advocated, it is important to point out that substantial growth of live/work can have a significantly positive impact on the environment.

Occupants can benefit financially from residing and operating businesses in live/work units. For people who already own or are planning to own small businesses, setting up their establishments in live/work units can reduce their overhead costs since some operating expenses may be shared between the two uses rather than duplicated at two different locations. Moreover, home office deductions are allowed by the Internal Revenue Service (IRS) for businesses that are primarily conducted in dwelling units and in spaces exclusively used for this purpose. Deductions may be taken on utilities, certain property items, such as computers, and some maintenance expenses, proportional to business use (Beale, "Home-Based Business and Government Regulation", 2004). A deduction may also be taken on the office space itself; however, it must be depreciated as a 39-year nonresidential real property, which results in a small deduction. In the 1999 tax year, 1.8 million taxpayers claimed a home office deduction, according to the IRS (Home Office Association of America). (Regulations pertaining to the deduction tend to be complicated, and careful review is necessary.) As with any self-employed business ventures, people who are seeking to start their first business will need to educate themselves on the associated costs. Additional savings will be accrued from occupants who have commuted to work in the past, as they will no longer need to drive in their personal vehicles or take public transit for work. For those who decide to dispose of their cars, given that the "estimated...average automobile costs \$5,000 per year to own, maintain, fuel, insure, etc." (Thomas Dolan Architecture, "Planning Issues," 2002), savings can prove quite meaningful.

DRAWBACKS OF LIVE/WORK

Along with the many benefits, there are drawbacks that are associated with live/work. Some of these drawbacks reflect opposing personal perspectives on aspects of live/work that were listed above as benefits, or, more precisely, “soft” benefits. Others are based upon the history of live/work in places where this type of development has existed for some time; as such, potential solutions or safeguards to prevent or mitigate their occurrences are included with the descriptions below. Like the benefits listed above, most of the drawbacks are a collection of viewpoints and observations by members of the SOHO group of the Mt. Airy Business Association, the individuals, including tenants, who are associated with the case studies described in this report, individuals from other live/work projects and various written resources, including national literature, reviewed as part of the research conducted by DVRPC.

Distractions may easily arise for some live/work occupants. Being in an environment where work and familial or household obligations as well as other diversions are immediately at hand may prove to be more of a challenge than convenience for some people. This problem, however, is highly dependent on an individual’s ability to focus and balance time between the number and level of activities present.

Work may become a ceaseless occupation for some live/work occupants. This potential predicament is an extension of the previously described drawback and is also dependent upon the individual’s time management skills.

Operating a business on the same property in which one lives may become isolating for some people, particularly those without employees or other family or household members. While some may find the solitude enjoyable and conducive to working and relaxing, others may be affected differently by these circumstances. Self-reminders to reacquaint themselves with the environment outside of their live/work units, including conversing with neighborhood businesses and residents, help to alleviate the isolation. In multi-unit buildings, common spaces may be available for

live/work occupants to socialize. These spaces may also serve as gathering places for interactions between live/work occupants and other involved citizens.

Tenants of affordable live/work may risk the possibility of being priced out of their units. This may be due to a higher demand for housing and/or commercial space, whereby, typically, landlords end up renting to tenants who are willing to pay more for the same units or developers buy and convert properties to market-rate or luxury housing. Cities where live/work has been a staple real estate commodity but where space and good locations are limited have and are facing these market changes. The Fort Point case study in Boston illustrates the difference between renters and owners of live/work. As development plans are being pushed forward, renters are being forced to vacate their spaces, while the occupants of the limited equity cooperatives are able to remain in their units. This is not to imply, however, that all renters of live/work will be in danger of losing their residences and workplaces. Protection of affordable live/work units can be ensured through governmental assistance (see the next section, Support for Live/Work Development) and through landlords and developers who recognize their value, as demonstrated in the case studies.

Live/work developments that crop up in industrial zones may end up displacing the primary use that was originally intended for these districts. Not all industrial and live/work uses can coexist harmoniously. To help prevent the potential conflicts that may occur over territorial issues, municipalities should reassess and plan ahead the areas in which these types of uses are best suited and amend their zoning ordinances accordingly. The establishment of live/work should not be to the detriment of viable industrial businesses that have benefited the communities in which they have existed. In some cases, live/work may need to be located elsewhere and the industrial districts may best remain solely for its original purpose.

Noises that are normally linked to the operations in industrial zones may become a source of complaint by new live/work occupants. This is related to the previously described problem of conflicts that may potentially arise between these two types of uses. Occupants will need to be aware of the pre-existing conditions of the

district into which they will be moving and the rights of the industrial businesses to conduct their operations as they have in the past. This is not to preclude the possibility of developing compromises to accommodate all the various uses. For example, written agreements may be established between live/work occupants and industrial businesses as to the rerouting of trucks and the hours of operation of these vehicles and other heavy noise-producing activities. In addition, given the more intense nature of industrial businesses compared to other kinds of industries, the work allowed in live/work units should be at least somewhat compatible to the existing industrial uses.

Businesses operating from live/work units, on the other hand, may be a source of complaint by the pre-existing population of the district. This is more likely the case in residential districts than any other district, as residents are particularly concerned about a rise in traffic congestion, parking problems and noise and odor emissions. To prevent such problems from resulting and allay people's fears, the municipality must clearly regulate live/work in its zoning code (see Zoning Code Issues Related to Live/Work). Besides addressing the specific issues of parking/loading areas and performance standards, setting reasonable parameters on the types and intensity of businesses allowed in live/work units based on existing uses will also help ensure minimal or no disruption to the daily lives of residents.

As businesses conducted from dwelling units can be easily hidden from the general view of the public, a municipality needs to be diligent in its efforts to register these businesses and ensure their compliance to building and zoning codes. Not only for tax collection purposes, but for the health and safety of live/work employees and the community. The municipality also needs to make a concerted effort in informing people of its live/work regulations. This will benefit individual live/work occupants as well, as it will make it easier for them to public promote their business, take advantage of business-related programs that may be offered by public agencies and avoid legal problems that may arise as a result of the watchful eyes of neighbors.



CHAPTER 4...

SUPPORT FOR LIVE/WORK DEVELOPMENT

In order to thrive, live/work needs the support of the municipalities in which they are proposed and located. While problems may develop, the overriding benefits of live/work make this type of development worthy of consideration. **It is important to stress, however, that live/work should not be pursued as a lone solution, but rather as part of a larger strategy for revitalization that includes other methods for economic development.** Below are recommended steps that municipalities and other entities in the Delaware Valley region can take in order to build and maintain support for live/work. They are especially applicable for affordable live/work.

Planning Actions

Encourage the evaluation of live/work development through the municipality's comprehensive plan. Since the comprehensive plan serves as the foundation from which further planning and implementation are brought forth, the idea of live/work needs to be introduced as a potentially important element in the community's future livelihood that is worth greater analytical consideration.

Assess and designate areas in which live/work and the neighborhoods in which this type of mixed-use development is located can mutually benefit from one another. Besides providing housing and workspaces where needed, the 24-hour presence of the occupants and activities of live/work helps to enliven each neighborhood's social environment and acts as a stimulus to generate other new businesses and spending in the community. At the same time, neighborhoods need to provide the underlying amenities that help encourage and sustain the success of live/work, such as reliable public transit systems and basic conveniences that prevent the need for occupants to go elsewhere for their day-to-day food, shopping and personal services.

Consider and pursue the type(s) of live/work that would be best suited and most desirable for the community. Based upon a combination of factors, such as adjacent uses, location and access, some types of live/work may be more compatible

than others for a particular area or for the municipality as a whole. One municipality may conclude that its budding artist population may grow and strengthen if the appropriate spaces to live and work were available while another municipality may determine that its recent business graduates will more likely stay in town if their entrepreneurial spirit can be nurtured through reasonably priced live/work incubator spaces. The existing businesses may also be a highly suggestive factor in determining the types of live/work businesses that should be actively encouraged. By cultivating live/work businesses that complement existing businesses, local business-to-business transactions will likely increase and an economic “niche” may be created, building a neighborhood’s reputation and luring customers. For municipalities seeking some direction, surveys may provide gauges for the level of interest and demand for live/work and the types of live/work spaces desired. The Boston Redevelopment Authority (BRA), as part of its Artist Space Initiative program, launched a major outreach effort and sent out 10,000 surveys to local artists. Twenty percent of the surveys were returned, allowing the BRA to produce a demographic profile of the respondents and to assess the housing needs and financial situation of these artists.

Update zoning ordinances to include live/work regulations. While the consideration or advocacy of live/work in comprehensive and/or revitalization plans is a step forward, the legality and permissible conditions of live/work must be reinforced through zoning regulations. (Refer to the next section, Zoning and Building Code Issues Related to Live/Work.)

Strategically dedicate a portion(s) of public property toward live/work development. These properties may be developed by the municipality or sold to a developer(s) with the explicit and written understanding that they would be for the purpose of live/work. This presents a great opportunity for the municipality to build affordable live/work units and/or require the developer(s) to set aside a percentage of the units to be rented or sold as affordable.

Institute a mechanism through which live/work units may be ensured to remain true to their purposes. Whether they were intended for a specific type(s) of live/work, for live/work in general, or as affordable live/work units, their original

objectives may be abandoned as time goes by and units are turned over to new renters or owners. A municipality must periodically verify that units that received public financing are being used as their intended combined resident and work spaces and that affordable live/work units are not being converted to market-rate or luxury spaces. As illustrated by the publicly funded developments in the case studies described earlier in this report, potential artist live/work occupants are required to pass a certification process to confirm their dedication to their professions before they can be approved for the live/work units.

Informational Marketing

Establish user-friendly guidelines for the development of live/work units. The guidelines may include a description of the pros and cons of live/work; a step-by-step outline of a municipality's approval process; discussion of matters concerning the conversion of residence-only units to live/work usage; advice on the development of and issues pertaining to affordable live/work; a primer on design and architecture relevant to live/work; and a list of resources, within and outside of the municipality, significant to live/work. (Refer to Appendix B for the Boston Redevelopment Authority's (BRA) "Artist Live/Work Specific Design Guidelines" as an example.)

Foster ongoing communication and reciprocity of information among the municipality, local business and community associations, landlords and developers, existing and potential live/work occupants and other affected groups. Not only might this approach result in an awareness of concerns and ideas between the various entities, but informal or formal partnerships may be created and technical and financial support may be exchanged for the purposes of establishing live/work units fitting the needs of the community. The BRA created an electronic database through which artists and other interested individuals can submit their contact information to receive updates of the City's arts-related programs and policies, including those regarding live/work and studio-only spaces.

Encourage business transactions between local live/work and non-live/work businesses as well as market live/work businesses to other communities. The



A developer uses simple yet professional-quality informational packages to market his private development.

former will strengthen the economic and social network of neighborhood businesses, and the latter will help capture revenue from outside sources. In either case, the customer base would be bolstered for those live/work businesses that may not be located in the most commercially advantageous areas and/or whose respective visibility may be considerably limited compared to first-floor storefronts adjacent to established routine foot traffic.

Technical and Financial Support

Create and coordinate the multitude of existing governmental technical and financial assistance from housing, economic development, brownfields redevelopment and historic preservation resources. Taken individually, each type of assistance does not address live/work specifically. However, each may play a role in the support of live/work, whether in terms of providing assistance with one of the two uses, the siting and development of former brownfield sites or the restoration of historical properties for adaptive reuse of live/work. The assemblage of assistance that may be extracted from these different resources may determine the success or failure of live/work projects. Ideally, for each applicable assistance program, governmental entities should amend their eligibility requirements in order to explicitly identify live/work as a potential benefactor.

As live/work is not commonly discussed, even under the broader and more recognized concepts of mixed-use, employee housing and reduced commutes, available assistance targeted for this particular type of development is very limited in the Delaware Valley region. The New Jersey Housing and Mortgage Finance Agency (NJHMFA), however, established the “Upstairs-Downstairs Program” in the mid-1990s that supports mixed-use as well as live/work development. Renamed the **“At Home Downtown Loan Program”** in 2003, eligible borrowers (business owners, non-profit organizations and investors) may receive partial financing at below-market interest rates to purchase or refinance and rehabilitate existing structures or to construct new structures, each consisting of one commercial unit and one to four residential units. Some flexibility regarding the proportion of commercial to residential space may be possible. The cost of the rehabilitation must be in excess of 15 percent of the after-

repaired value. There are no restrictions to income or the purchase price, but maximum mortgage requirements must be met. By September 2003, the NJHMFA closed 105 loans that totaled \$15.6 million in the state; 40 of these loans amounting to over \$5 million helped to finance buildings in the DVRPC member counties of Burlington, Camden, Gloucester and Mercer. The guidelines for this program can be located online at <http://www.state.nj.us/dca/hmfa/singfam/athome.htm>.

The Pennsylvania Housing Finance Agency (PHFA) recently launched a somewhat similar funding program, with its first round of awards announced in April 2004. The **Mixed Use Facility Financing Initiative** provides loans for the rehabilitation of the residential portion of mixed-use buildings, with the intention that this will encourage commercial lenders to commit funding toward the other portion. The no or low interest rate loan, secured by real property, would help finance development with one to 20 residences and at least one storefront unit. The property must be part of a commercial corridor and be located in an area that has suffered significant population decline, disinvestment or distress among surrounding growing suburbs. More information about the program and its eligibility requirements can be found online at <http://www.phfa.org/mixeduse>.

Other specific types of financial assistance that may be applicable to and worthwhile to consider for the development of particular live/work structures include tax incentives from the National Park Service (NPS) and the Americans with Disabilities Act (ADA). The **Federal Historic Preservation Tax Credit**, through the NPS, offers a 20 percent tax credit that may be taken toward the rehabilitation of income-producing buildings, such as commercial and residential rentals, listed or eligible to be listed on the National Register of Historic Places. Owner-occupied residential does not qualify, but the tax credit may be used toward the business portion of the unit. The cost of the rehabilitation must be greater than the value of the building prior to rehabilitation, and the business must be in operation for at least five years. More information may be found online at <http://www2.cr.nps.gov/tps/tax>. The **Americans with Disabilities Act tax incentives** consist of credits and deductions that are available for the removal of architectural barriers as well as other ADA-related equipment

acquisitions and services. More information may be found on the online fact sheet at <http://www.usdoj.gov/crt/ada/taxpack.pdf>.

Develop a combined list of public, non-profit and private resources and/or develop partnerships between governmental entities and private lenders to provide a more well-rounded pool of assistance beneficial to live/work development. As demonstrated by the case studies and review of other development projects not described in this report, affordable live/work is usually a result of cumulative efforts by governmental agencies, community-oriented lenders and foundations. Not only can the amount and type of assistance result in the success or failure of a project, it can also be the deciding factor as to whether or not a developer even considers live/work.

Create incentives for developers to include affordable live/work units as part of their projects. Besides direct monetary assistance or tax incentives, other types of allowances can indirectly generate savings and profit for developers or, at the very least, produce mutually beneficial compromises between the developer and municipality for projects that may otherwise be abandoned. Examples of additional incentives include density bonuses, flexible design standards and adjustable open space and parking requirements.

ZONING CODE ISSUES RELATED TO LIVE/WORK

For a region where live/work is generally either non-existent or rare, the inclusion of live/work in a zoning ordinance demonstrates a municipality's active role in supporting, in addition to regulating, live/work in their community. This contrasts with major cities that have implemented ordinances in reaction to and to control illegal live/work occupancy.

Various issues need to be addressed when amending a zoning ordinance to include live/work. The list that follows outlines the zoning concerns pertaining to this type of use. Although some of the issues were alluded to or mentioned earlier in this report, their importance warrants repeating and/or further explanations. Existing zoning ordinances from various communities in the U.S. are cited to provide examples of the language used and methods of addressing these zoning issues. Expanding on the Art Tech Lofts case study, Peekskill's zoning ordinance is referenced as an example, as it explicitly allows live/work in its Central Commercial District as a special permitted use. As for the other cities in which case studies were demonstrated, artists are the only occupational group given the right to live in industrial districts under Boston's zoning ordinance; Philadelphia, however, does not currently include live/work in their code (although Planning Commission staff does not rule out such standards in future revisions). (Refer to Appendices C and D for the relevant zoning codes of Peekskill and Emeryville, an urbanized area of close to 7,000 people in California.)

Purpose

State the purpose of permitting live/work in the municipality or within certain district(s) of the municipality. This forms the framework by which the type and size of live/work spaces are approved for development.

Examples:

- "Live/work quarters are intended to provide opportunities for artists and certain business people to live and work in an integrated space. Live/work quarters are intended to be permitted in buildings and locations which will add to the vitality and desirability of such buildings and locations, and improve the

residential and economic condition of those areas.” (Manchester, CT, Zoning Code)

- “...to provide appropriate housing for persons engaged in artistic endeavors; increase the supply of low-income housing, in the form of live/work units; and encourage the preservation of existing buildings...while protecting the primary uses within each zoning district.” (Emeryville, CA, Zoning Code)

Definition

Label and define live/work as it is appropriate for the individual municipality. This should be listed under the terminology section of the zoning ordinance, as it provides the reader a quick and easy reference point and becomes a prelude to subsequent inclusion of the use in the code.

Examples:

- “Artists’ Mixed-Use [is] the use of all or a portion of a building for both art use and habitation.” (Boston, MA, Zoning Code)
- “Joint living and work quarters means residential occupancy by not more than four persons, maintaining a common household of one or more rooms or floors in a building originally designed for industrial or commercial occupancy which includes: (1) Cooking space and sanitary facilities which satisfy the provisions of other applicable codes, and (2) Adequate working space reserved for, and regularly used by, one or more persons residing therein.” (Oakland, CA, Zoning Code)
- “Live/Work Unit [is] a combination of a dwelling unit and business space, such as a shop or office that is open to the public for retail trade or personal or professional services.” (Knox County, TN, Zoning Code)

Occupancy of Both Spaces

Require one tenant to occupy both the residential and work spaces of a unit so that the benefits of live/work, such as eliminating the commute to work and reducing car usage, may reach their full potential.

Example:

- “No portion of a Live/Work Unit may be separately rented or sold as a commercial space for a person or persons not living on the premises, or as a residential space for a person or persons not working on the premises.” (Berkeley, CA, Zoning Code)

Minimum Fit-Out and Amenities

Outline the necessary amenities required for the unit to function as a true live/work space. This may include plumbing and electrical installations, bathroom and kitchen facilities.

Example:

- “Each artist loft must be individually equipped with an enclosed bathroom containing a bathroom sink, water closet, shower and appropriate venting. Each artist loft must be individually equipped with a kitchen that contains a four-burner stove and oven, with a range hood vented to the exterior of the unit.” (Peekskill, NY, Zoning Code)

Permitted Areas

Designate districts in the municipality where live/work is permitted. It may also be helpful to regulate the location of the workspace in a building, depending on the customers it will attract. For example, walk-in retail benefits the most from a first-floor space facing the street, and a consulting office relying mainly on customers by appointments may do the same amount of business on a higher floor as it would on the ground level.

Example:

- “The first 50 feet of floor area depth at the street-level frontage shall be limited to the permitted non-residential use. Live/work units on the upper levels of a structure shall not be subject to this requirement.” (Riverside, CA, Downtown Specific Plan)



This small live/work unit is equipped with a kitchen suitable to its size.

Types of Businesses

List the types of businesses allowed and prohibited in each zoning district. Consider targeting a certain industry to create an economic niche and/or community, such as with artist live/work.

Example:

- “If the Adaptive Reuse Project is in the [manufacturing] zones inside the Downtown Project Area, then the Zoning Administrator shall:...limit the occupations permitted in joint living and work quarters to the following: accountants; architects; artists and artisans; attorneys; computer software and multimedia related professionals; consultants; engineers; fashion, graphic, interior and other designers; insurance, real estate and travel agents; photographers and similar occupations.” (Los Angeles, CA, Citywide Adaptive Reuse Ordinance)

Size

State the allowable square footage of live/work units and maximum percentage of space that may be dedicated to work purposes. In places where available space is restricted, the minimum square footage may be as small as 450.

Examples:

- “Each artist loft must contain a livable floor area of no less than eight hundred (800) square feet and no greater than two thousand (2,000) square feet. No more than thirty percent (30%) of the livable floor area of the artist loft may be devoted to residential space. In no event may said residential area exceed six hundred (600) square feet.” (Peekskill, NY, Zoning Code)
- “Adequate and clearly defined working space constituting no less than sixty percent (60%) (no less than fifty percent (50%) in units created by Change of Use from a dwelling unit) of the Gross Floor Area of the Live/Work Unit...If the workspace is less than sixty (60%), [less than fifty percent (50%) in units created by change of use from a dwelling unit], the unit shall be considered to be a dwelling unit and be subject to all requirements applicable to dwelling units.” (Berkeley, CA, Zoning Code)

Occupant(s)

Require licensing or certification of occupation being performed in live/work unit. Besides being a general regulatory measure, this is particularly applicable when the municipality is restricting occupancy to a particular type(s) of live/work usage.

Example:

- “The artist loft must be occupied by at least one (1) person who is registered as an artist by one (1) of the following organizations: the Westchester Council for the Arts, the Paramount Center for the Arts or the City of Peekskill.” (Peekskill, NY, Zoning Code)

Employees

Specify the number of employees allowed to work in one space during any given time. Some ordinances permit only one other worker besides the live/work occupant, while other ordinances leave that up to the discretion of the employer.

Example:

- “The business activity occupying the live/work unit may utilize employees in addition to residents as necessary.” (Riverside, CA, Downtown Specific Plan)

Hours of Operation

Regulate the daily range of hours by which businesses in live/work units located in primarily residential districts may operate. A mixture of factors need to be considered in this determination, such as whether or not customers will be coming and going, the surrounding uses and the noise level generated from the businesses. Alternatively, a restriction regarding noise level (i.e., via its decibel level and hours of occurrence) may be an adequate or better substitute for the regulation of business hours.

Exterior Signage and Illumination

Provide illumination requirements for the live/work business and maximum dimensional requirements for its commercial signage, taking into consideration the predominant use of the district. In mainly residential areas, lighting should be minimal without compromising safety and signage should be less prominently displayed than in

more commercially-oriented areas to preserve the overall characteristic of the streetscape. Sometimes the signage and illumination ordinances for the district may be equally applicable to live/work units. It is recommended that the type of material used for the signage and the type of lighting also be stated; it need not be very restrictive, but should help ensure its durability and professional quality.

Example:

- “One (1) flush-mounted nonilluminated sign attached adjacent to or near the street entrance door to the artist loft may be used to identify the artist. This sign may list only the name of the artist with a one- or two-word description of the type of artwork or craft that is to be conducted within the artist loft.” (Peekskill, NY, Zoning Code)

Handicap Accessibility

As with any other business that employs workers and accepts walk-in customers, the commercial component of a live/work unit must comply with the Americans with Disabilities Act. This includes the handicap accessibility of the bathroom. The availability of an accessible bathroom in a common area of a multi-unit building may meet this requirement.

Parking and Loading Area

A municipality’s discretion in the requirement of off-street parking and loading area should depend upon a combination of factors. These factors include the type, size and volume of business for which parking and loading area are needed. For parking, this translates into the number of customers it may accommodate at one time, the surrounding density and uses, the availability of on-street parking, the usage of existing off-street parking and access to public transit. The provision of handicap parking spaces also needs to be considered.

Examples:

- “A total of one and one-half (1.5) off-street parking spaces for each live/work unit, or one and one-half (1.5) off-street parking spaces per one thousand (1,000) net square feet, whichever is greater, shall be provided on the

property upon which the live/work unit(s) is (are) constructed.” (Emeryville, CA, Zoning Code)

■ “A minimum of one (1) off-street loading area shall be provided for every fifty thousand (50,000) gross square feet of space occupied by live/work units, up to the maximum number of loading spaces that would be required for the business activities which occupy the live/work units; except that no off-street loading area shall be required for the purposes of this section for any live/work building which contains less than five thousand (5,000) gross square feet of space occupied by live/work units.” (Emeryville, CA, Zoning Code)

Open Space/Common Interior Space

Open spaces may provide leisurely enjoyment and functionality for live/work occupants, both as residents and workers. They provide areas to play, eat, walk the dog, relax, socialize and sometimes work during the day as well as the evening and during the weekdays as well as the weekends. However, it would benefit a municipality that is encouraging live/work development to be flexible in its open space requirement, as it may deter certain projects from actualizing. A variety of factors, such as lot size and density, should be figured into the equation, and alternatives to open space should be sought if physical barriers exist. This is especially true for zero-lot line historical buildings, given the assumption that their basic structure will be restored and adapted for live/work. Indoor spaces, whether enclosed rooms or spacious atriums, may provide desirable substitutes for multi-unit projects.

Example:

■ “A minimum of forty (40) square feet of usable open space shall be provided for each Live/Work Unit. For those Live/Work projects established through change of use of an existing building, the Board may approve a Use Permit to substitute interior space accessible to all residents for the required open space in the project, if it finds that it is not practical or desirable to provide exterior open space.” (Berkeley, CA, Zoning Code)



The lobby of this private condominium of live/work units includes an art gallery and a meeting space for occupants to socialize.

Performance Standards

State the level of noise, odor, light, waste and other health-related nuisances allowable to be emitted from the business activities of live/work units. Standards may differ from one district to another, dependent upon the surrounding uses. The existing performance standards prescribed for the district, in some cases, may be maintained, as is, for live/work, preventing emissions above what had already been allowed in the area.

Example:

- “Noise and odors which are perceptible beyond the parcel line of a live/work building and which are caused by activities within the live/work building shall not be permitted to exceed the levels specified for residential districts...” (Emeryville, CA, Zoning Code)

Safety-Related Precautions

In addition to the performance standards, precautionary installations, such as smoke detectors, sprinklers, lighting and ventilation and means of egress, need to be addressed.

Examples:

- “Each live/work space above the first floor shall have access to two stairway exits...However, an existing fire escape and/or ladder may be used as one of the required exits from the upper floor of an existing building, providing that the existing fire escape and/or ladder assembly is approved by the Fire Department and the Building Official.” (Long Beach, CA, Zoning Code)
- “One or more signs or symbols of a size and design approved by the Fire Department shall be placed by the applicant at designated locations on the exterior of each building approved as joint living and working quarters to indicate that these buildings are used for residential purposes.” (Los Angeles, CA, Citywide Artist-in-Residence Ordinance)

Dedication of Affordable Live/Work Units

Encourage and/or stipulate proportional dedication of affordable live/work units by developers.

Example:

- “One inclusionary Live/Work Unit shall be provided for each five (5) Live/Work Units in the project, however there shall be no inclusionary requirement for a fraction of a unit.” (Berkeley, CA, Zoning Code; refer to Appendix for full provision on inclusionary zoning)



CONCLUSION

The multi-dimensional aspects and benefits of live/work provide one of the more worthy solutions to consider in the revitalization of the downtowns, town centers and other potential activity nodes in the Delaware Valley region. Live/work offers municipalities the chance to strengthen their economies, support small businesses and housing alternatives, reduce infrastructure costs, promote environmental sustainability, rejuvenate their sense of place and increase their quality of life. While not a solution by itself, live/work may be part of a larger revitalization strategy that supplements and complements existing and proposed businesses and dwellings and efficiently utilizes the existing and planned transportation system to establish interactive and vibrant communities.

Each municipality needs to weigh the pros and cons of live/work for their particular neighborhoods, as it may not be compatible in some locations. As explained in this report, live/work may have undesirable effects. Its benefits, however, may prove to provide a greater impact overall than its drawbacks. Some of the points brought up in the two relevant sections of this report can be considered as either benefits or drawbacks, dependent upon the individual perspectives and habits of the occupants. In cases where whole communities express legitimate concerns, possible compromises may be to adjust the intensity and types of live/work to be developed.

Among their various illustrative purposes, the case studies underscore the different ways that affordable and market-rate live/work can be achieved in regards to the people involved, the collaborations formed and the resources utilized. The development and sustainability of affordable live/work require special attention, particularly from state and local governments and the community-minded private sector. Its support may be in the form of technical assistance, direct funding, loans, tax and other non-monetary incentives, marketing, coordination and planning.

Prior to providing technical and financial assistance, however, a municipality should assert its desire for live/work through its comprehensive or master plan and establish the necessary provisions through its zoning regulations. A number of issues need to

be address in the latter. Some pertain to required safety measures and federal mandates, such as performance standards and handicap accessibility, while others outline a range of options suitable for the particular purpose of live/work in a municipality, such as types of businesses and size of live/work units. It is also through the zoning ordinance that a municipality can establish the stipulation for affordable live/work units.

The growing consideration and implementation of live/work throughout the country attest to its reemerging popularity. While statistical evaluations are extremely limited thus far, a generally favorable consensus by those planning, developing and living in live/work units indicates the value of live/work. It is a viable type of mixed-use that may help to strengthen the social, economic and environmental structure of a community. With an increasing number of people working at home, it would be worthwhile to develop more focused explorations and initiatives for live/work development in individual communities in the Delaware Valley region.

BIBLIOGRAPHY

Archambeault, Bill. "It's a Landmark Achievement for The Abbey Group," *Boston Business Journal*. September 20, 2002.

Backer, Noelle. "The Arts and Economic Incentives: Municipal and State Programs that Supports Artists," *Art Calendar*. September 2002.

Beale, Henry B. R. *Home-Based Business and Government Regulation*, Washington, D.C.: Microeconomic Applications, Inc., February 2004.

Berkeley, CA, City of. Zoning Code.

Boston, MA, City of. Zoning Code.

Boston, MA, City of. "BRA Launches Artist Space Initiative with Survey to Analyze Needs," Press Release. February 25, 2002.

Boston, MA, City of. "Mayor Menino Presents \$500,000 Check for Affordable Artist Housing," Press Release. September 29, 2001.

Boston, MA, City of. "Mayor Secures Lease Extensions for Artists in Fort Point," Press Release. June 3, 2002.

Brandt, Evan. "'Revitalizing Pennsylvania'," *The Daily Local News*. December 5, 2002.

Coleman, Sandy. "Artists head south in search of space," *The Boston Globe*. August 6, 2003.

Delaware Valley Regional Planning Commission. *Horizons: The Year 2025 Land Use and Transportation Plan for the Delaware Valley*, June 2002.

Emeryville, CA, City of. Zoning Code.

Flaherty, Julie. "Boston Artists Use Art to Fight Eviction Threats," *The New York Times*. July 7, 2001.

Half Moon Press. "Illuminating the Revival of Downtown Peekskill," *Hudson River*. December 1996.

Heavans, Alan J. "Re-creating a neighborhood," *Philadelphia Inquirer*. February 9, 2003.

Jenkins, Susan. "Housing That Works," *Builder Magazine*. September 1998.

Knox, TN, County of. Zoning Code.

Kostelni, Natalie. "Lofty urban conversions," *Philadelphia Business Journal*. November 29, 2002.

Kostelni, Natalie. "Urban Renaissance," *Philadelphia Business Journal*. August 16, 2002.

Labor Statistics, Bureau of. "Work at Home in 2001," News Release. March 1, 2002.

Long Beach, CA, City of. Zoning Code.

Los Angeles, CA, City of. Citywide Adaptive Reuse Ordinance.

Los Angeles, CA, City of. Citywide Artist-in-Residence Ordinance.

Manchester, CT, City of. Zoning Code.

Massachusetts, Commonwealth of. "Ground Breaking Ceremony Celebrates Renovation of Historic Chocolate Factory Building," Press Release. October 15, 2001.

Massachusetts, Commonwealth of. "Partners Celebrate Grand Opening of Walter Baker Lofts," Press Release. September 12, 2002.

Molinaro, Joseph R. "Live-Work Units: A New Way to Live? A New Way to Build?" *Land Development*. Winter 1997.

Oakland, CA, City of. Zoning Code.

Panaritis, Maria. "East Falls rising as new riverfront hot spot," *Philadelphia Inquirer*. September 19, 2002.

Peekskill, NY, City of. Zoning Code.

Peekskill, NY, City of. "Mayor Announces Downtown Art Tech Loft Opening," Press Release. June 7, 2002.

Peekskill, NY, City of. "Mayor Announces \$8 Million Downtown Redevelopment Project," Press Release. September 15, 2003.

Pratt, Joanne H. "Small Business Research Summary: Homebased Business: the Hidden Economy," United States Small Business Administration. March 2000.

Riverside, CA, City of. Downtown Specific Plan

Seideman, Tony. "Blending creativity with commerce," *The Journal News*. June 3, 2004.

Stone, Adam. "'New Urbanism' gains momentum in region," *Philadelphia Business Journal*. August 16, 2002.

Sullivan, Sady. "Fort Point: Boston Wharf's Profit Could Be Boston's Loss," *Weekly Dig*. February 20, 2002.

U.S. Census Bureau. "Home-Based Workers in the United States: 1997." December 2001.

U.S. Census Bureau. "Journey to Work: 2000." March 2004.

Van Allen, Peter. "Mill is reborn in East Falls," *Philadelphia Business Journal*. January 10, 2003.

Van Voorhis, Scott. "City Hall signs off on Fort Point plan," *Boston Herald*. August 1, 2003.

Webb, Amy L. "Falling Up," *City Paper*. February 26, 2004.

Zimmerman/Volk Associates, Inc. "Four Considerations for Live-Work," Fact Sheet. 2002.

aahbb.org

www.anupa.org

www.architecturalteam.com/projectbakerloft.htm

www.brickbottomartists.com

www2.builderonline.com/livework

www.cityofboston.gov/bra

www.fortpointarts.org/

www.harriesheder.com

www.libertynet.org/pvla/livework.htm

www.live-work.com

www.mgkfbrownfields.com/finassis.mv?22

www.mtairybiz.com/soho.htm

www.ne-arts.net/jamadeo-holl/artsbuilding/index.htm

www.onlinewbc.gov

www.peakskillartlofts.com

www.phfa.org/mixeduse

www.saveourstudios.org

www.sbomag.com/articals/sbo_sept01_HOMEWORK.html

www.southbostononline.com/editorials/beaconcapitaledit051701/beaconeditorial051701.htm

www.state.ma.us/dem/programs/curator/hc-fac.htm

www.themillsateastfalls.com

www.usahomebusiness.com

Interviews (in-person, unless otherwise stated):

Altepeter, Jeffrey. Bookbinder, Brickbottom Artist Building, Somerville, MA. March 25, 2003.

Baxter, Michelle. Director of Programs, Boston Center for the Arts.

Blatstein, Bart. Developer, Tower Investments. March 10, 2003.

Burbidge, Heidi. Senior Project Manager, Artist Space Initiative, Boston Redevelopment Authority. April 7, 2003. (phone interview)

Carver, Ellen. Marketing Director, The Mills at East Falls. June 16, 2003.

DeLissio, Pam. Vice-President, Mt. Airy Business Association. May 27, 2003. (phone interview)

Forte, Cheryl and Lauricella, Anita. Fort Point Cultural Coalition. March 24, 2003.

Freeman, Ben. Artist and Founder, Fort Point Arts Community. March 24, 2003.

Friedman, Jean. Planner, Peekskill Planning Department. June 10, 2003. (phone interview)

Hutt, Sarah. Director of Technical Assistance, Mayor's Office of Cultural Affairs, City of Boston. March 2003. (phone interview)

Lodi, Steve. Property Manager, Walter Baker Lofts. March 25, 2003.

Martel, Robert G. Property Manager, Brickbottom Artist Building. March 25, 2003.

Miles, Tom. Partner, Miles & Generalis, Inc. March 6, 2003.

Urbank, Douglas. Artist, 300 Summer Street, Boston. March 24, 2003.



APPENDIX

APPENDIX A

**Philadelphia Mt. Airy Business Association (MABA)
Small Office/Home Office (SOHO) Survey Results**

INDIVIDUALS WITH BUSINESS(ES) IN RESIDENCE							
% of Unit Used for Business	Type of Business	Primary Source of Income	Years	Location	Benefits	Problems	Assistance Received
25 or less	Consultant	Yes	7	Mt. Airy	Cost	Don't get away from work	Accountant, lawyer, tech support
25 or less	Advertising	Yes	0.5	Willow Grove	Easy access, no commute	Staying organized; distractions	Licenser assistance
25 or less	Website design & Public relations	Yes	5	West Mt. Airy	Less commute; own boss	Not always conducive to meeting clients; someone to be present for maintenance, extermination, plumbers, etc.	Uncle provided computer for initial setup; BizCenter at New Covenant held classes on business plans; Temple SBDC had business consulting on particular markets, legal legislations, logos/brochures/stationary design for material costs; MABA networking
25 or less	Insurance sales	Yes	0.5	Wyndmoor	Walk dogs during day	Work too often	None
25 or less	Portrait studio	No	< 1	West Mt. Airy	Convenience	None at this time	Self-financed
25 or less	Graphic design	Yes	4	Mt. Airy	Close to family; flexibility	Always on the job	None
26-49	Photography	No	7	Mt. Airy	Easy to get to work	Not enough space	None
25 or less	Financial planning & Photography	Yes	2	Mt. Airy	Can handle both professions more efficiently	Having clients come to your home; not having colleagues to talk with	Not much
25 or less	Consulting	Yes	2	Germantown	No commute	Need to remember to go outside	No answer
26-49	Food venting	No	4	Abington	Convenience; freedom; flexibility	Staying on task with all the distractions	None
25 or less	Consulting	No	2.5	Roxborough	Short commute; better balance between professional and personal life	Isolation	None
25 or less	Real estate investing	Yes	2	Mt. Airy	Time with family; flexible hours	Demands of family	None

Source: DVRPC (June 2003)

APPENDIX A (continued)

INDIVIDUALS SEEKING FUTURE BUSINESS(ES) IN RESIDENCE							
% of Unit Used for Business	Type of Business	Primary Source of Income	Years	Location	Benefits	Problems	Assistance Received
25 or less	Business communications & Consulting	No	5.5	Mt. Airy	Convenience; low overhead	Distraction; no interaction with business community	MABA; SBDC; networking events; internet
25 or less	Computer & video services & Locksmithing	No	< 1	Wyndmoor	Avoid stressful commuting	Marketing; little contact with peers/professionals	Identity and business card design; juggling roles

Source: DVRPC (June 2003)

APPENDIX B

Boston Redevelopment Authority, Boston, MA Artist Live/Work Specific Design Guidelines

- 1. Space Requirements:**
 - (i) A minimum of 1,000 square feet of live/work space for one artist is required.
 - (ii) Work-only spaces must be at least 150 SF.
 - (iii) Where separate live and work spaces are provided, the minimum combined area must be 1,000 SF.

- 2. Accessibility:**
 - (i) Studios and hallways should be of oversize width to accommodate the shipping of large works.
 - (ii) Loading bays should be located directly adjacent to a direct route to elevators.
 - (iii) Freight elevators should be provided to carry oversize/overweight objects; and allow for noise, weekend and late night deliveries.
 - (iv) All space should be ADA adaptable and a reasonable number should be ADA accessible.

- 3. Security:** Security should reflect the needs of artists who have on-site sales, employees and customers.

- 4. Fire Safety:**
 - (i) Fire protection systems should include the ability to address industrial accidents.
 - (ii) Fire insulation should be adequate for open flames.
 - (iii) Live-work space, particularly those where there are children living in the unit, should include an appropriate separation between live and work areas (such as a fire wall).
 - (iv) Electrical capacity should meet the various needs of different art forms.

- 5. Lighting:**
 - (i) The window-to-room ratio needs to be adequate for natural light. The ideal source of light for workspace is from the north.
 - (ii) Interior or “borrowed light” is especially important for deep spaces. Track lighting for studio photography/ dance/theater is preferred.

- 6. Noise:** Wall and floor construction needs appropriate “sound transmission co-efficient” to prevent the transmission of sound from machinery, equipment or repetitive tasks.

APPENDIX B (continued)

7. Indoor air quality:

- (i) Special ventilation and air handling techniques should be tailored to ensure the safety and health of resident, visitors and neighbors.
- (ii) All spaces need to provide venting via the outside wall while providing a central ventilation system to the roof.

8. Ceiling heights: Should allow for the creation of large works and large equipment, including machinery and lighting.

9. Floors:

- (i) Should be constructed to provide extra weight-bearing capacity. It is not necessary that they be highly finished.
- (ii) An upgrade package (sprung wood floors) for dance/theater performers should be included.

10. Minimum Fit-Out:

- (i) The minimum level of fit-out that is required to obtain a Certificate of Occupancy Permit from the Inspectional Services Department and that meets artists' needs for open and flexible space is desired.
- (ii) Plumbing should include easy installation of slop sinks if needed.
- (iii) Project should be fully wired for new technologies.

11. Dumpster Capacity: Oversize dumpster capacity should be provided.

12. Toxic and Hazardous Material Disposal: Containers should be provided for the disposal of toxic/hazardous materials (such as turpentine/paints).

13. Common Areas:

- (i) Common space or meeting space may include display space for both art work and rehearsal.
- (ii) On-site laundry should be provided.
- (iii) Some artists will consider shared baths/kitchens if it reduces unit cost.
- (iv) Access for outdoor work area should be provided to all tenants.

APPENDIX C

City of Peekskill, NY Zoning Code Pertaining to Artist Live/Work

§ 300-32. C-2 Central Commercial District. [Amended 8-13-1979; 12-14-1987; 8-12-1991; 7-26-1993; 11-29-1994; 9-26-1995]

B. Uses subject to issuance of special permit. The following uses are permitted subject to issuance of a special permit by the Director of Public Works upon authorization by the Common Council in accordance with the provisions of § 300-55 herein and subsequent approval by the Planning Commission of a site plan in accordance with § 300-54 herein.

(3) Artist lofts.

(a) When an action will result in one (1) building containing three (3) or more artist lofts, the artist loft shall be subject to the issuance of a special permit by the Common Council. If the action results in one (1) building containing not more than two (2) artist lofts, then the artist loft shall be subject to the issuance of a special permit by the Planning Commission.

(b) Development standards.

[1] No artist loft may exist on the first floor of the structure in which it is located. This provision may be waived by the Planning Commission or Common Council only if all of the following conditions are satisfied:

[a] That artist loft is arranged in such a fashion that the residential portion is located on the second floor of the building.

[b] That retail functions occur on the first floor of the artist loft.

[c] That the appearance of the loft from the street shall be consistent with the retail nature of the surrounding area.

[d] That the entrance to the artist loft, including retail, studio and residential areas, is exclusive and shall not be shared with any other use in the building.

APPENDIX C (continued)

- [2] Each artist loft shall be separated from other artist lofts or other uses within a particular building. Access to artist lofts may be provided from common access areas, halls or corridors.
 - [3] Each artist loft must be individually equipped with an enclosed bathroom containing a bathroom sink, water closet, shower and appropriate venting.
 - [4] Each artist loft must be individually equipped with a kitchen that contains a four-burner stove and oven, with a range hood vented to the exterior of the unit. Each unit must provide a minimum of five (5) feet of countertop, a kitchen sink, and a minimum of ten (10) linear feet of storage cabinetry. Each unit must contain a garbage compactor and garbage disposal unit.
 - [5] Each artist loft must contain a livable floor area of no less than eight hundred (800) square feet and no greater than two thousand (2,000) square feet.
 - [6] No more than thirty percent (30%) of the livable floor area of the artist loft may be devoted to residential space. In no event may said residential area exceed six hundred (600) square feet.
 - [a] Direct access between living and working areas must be provided, and no separate access/egress to the residential area is permitted except for emergency access/egress.
 - [7] Sprinkler systems must be provided in all common hallways and areas of any building containing an artist loft if the loft contains only one (1) legal means of egress. Hard-wired smoke detectors with battery backups must be provided for all units.
- (c) Other requirements.
- [1] In order to ensure that the use is consistent with the other commercial uses, artist lofts shall not be used for mercantile classroom instructional uses with more than two (2) pupils at any one (1) time; storage of flammable liquids or hazardous materials; welding; or any open-flame work. Further, the creation of art shall be so conducted as not to cause noise, vibration, smoke, odors, humidity, heat, cold, glare, dust, dirt or electrical disturbance which is perceptible by the average person located within the first-floor space or any other commercial or residential unit within the structure or beyond any lot line.

APPENDIX C (continued)

- [2] The artist loft must be occupied by at least one (1) person who is registered as an artist by one (1) of the following organizations: the Westchester Council for the Arts, the Paramount Center for the Arts or the City of Peekskill.
- [3] The artwork that is to be created within the artist loft must be compatible with other uses which occur or are to occur within the building in which the artist loft is to be located.
- [4] No more than one (1) person per three hundred (300) square feet of residential floor area may reside within an artist loft. No more than two (2) persons may reside within an artist loft.
- [5] Only one (1) nonresident employee may be employed within an artist loft. This requirement may be waived for artist lofts that occur on the first floor of a structure that provide retail space on that first floor.
- [6] Other than in a first-floor retail-oriented area, articles offered for sale within an artist loft must include those produced by the artist occupying said artist loft and may be offered with other like items.
- [7] Air conditioners, clotheslines and other objects or equipment shall be prohibited from projecting from any window that is visible from a public street.
- [8] One (1) flush-mounted nonilluminated sign attached adjacent to or near the street entrance door to the artist loft may be used to identify the artist. This sign may list only the name of the artist with a one- or two-word description of the type of artwork or craft that is to be conducted within the artist loft. Where two (2) or more artist lofts occur within the same building, the signs must be placed in an orderly fashion in relation to each other and must be part of a coherent directory in which signs are ordered in a horizontal fashion.
- [9] Work space and accessory residential space shall not be rented separately or used by persons other than those people legally residing within the artist loft.
- [10] A minimum of one (1) off-street parking space per artist loft must be provided on-site. This requirement may be waived pursuant to § 300-32G, Note 1, with the further requirement that the applicant obtain and maintain an annual parking permit in a designated municipal off-street parking facility.

APPENDIX C (continued)

(d) Procedures.

[1] Renewal of special permits. All special permits for the artist lofts in the C-2A District shall be subject to renewals every two (2) years by the Director of Public Works. Such renewal shall be based upon a written statement from the Building Inspector that said artist loft is in conformity with the terms of its special permit and with the terms of this chapter pertaining to said use. In preparing said written statement, the Building Inspector may request a written statement from the Director of Planning and Development pertaining to conformity with any site plan elements of the special permit. If such a notice is not filed, the application for renewal shall be automatically denied and all artist lofts must be amortized within ninety (90) days.

[a] Procedures for the renewal of special permits:

- [i] Prior to the expiration date of the special permit, the owner or manager of the building shall file a request for inspection with the Department of Public Works, which must be accompanied by an inspection fee, the cost of which shall be equal to the cost of obtaining a special permit for an artist loft at the time of the request. If the owner or manager fails to apply for a request for an inspection permit prior to the date of the expiration of the special permit, the special permit shall lapse, and the use of artist loft shall be terminated within ninety (90) days.
- [ii] When a request for an inspection is received by the Department of Public Works, the Building Inspector shall contact the owner or manager of the building and shall arrange for an appointment for inspection and shall issue a report of compliance with the terms of this subsection, the special permit and site plan based on that inspection. The report shall also indicate if all loft entities and appliances are well-maintained and in working order.
- [iii] If the Building Inspector issues a report indicating compliance with the terms of this subsection, the special permit and site plan and indicates that all loft entities and appliances are well-maintained and in working order the application shall be renewed by the Director of Public Works for an additional two-year period.

APPENDIX C (continued)

- [iv] If the Building Inspector issues a report indicating noncompliance with the terms of this subsection, the special permit or site plan, and further finds that any loft structure and appliances are not well-maintained [or] are not in working order, the building owner or manager shall have sixty (60) days by which to rectify all noncomplying elements and shall reapply for an appointment for inspection with the Department of Public Works, subject to an additional inspection fee, the cost of which shall be equivalent to the cost of the original inspection fee. If such application for an appointment for an inspection is not received by the Department of Public Works within this sixty-day period, the special permit shall expire and all residential uses subject to said special permit shall be terminated. If the Department of Public Works issues a report indicating compliance, the Director of Public Works shall renew the special permit for an additional two-year period in accordance with the procedures set forth above. If the Building Inspector issues a report indicating noncompliance with the terms of this subsection, the special permit and final site plan and further finds that all apartment entities and appliances are not well-maintained and are not in working order, the use as an artist loft shall be terminated.

- [v] In the event that any renewal of a special permit is denied by the Department of Public Works, the holder of such permit shall have the right, within thirty (30) days of such denial, to appeal the denial to the Board which issued the original special permit.

APPENDIX D**City of Emeryville, CA
Zoning Code Pertaining to Live/Work****Article 58. Live/Work Regulations****Sections:**

9-4.58.1	Title and Purpose
9-4.58.2	Applicability
9-4.58.3	Use of Building
9-4.58.4	Occupancy of Live/Work Unit
9-4.58.5	Where Permitted
9-4.58.6	Incompatible Use Types
9-4.58.7	Live/Work Standards
9-4.58.8	Residential Districts
9-4.58.9	Existing Live/Work Buildings
9-4.58.10	Exemptions
9-4.58.11	Review Criteria
9-4.58.12	Conditions
9-4.58.13	Conversion of Live/Work Buildings
9-4.58.14	Change of Use or Occupancy

9-4.58.1. Title and Purpose.

Article 58 establishes regulations governing live/work units. The purpose of the regulations is to: provide appropriate housing for persons engaged in artistic endeavors; increase the supply of low-income housing, in the form of live/work units; and encourage the preservation of existing buildings which are structurally sound and aesthetically worthy, while protecting the primary uses within each zoning district. The intent is to encourage live/work units in I-C and I-L districts, and to permit them in certain other districts, as specified in Section 9-4.58.5 below. (Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.2. Applicability.

The provisions of this article apply to any new or existing live/work unit or live/work building, including: conversions of existing residential and nonresidential buildings to live/work buildings; conversions of live/work buildings to wholly residential or nonresidential uses, and any change of use or occupancy in a live/work building. (Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

APPENDIX D (continued)

9-4.58.3. Use of Building.

All applications for occupancy of a live/work building are subject to a Conditional Use Permit review pursuant to Article 82.

- (a) Who Can Apply. The owner of a live/work building or live/work unit, or an authorized agent of the owner, may apply for a Conditional Use Permit for the live/work building; except that the occupant of a live/work unit may apply with the express written permission of the building owner.
- (b) Exception: Existing live/work building. If a valid Conditional Use Permit exists for a live/work building on the effective date of the adoption of this Article, no additional Conditional Use Permit shall be required for that building in order to meet the requirements of this section.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988; as amended by Ord. 90-16, eff. Dec. 13, 1990)

9-4.58.4. Occupancy of Live/Work Unit.

The owner or occupant of a live/work unit shall receive zoning compliance approval. The zoning compliance approval shall identify the occupant(s) and use(s) of the live/work unit and demonstrate compliance with the Conditional Use Permit which was issued for the building.

- (a) Exception: Existing live/work units. If the owner or occupant has received zoning compliance approval for a live/work unit on the effective date of the adoption of this article, no additional zoning compliance approval is required for that unit in order to meet the requirements of this section.
- (b) Posting of Zoning Compliance Approval. The zoning compliance approval for a live/work unit shall be posted in the work portion of the live/work unit.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.5. Where Permitted.

- (a) Districts. Live/work units are permitted in R-M, R-H, C-G, I-L, I-G, and M-U Districts, subject to a Conditional Use Permit pursuant to Article 82.
- (b) Work Activity. The work activity associated with a live/work unit must be permitted by the zoning district regulations of the district where it will be located; provided, however, that if the unit is in a residential district, the work activity must be allowed by the regulations for the Custom Manufacturing (I-C) District.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988; Sec. 3 (part), Ord. 96-005, eff. May 21, 1996)

APPENDIX D (continued)**9-4.58.6. Incompatible Use Types.**

The following activities are deemed incompatible with live/work units, and shall not be permitted in any live/work building; nor shall live/work units be permitted in any building which contains the following activities:

- (a) Civic use types: All use types.
- (b) Commercial use types: Adult Entertainment; Animal Sales/Services; Automotive/Equipment; Gasoline Sales; On-Premises Liquor Sales.
- (c) Industrial use types: General Industrial.
(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.7. Live/Work Standards.

Live/work buildings shall comply with the following standards, unless specifically waived in accordance with Section 9-4.58.9 below. The Planning Commission may increase any requirement, up to what normally would be required for the business activities which may be associated with the proposed live/work units, if determined to be necessary to protect the public health, safety and welfare.

- (a) Building Size. A live/work building shall not exceed the floor area ratio as shown on the building intensity map.
- (b) Size.
 - (1) The floor area of each live/work unit shall be seven hundred fifty (750) square feet minimum and two thousand (2,000) square feet maximum, less [sic] the applicant demonstrates that greater or less space is appropriate to the proposed use.
 - (2) Not more than fifty percent (50%) of the floor area of each live/work unit shall be devoted to living area; except that in residential districts, not more than eighty percent (80%) of each live/work unit shall be devoted to living area.
- (c) Parking. A total of one and one-half (1.5) off-street parking spaces for each live/work unit, or one and one-half (1.5) off-street parking spaces per one thousand (1,000) net square feet, whichever is greater, shall be provided on the property upon which the live/work unit(s) is (are) constructed.
- (d) Loading. A minimum of one (1) off-street loading area shall be provided for every fifty thousand (50,000) gross square feet of space occupied by live/work units, up to the maximum number of loading spaces that would be required for the business activities which occupy the live/work units; except that no off-street loading area shall be required for the purposes of this section for any live/work building which contains less than five thousand (5,000) gross square feet of space occupied by live/work units. If loading requirements for industrial or commercial occupants of a live/work building are greater than the loading requirements of this section, no additional loading areas shall be required for the purposes of this section, unless deemed necessary by the Planning Commission pursuant to Section 9-4.58.12 below.

APPENDIX D (continued)

- (e) Open Space. A minimum of thirty-six (36) square feet of private or common usable outdoor recreation or landscaped open space shall be provided for every live/work unit. this may be provided on the ground level or as decks, balconies, porches, yards, gardens, sundecks, rooftop open space, podium space, or as an indoor recreation room or community room if the site is constrained. The open space shall be provided on the same lot as that occupied by the live/work units, and shall be designed and oriented for maximum sun exposure and minimal wind exposure.
- (f) Ventilation. All live/work units shall be provided with at least one (1) operable window. A ventilation system shall be installed subject to the approval of the Building Inspector and Fire Marshal for any live/work activity which requires additional ventilation or which generates hazardous fumes or dust.
- (g) Mixed Occupancies. If a building contains mixed occupancies of live/work units and other uses, occupancies other than live/work shall meet all applicable requirements for those uses, and proper occupancy separations shall be provided between the live/work units and other occupancies, as determined by the Building Inspector.
- (h) Additional Requirements. Live/work units and buildings must comply with any additional requirements imposed by the Building, Fire, Planning, Police and Public Works Departments intended to protect public health, safety and welfare.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988; as amended by Ord. 93-009, eff. Sept. 16, 1995)

9-4.58.8. Residential Districts.

Live/work units and buildings located in residential districts are subject to the following additional standards:

- (a) On-Premises Sales. On-premises sales of goods not produced within the live/work building by an occupant of a live/work unit shall not be permitted.
- (b) Performance Standards. Noise and odors which are perceptible beyond the parcel line of a live/work building and which are caused by activities within the live/work building shall not be permitted to exceed the levels specified for residential districts in Article 59.
- (c) Work Restricted to Occupants. Work on the premises of a live/work unit shall be limited to persons who live in the live/work unit.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.9. Existing Live/Work Buildings.

Any building which contains one (1) or more live/work units on the effective date of the adoption of this article, and holds valid permits for such live/work units, need not meet the parking, loading, and open space requirements of Section 9-4.58.7. The parking, loading, and open space which existed on the effective date of this article shall not be reduced.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

APPENDIX D (continued)

9-4.58.10. Exemptions.

Within a I-L District or a I-C District, the Planning Commission may specifically waive or reduce any requirement or portion of a requirement identified in Section 9-4.58.7 if all the following conditions are met:

- (a) Existing Building. Live/work units are provided within a building which was in existence on the effective date of the initial adoption of this article; and
- (b) Structurally Sound. Live/work units are provided within a building which is structurally sound or improved so that it is structurally sound; and
- (c) Consistent with Character. Live/work units are provided within a building which is consistent with the architectural character of neighboring buildings or which is improved in order to be consistent; and
- (d) Constraints. The requirement of Section 9-4.58.7 cannot be met due to site or building constraints; and
- (e) Effect of Waiver. It is determined that human health, safety and welfare will not be adversely affected due to such waiver.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.11. Review Criteria.

The Planning Commission, in reviewing an application for a live/work building, shall consider and give preference for projects which incorporate the following:

- (a) Compatibility of the live/work building with neighboring uses;
- (b) Activities involving artistic endeavors;
- (c) Low-income housing;
- (d) Separation of work activities from living areas, where work activities could present threats to human health and safety;
- (e) Ground-floor commercial activity;
- (f) Adequate traffic circulation.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.12. Conditions.

During the review of an application, conditions may be imposed on the project to assure that adequate standards for health, safety and welfare are met.

- (a) General. The Conditional Use Permit for occupancy of a live/work building shall be granted to the owner of the building or live/work unit. A copy of the Conditional Use Permit, showing the conditions of the use permit, shall be provided to all occupants of live/work units in the building prior to their execution of a lease or purchase agreement for such live/work unit.

APPENDIX D (continued)

- (b) Specific Conditions. The following conditions shall apply to all live/work buildings unless specifically waived by the Planning Commission. The Planning Commission may impose additional conditions as deemed necessary to protect public health, safety and welfare.
- (1) Building Management. A building manager shall be designated for all live/work buildings to serve as a liaison between City personnel and live/work occupants, and between live/work occupants and commercial or industrial occupants. The building manager shall be provided with a copy of all occupancy permits, and shall notify the City of any changes in use or occupancy. The building manager shall report any infringements of permit conditions. The owner of the live/work building shall inform the Director of the name and telephone number of the building manager, and shall notify the Director of any changes thereto.
 - (2) Inspections. Live/work units shall be subject to periodic inspections by the City's fire, building, health and safety personnel from 9:00 a.m. to 5:00 p.m. on all days except Saturdays, Sundays, and legal holidays.
 - (3) Written Notice. For buildings located in industrial districts, the owner of the live/work building shall provide written notice to all live/work unit occupants that the surrounding area may be subject to levels of noise, dust, fumes or other nuisances at higher levels than would be expected in residential areas. Specific sources of these nuisances may be identified if appropriate and if possible.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988; as amended by Sec. 3, Ord. 90-16, eff. Dec. 13, 1990)

9-4.58.13. Conversion of Live/Work Buildings.

- (a) Nonresidential District. In a nonresidential district, any live/work building may be converted to wholly nonresidential uses which are permitted in that district.
- (b) Residential District. In a residential district, no live/work building may be converted to wholly nonresidential uses; however, it may be converted to wholly residential uses.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

9-4.58.14. Changes of Use or Occupancy

The owner or occupant of a live/work unit shall notify the City of any change in use or occupancy. Any change of use or occupancy shall require a zoning compliance approval.

(Sec. 3 (part), Ord. 88-11, eff. Oct. 6, 1988)

APPENDIX E

City of Berkeley, CA Zoning Code Pertaining to Affordable Live/Work

Section 23E.20.080 Low Income Inclusionary Live/Work Units

- A. The developer of any project which creates five or more Live/Work Units shall provide low income inclusionary units which conform with the following provisions:
1. One inclusionary Live/Work Unit shall be provided for each five (5) Live/Work Units in the project, however there shall be no inclusionary requirement for a fraction of a unit;
 2. Inclusionary Live/Work Units shall be sold or rented at a price or rent affordable to a household with an income of eighty percent (80%) of median income for the Oakland Primary Metropolitan Statistical Area;
 3. Inclusionary units shall be affirmatively marketed by the developer of a project to income-eligible persons performing a work activity permitted in the District where the project is located whose type of work causes them to have a requirement for a space larger in size than typically found in residential units;
 4. Inclusionary Live/Work Units shall maintain affordable rents or resale prices under the provisions for increase set forth in the City-wide regulations concerning inclusionary units (Chapter 23C.12).
- B. Inclusionary Live/Work Units may, at the applicant's sole discretion, differ from the other Live/Work Units in the project in that the inclusionary units may be smaller than other Live/Work Units in the District; may have a lower grade of finishes than other Units in the project; and may be located anywhere within the project. (Ord. 6478-NS § 4 (part), 1999)



PUBLICATION ABSTRACT

Title of Report Assessment of the Potential Role of Live/Work Development in Centers
Publication Number 04032
Date Published July 2004

Geographic Area Covered Nine-county Delaware Valley region consisting of the counties of Bucks, Chester, Delaware, Montgomery and Philadelphia in Pennsylvania and the counties of Burlington, Camden, Gloucester and Mercer in New Jersey

Key Words Economic development, housing, land use, redevelopment, rehabilitation, revitalization, public transit, smart growth, zoning

Abstract The purpose of this study is to support the implementation of the Delaware Valley Regional Planning Commission's adopted Year 2025 Land Use and Transportation Plan through the concept of mixed-use development in the region's existing or emerging urban and suburban centers. Live/work is basically defined as a unit or property that provides distinct spaces for an occupant to reside and to work. An overview of live/work is provided in this study, along with an examination of its impacts, benefits and drawbacks, zoning issues and methods to encourage its development and success. Case studies of live/work projects are also included.

Delaware Valley Regional Planning Commission

The Bourse Building, 8th Floor
111 South Independence Mall East
Philadelphia, PA 19106-2582

Phone: 215.592.1800
Fax: 215.592.9125
Internet: www.dvrpc.org

Staff Contact: Mary Ng, AICP, Regional Planner
Direct Phone: 215.238.2810
Email: mng@dvrpc.org



Delaware Valley Regional Planning Commission

The Bourse Building
111 South Independence Mall East
Philadelphia, PA 19106-2582
215.592.1800
www.dvrpc.org

