

Work/Live Development in Sacramento

A Planning Report

Presented to

The Faculty of the Department of
Urban and Regional Planning

San José State University

In Partial Fulfillment
of the Requirements for the Degree
Master of Urban Planning

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May 2006

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1. Introduction

Work/live is an innovative housing type that would provide Sacramento residents with a new option for working and living at the same place. The unique feature of work/live development is the emphasis on the work aspect; intensive work activities, employees, and walk-in customers are allowed. This report defines work/live development and investigates how it could be permitted and encouraged in Sacramento, California.

The current Sacramento planning policies and zoning code support the primary principles of work/live: mixed use development, innovative housing types, small business expansion, and neighborhood revitalization. Yet, Sacramento has not considered work/live explicitly as a tool to achieve the City's goals. The timing is right for Sacramento to consider work/live housing, as the City is currently updating its General Plan.

This new type of housing would help Sacramento address many planning issues. It could be used as a tool to implement Smart Growth and New Urbanism, resulting in mixed use infill development, a more dense development pattern, and the revitalization of neighborhoods that have suffered from a lack of investment. Work/live development may be a viable option where other commercial uses are not.¹ It would help relieve the jobs/housing imbalance by creating a housing unit with an employment location attached. Additionally, work/live can be promoted as an economic development strategy.

Work/live development has the potential to increase economic opportunities for households with limited means. For many households, owning a small business is out of reach because of the costs of leasing commercial or industrial space. Work/live suites allow a residential and a work component at the same location, requiring only one rent or mortgage payment. Although the work/live rent would be more than that for a standard residential unit, it would be less than renting separate residential and commercial spaces. The physical proximity of work and home eliminates the need to commute for at least one household member, which would reduce costs and accommodate the unpredictable time demands of start-up businesses.² Depending on

¹ Robert Steuteville and Philip Langdon, *New Urbanism: Comprehensive Report & Best Practices Guide* (Ithaca, New York: New Urban publications Inc., 2003), 6-7.

² Robert Leshgold, Thomas Dolan, and John Ivison, "Work/Live in Vancouver" (Vancouver, B.C., City of Vancouver Planning Department, 1997, photocopied), 19.

the type of business, it may also be possible for households to reduce the number of vehicles they own, or divert the funds previously spent on a personal vehicle to a vehicle for business purposes. This savings is more likely to be realized if the work/live development is built as infill in existing neighborhoods with services and transit nearby.

Sacramento is an Ideal Location for Work/Live

Sacramento has several characteristics that make it an ideal place to implement work/live. First, rising housing prices have limited access to the American Dream of owning a single family home, and as a result other housing types are gaining acceptance. Second, the small business sector is persevering, despite the prevalence of major chains. Finally, the sprawling built environment of Sacramento is primed for more intensive, infill development. Taken together, these factors indicate that Sacramento is well positioned to experience the full benefits of allowing work/live.

The recent housing boom has dramatically reduced housing affordability in Sacramento. The coveted single family home is increasingly out of reach. As of December 2005, only 19% of Sacramento households could afford a median priced detached home.³ Housing production in Sacramento is adapting to meet the changing economic conditions, and the market is receptive to innovative approaches to housing. Residential mixed use, rental and for-sale lofts, small lot single family, and high density attached homes are becoming mainstream housing types.⁴

The American Dream of single family home ownership is fading for many people, but the dream of owning your own business is alive and well. Like California as a whole, small businesses are an important component of Sacramento's economy. In 2002, just over 50% of all businesses in Sacramento had one to four employees, and almost 70% of businesses had less than ten employees.⁵ Sacramento also has a significant number of people who work at home: 4,875, according to the 2000 Census.⁶

A cluster of work/live suites can serve as an incubator for small businesses that could not flourish in regular residential homes. The arrangement provides flexibility that is especially important for very small businesses. For example, employees are severely

³ State of California, Department of Housing and Community Development, *California's Deepening Housing Crisis*, February 15, 2006, 6.

⁴ City of Sacramento, *General Plan Technical Background Report*, June 2005, 2.6-47.

⁵ *Ibid.*, 2.6-56.

⁶ U.S. Census Bureau, *2000 Census of Population and Housing*, Summary File 3, Table P30, <http://factfinder.census.gov/home/saff/main.html?_lang=en> [10 April 2006].



restricted or prohibited in a home occupation arrangement (the most common way people work at home). It may be very desirable for a small business to have several part-time employees, which would be prohibited with a home occupation. There may also be opportunities for the businesses to share resources in a work/live development.

The third characteristic that makes Sacramento ideal for work/live is its desire to fill in its existing low-density environment. The development patterns in Sacramento are very low intensity, and there is an abundance of vacant or underutilized property. Sacramento is a sprawling city, with approximately 448,000 people⁷ occupying about 99 square miles.⁸ This results in an extremely low density of 4,525 persons per square mile.⁹ By comparison, Los Angeles—a famous example of sprawl—has approximately 8,426 persons per square mile.¹⁰ In Sacramento, housing is the largest land use, making up 35% of land area. Significantly, vacant land is the second most common use, at 14% of the City’s land area (8,888 acres). Industrial, office, and retail uses combined account for 12%.¹¹ Sacramento is taking steps to intensify these land uses, including supporting infill development and strategically rezoning underperforming commercial land to housing and mixed use.¹²

Contents of this Report

First, work/live housing is defined and two subtypes are described: commercial work/live and industrial work/live. Four work/live prototypes are presented in Chapter 2 to show how work/live could be implemented. Chapter 3 includes a discussion of current policies in Sacramento and whether they are consistent with work/live housing. Next, Chapter 4 lays out the obstacles to work/live I found in the zoning code. This is followed by analysis of these obstacles and recommendations in Chapter 5. The analysis presents potential solutions, drawing from the policies and regulations of Oakland, San Francisco, and Seattle. To encourage the development of work/live housing, Sacramento should make changes to the goals and policies of its General Plan. Additionally, specific changes must be made to the zoning code to allow work/live. Finally, adopting new work/live implementation principles will provide an opportunity to address issues unique to work/live development. Taken together, these

⁷ City of Sacramento, *General Plan Technical Background Report*, 2.4-9.

⁸ *Ibid.*, 2.1-1.

⁹ Author’s calculation, made by dividing the population by the city’s area in square miles.

¹⁰ Author’s calculation using data from *City of Los Angeles Information Statement*, April 2006, <http://www.lacity.org/cao/Appendix_A.pdf> [24 April 2006].

¹¹ City of Sacramento, *General Plan Technical Background Report*, 2.1-9.

¹² *Ibid.*, 2.6-95.

changes will allow for a variety of legal ways residents can live and work in the same place. Conclusions and a summary of recommendations are presented in Chapter 6.



2. Work/Live Defined

Work/live is a housing typology that allows commercial and light industrial uses in conjunction with housing while still protecting the health, safety, and welfare of the residents and the public. Although work/live suites may look like other mixed-use buildings, there are two critical differences between work/live as defined in this report and other types of development. First, the work element takes greater priority compared to the living function. As such, employees and walk-in customers are permitted. Second, the work and living space are considered one unit, and the household pays one rent or mortgage payment for the work/live suite.

Literature

Very little has been written about work/live in the academic or professional discourse. Notable exceptions draw from the work of architect Thomas Dolan, a long-time advocate of living and working in the same place. Dolan specifically uses the term work/live to emphasize the work component of the unit.¹³ In an effort to legalize and permit work/live, the City of Oakland hired Dolan to integrate the concept into its building code. Dolan has also consulted for the City of Vancouver, B.C. and contributed to a report about the potential for permitting work/live in that city.¹⁴

New Urbanists have also advocated the concept of combining living and working, which is described in *New Urbanism: Comprehensive Report and Best Practices Guide*.¹⁵ New Urbanism leaders such as Duany Plater-Zyberk & Company and Calthorpe & Associates have advocated various arrangements that allow living and working at the same location. However, the New Urbanism guide does not use the term work/live. Instead, the discussion uses the related terms “flex house” and “shopfront house” to describe different living and working arrangements.¹⁶

¹³ Thomas Dolan, *Live/Work Basics*, <<http://www.live-work.com/revised/lwi/basics/index.shtml>> [10 October 2005].

¹⁴ Leshgold, Dolan, and Ivison.

¹⁵ Steuteville and Langdon, 6-6, 6-7, 6-8.

¹⁶ *Ibid.*, 6-6, 6-8.

Historical Precedents

Work/live housing is a modern incarnation of the traditional urban concept of locating work and home in close proximity. Many of the earliest urban dwellings were combinations of home and work. In medieval Europe, “a place to live was synonymous with a place to work”¹⁷ for the self-employed. Figure 1 provides an example of an urban medieval dwelling, not unlike the work/live designs in this research. Over time, housing preferences changed for the upper classes, but craftsmen continued the tradition of living and working in the same place.¹⁸

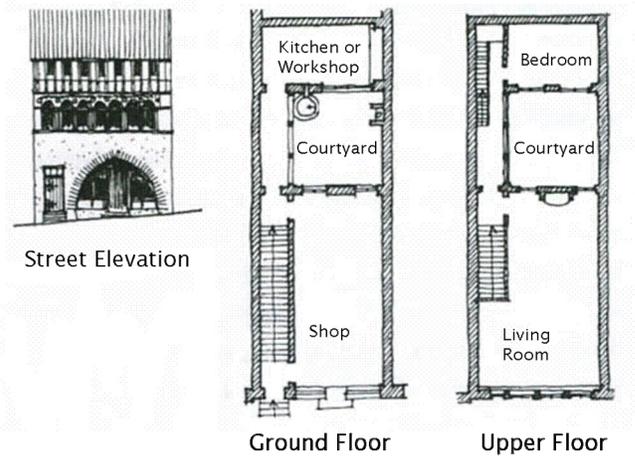


Figure 1: The earliest urban dwellings included work and home life. Source: Norbert Schoenauer, *6,000 Years of Housing*, (New York: W.W. Norton & Company, Inc, 2000), 262.

During the Industrial Revolution, the primary location for the construction of goods changed from small workshops to factories. The factories needed a large labor force, which in turn needed a place to live nearby.¹⁹ Urban populations soared, well beyond the reasonable limits of cities. Industrial cities around the turn of the last century became congested and unsanitary, and zoning emerged as a way to address these urban ills. Certainly, zoning in early industrial cities had a profound influence on the well-being of residents. These cities were congested, polluted, and unhealthy. But from these early planning efforts came the tradition of strictly separating uses, which is now largely outdated because of changes in culture and technology. Many people now prefer to live close to where they work and most businesses produce few if any harmful effects.



Figure 2: This home with a restaurant in front would not be permitted in new development, but fits well into this mixed-use Sacramento neighborhood. Photograph by author.

¹⁷ Norbert Schoenauer, *6,000 Years of Housing*, (New York: W.W. Norton & Company, Inc, 2000), 258.

¹⁸ *Ibid.*, 282, 284.

¹⁹ John M. Levy, *Contemporary Urban Planning*, (Upper Saddle River, New Jersey: Prentice Hall, 1997), 9.



In many older areas, mixed land uses have existed all along despite zoning regulations that would not permit the same type of development in new growth areas. For example, near downtown Sacramento there are many cases in which residential units have been adapted to include businesses (see Figure 2).

There is also a tradition of artists living and working in the same space. It began in the 1960s in New York as obsolete industrial buildings became homes and studios for artists. The space was affordable and flexible and provided studio space that did not have to be paid for separately from rent. Artist live/work housing is now legal and acceptable in most large cities. Lofts gradually evolved from being inexpensive living and working space for artists to fashionable residences, often called “lifestyle lofts”²⁰ (Figure 3). The tradition of artist live/work has resulted in loft housing that is now distinct from its artistic predecessors. However, it also resulted in greater acceptance of working and living in the same place.



Figure 3: This home has the common characteristics of a lifestyle loft: open floor plan, floor to ceiling windows, and a view.

Source: LoftsBoston.com, *Residential*, <http://loftsboston.com/boston_lofts-listings.php?class=1> (Broken Link) [29 April 2006].

Work/Live versus Live/Work

A distinction between work/live housing and live/work housing can be made based on the primary purpose of the unit. A work/live suite is fundamentally a place to work, while a live/work unit is fundamentally a place to live.²¹ Residents of work/live units can expect to give up some of the attributes they would expect from a regular home, such as privacy and relative quiet. Conversely, work/live suites offer benefits to households that wish to run a business. Work activities with external impacts would be allowed in work/live that would not be legal in typical residential development. A direct benefit of the work/live arrangement is the potential for employees and walk-in customers. Although work is the primary purpose of work/live suites, attention must also be paid to the residential component to minimize conflicts.

²⁰ Eugenie Ladner Birch, “Having a Longer View on Downtown Living,” *Journal of the American Planning Association* 68 (2002): 9.

²¹ Dolan, *Work/Live Basics*.

For comparison, live/work describes a situation where the residential portion takes precedence over the work function. Live/work lofts are a common type of residence that fit into this category. (See Figure 4 for an example.) If work is done in the space, it cannot legally result in any noise, odors, or other impacts that would result in neighbors giving up the peaceful enjoyment of their homes. Examples include accountants and web designers. Employees and commercial sales are normally not permitted, and customer visits are limited or excluded. Over time, it is common for live/work spaces to revert to residential use only.²²



Figure 4: A common layout for a live/work loft includes a multipurpose space on the first level with a mezzanine or "loft" above. Source: LoftsBoston.com, *Residential*, <http://loftsboston.com/boston_lofts-listings.php?class=1> (Broken Link) [29 April 2006].

Work/live can also be differentiated from home occupations, which describe the way most people work at home. A home occupation is a nonresidential activity that is done within a home that is indistinguishable from normal residential functions. The most common example is an office in a spare bedroom of a single-family home. The limitations on home occupations vary, but they generally prohibit the types of intensive work activities permitted in work/live.

Types of Work/Live

In work/live development, the physical proximity of the living and working components can be varied to protect the health and safety of the residents. The nature of the work should determine the appropriate distance between the work and residential elements. A variety of configurations would be required to meet a range of work situations. The work function may be in the same physical space as the residential function if the two uses are completely compatible. A common example is a loft (Figure 4), with a multipurpose space on the main floor and a sleeping mezzanine above. In this arrangement, the live and work spaces are completely commingled and flexible. At the other end of the spectrum, the work function may be completely separate from the living area, with a space such as a courtyard between

²² Ibid.



them. This arrangement would be most appropriate for more intense work uses that generate negative impacts.²³

Within the category of work/live, there are two subcategories: commercial work/live and industrial work/live. This distinction is made based on the type of work done in the suite.

- **Commercial** work/live uses are low hazard and include retail, service, and office uses. Examples include small specialty retail stores, hair salons, tutoring centers, and neighborhood markets. Some artists would fit in this category if their art is not hazardous, but would result in some impacts inappropriate for strictly residential areas.
- **Industrial** work/live includes businesses that may include moderate hazards, such as the production or repair of goods. Examples include woodworking, garment production, and equipment repair. Artisan or craft activities that require tools or machinery for their work are included. Some artists would fit into this category, depending on their medium.²⁴

Work/Live Prototypes

The next section includes four work/live prototypes to demonstrate how work/live could be implemented in Sacramento. Two are for commercial work/live, one for either commercial or industrial work/live, and one is for just industrial work/live. All of the prototypes are conceptual, the actual designs and densities would depend on the context.

²³ Ibid.

²⁴ Robert Leshgold, Thomas Dolan, and John Ivison, 7-9; Penny Gurstein, "Live/Work Study: Experiences and Challenges for Potential Developments in Vancouver," (Vancouver, B.C., City of Vancouver Planning Department, February 9, 1996, photocopied), 3.

Prototype 1 Commercial Work/Live

General Description: In this prototype, the basic design of infill mixed use is adapted for work/live. From the street, the building looks like a standard mixed-use building with commercial on the ground floor and residential above. The first floor is a retail space with a residential space that is connected to the first floor with an internal staircase. These first two floors form a “shopkeeper” unit or “shopfront house.”²⁵ Above the shopkeeper unit could be a separate flat or loft. These third floor units could accommodate very low intensity home occupations, but would not be appropriate for more intensive work activities. The units would be arranged in a row so that they could share common walkways, stairs, and an elevator.

Household Composition: The residential portion of the work/live is relatively small and would be best suited for small households of one or two people.

Work Uses: In the ground floor retail space, any number of commercial uses would be appropriate, including a travel agency, gift shop, tutoring center, barber shop, or small café. The upper floor flats or lofts may be appropriate for low-intensity home occupation uses.

Neighborhood Fit: This prototype would be most appropriate as infill in existing urban neighborhoods with pedestrian amenities. This type of development could be done on relatively small lots, but would have to include enough units to justify the expense of the shared stairs and elevator.

Density: This arrangement yields approximately 20-24 units per net acre.

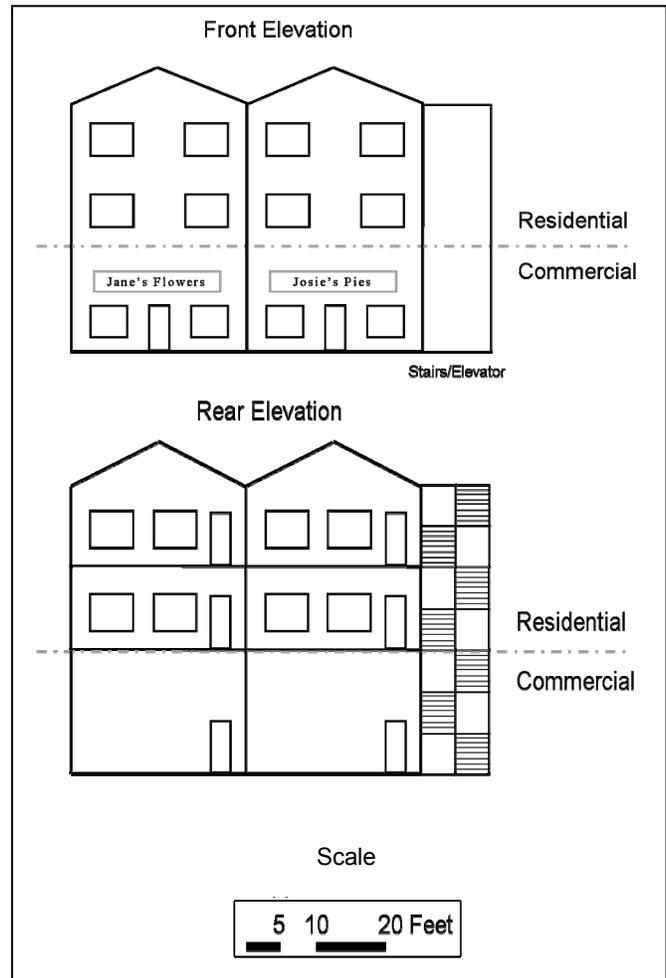


Figure 5: Prototype 1
Source: Author

²⁵ Steuteville and Langdon, 6-6, 6-8.



Prototype 2 Commercial Work/Live

General Description: This prototype is a variation of a mixed-use building type and is similar to Prototype 1. The workspace is located on the first floor, with the residential portion located above. Access is provided through an internal staircase between the work and live spaces and via an outside staircase leading directly to the residential section.

The residential segment could be one or two floors tall, and would function like either a flat or townhouse, respectively. A balcony could be provided in conjunction with the entrance, and a patio might also be provided on the first floor behind the business. The individual suites would be connected to form a continuous frontage on the public street.

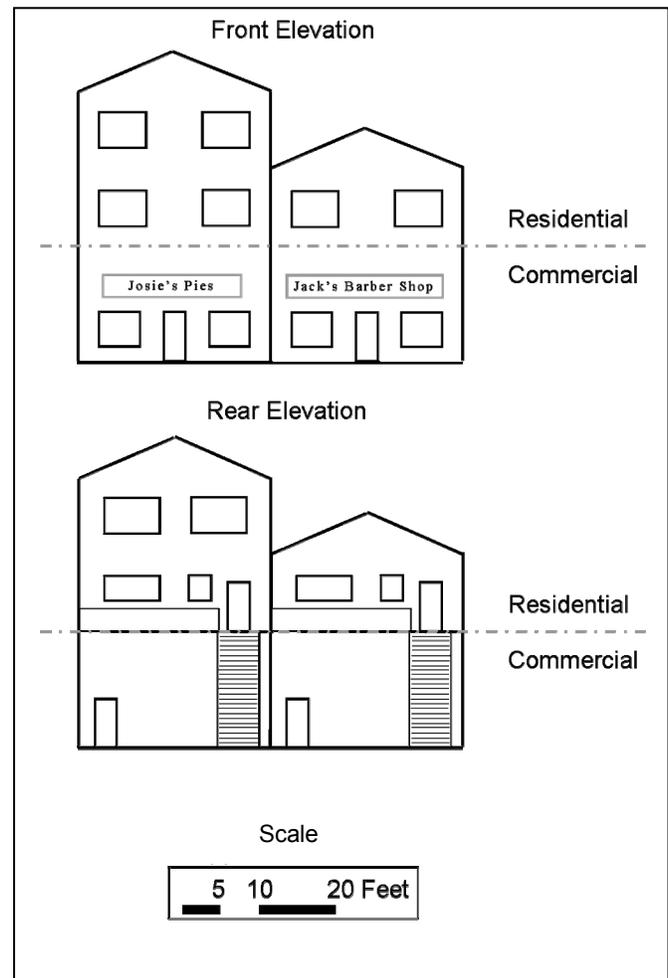


Figure 6: Prototype 2
Source: Author

Household Composition: This arrangement would be accommodating to a wide range of household types. The separate entrance to the home is more personal than shared walkways and stairs, and more appealing to families. The unit sizes may vary considerably, depending on the size of the work space below and whether the home is one story or two. In the two-story townhouse configuration, a large home with up to four bedrooms is possible.

Work Uses: A wide range of commercial uses would be appropriate, including the same types of uses as Prototype 1: a travel agency, gift shop, tutoring center, barber shop, or small café.

Neighborhood Fit: This design would fit into existing medium density neighborhoods, new multifamily mixed use neighborhoods, and commercial corridors.

Density: Approximately 18 units to the net acre could be achieved.

Prototype 3 Commercial or Industrial Work/Live

General Description: The work portion fronts onto the street while the residential portion fronts onto a private road. The two uses are connected by the kitchen and a courtyard. This plan allows separation between work and live functions and more intense/hazardous work activities. The kitchen and courtyard may serve both the residential and work spaces. The residential element could be adjusted in width, depth, and height to accommodate a range of household sizes.

The work and residential components may be attached to form a continuous commercial frontage on the public street. Alternatively, this prototype may be configured in groupings around common open space with the work spaces accessible by additional private streets.

Household Composition: This model would be appropriate for families with children. The courtyard would be enclosed, providing a place for small children to play.

Work Uses: Depending on the location, pedestrian-oriented commercial or more intense commercial or light industrial uses, including appliance repair, upholstery, small scale woodworking, and ceramics.

Neighborhood Fit: This design would fit into commercial corridors and neighborhoods that transition from residential to industrial.

Approximate Density: Up to 14 units to the net acre could be created.

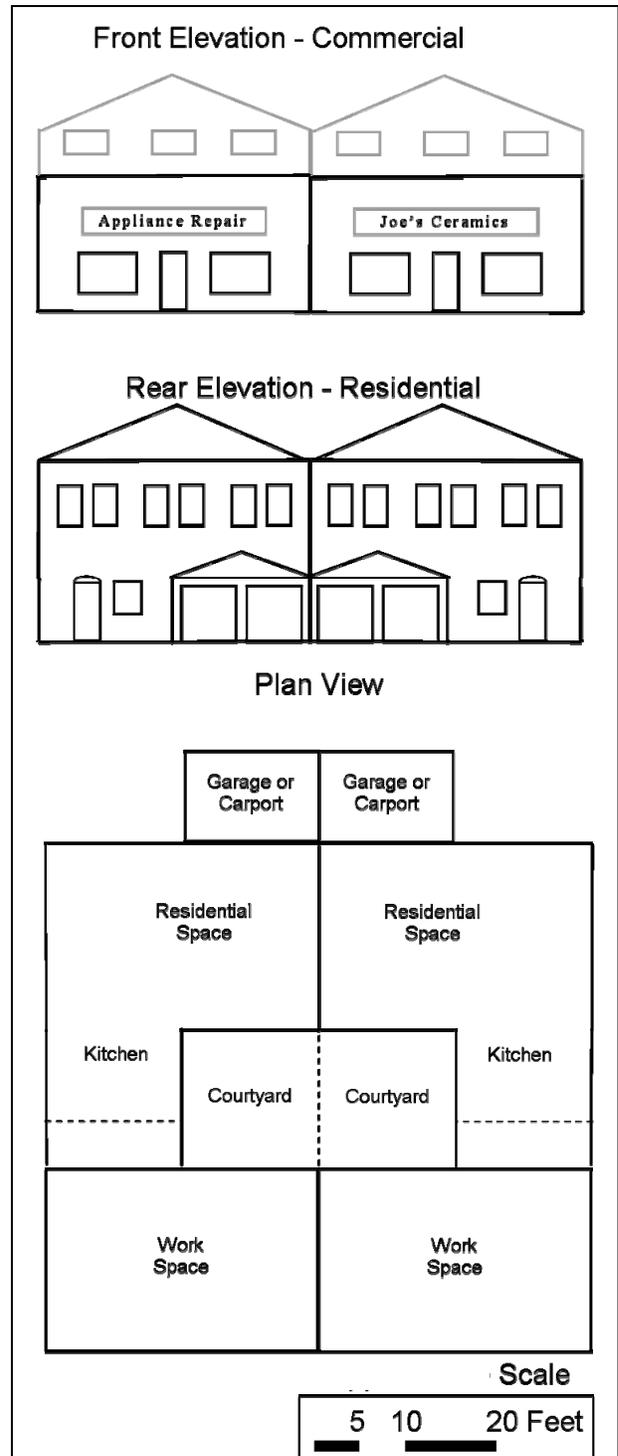


Figure 7: Prototype 3
 Source: Adapted from a design by Troy West and Jacqueline Leavitt in Sam Davis, *The Architecture of Affordable Housing*, (Berkeley: University of California Press, 1995), 24.



Prototype 4 Industrial Work/Live

General Description: This design includes a complete physical separation between the work and live functions. The residential portion could be a cottage or townhouse style dwelling, separated from the work function by a courtyard. This layout would allow a range of sizes for both the work and living components.

The work spaces could be attached to each other, similar to the arrangement in many light industrial business parks. The parking and loading space would be located in front of the building, away from the residential use.

Household Composition: This design would be appropriate for a range of household types, depending on the size of the residential portion. For example, the home may be a small cottage with dual master bedrooms, designed for two adults. A larger home with several bedrooms would be appropriate for families with children.

Work Uses: Intense uses with mild to moderate hazards would be appropriate. This may include a cabinet shop, welding, and light manufacturing.

Neighborhood Fit: This prototype would be most appropriate as a transition between residential areas and heavy commercial or industrial uses.

Approximate Density: The resulting density would vary based on the size of the home and work element, but could be as high as 12 units per net acre.

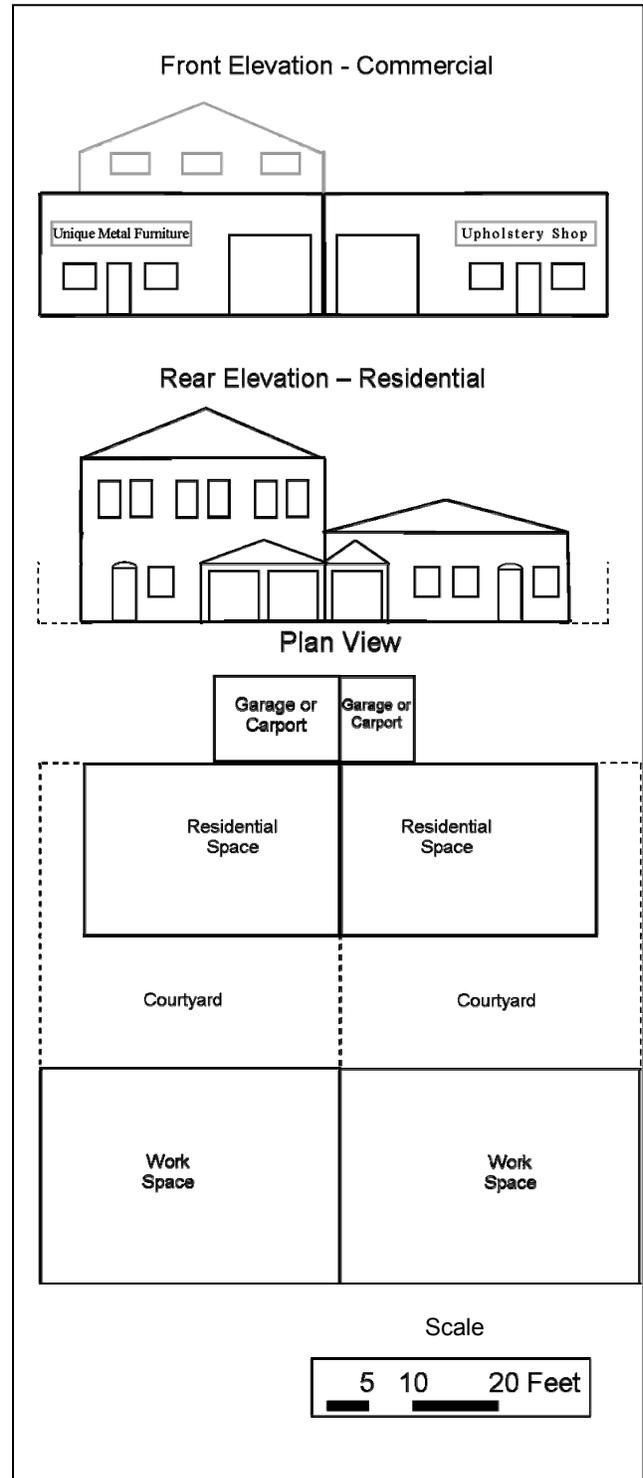


Figure 8: Prototype 4
Source: Author

3. Sacramento Policy

My research indicates that work/live is consistent with the majority of planning policies in the City of Sacramento. Since work/live has not been addressed explicitly by Sacramento, the City's policies were reviewed to identify the underlying principles inherent in work/live: mixed use development, innovative housing types, small business expansion, and neighborhood revitalization. I reviewed the citywide policies related to planning—the General Plan, Redevelopment Implementation Plans, and three smaller strategies—and determined that they are generally consistent with work/live and these underlying principles.

The following chapter details the existing planning policies in Sacramento related to work/live. Each section includes a brief description of the type of policy, followed by points of agreement and disagreement with the concept of work/live. First, the General Plan is reviewed, with emphasis on the Urban Growth Policy, Residential Land Use Element, Housing Element, and Commercial Land Use Element. This is followed by a brief discussion of the General Plan update. Redevelopment Implementation Plans are considered next, with details about how work/live would fit into redevelopment project areas. Finally, secondary planning policies are presented, including the Smart Growth Implementation Strategy, Infill Strategy, and Commercial Corridor Revitalization Strategy.

General Plan

The current Sacramento General Plan is intended to guide the development of the City through 2006, and an update is currently being drafted. Work/live is generally consistent with the current 1988 General Plan, although there are some potential obstacles. The General Plan sections found to be most relevant to work/live are the Urban Growth Policy, Residential Land Use Element, Housing Element, and Commercial Land Use Element. Each of them are considered in the following section.

Urban Growth Policy

Work/live housing fits well with Sacramento's Urban Growth Policy. The General Plan contains 12 Overall Urban Growth Policy Statements that "indicate the manner in which future growth is to be accommodated with respect to type, timing, and location."²⁶ Each policy is supported by several statements that provide detail about

²⁶ City of Sacramento, *General Plan*, 1-34.

how these policies can be implemented and why they are important. Together, the policies are intended to provide an overall direction to guide the City Council on land use decisions. Four of the 12 policies directly relate to work/live housing:

Policy 2 states: “It is the policy of the city that adequate housing opportunities be provided for all income households and that projected housing needs are accommodated.”²⁷ The supporting statements for this policy are very consistent with work/live: new community plans should provide for a range of housing types to increase housing availability for a broader variety of households; there are areas where residential, commercial, and employment opportunities should be mixed so that each supports the other land uses; and locating residential uses near employment uses may be a significant factor in reducing traffic.²⁸

Policy 3 calls for the active promotion of economic vitality, economic diversification, and expanded employment opportunities for residents. The supporting statements for this policy are focused on recruitment of large industrial businesses, and do not discuss small business.²⁹ However, work/live could contribute to economic vitality and diversification, and thereby help achieve the desired result.

Policy 5 advocates infill development and includes many separate policies to define and encourage infill. The City will promote infill development that meets certain criteria. Depending on the context and design, work/live could meet many of these criterion, including:

- Responds to an unmet or underserved need
- Provides localized economic benefits
- Contributes to the range of housing types available in the area
- Includes a mix of uses within the building
- Provides pedestrian activity on the street.³⁰

Policy 12 calls for the implementation of Smart Growth principles to achieve sustainable and balanced development that efficiently uses land resources and infrastructure. In particular, Policy 12 encourages mixed land uses, a range of housing opportunities, and walkable neighborhoods.³¹

²⁷ Ibid., 1-36.

²⁸ Ibid., 1-36, 1-37.

²⁹ Ibid., 1-37, 1-38.

³⁰ Ibid., 1-39, 1-40.

³¹ Ibid., 1-44.



Residential Land Use Element

Work/live is not compatible with all of the Residential Land Use Element, which establishes overall goals for residential land use, specific goals with corresponding policies, and residential land-use categories.

The overall goals include maintaining and improving residential neighborhoods, providing affordable housing for all income groups, and meeting the fair share of regional housing needs.³² Generally, work/live is in agreement with these overall goals. However, the specific goals and policies that build on the overall goals include language that could hinder work/live. For example, they endorse protection of residential neighborhoods from encroachment by commercial or industrial uses. These goals and policies could present an obstacle to work/live if the work component is considered an inappropriate addition to a neighborhood.

Some aspects of work/live are provided for in the existing land use categories, but it is not a perfect fit. The Medium Density Residential category permits some commercial uses, but the target density range is probably too high for work/live at 16 to 29 units per acre.³³ The Mixed Use category allows for a range of uses appropriate for work/live. However, this designation is applied only to areas of Sacramento where significant new development is anticipated rather than existing mixed use neighborhoods where work/live may be appropriate.³⁴ The Residential Mixed Use category includes a range of residential densities in combination with commercial and office uses. It has only been applied to one area of the City near an existing light rail station. If the Residential Mixed Use designation were applied to more areas of the city, work/live would likely be appropriate.

Housing Element

The current Housing Element provides more specific guidance on the City's policies for addressing housing needs for the five-year period from 2002 to 2007. In the housing element, the City expresses a desire to take a comprehensive approach to housing. This approach closely links the concepts of strong neighborhoods, quality-of-life, and economic vitality. The Overview states: "The City of Sacramento views the housing policies as part of the City's overall mission to strengthen neighborhoods, improve livability and conditions for all residents, and maintain the economic well-being of the

³² Ibid., 2-1.

³³ Ibid., 2-4.

³⁴ City of Sacramento, *General Plan Map*, January 2006.

City and all its residents.”³⁵ Work/live housing is in harmony with this approach because it connects housing and economic development.

The overall goal of the Housing Element is to meet housing demand, and specific goals and policies are outlined to that end. Goal 1 calls for new growth, reuse of existing sites, mixed use projects, and infill development on vacant or underutilized urban lots as approaches to meet that demand. Infill development is emphasized as desirable for its potential to accommodate additional housing, help revitalize neighborhoods, and reduce commuter trips by providing housing near job sites. Work/live housing could take this concept a step further by producing housing and employment opportunities at the same infill site, further reducing commuter congestion.

Innovative housing types are also seen as a method of meeting housing demand. The City of Sacramento is moving in the direction of more flexibility in live/work housing, and work/live could be seen as an extension of these policies. For example, Policy 1.G calls for innovative types of development: “The City shall continue to support well designed and compatible second units and carriage homes, and other non conventional housing opportunities such as artist live-work spaces.”³⁶ One of the action items for this policy calls for amending the Artist’s Live/Work Ordinance to allow live/work in all residential and non-residential zones in order to allow more flexibility in the types of live/work housing permitted.

Goal 3 of the Housing Element advocates a range of housing types within neighborhoods to encourage economic diversity and housing choice. The policies encourage housing mix in two ways. New development should include affordable housing, and “move-up” housing should be provided in existing affordable neighborhoods. The policies encourage development that would allow residents access to different housing types within their own neighborhoods. Work/live could be developed within existing lower income neighborhoods to provide economic and housing opportunities to its residents. These work/live units could be a stabilizing influence on neighborhoods since the residents would both live and own a business there.

³⁵ City of Sacramento, *Housing Element*, 3.10-1.

³⁶ *Ibid.*, 3.10-3.



Commerce and Industry Land Use Element

This element includes goals and policies to promote a vital economy, as well as the commercial and industrial land use categories. Although the goals and policies are wide-ranging, several of them directly support the concept of work/live housing. One of the overall goals seeks to “Promote new employment opportunities, particularly for the under-employed and economically disadvantaged.”³⁷ Furthermore, the goals and policies support revitalizing existing commercial areas with new mixed-use development.³⁸ Although the goals and policies are in agreement with work/live, the land use categories are not. Other than the Mixed Use category (discussed in Residential Land Use Element above), none of the existing Commerce and Industry land use designations would be appropriate for work/live.

General Plan Update

Sacramento is still in the early stages of updating its General Plan; however, the available public documents suggest that work/live would be compatible with the new plan. As the first step of the General Plan update process, a vision statement and guiding principles have been created. In addition to the goals carried forward from the 1988 General Plan, the vision and principles of the new General Plan call for a broad range of jobs and specifically support small and local businesses. This is significant in that Sacramento seeks to strengthen small business rather than just supporting large businesses. Economic development principles are included with the vision, which call for infill development, especially along commercial corridors and near transportation. Additionally, Sacramento seeks to improve the jobs-housing balance by locating housing near employment centers. Work/live could be an effective tool to achieve the goals of small business development and influencing the jobs-housing balance.

Redevelopment Implementation Plans

Redevelopment Implementation Plans are an important source for understanding the City’s goals for infill development and revitalization. Five Year Implementation Plans were created for each of the project areas as a joint effort of the Sacramento Housing and Redevelopment Agency and the City of Sacramento Economic Development Department. (See the Appendix for a description of agencies involved with planning and redevelopment in Sacramento.) The plans fulfill California law and provide a summary of redevelopment activities in each project area with an approximate budget. These plans include goals and strategies for reaching the goals. There are six project

³⁷ City of Sacramento, *General Plan*, 4-1.

³⁸ *Ibid.*, 4-17.

areas in the City of Sacramento and two project areas that are jointly managed by the City and County of Sacramento. Based on the goals and strategies presented in the Implementation Plans, work/live housing would be consistent with five areas and have limited potential in three areas. A map of the project areas is included as Figure 9.

Project areas with strong potential for work/live are:

The **Alkali Flat** Project Area is primarily a residential neighborhood with historic character. Affordable housing is a major priority in this area and one of the Implementation Plan goals calls for the provision of safe housing for all income groups. Additionally, the Plan advocates the creation of a new commercial district to provide new employment opportunities for residents of the Project Area.³⁹ In combination, these points are very consistent with work/live.

The major goals for the **Army Depot** Project Area include creating jobs for local residents and stimulating economic growth.⁴⁰ As part of the housing strategy, the Plan discusses the possibility for innovative development: “The Agency will explore the opportunity for new residential development within the current industrial area, including the development of mixed-use projects along the commercial corridor.”⁴¹ This indicates a willingness to consider non-traditional solutions and relates well to work/live.

Franklin Boulevard is a commercial street in a diverse neighborhood. The Project Area is partially in the City and partially in the County of Sacramento. Significant goals include protecting local business, stimulating economic growth, providing local job opportunities, and the development of new housing.⁴² Work/live housing fits well into this context.

Stockton Boulevard is currently known as the “international marketplace” and is located in a predominately Asian and Latino neighborhood. The Plan seeks to create jobs for area residents and increase low and moderate income housing.⁴³ A strong emphasis is placed on supporting the entrepreneurial spirit present on the boulevard. Preserving existing businesses and encouraging new businesses are key strategies of the Plan. Work/live fits well in the context, and could be used as a tool to advance the goals.

³⁹ Sacramento Housing and Redevelopment Agency, *Alkali Flat Implementation Plan*, 3-4.

⁴⁰ Sacramento Housing and Redevelopment Agency, *Army Depot Implementation Plan*, 3.

⁴¹ Sacramento Housing and Redevelopment Agency, *Army Depot Implementation Plan*, 4.

⁴² Sacramento Housing and Redevelopment Agency, *Franklin Boulevard Implementation Plan*, 3.

⁴³ Sacramento Housing and Redevelopment Agency, *Stockton Boulevard Implementation Plan*, 3-4.



North Sacramento was originally a bedroom community with locally serving commercial and service businesses. It is somewhat isolated from the rest of the city because the street system does not connect well with surrounding areas.⁴⁴ The building stock is deteriorated and there is a significant amount of vacant property. However, the area is served by light rail and there are many redevelopment opportunities. The major redevelopment goals include providing jobs for local residents, expanding commercial uses, and encouraging a mix of housing types and densities.⁴⁵ Work/live is an ideal tool to help achieve the goals for this project area because residential and commercial uses have been integrated historically, and there are many opportunities for redevelopment of obsolete buildings and vacant parcels.

Project areas with limited potential for work/live are:

Based on the current mix of uses, historical nature, and redevelopment goals, the **Oak Park** neighborhood is an ideal location for work/live, but there are few physical locations where it could be built. Oak Park was Sacramento's first suburb and is currently characterized by residential areas intersected by major commercial streets.⁴⁶ The redevelopment plan calls for investment in the historic core of the neighborhood, move-up housing, and mixed use development.⁴⁷ Although there are many vacant single family lots in the area, the amount of vacant or underutilized land big enough for new construction of work/live is limited.

The **65th Street** area is in transition from a primarily industrial area to a mixed-use, transit-supportive district. The area has been the subject of extensive planning, including a new transit village and conversion of industrial land to residential use. These plans are currently underway, and do not provide many opportunities for work/live development, even though it could help achieve the vision for the area. The general goals in the Implementation Plan include strengthening the economic base of the community and stimulating new residential, commercial, and light industrial development.⁴⁸

⁴⁴ Sacramento Housing and Redevelopment Agency, *North Sacramento Implementation Plan*, 1.

⁴⁵ *Ibid.*, 3.

⁴⁶ Sacramento Housing and Redevelopment Agency, *Oak Park Implementation Plan*, 1.

⁴⁷ *Ibid.*, 4.

⁴⁸ Sacramento Housing and Redevelopment Agency, *65th Street Implementation Plan*, 2.

The **Del Paso Heights** area is an existing residential neighborhood with a commercial corridor that is envisioned as a town center for the area. Primary goals of the redevelopment plan are to retain the residential character of the area, attract new businesses, and provide quality housing for families presently living in the community.⁴⁹ Although work/live development could help achieve these goals, there are limited opportunities in this primarily residential neighborhood.

⁴⁹ Sacramento Housing and Redevelopment Agency, *Del Paso Heights Implementation Plan*, 3.



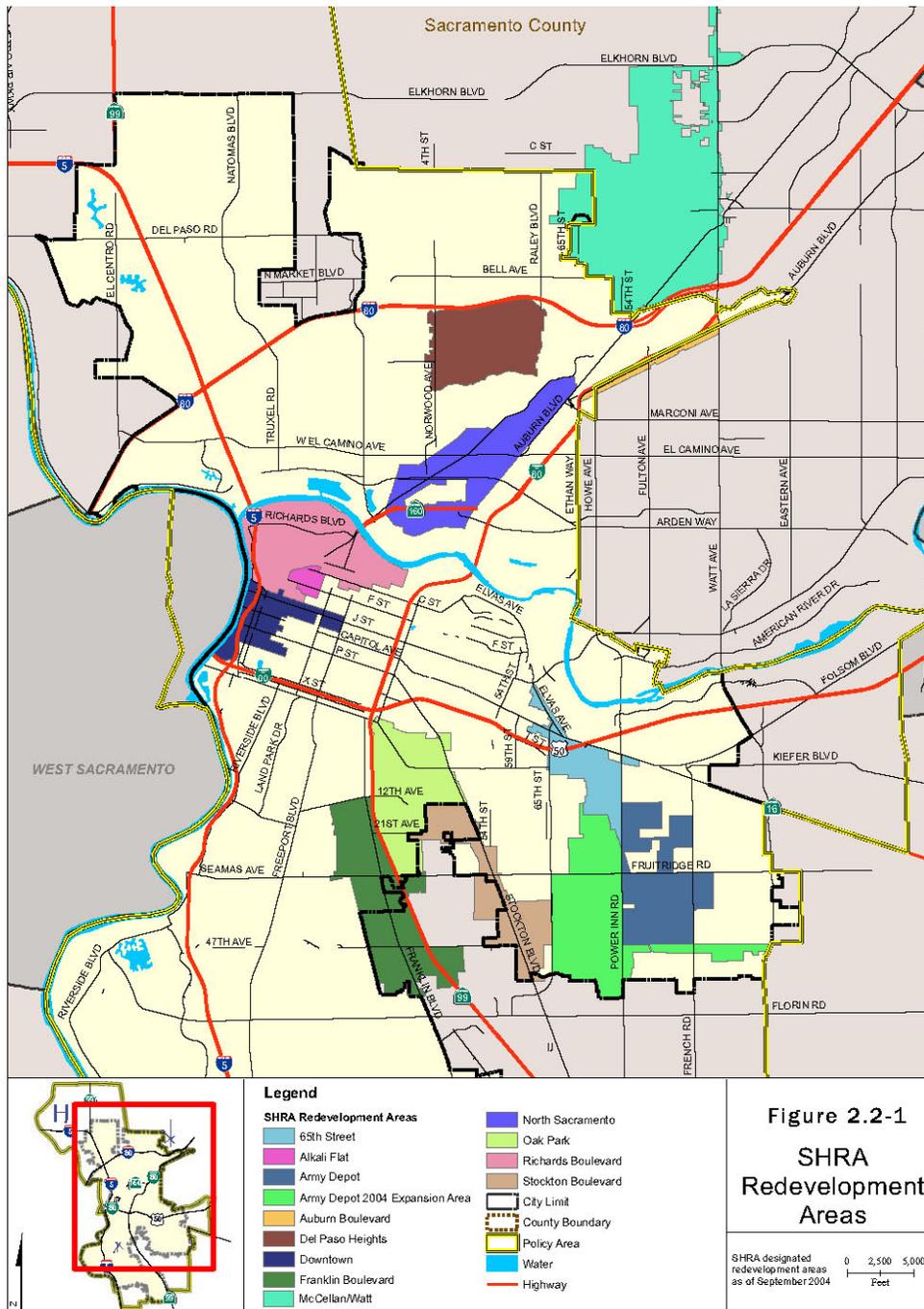


Figure 9: Redevelopment Project Areas in Sacramento
 Source: City of Sacramento, *General Plan Technical Background Report*, 2.2-17.
 Note: Includes project areas not incorporated into this research.

Other Planning Policies

The Sacramento City Council has approved three other planning policies related to work/live. Unlike the General Plan and Redevelopment Implementation Plans, these policies are not required by law. Their existence reinforces the City's commitment to progressive planning.

In 2001 the City adopted a Smart Growth Implementation Strategy to help address anticipated population growth. Fifteen Smart Growth Principles were adopted that emphasize redevelopment, mixed uses, transit oriented development, and walkable communities over suburban sprawl.⁵⁰ Work/live housing complies well with these principles, especially those related to mixed land uses, a range of housing opportunities, and a reduction in auto dependency.

The City of Sacramento Infill Strategy builds on the goals and policies set forth in the General Plan and the Smart Growth Principles. It identifies opportunities and constraints for infill development and designates target areas.⁵¹ Among these target areas, work/live housing complies with the policies for Commercial Corridors, Transit Station Areas, and potentially the Targeted Residential Areas. In the Commercial Corridors, work/live could assist in meeting the objectives of attracting new businesses and providing alternate types of development (rather than car-oriented strip commercial). In Transit Station Areas, objectives include providing a mix of land uses and housing types, and a reduction in auto dependency. Although work/live might not be appropriate in locations closest to stations because the density is not high enough, it could be used in outlying areas to help meet these objectives. Targeted Residential Areas describe neighborhoods with high concentrations of low income housing that have vacant or underutilized parcels. Work/live could be appropriate in these areas, especially if it is used as a transition between the residential neighborhood and surrounding commercial uses.

Like the Smart Growth Principles and Infill Strategy, the Commercial Corridor Revitalization Strategy builds on the concepts of mixed use development and intensification of land uses. The Strategy calls for zoning code amendments and the creation of Commercial Corridor Design Principles which provide guidelines for

⁵⁰ City of Sacramento, *Smart Growth Principles*, <<http://www.cityofsacramento.org/dsd/planning/projects/smartgrowth/>> [18 February 2006].

⁵¹ City of Sacramento, *Infill Strategy*, May 14, 2002, <<http://www.cityofsacramento.org/dsd/infill/pdfs/InfillStrategy-514.pdf>> [18 February 2006].



development. The Design Principles specifically call for residential uses and commercial corridors to attract new customers and business opportunities.

Conclusion

Work/live is consistent with the majority of planning policies in the City of Sacramento and could be used as a tool to reach the City's goals. Citywide policies including the General Plan, Redevelopment Implementation Plans, and three secondary planning policies all have points in harmony with the concept of work/live. Although there are examples of agreement, Sacramento's policies could be strengthened to support work/live development.

4. Zoning in Sacramento

The zoning code provides both opportunities and constraints for work/live housing in Sacramento. As the primary tool to implement the City’s goals and policies, the zoning code contains definitions, detailed descriptions of allowable uses, and development standards. The code also includes special rules for unusual uses, often referred to as separately regulated land uses. First, I reviewed these separately regulated uses to assess whether work/live fits into current categories and found that the existing code does not permit a range of options for working and living in the same place. Next, I evaluated the existing zones for general compatibility with work/live. Six of the existing zones are generally compatible with work/live. These zones were then compared to the prototypes presented in Chapter 2 to investigate how the zoning code would permit or restrict work/live housing. The results of this analysis are presented in this chapter.

Zoning Categories that Allow Home Based Businesses

In Sacramento, there are two existing circumstances in which people can legally live and work in the same space: Artist live/work spaces and home occupations. Both of these categories have special definitions and restrictions in the zoning code. Artist live/work space allows artists to combine residential and studio uses in one location, and home occupations are allowed throughout the city under certain circumstances. The following section describes the definitions, land use regulations, and restrictions for artist live/work and home occupations in Sacramento.

Artist Live/Work

In the definitions section of the zoning code, artist live/work housing is broadly defined. “Artist Live/Work Space means a combined living and working space for an artist in which to conduct arts activities.”⁵² An “artist” is the person who participates in the creation of art, and “arts activities” include a wide range of artistic activities including producing and sharing the art. Receptions, exhibitions, rehearsals, and performances are all permitted with a maximum attendance of 50 people. Permitted artistic disciplines included traditional fine arts as well as film, video, performing arts, woodworking, custom made jewelry, and textiles.⁵³ This general description of artist live/work is supplemented with more detail in the land use regulations.

⁵² City of Sacramento, *Municipal Code*, Section 17.16.010.

⁵³ *Ibid.*, Section 17.16.010.

Artist live/work is permitted in all (developable) zones in Sacramento, including heavy commercial and industrial zones.⁵⁴ However, the types of arts activities permitted varies according to land use designation. Arts activities that are permitted in all zones include “painting, sculpture, drawing, photography, film, video, small-scale glass works, ceramics, textiles, custom-made jewelry or apparel and woodworking.”⁵⁵ In residential zones, performing arts are not permitted and no noise generating art activities can be conducted outside of a building. In nonresidential zones, performing arts are permitted for rehearsal only and there are no explicit limitations on noise. Sacramento allows intensive arts activities that may be disruptive to neighbors such as sculpture, small scale glass works, and woodworking in residential zones. However, other very small businesses are not permitted to do the same legally because the owner is not an “artist.”

Home Occupations

In Sacramento, the home occupation regulations offer some flexibility while protecting the residential nature of the home and neighborhood. Home occupations are permitted in all Sacramento zones that allow residential development.⁵⁶ Home occupation permits are ministerial for ten types of businesses that are considered to be undetectable from normal residential activity:

- General office uses such as accountant, architect, or bookkeeper;
- Mobile vehicle glass installation and mobile vehicle detailing (subject to conditions);
- Direct sales and mail order businesses (subject to conditions);
- Office only for a contractor, janitorial service, or similar business (storage not allowed);
- Dressmaker or tailor;
- Artist live/work space (discussed above);
- Office only for an interior decorator;
- Tutoring of individuals;
- Office only for a certified massage technician; and
- Small appliance repair, except that there shall be no pickup or delivery by the public.⁵⁷

This list demonstrates what uses the City considers to be aligned with residential character. The priority of residential uses demonstrates a live/work relationship versus work/live. Under the home occupation regulations, it is not possible to have

⁵⁴ Ibid., Sections 17.24.020, 17.24.030, and 17.24.040.

⁵⁵ Ibid., Section 17.24.050.

⁵⁶ Ibid., Sections 17.24.020 and 17.24.030.

⁵⁷ Ibid., Section 17.16.010



the work component take precedence over the residential aspect. Although discretionary permits can be issued by the Zoning Administrator for uses that do not fall into these categories, they must be deemed undetectable from residential activity.

To further ensure that home occupations do not detract from the residential character of neighborhoods, Sacramento has strict regulations. Only ten percent of the habitable floor area of the dwelling may be used for the home occupation.⁵⁸ This is a very small percentage of most homes, comparable to one bedroom (150 square feet) in a typical single family home (1500 square feet). No more than three people can be engaged in a business at one location, which may include three residents or two residents and one non-resident (business partner or employee). The business may have only one employee that reports to work at the home occupation site. Additional employees are permitted only if they work off-site. Customers are allowed to go to the home occupation site, but only one customer is permitted per hour with a total of eight customers permitted per day. Additionally, no signs or any other forms of advertising are permitted, ensuring that there will be no walk-in customers. External impacts such as noise, odor and dust must be limited such that they are not readily discernible from the property line.⁵⁹ This requirement limits even the most modest businesses that use tools or equipment, and sets a standard that cannot be met by many typical residential activities, like mowing a lawn. Taken together, these regulations severely limit the types of businesses that can legally operate in homes in Sacramento.

Review of Existing Zones for Consistency with Work/Live

The concept of work/live was compared to all of the zones in Sacramento to determine whether it would generally comply with the intent of the zone and the permitted uses. Sacramento currently has over 30 zones that set the basic zoning requirements for the City. The zones are grouped and named according to the primary type of land use permitted in that zone. The categories include residential, commercial, office/employment, industrial, and agricultural. The code includes a description of each zone and the permitted uses within that zone. Additionally, a statement of intent is included with most of the zones. In principle, work/live could fit into six base zones and two overlay zones. Two of the base zones are residential (R-5 and RMX), three are commercial (C-1, C-2, and EC), and one is industrial (M-1). The two overlay zones can be applied to the C-2 and RMX zones, and are considered separately. The remaining

⁵⁸ Ibid.

⁵⁹ Ibid.

zones have been excluded from this discussion because work/live does not fit with the intent or regulations for them.

These eight zones were investigated further to identify potential conflicts between the work/live prototypes presented in Chapter 2 and the development standards for each zone. Five potential areas of conflict were identified: maximum height, setback, lot coverage, and minimum lot area per unit. In Sacramento, these concepts are defined as follows:

- Maximum height is a measurement of the vertical distance from the ground to point where the roof meets the wall of the building.
- A setback is line from which a building may not project, measured from the property line to the main wall of a building.
- Lot coverage is the amount of area, expressed as a percentage, that is covered by all buildings and structures on a lot. It includes all covered areas, such as buildings, porches, and patio roofs.⁶⁰
- Minimum lot area per unit is a way of regulating residential density. It prescribes a minimum lot area, expressed in square feet, for each residential unit that will be built on the lot.⁶¹

The following section includes a more detailed discussion of each zone and points of agreement or conflict with the code.

Residential Zones

R-5 is a multifamily residential zone located near the central business district. High density residential development is permitted, while institutional, office and commercial uses are allowed subject to special permit review. A wide variety of commercial uses are allowed in R-5 that are not allowed in residential zones R-1 through R-4, including bakeries, barbers, and florists.⁶² This zone is best suited for commercial work/live development, utilizing prototypes 1 or 2, because this zone calls for higher densities.

The development standards for R-5 present no insurmountable obstacles to work/live. The maximum height for residential or mixed use buildings is 35 feet, but taller buildings are permitted with a special permit. The required lot area per dwelling unit is quite small, with a range of 250-500 square feet required per unit. This requirement is well below what would be required for work/live because of the square footage

⁶⁰ Ibid., Section 17.16.010.

⁶¹ Definition by author based on language of similar definitions in Section 17.16.010.

⁶² Ibid., Sections 17.20.010 and 17.24.030,



added to each unit by the work component. The lot coverage requirements range from 45% to 70% and are connected to the requirements for lot area per unit, and should not prohibit work/live. To encourage new development that fits into its context, R-5 front setbacks are determined by averaging the setbacks of the nearest buildings.⁶³ Depending on the context, this requirement may conflict with the prototypes. Small setbacks could be met with minor adjustments to the prototypes, but larger setbacks could undermine the pedestrian orientation of the designs by increasing the distance between the buildings and the street.

The second residential zone that is a good fit with work/live is the **RMX**, or residential mixed use, zone. Residential and neighborhood commercial uses are expressly permitted in RMX, and mixed use is encouraged:

The RMX zone allows a mix of moderate density residential and neighborhood-serving commercial uses as a matter of right, and is intended to preserve existing housing stock and the residential character of neighborhoods while encouraging the development of new housing opportunities, as well as neighborhood-oriented ground-floor retail and service uses.⁶⁴

A wide variety of commercial uses are permitted that may be appropriate for work/live including appliance repair, bakeries, book stores, convenience markets, diet centers, gift-stores, travel agencies, and tutoring centers.⁶⁵ Prototypes 1, 2, and 3 are all suitable for the RMX zone.

Work/live prototypes 1, 2, and 3 comply well with most of the development standards for the RMX zone. The general building height maximum is 35 feet, but can be increased to 45 by special permit. Non-residential development is limited to 50% of the building square footage on most sites, which could be an obstacle, depending on the size of the work spaces compared to the residential space. Maximum lot coverage is 70%, which would allow the intensity of use generated by work/live. There is potential for a reduction in parking requirements for mixed use developments in the RMX zone that could be beneficial for work/live by reducing the off-street space required for parking. Since some RMX sites are in noisy locations, there are existing noise attenuation measures in the code.⁶⁶ These existing standards will reduce the noise reaching the residential space from the work space.

⁶³ Ibid., Chapter 17.60.

⁶⁴ Ibid., Section 17.28.010.

⁶⁵ Ibid., Sections 17.28.010 and 17.28.020.

⁶⁶ Ibid., Sections 17.28.020 and 17.28.030.

Commercial Zones

C-1 is a limited commercial zone intended for small parcels in existing residential neighborhoods. In the C-1 district, neighborhood commercial uses such as copy shops, florists, and dry cleaners are allowed. Heavier commercial uses such as printing and automotive related services are not permitted, as they detract from the residential nature of the neighborhood. Residential uses are permitted by right within the central city C-1 zones and by special permit outside of the central city.⁶⁷ The C-1 zone is best suited for low or moderate intensity commercial work/live, such as prototypes 2 and 3.

The provisions of the C-1 development standards do not specifically exclude work/live, but they are not in exact harmony with the prototypes. The height limit ranges from the 35 to 55 feet depending on the proximity to residential uses, and raises no obstacle for work/live. The lot area per dwelling unit requirement is fairly large at 1500 square feet. This requirement could be a limitation to prototype 1 but should not constrain prototypes 2 and 3. The most significant obstacle to work/live in the C-1 zone is the front setback requirement. Depending on the height of the building, the setback would vary from 7.5 feet to 22.5 feet.⁶⁸ The smaller requirement could probably be accommodated through careful site planning, but if the larger setback of 22.5 feet was required it would be difficult or impossible to implement the prototype designs because most parcels could not accommodate the depth of the setback, work component, and residential component. Furthermore, such a large setback would negate the pedestrian friendly quality of the storefronts.

The **C-2** General Commercial zone is similar to the C-1 zone but permits a wider variety of uses. Many of the commercial corridors that have been targeted for more intense mixed-use development have this zoning. More intensive commercial uses are permitted in C-2 than in the C-1 district, such as cabinet shops and furniture stores.⁶⁹ All four prototypes could be appropriate for this zone, depending on the context.

The development standards for the C-2 zone are almost identical to the C-1 zone discussed above. Like in the C-1 zone, the setback requirement is the largest impediment to work/live development.

⁶⁷ Ibid., Section 17.24.030.

⁶⁸ Ibid., Section 17.60.020 and 17.60.030.

⁶⁹ Ibid., Sections 17.24.030 and 17.24.050.



The third possible commercial zone is very different than the two others considered. The Employment Center- EC zone is designed to be a flexible zone for employment generating uses in a pedestrian friendly environment. The EC zone was developed for a specific area of the City, North Natomas, but may be applied to other areas of the City. All property within the EC zone also has the planned unit development (PUD) designation. The primary emphasis in this zone is employment generating uses reaching 30 to 80 employees per net acre. Other retail, residential, and light industrial uses are allowed, but only to support the job rich uses.⁷⁰ It is impossible to determine with certainty whether work/live could generate enough jobs to reach the threshold, but it is unlikely. Depending on the other uses in the PUD, it is possible that work/live units could be appropriate as a supporting use. The development standards for the EC zone are very general because the details of the design would be included in the PUD plans. There are no provisions that completely exclude work/live housing.

Industrial Zone

There is one industrial zone that may be appropriate for work/live with restrictions. The M-1 Light Industrial zone allows most fabricating activities, warehousing and distribution. Industrial activities such as food processing and concrete patch plants are permitted. In addition, heavy commercial uses such as pest control companies and tire shops are allowed without conditions. Currently, residential uses are not completely prohibited, they are permitted in the M-1 zone on a limited basis. Residential uses are permitted in M-1 under three conditions: within the central city, if the property previously had a residential use, and within a one quarter mile radius of a light rail station.⁷¹ Artist live/work units are also allowed, indicating that work/live may also be appropriate. In this zone intensive work could be done in the work/live unit, such as welding, woodworking, and major appliance repair. Work/live prototype 4 would be appropriate on the edges of the M-1 zone as a buffer between industrial and other uses. Prototype 3 would be appropriate in the areas close to existing commercial development.

The development standards for the M-1 zone do not pose obstacles for work/live. The height limit is 75 feet, much taller than is likely for work/live. A setback is required if the development is adjacent to residential development, otherwise, no setback is required. Maximum lot coverage and lot area per dwelling unit are not regulated.

⁷⁰ Ibid., Sections 17.56.010, 17.56.020, and 17.56.030.

⁷¹ Ibid., Sections 17.20.010, 17.24.040 and 17.24.050.

Overlay Zones

There are two existing overlay zones relevant to the discussion of work/live: Neighborhood Corridor (NC) and Urban Neighborhood (UN). These overlay zones have been applied to areas of the City where work/live could fit well into the context.

The NC overlay zone can be applied to the C-2 base zone in areas where the City desires new housing and mixed use. Currently, the areas with the NC overlay are in older mixed-use areas with significant pedestrian activity. The NC designation is more restrictive than the C-2 zone; some commercial uses are not permitted in the NC zone to ensure compatibility with surrounding uses.⁷²

Areas with the NC overlay zone have slightly different development standards than other C-2 zoned areas. Buildings with two or more residential units can be up to 45 feet tall. Additionally, there is no specific density requirement or limitation on residential development. The density is determined by other regulations such as height and setback.⁷³ The setback requirement is the same as the C-2 zone, and poses the obstacles to work/live discussed above.

The UN overlay zone is very similar to the NC zone but is intended as a transition zone from the dense central business district to low and medium density areas nearby. It can be applied to the C-2 or RMX zones and encourages housing and mixed use. The permitted uses are based on the underlying C-2 or RMX zones, with minor differences.⁷⁴

The development standards for the UN zone are similar to the NC zone but allow more intense development. Buildings with 25% or more residential square footage can be up to 65 feet tall. Residential density is not regulated and the number of units is limited only by compliance with other regulations. Again, the setback requirement is the same as in the C-2 zone.⁷⁵

Conclusion

The Sacramento zoning code presents both obstacles and possibilities for the development of work/live units. The current options for residents to live and work in

⁷² Ibid., Chapter 17.164.

⁷³ Ibid., Section 17.164.040.

⁷⁴ Ibid., Chapter 17.168.

⁷⁵ Ibid., Section 17.168.050.



the same place do not provide the flexibility required for work/live as defined in this research.

The artist live/work and home occupation designations are too limited to accommodate a range of work/live arrangements. Although a variety of activities are allowed in artist live/work space, and they are permitted throughout the City, the occupant must be an artist. Home occupations are also allowed in most locations, yet the restrictions on signs, employees, and percentage of allowable work space prohibit work/live. In conclusion, work/live cannot just “fit in” to one of these existing definitions.

My review of the existing zones in Sacramento revealed that work/live is generally consistent with six zones, although there are some points of contention. Work/live fits well with the intent and permitted uses in the R-5, RMX, C-1, and C-2 zones. The EC zone is a special case, where work/live may or may not fit depending on the context. Although work/live would not be allowed in the M-1 zone under the current regulations, it would be an appropriate use if it were allowed with restrictions.

Although there are many points of agreement between work/live and the development standards, there are also some discrepancies (see Table 1). As defined in this research, work/live compiles with the height and maximum lot coverage requirements in all zones. The front setback requirement raises issues in the R-5, C-1, and C-2 zones. The minimum lot area per unit regulation is a potential issue in the C-1 and C-2 zones. To encourage work/live, the zoning code should be amended to specifically allow work/live and address these issues. The following chapter considers the necessary changes in detail.

Table 1: Does Work/Live Comply with Sacramento’s Existing Zoning Classifications?

Zones	Written Intent	Permitted Uses	Development Standards			
			Maximum Height	Front Setback	Max Lot coverage	Min Lot Area per Unit
R-5	Yes	Yes	Yes	Depends on context	Yes	Yes
RMX ⁷⁶	Yes	Yes	Yes	Yes	Yes	Yes
C-1	Yes	Yes	Yes	No	Not regulated	No, with possible exceptions
C-2	Yes	Yes	Yes	No	Not regulated	No, with possible exceptions
EC	Maybe	Maybe	To be determined based on PUD design			
M-1	Yes, with restrictions	No	Yes	Yes	Not regulated	Not regulated

Source: City of Sacramento *Municipal Code*, Chapter 17.

⁷⁶ There is one obstacle to work/live in the RMX zone not included in the table. The non-residential development is limited to 50% of the building square footage.



5. Analysis and Recommendations

To encourage work/live, the City of Sacramento will have to make changes to its existing planning policies and zoning code. Since the General Plan is currently being updated, this is an appropriate time to recommend changes to support work/live. Once the changes are made to the policies, then Sacramento should update the zoning code to implement work/live. Additionally, a new policy document with implementation principles for work/live should be developed. This chapter includes a discussion of each of the changes necessary to permit and encourage work/live in Sacramento, followed by specific recommendations.

Recommended Changes to Sacramento General Plan

Accord between the General Plan and work/live is critical to encouraging work/live housing in Sacramento. Changes are recommended to the goals and policies, land use categories, and specific policies in area plans.

Amend Goals and Policies to Promote Small Businesses

Currently, the General Plan does not include goals or policies to support small businesses. The emphasis is on retention and attraction of large businesses. However, promoting small business is identified in the materials for the General Plan update. The General Plan Update Issues Report recognizes small businesses as a source of jobs and as contributors to the City's unique character.⁷⁷ The Vision for the new General Plan mentions small and locally owned business as part of a successful economy.⁷⁸ Since the emphasis on small business is new in Sacramento, there is no existing approach or language to address it. Sacramento can look to San Francisco for examples of how to support small business in the General Plan.

San Francisco establishes priority policies for development in the preamble of its General Plan. Two of the eight policies provide notable approaches to supporting locally owned businesses. Policy number one calls for opportunities for resident employment and ownership of neighborhood-serving retail businesses.⁷⁹ Compared to the other cities researched for this report, it is unique that San Francisco has made this a priority policy. Additionally, San Francisco explicitly calls for resident ownership of

⁷⁷ City of Sacramento, *Planning Issues Report: Sacramento General Plan Update*, 16.

⁷⁸ City of Sacramento, *Vision and Guiding Principles: Sacramento General Plan Update*, 1.

⁷⁹ City and County of San Francisco, *General Plan*, <http://www.sfgov.org/site/planning_index> [13 March 2006].

commercial businesses. This policy reinforces the City’s position of supporting locally-owned businesses. On a related theme, Policy 5 seeks to protect the industrial and service sectors from displacement by office development. This policy also calls for resident employment and ownership in the industrial and service sectors.⁸⁰

According to the San Francisco Commerce and Industry Element, economic development activities must promote economic vitality, social equity, and environmental quality. The unique aspect of these goals is the social equity component, which seeks to “assure that all segments of the San Francisco labor force benefit from economic growth.”⁸¹ San Francisco values small business that may be considered marginal or undesirable in other cities. Several of the policies of the Commerce and Industry Element specifically support these small businesses. Policy 4.11 seeks to maintain a supply of affordable space to incubate small business. Examples of these incubator industries include craft manufacturing, business services, and apparel manufacturing and design.⁸² Similarly, policy 6.2 advocates for neighborhood commercial districts that support entrepreneurship and small business enterprises. Small scale commercial areas are seen as critical to the fiscal health of the city: they provide employment opportunities, contribute to the city’s tax base, and provide needed goods and services for residents.⁸³ To further support existing commercial districts with locally owned businesses, San Francisco limits the development of new commercial areas within the city.⁸⁴

Sacramento should adapt the examples from San Francisco and make changes to the General Plan to support small business development.

Recommendations:

- In the overall General Plan goals, include language that supports small business in the retail, service, and industrial sectors.
- Establish a goal to increase opportunities for ownership and employment in small business. Emphasize business opportunities in low or moderate income neighborhoods.
- Establish a goal to maintain a supply of affordable space to incubate small businesses.

⁸⁰ Ibid.

⁸¹ Ibid.

⁸² Ibid.

⁸³ Ibid.

⁸⁴ Ibid.



- Establish a policy to discourage new large-scale commercial development in the City.

Amend Goals and Policies to Promote a Range of Housing Types

Although Sacramento supports innovative housing types and housing that is affordable to a range of households, the two concepts are not linked in the current General Plan. Sacramento should specifically identify work/live, and other innovative approaches, as tools to accommodate a wide range of households.

The Seattle Housing Element provides an example of how Sacramento can connect these concepts. Like Sacramento, Seattle seeks to provide a range of housing types to accommodate a diverse population. Seattle expresses this value in concrete terms by giving examples of innovative housing types and suggesting they be used to help meet affordable housing needs.

Recommendation:

- Establish a policy supporting innovative housing types that are affordable to a wide range of households. Based on the Seattle code⁸⁵, the following language is recommended: *Promote and foster, where appropriate, innovative and non-traditional housing types such as work/live suites, co-housing, and accessory dwelling units, as alternative means of accommodating residential growth and providing housing options to households with a wide range of income levels.*

Create a Land Use Category for Older Mixed-Use Neighborhoods

Sacramento has older neighborhoods with a variety of housing types and small businesses which would be ideal locations for commercial work/live. But in the current General Plan, these neighborhoods have low or medium density residential designations that do not reflect the mixed-use character of the areas. Although there are two mixed-use land use categories in Sacramento, they are applied to new development areas and as part of a transit station area redevelopment plan. Sacramento is lacking a mixed use category in its General Plan that captures the eclectic quality of its older neighborhoods.

There are two land use classifications in the Oakland General Plan that are designed to fit existing mixed-use neighborhoods that could be applied in Sacramento. The first

⁸⁵ City of Seattle, *Comprehensive Plan Housing Element*, 4.6.

distinctive classification in the Oakland Land Use Element is the “Mixed Housing Type Residential” category. It describes older parts of the city where there is an existing mix of housing types and neighborhood businesses. This category is applied to a significant portion of the city. New development in these areas should be principally residential, with some small scale business and civic uses. Live/work is specifically called out as an appropriate use in these areas.⁸⁶ This classification acknowledges the eclectic character of these neighborhoods where a range of housing types and commercial uses have fit well into residential areas and seeks to preserve it:

The Mixed Housing Type Residential classification is intended to create, maintain, and enhance residential areas typically located near the City’s major arterials and characterized by a mix of single family homes, townhomes, small multi-unit buildings, and neighborhood businesses where appropriate.⁸⁷

If applied in Sacramento, the mixed housing type classification would capture the diverse nature of these neighborhoods and build on their strengths. Additionally, this land use would be an ideal place for commercial work/live development.

Recommendations:

- Establish a Mixed Housing Type Residential designation in the Land Use Element. Consider the following language, based on the Oakland example: *The Mixed Housing Type Residential designation is intended to maintain and enhance residential areas typically located near the City Center or major arterials and is characterized by a mix of single family homes, duplexes, small multi-unit buildings, and neighborhood businesses. New commercial development should fit into the residential context and maximize opportunities for employment for residents that live within walking distance.*
- Apply the Mixed Housing Type Residential designation to neighborhoods generally south and west of the Central City, and close to arterials.
- In the list of appropriate uses for the Mixed Housing Type Residential designation, include commercial work/live suites.

Create a Land Use Category to Transition from Residential to Industrial

In Sacramento, there is little buffer between existing residential and heavy commercial or industrial uses. Industrial work/live suites could be a fitting buffer between these

⁸⁶ City of Oakland, *General Plan: Land Use & Transportation Element*, 146.

⁸⁷ *Ibid.*



uses if there was an appropriate general plan category to encourage it. Oakland provides an example that can be applied to Sacramento.

The Oakland “Housing and Business Mix” classification is applied to areas where residential uses have evolved nearby heavy commercial uses and industry due to historic development patterns. This classification seeks to balance these competing interests by requiring that future development be compatible with housing and respect the mixed nature of the neighborhood. In particular, this classification calls for: mixed housing types, live/work, low impact light industrial, retail and service businesses, and community facilities. To ensure long term compatibility, enforceable performance standards are recommended in the Land Use Element.⁸⁸

Application of the Housing and Business Mix designation to Sacramento could result in a buffer between uses and create opportunities for industrial work/live suites. In Sacramento, both heavy commercial and industrial uses are low intensity. Adding the Housing and Business Mix category could provide opportunities for small light industrial uses in a more intense development pattern, resulting in diverse employment opportunities and an overall better transition between land uses.

Recommendations:

- Establish a Housing and Business Mix designation in the land use element. Consider the following language, based on the Oakland example⁸⁹: *The Housing and Business Mix classification recognizes the equal importance of both housing and business. This classification is intended to guide a transition from heavy commercial and warehousing activities or industry to low-impact light industrial and other businesses that can co-exist compatibly with residential development.*
- Apply the Housing and Business Mix designation to areas located between residential and heavy commercial or industrial use.
- In the list of appropriate uses for the Housing and Business Mix designation, include industrial work/live suites.

Area/Community Plans

As area or community plans are created or updated in Sacramento, work/live should be considered as a tool to meet neighborhood goals. Like most large cities, Sacramento uses area or community plans as part of its General Plan to address

⁸⁸ Ibid., 157.

⁸⁹ Ibid.

specific parts of the City in more detail. Area and community plans provide an opportunity to implement the policies discussed above in even greater detail.

Out of the cities I reviewed, Seattle provides the best examples of detailed area plans (which they call neighborhood plans) related to work/live. Four of the Neighborhood Plans explicitly call for live/work as a tool to reach housing and business development goals.⁹⁰ Additionally, the Neighborhood Plan policies recognize the similarities between artists, for whom the concept of live/work is well accepted, and other small businesses that have similar needs for affordable work space. In one neighborhood with an existing arts presence, the plan identifies an opportunity to strengthen the area with compatible light industrial uses. The policy reads:

Seek to attract industrial uses that could have a symbiotic relationship with the local arts community, including but not limited to, glass blowing facilities, welding and metalwork shops, facilities that recycle materials into usable objects, woodworking facilities, or large-scale ceramics.⁹¹

Recommendations:

- As area/community plans are created or updated, consider whether work/live can be used as a tool to achieve goals.
- Establish specific locations within the community where work/live would be appropriate and would strengthen the neighborhood.
- Build on Sacramento's existing arts districts, such as the Del Paso Boulevard area, by encouraging compatible work/live that is not arts related.

⁹⁰ City of Seattle, *Comprehensive Plan: Neighborhood Plans*, 8.13, 8.34, 8.40, and 8.72.

⁹¹ *Ibid.*



Changes to the Sacramento Zoning Code

To encourage work/live, Sacramento must make changes and additions to the zoning code. A wider range of land use categories should be created to account for the range of types of work that can be done in conjunction with a residence. These changes should be made to the land uses that have their own definitions and restrictions, known as separately regulated land uses. Once these definitions are established, the existing residential and commercial zones should be updated to include commercial work/live. Finally, an overlay district should be added to the zoning code to allow for work/live in industrial or heavy commercial areas.

Definitions of Separately Regulated Land Uses

There are many possible ways to mix work and home, each with different impacts on the community. Sacramento should implement regulations that recognize the differences, and adopt new separately regulated land uses to describe a range of living and working arrangements. The following section considers five categories in detail: home occupation, commercial work/live suite, industrial work/live suite, live/work loft, and artist live/work.

Maintain the Existing Home Occupation Category

Sacramento does not need to make any changes to the existing home occupation definition or regulations to accommodate work/live. The zoning code's present definition of home occupation is supportive of small home-based businesses while protecting the residential character of the house and neighborhood. Home occupations have an important role in the spectrum of living and working arrangements by accommodating work that is indistinguishable from normal home use at the least possible expense.

Create New Categories for Commercial and Industrial Work/Live Suites

Sacramento does not currently use the term "work/live" in its zoning code. An entirely new definition must be created. The Sacramento definition should draw from the examples of other cities and should apply to renovations and new construction. Once a general definition of work/live is established, a distinction between commercial and industrial should be made.

Oakland currently uses the term work/live in its Building Code to differentiate it from live/work (as discussed in Chapter 2). However, the Oakland zoning code uses the

term “Joint Living and Work Quarters” to describe work/live. Joint Living and Work Quarters is the terminology used in California Health and Safety Code 17958.11, which authorizes the reuse of obsolete commercial and industrial buildings for joint residential and work use and approves a relaxation in building codes for such projects. The Oakland definition of Joint Living and Work Quarters comes almost directly from the enabling state code section and reads:

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.⁹²

The Oakland code goes on to say that new construction of joint living and work quarters is allowed in one specific zone (the S-16 Industrial-Residential Transition Combining Zone).

The City of Seattle uses the phrase “live-work unit” to describe work/live. The definition is specific and instructive as to the purpose of live-work:

Live-work unit means a structure or portion of a structure: (1) that combines a commercial or manufacturing activity that is allowed in the zone with the residential living space for the owner of the commercial or manufacturing business, or the owner’s employee, and that person’s household; (2) where the resident owner or employee of the business is responsible for the commercial or manufacturing activity performed; and (3) where the commercial or manufacturing activity conducted takes place subject to a valid business license associated with the premises.⁹³

By definition, Seattle live-work units can have a commercial or manufacturing component, if it would otherwise be allowed in the zone. Seattle has a separate classification for artists, referred to as a studio/dwelling. Throughout the code, artist’s studio/dwellings are treated separately from live-work units.

Recommendations:

- Establish a new definition for commercial work/live suites. Sample language:

Commercial work/live suite means a structure or portion of a structure that combines a commercial activity that is allowed in the zone with the residential

⁹² City of Oakland, *Municipal Code*, Section 17.102.190.

⁹³ City of Seattle, *Municipal Code*, Chapter 23.84.



living space for the owner of the commercial business, or the owner's employee, and that person's household; and is subject to the following conditions:

- 1. the residential living space shall include cooking space and sanitary facilities which satisfy the provisions of other applicable codes;*
- 2. the residential living space should be separated from the commercial work space by a wall or ceiling;*
- 3. the resident owner or employee of the business is responsible for the commercial activity performed; and*
- 4. the commercial activity conducted takes place subject to a valid business license associated with the premises.*

Commercial work/live suites shall have the rights expected by other commercial businesses including: an unlimited number of employees, walk-in customers/clients, and signs or other advertising as provided by other applicable codes.

- Establish a new definition for industrial work/live suites. Sample language:

Industrial work/live suite means a structure or portion of a structure that combines a commercial or manufacturing activity that is allowed in the zone with the residential living space for the owner of the commercial or manufacturing business, or the owner's employee, and that person's household; and is subject to the following conditions:

- 1. the residential living space shall include cooking space and sanitary facilities which satisfy the provisions of other applicable codes;*
- 2. the residential living space should be separated from the commercial work space by a physical separation if required by the fire code, or by a wall or ceiling;*
- 3. the resident owner or employee of the business is responsible for the commercial or manufacturing activity performed; and*
- 4. the commercial or manufacturing activity conducted takes place subject to a valid business license associated with the premises.*

Industrial work/live suites shall have the rights expected by other industrial or commercial businesses including: an unlimited number of employees, walk-in customers/clients, and signs or other advertising as provided by other applicable codes.

Create a New Live/Work Loft Definition

To provide clarity in the zoning code, live/work lofts should be defined to differentiate them from work/live. Currently, live/work lofts are not identified as a residential housing type. There is potential for confusion about the difference between live/work lofts and work/live if clear definitions are not included in the zoning code. The organization of the zoning code should reinforce the residential nature of live/work lofts. For example, lofts should be listed as a residential dwelling type, along with other dwelling unit types.

Recommendation:

- Establish a definition of live/work loft in the zoning code: *Live/work loft is a residential dwelling type which provides flexible space to accommodate occasional work at home or a small business that complies with the regulations for a home occupation.*

Eliminate the Existing Artist Live/Work Category

Sacramento is currently very permissive of artist live/work, which is allowed in all zones in Sacramento. The zoning code identifies a wide range of permitted activities, which vary in intensity from very quiet and small scale, such as drawing, to noisy and space consuming, such as woodworking. Unlike live-work in Seattle, the work component is not required to be a permitted use if it is part of an artist live/work unit. Higher intensity arts activities are currently permitted in artist live/work spaces, even if that non-residential use would not otherwise be permitted. As a result, some of the uses that are permitted in artist live/work spaces may be inappropriate in residential zones.

Instead of including a separate artist live/work designation, artists should be encouraged to work in accommodations that are appropriate to the type of artistic work they do. For example, an artist that draws or writes could be accommodated as a home occupation in a loft. An artist engaged in activities such as video production or custom made apparel may be most appropriate in commercial work/live. More intense artistic activities such as woodworking or glass works would likely fit best in industrial work/live.

There are instances where arts activities are a preferred use in a district for specific reason. For example, in Sacramento there is an existing concentration of creative



enterprises in the Del Paso Boulevard district. In this area, the City seeks to build on this existing artistic base and to revitalize the area. In this case, the preference for arts related uses can be emphasized even without the artist live/work space land use.

Recommendations:

- Delete the classification for “artist live/work space” from the zoning code. Permit and encourage arts activities as a home occupation, commercial work/live use, or industrial work/live use as appropriate. (If a separate category for artist live/work is still desired, adopt new terminology to distinguish it from work/live. Follow Seattle’s example and use the term “artist studio/dwelling.”)
- Where arts activities are a preferred use, implement zoning that allows for a range of artistic endeavors including home occupations, commercial work/live, and industrial work/live. Overlay districts and special planning districts are appropriate mechanisms for implementation. The emphasis on the arts can also be made through other planning documents such as area plans and neighborhood strategies.

Summary

Sacramento can encourage small business by recognizing the range of ways residents may want to work and live in the same place and regulating them accordingly. A summary of recommendations is presented in Table 2. Clear definitions of home occupation, work/live, and live/work lofts are critical to support small business while protecting the health and safety of the community.

Table 2: Recommended Changes to the Zoning Code to Combine Work and Home

	Home Occupation (in any residence, including lofts)	Commercial work/live	Industrial work/live
Work Uses	Indistinguishable from residential use. Small business or occasional work at home.	Low hazard: service, retail, office, low intensity arts activities	Moderate hazard: artisan, manufacturing, heavy service, intense arts activities
Employees Permitted	Limited to 3 total, including one non-resident	Unlimited	Unlimited
Walk-In Customers Permitted	One per hour, up to eight per day	Yes	Yes
Signs or other Advertising Permitted	No	Yes	Yes
Separation Between Work and Live Components	None required	Wall or ceiling	Physical separation

Changes to Established Zones

Although work/live would be suitable in several zones, minor changes are needed to each of them to accommodate a range of work/live development. The following section includes analysis and recommendations for changes to the residential and commercial zones.

Residential Zones

As discussed in Chapter 4, work/live would be appropriate in two residential zones in Sacramento that already permit commercial uses consistent with work/live: RMX and R-5. However, small changes would be needed in each of these zones to permit and encourage work/live suites.

RMX Zone

Although work/live fits in well with the intent of the RMX zone, one provision may exclude some work/live site plans. Currently, nonresidential development is limited to 50% of building square footage.⁹⁴ Presumably, this provision is intended to protect the generally residential nature of the RMX zone.

Presented with the same issue, Seattle takes a different approach in their Residential-Commercial zone. Seattle's Residential-Commercial zone is similar to Sacramento's RMX zone. Both of these zones provide for residential development with ground floor commercial uses. Seattle's Residential-Commercial zone allows live-work units and the following commercial uses outright: personal and household retail sales and service; medical services; restaurants; business support services; offices; and food processing and craft work.⁹⁵ In Seattle, live-work units are considered compatible with these uses, which are substantially similar to the uses permitted in Sacramento's RMX zone. Seattle limits the size of individual businesses to 4,000 square feet.⁹⁶ This provision limits the size of businesses, thereby ensuring that large businesses will not be included that would jeopardize the residential character of the neighborhood. The approach used in Seattle should be combined with Sacramento's regulations to reach a solution that would permit work/live without sacrificing the residential neighborhood.

⁹⁴ City of Sacramento, *Municipal Code*, Section 17.28.030.

⁹⁵ City of Seattle, *Municipal Code*, Section 23.46.004.

⁹⁶ City of Seattle, *Municipal Code*, Section 23.46.014.



Recommendations:

- List commercial work/live as a principally permitted use in the RMX zone when the nonresidential use is otherwise permitted in the zone. If the work use is conditionally permitted, require a conditional use permit for the commercial work/live suite.
- Add an exception for commercial work/live suites to allow up to 75% nonresidential building square footage in the RMX zone when each individual business establishment is no greater than 4,000 square feet.

R-5 Zone

In the R-5 zone, the front setback requirement is the largest obstacle to commercial work/live development. The code requires that the front setbacks be determined by averaging the setbacks of the two nearest buildings on the same side of the street of the same block. The setback is set at ten feet if there are no setbacks on the block from which to compute the average. Regardless of the context, the setback cannot exceed 25 feet.⁹⁷ This approach is intended to result in new development that fits into its context. However, the R-5 zoning is applied near the Central City, where there is a pedestrian orientation and considerable redevelopment underway. Forcing new development to conform to buildings with large setbacks does not reinforce the pedestrian atmosphere. Commercial work/live with a large setback will result in wasted space that could be used for residential amenities in other parts of the development.

Recommendations:

- List commercial work/live as a principally permitted use in the R-5 zone when the nonresidential use is otherwise permitted in the zone. If the work use is conditionally permitted, require a conditional use permit for the commercial work/live suite.
- Create an exception in the setback requirement in the R-5 zone so that the maximum setback for commercial work/live suites is ten feet.

Commercial Zones

In Sacramento, work/live fits well with the intent and permitted uses of the C-1 and C-2 zones, but minor changes to the development standards for these zones would be required for implementation. The C-1 and C-2 zones are intended for different

⁹⁷ City of Sacramento, *Municipal Code*, Section 17.60.030.

circumstances, but currently have identical development standards. In order to permit work/live suites that fit into their context, the development standards should be different to better fit the intent of each zone.

C-1 Zone

In the C-1 zone, the two largest obstacles to work/live are the minimum lot area per unit and setback requirements. To protect the residential character of surrounding neighborhoods, the lot area per dwelling unit requirement is high (1500 square feet per unit) in the C-1 zone. This requirement may limit site planning flexibility for work/live suites. Since most of the parcels designated as C-1 are small lots in existing residential neighborhoods, there are few opportunities to build large projects with many units. In order to reach the ideal number of units to make a work/live project practical, slightly higher density may be required. The types of work/live projects appropriate in C-1 can be compared to what would be appropriate in RMX (discussed above). Both zones call for residential and/or commercial uses that are appropriate within a residential context. Therefore, the minimum lot area in place for RMX, 1200 square feet per unit, would be appropriate in the C-1 zone as well.

Currently, front setbacks are required in the C-1 zone that may diminish the pedestrian quality of commercial work/live suites and reduce site planning flexibility. Depending on the height of the building, setbacks in the C-1 zone vary from 7.5 to 22.5 feet. The current language for setbacks in the C-1 zone also permits a setback of zero feet under certain conditions. These conditions can be modified and applied to work/live suites.

Recommendations:

- List commercial work/live as a principally permitted use in the C-1 zone when the nonresidential use is otherwise permitted in the zone. If the work use is conditionally permitted, require a conditional use permit for the commercial work/live suite.
- Create an exception in the minimum lot area per unit requirement to allow a minimum of 1200 square feet per unit for commercial work/live development.
- Create an exception regarding front setbacks for commercial work/live suites as follows:
 1. setbacks for commercial work/live suites shall not be determined by the height of the building, provided the building complies with the height limit for the zone;



2. where the street frontage contains street trees and/or separated sidewalks, and adequate sight distance from driveways and street intersections is provided, the minimum setback shall be zero (0) feet;⁹⁸
3. buildings that do not meet the provisions of number 2 above shall have setbacks between five (5) and fifteen (15) feet, determined by taking the average of the setbacks of adjacent buildings; and
4. setbacks greater than fifteen (15) feet shall require approval by the zoning administrator.

C-2 Zone and NC Overlay Zone

The obstacles to work/live are the same in the C-2 zone as the C-1 zone, but the solutions should be different to reflect the different intent of the zones. The C-2 zone is a multi-purpose zone in Sacramento, covering a wide range of commercial uses. It covers many different types of neighborhoods, including older mixed-use areas and commercial corridors, which have been targeted for intense development and revitalization. Any change to the C-2 zone must be carefully considered because of the diversity of the properties within this zone. As they are, the development standards could limit concentrated mixed use development in the C-2 base zone. When the NC-Neighborhood Corridor overlay zone is applied, the C-2 zone has more flexibility for mixed use because the density requirement is lifted.

Sacramento can achieve flexible, neighborhood oriented commercial districts by following an example from Seattle and removing the density requirements from more areas. In Seattle's neighborhood commercial zones, there are no residential density regulations. Seattle's restrictions are based largely on height limits, which are applied to certain areas of the City to promote the type of development the City envisions for that area. In the neighborhood commercial zones, Seattle allows unlimited residential density in mixed use projects, provided other development standards such as height, parking, and open space requirements are met. This allows for a wide range of development and provides flexibility on the number and size of units. The resulting neighborhoods are an ideal location for mixed uses like commercial work/live suites. In Sacramento, the way to achieve this is by expanding the C-2-NC designation to more parcels.

The setback requirement for the C-2 zone (and NC overlay zone) are also an obstacle to work/live. The C-2 setback requirements could dramatically limit the pedestrian

⁹⁸ Adapted from City of Sacramento, *Municipal Code*, Section 17.60.030.

friendly quality Sacramento seeks in many of its aging commercial areas and existing mixed-use neighborhoods. Major changes to the C-2 setback would affect a wide range of commercial properties throughout the City. Instead of revising the setbacks for C-2, Sacramento should revise them just for the NC overlay zone, where work/live is most likely. The C-2-NC setback requirements should follow the same logic described for the C-1 zone above.

Recommendations:

- List commercial work/live as a principally permitted use in the C-2 zone when the nonresidential use is otherwise permitted in the zone. If the work use is conditionally permitted, require a conditional use permit for the commercial work/live suite.
- Apply the Neighborhood Corridor (NC) overlay zone to more areas of Sacramento, especially aging commercial corridors and existing mixed-use neighborhoods to encourage mixed-use development with a strong residential component.
- Amend the front setback requirement for the NC overlay zone as follows:
 1. setbacks shall not be determined by the height of the building, provided the building complies with the height limit for the zone;
 2. where the front street frontage contains street trees and/or separated sidewalks, and adequate sight distance from driveways and street intersections is provided, the minimum setback shall be zero (0) feet;⁹⁹
 3. buildings that do not meet the provisions of number 2 above shall have setbacks between five (5) and fifteen (15) feet, determined by taking the average of the setbacks of adjacent buildings; and
 4. setbacks greater than fifteen (15) feet shall require approval by the zoning administrator.

EC Zone

Since the Employment Center Zone is different than the standard commercial zones, a different approach is required to encourage work/live. All development in the EC zone must be part of a planned unit development (PUD), resulting in significant flexibility for the developer. As discussed in Chapter 4, it is unlikely that work/live would meet the expectations to be considered an employment generating use. Other “non-primary” uses are allowed in the EC zone as support for employment generating uses.

⁹⁹ Ibid.



Work/live could be appropriate in this supporting role. Since it would be a secondary land use, work/live would be most suitable on parcels that would be less desirable for employment intensive uses such as small or awkwardly configured lots, or as a buffer between high intensity uses and residential uses.

Recommendation:

- Include commercial and industrial work/live as conditionally permitted uses in the EC zone. Allow work/live to balance jobs and commercial needs in the PUD.

Create a New Overlay Zone for Industrial Work/Live

Currently, residential uses are not totally prohibited in industrial zones in Sacramento, but they are limited to protect industrial lands from residential encroachment. At the same time, Sacramento currently has very limited transition between industrial and residential uses. Industrial or commercial work/live suites may be an appropriate buffer between these uses.

San Francisco, Seattle, and Oakland have taken different approaches regarding live/work and industrial zoned areas. In San Francisco, live/work lofts became a very popular housing type that led to gentrification and a loss of industrial land. As a result, San Francisco now has limitations on new live/work units and grants preference to artists. Seattle does not allow live/work in industrial zones, but artist studio/dwelling units are allowed with conditions. Oakland has an overlay zone which is applied to industrial zones to serve as a buffer between industry and residential neighborhoods. This overlay zone is a useful model for Sacramento to consider.

Oakland's S-16 Industrial to Residential Combining Zone is intended to provide a transition between residential and industrial uses, promote economic development, and provide opportunities for new joint living and working quarters (Oakland's version of work/live).¹⁰⁰ Permitted uses include basic commercial activities such as general retail, personal service, administrative, and businesses services. Light manufacturing uses with less than 10,000 square feet of area are also permitted.¹⁰¹ This approach is compatible with industrial work/live and can serve as an example in Sacramento.

¹⁰⁰ City of Oakland, *Municipal Code*, Section 17.101.010.

¹⁰¹ *Ibid.*

Recommendations:

- To protect industrial land for industrial uses, do not permit work/live outright in industrial zones.
- Create a new overlay zone called “Industrial Residential Transition (IRT)” with the following regulations:
 1. The IRT overlay zone may be applied to the M-1 base zone where the M-1 zone abuts a non-industrial use;
 2. The allowed commercial uses in the IRT zone shall be the same as in the M-1 zone;
 3. Industrial work/live shall be a principally permitted use;
 4. Light manufacturing uses shall be allowed but limited to 10,000 square feet of gross floor area; and
 5. The development standards shall be the same as the M-1 zone except that the setback between any adjacent residential use and industrial work/live may be relaxed at the discretion of the zoning administrator, provided that the work component of the work/live suite meets the setback requirement. The residential portion of the suite may be built in the setback area.

New Work/Live Implementation Principles

The City of Sacramento should create and adopt a new policy document with implementation principles for work/live development. The principles can serve as a complement to the requirements of the General Plan and zoning code. Much like design guidelines or other similar policies, the implementation principles should be advisory, providing guidance to the developer about the City’s preferences while providing flexibility. The development of these principles is necessary because of the unique benefits and potential issues associated with work/live. The process of developing and adopting the principles will provide planners and the City Council an opportunity to build consensus around these issues, and the product will encourage quality work/live development. In particular, the implementation principles should include: representative locations in the city where work/live would be appropriate, support for the provision of business-related amenities in work/live complexes, and approaches to reduce the negative impacts of work/live on the residents and community.



Target Areas of the City

Work/live development should be located where it will be an asset to the neighborhood. It is not appropriate in neighborhoods that contain single family homes exclusively. Instead, it is most fitting where Sacramento seeks to diversify commercial areas to include housing and in areas that have an existing mix of uses.

The following section contains examples of where work/live would fit into the context and add to the neighborhood. Commercial work/live is considered first, with examples from the Del Paso Boulevard area, Stockton Boulevard commercial corridor, and mixed-use neighborhood south of the central business district. Industrial work/live is reviewed next, with examples from northeast Sacramento where residential uses are currently in close proximity to industrial businesses. The examples presented here are meant to illustrate the potential for work/live, not provide an exhaustive list of potential sites.

Commercial Work/Live

Del Paso Boulevard is a commercial street located in north Sacramento that is ideal for commercial work/live development. It once served as the commercial center for the neighborhood, but now suffers from high vacancy rates. There is an existing arts presence in the area, and the City seeks to maintain and build on the strength of the arts community. Del Paso Boulevard is an ideal location for commercial work for several reasons. There is an existing mix of uses including retail, services, restaurants, and even some light manufacturing. The area is served by light rail and is directly adjacent to a residential neighborhood. Many of the buildings front onto the sidewalk with zero setbacks, and are oriented to pedestrians (see Figure 10). The City has already undertaken streetscape improvements in the area. Additionally, there are many opportunities for new development and redevelopment along Del Paso Boulevard (Figure 11 and Figure 12).



Figure 10: Many of the buildings on Del Paso Blvd. have pedestrian-friendly facades and a few have second-story residential units. Photograph by author.



Figure 11: There are several large vacant parcels on Del Paso Blvd. Photograph by author.



Figure 12: There are many opportunities for new development on underutilized parcels. Photograph by author.

The second target area for commercial work/live development is the Stockton Boulevard commercial corridor, which is known as the International Marketplace of Sacramento. It has many thriving small businesses that cater to the Asian, Middle Eastern, and Latino residents that live nearby. The success of the small businesses in the area is a testament to the entrepreneurial spirit of the owners and relative affordability of the rent. The current development pattern is spread out, with large parking lots between the stores and street (see Figure 13 and Figure 14). Work/live could be an effective tool to intensify the use without changing the character of the area. Along Stockton Blvd, there is very little vacancy in existing buildings, but there are some vacant parcels that would be prime locations for commercial work/live (Figure 15).





Figure 13: This strip center is representative of the type of development on Stockton Blvd. Photograph by author.



Figure 14: An Asian market is successfully operating in a location lacking amenities like parking lot trees and proper parking lot striping. Photograph by author.



Figure 15: There are several vacant properties that would be ideal for work/live. Photograph by author.

In addition to the commercial corridors discussed above, commercial work/live would fit well into the existing mixed-use neighborhood south of downtown Sacramento. The area is generally located near R, S and T Streets with cross streets numbered in the high teens (approximately 13-18th Streets). It is characterized by a range of uses including office buildings, small businesses, single-family homes, and small multi-family buildings. Many existing homes have been adapted in this area to include a business (Figure 16). There are few vacant parcels in this neighborhood, but many obsolete uses are beginning to undergo redevelopment.

This area is ideal location for commercial work/live because of the existing pedestrian activity; demand for neighborhood retail and services; and access to jobs and transit.



Figure 16: Examples of houses in the neighborhood south of downtown that have been adapted to include neighborhood-serving businesses. Photographs by author.



Industrial Work/Live

As discussed previously, Sacramento has many industrial or heavy commercial areas that are directly adjacent to residential uses. Industrial work/live could function as an excellent buffer between housing and industry because of its dual nature.

In the northeast part of Sacramento there are several locations where industrial and residential uses are mixed, providing the ideal location for industrial work/live. Figure 17 is an excerpt of the General Plan map which demonstrates the proximity of housing (represented with yellow and brown) and industry (shown in purple). Figure 18 is a closer look at two examples within this area (labeled 1 and 2), where industrial work/live would be an ideal buffer between uses. In these examples, the purple shading indicates land with industrial zoning that is directly adjacent to residential uses. Example 1 demonstrates how a fairly large industrial area abuts directly against housing without any buffer, not even a street. In this vicinity, there are two vacant parcels that could be developed as industrial work/live, with the work component facing the industrial area, and residential portion backing up against the housing. Example 2 presents a similar, but even more drastic situation. The single-family houses at the center of the picture are surrounded on three sides by industrial and heavy commercial businesses. On the west side of the houses, there is not even a street to act as a buffer, just a fence between the housing and industry.

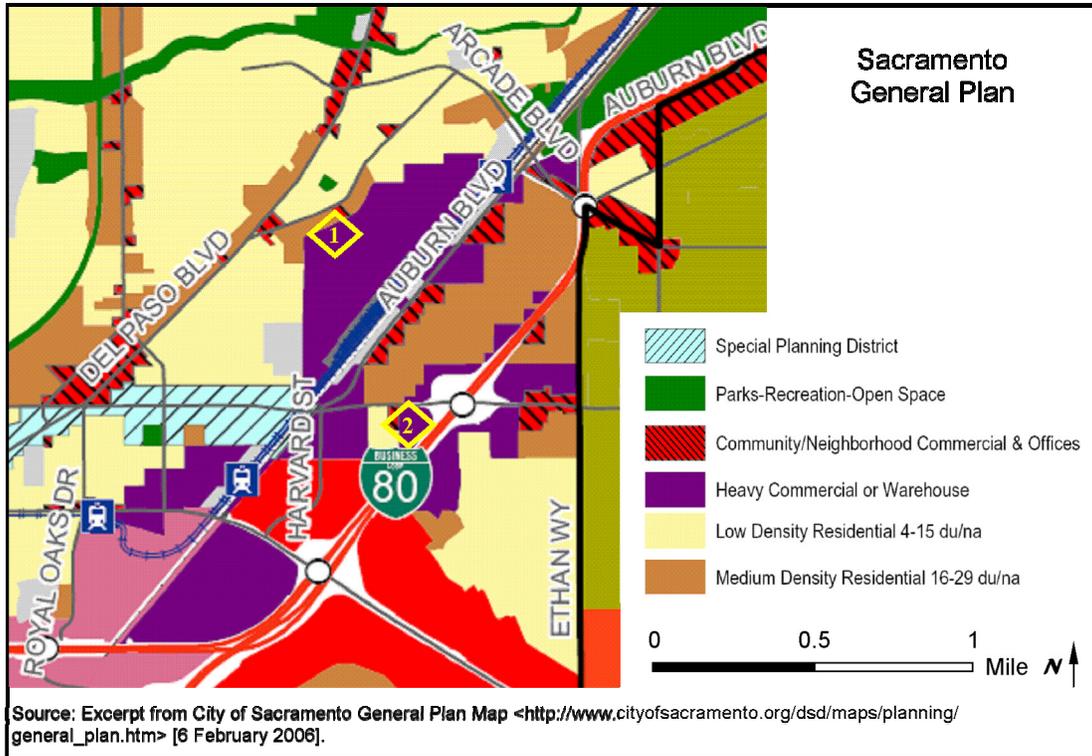


Figure 17: The General Plan map demonstrates the proximity between houses and industry in northeast Sacramento.

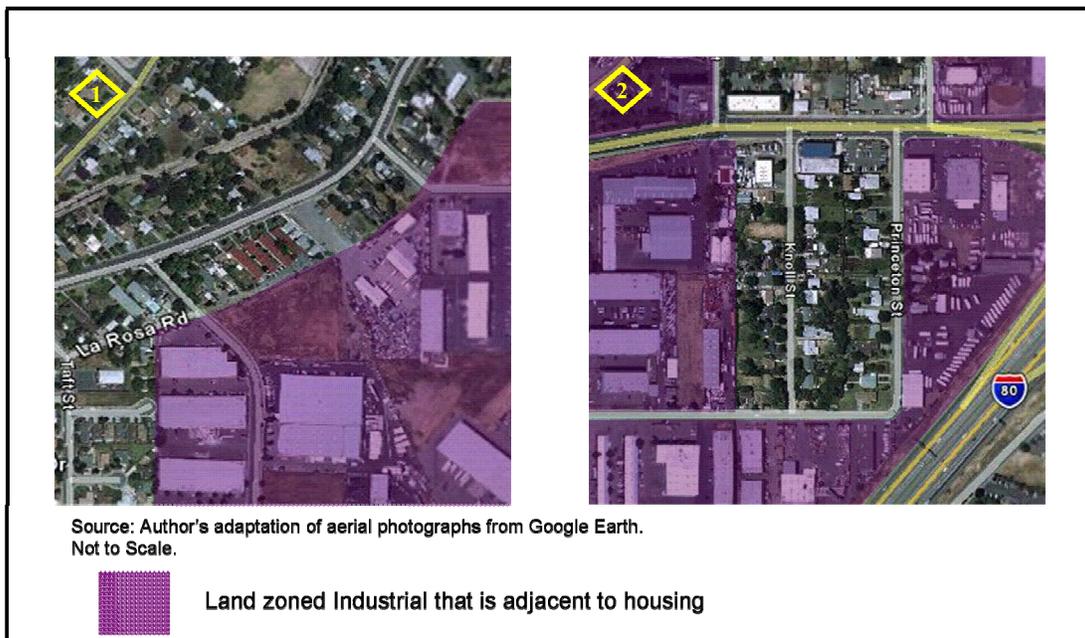


Figure 18: Detailed view of points of conflict between housing and industrial uses.



Opportunity for Shared Business Amenities

Complexes of work/live development could include amenities designed to support multiple small businesses and help the development function as a business incubator. Small-scale work/live development may include a business community room with shared office equipment that serves as a small conference room. Large work/live development may include shared secretarial services and a lunchroom.¹⁰² It may even be possible to share much larger resources. For example, several residential units may be grouped around one commercial kitchen, out of which they could each run catering businesses.¹⁰³ Or automotive-related businesses may share a vehicle lift or paint booth that would be prohibitively expensive for any one business to afford.

Recommendation:

- Amenities should be provided in each work/live complex to support the small businesses located there and help the development serve as a small business incubator. The types of amenities may include a business community room with shared equipment, shared secretarial services, a lunchroom, commercial kitchen, or any other technical equipment needed for the execution of the work performed there.

Issues related to Work/Live and Potential Solutions

Mixing work and home presents significant challenges. There could be impacts on the residents, as well as implications for the neighborhood. The potential issues will vary with the type of work/live and neighborhood context. The following section includes a discussion of potential issues associated with work/live and recommendations about how to address them in the Sacramento context. The implementation principles should include strategies to minimize negative impacts by looking at work/live at three levels: the unit itself, the work/live complex, and how the complex fits into the community.

Design of the Work/Live Suite

Residents of work/live suites should expect a different experience than living in a strictly residential dwelling. There could be significantly more noise and traffic from both their business and adjacent businesses than most households are accustomed to. Residents may come into contact with employees, delivery drivers, customers, and

¹⁰² Leshgold, Dolan, and Ivison, 23-24.

¹⁰³ Thomas Dolan, interview by author, Oakland, CA, 12 October 2005.

suppliers for the business. Depending on the design of the work/live suite, household members may even share some space with non-resident employees of the business. The line between work and home may become blurry, resulting in a loss of privacy and security. Work/live residents would have to accept some of these consequences, although they can be mitigated through design and planning.

The transition from public to private space is critical within each work/live suite. Three zones should be established in each unit: public, private, and crossover. The crossover space may be for private (home) use, public (work) use, or both depending on the design and work activities.¹⁰⁴ Creating these categories will draw attention to the needs of the different parts of the suite. Once these zones are established, appropriate safety and privacy measures can be put into place. Take Prototype 3 (discussed in Chapter 2) as an example. This prototype may be designed with the kitchen and interior courtyard as crossover space, with this area used as the employee break room. To protect the privacy of household members, a separate locking door may be appropriate between the kitchen and rest of the residential portion, and any windows opening onto the courtyard should have suitable coverings. Also with this prototype, it may be necessary to provide a side yard along the side of the residential portion so that there is access to the work area from the rear of the suite. In that case, the security of the path should be considered. This crossover side yard raises several questions. Will loading be allowed? Will employees be allowed to enter this way? How will access be limited after work hours? These types of issues should be considered as part of the site planning process.

Recommendation:

- To ensure the safety and privacy of work/live residents, the development review process should include an examination of the private, public, and crossover spaces within the work/live suites with special emphasis on doors, gates, paths, windows, courtyards, and patios. Windows should be oriented to protect the privacy of the residents and have appropriate coverings.

¹⁰⁴ Gurstein, 10.



Design of Work/Live Complexes

The implementation principles should address two significant concerns related to work/live complexes: the division between public and private space, and the potential lack of residential amenities.

In work/live development, the transition from public to private space is especially important to ensure the security of the residents.¹⁰⁵ Since work/live is dual purpose, the transition from public to private may become indistinct in the complex. For example, will the customers of one work/live business be allowed to use a pathway adjacent to the residential portion of a different work/live suite? Site plans for work/live development should include specifics about how these issues will be handled, based on the unit type and neighborhood context. It is necessary to plan in advance for access points such as doors, shared corridors, and gates, which should be designated as public, private, or crossover. If these access points are to be used by the public *and* residents, then provisions must be made to secure the residential portions of the complex.

If work/live is located on sites that previously had obsolete commercial or industrial uses, it may be in parts of the city that do not have full residential amenities. Parks, schools, and childcare may not be in close proximity. There are several potential approaches that would depend on the project context. In Sacramento, many heavy commercial and industrial areas are already located close to residential areas. Existing amenities may be sufficient if access to them is improved. Pedestrian and bicycle access could be enhanced and additional bus stops may be added. If neighborhood resources are not sufficient, it may be feasible to include them as part of the work/live development. Community open space with a children's play area could help fill the need. It may also be feasible to design one of the work/live suites as a childcare facility to serve the development and surrounding neighborhood.

Recommendations:

- The development review process should include an examination of the private, public, and crossover spaces within the work/live complex with special emphasis on shared doors, gates, pathways, and corridors. If these areas are to be shared between customers and residents, provisions should be made to secure them when necessary, such as after business hours.

¹⁰⁵ For a full discussion of the relationship between safety and the transition from public to private space, see the influential book *Defensible Space* by Oscar Newman.

- Special attention should be paid to amenities in and nearby work/live complexes:
- If there are no parks or schools in the vicinity, a play area for children should be provided on-site.
- Providing access to transit and encouraging alternative means of transportation are priorities for work/live development. Pedestrian and bicycle routes to transit and places of employment should be reviewed and improved if necessary.
- If the complex is large enough, the provision of a childcare facility on-site is encouraged.

Work/Live and the Community

If new work/live is developed in existing neighborhoods, there could be consequences for the community. One of the potential benefits of new construction of work/live suites is revitalization. Reuse of obsolete property and infill on vacant property are goals shared by New Urbanism and Smart Growth. However, revitalization can lead to gentrification, where lower income residents are displaced as the neighborhood changes and housing prices are pushed up by market demand. Any new development has the potential to contribute to increasing property values and gentrification. The type of gentrification associated with work/live is slightly different because work/live is most appropriate on land that was vacant or had an obsolete commercial or industrial use. So with work/live gentrification, the displacement is not higher income residents taking the place of lower income residents, but a new land use taking the place of an old use.¹⁰⁶

This land use gentrification is a particular concern for industrial land. When residential uses are introduced in industrial areas, there is a strong possibility that property values will rise and begin to force industrial uses out. If residential uses begin to dominate, new residents may begin to complain about adjacent industrial uses and the lack of residential amenities.¹⁰⁷ Live/work architect Thomas Dolan describes this phenomenon as “imported NIMBYism,” where new residents move into a neighborhood and then complain about it.¹⁰⁸ These issues may be exacerbated if the work/live suites revert to residential use only.

¹⁰⁶ Thomas Dolan, *Planning Issues*, <<http://www.live-work.com/revised/lwi/codes/planning.shtml>> [10 October 2005]

¹⁰⁷ Gurstein, 9.

¹⁰⁸ Dolan, Interview.



Recommendations:

- New construction of work/live in industrial or heavy commercial areas should be carefully evaluated. It should only be approved in locations where there is already a combination of uses in place, it can act as a buffer between uses, or where the City is already planning for a transition from industrial or heavy commercial to other uses.
- To reduce the likelihood that work/live suites will revert to residential use only, design the work portion to be suitable only for work, not as living space.

6. Conclusion

Summary of Recommendations

The current Sacramento General Plan includes language that supports the concept of work/live development. Furthermore, the General Plan is currently being updated and this is the ideal time to identify work/live as a tool to reach the community’s vision for its future. In Chapter 5, I recommended changes to the goals, policies, land use categories, and area plans. A summary of these recommendations is included below.

Table 3: Summary of Recommended Changes to the General Plan

Establish New Goals	Increase opportunities for ownership and employment in small business.			
	Emphasize business opportunities in low or moderate income neighborhoods.			
	Maintain a supply of affordable space to incubate small businesses.			
Establish New Policies	Discourage new large-scale shopping centers in the city.			
	Support affordable housing through innovative housing types.			
Establish New Land Use Categories	Category Name	Description	Areas of the City	Type of Work/Live
	Mixed Housing Type Residential	Intended to maintain and enhance residential areas characterized by a mix of single family homes, duplexes, small multi-unit buildings, and neighborhood businesses. New commercial development should fit into the residential context and maximize opportunities for employment for residents that live within walking distance.	Neighborhoods generally south and west of downtown, and close to arterials	Include commercial work/live suites in the list of appropriate uses
	Housing and Business Mix	Intended to guide a transition from heavy commercial and warehousing activities or industry to low impact light industrial and other businesses that can co-exist compatibly with residential development.”	Areas located between residential and heavy commercial or industrial use	Include industrial work/live suites in the list of appropriate uses
Update Area Plans	As area/community plans are created or updated, consider whether work/live can be used as a tool to achieve neighborhood goals.			
	During the updating process, establish specific locations within the community where work/live would be appropriate and would strengthen the neighborhood.			
	Build on Sacramento’s existing arts districts, such as the Del Paso Boulevard area, by encouraging compatible work/live that is not arts related.			

Once changes are made to the General Plan, the zoning code must also be updated to permit and encourage work/live. The following changes are required: the amendment of four separately regulated land uses, changes to five existing zones, and the creation of a new overlay zone. These changes are summarized in the following table.

Table 4: Summary of Recommended Changes to the Zoning Code

Amend Separately Regulated Land Uses	Create a new designation for commercial work/live suites.		
	Create a new designation for industrial work/live suites.		
	Create a new designation for live/work loft.		
	Delete the existing artist live/work designation.		
Make Changes to Existing Zones	Zone	Means of Permitting work/live	Changes to Development Standards
	RMX	Commercial work/live as a principally permitted use	Allow up to 75% nonresidential building square footage in the RMX zone when each individual business establishment is no greater than 4000 square feet.
	R-5	Commercial work/live as a principally permitted use	Establish a maximum setback for commercial work/live suites of ten feet.
	C-1	Commercial work/live as a principally permitted use	Allow a minimum of 1200 square feet per unit for commercial work/live development.
			Require setbacks between 0 and 15 feet, depending on the context.
	C-2 (NC Overlay)	Commercial work/live as a principally permitted use	In the NC overlay zone, require setbacks between 0 and 15 feet, depending on the context.
EC	Commercial and Industrial work/live as conditional uses	None required, determined through PUD process.	
Create a new overlay zone: Industrial Residential Transition (IRT)	The IRT overlay zone may be applied to the M-1 base zone where the M-1 zone abuts a non-industrial use.		
	The allowed commercial uses in the IRT zone shall be the same as in the M-1 zone.		
	Industrial work/live shall be a principally permitted use.		
	Light manufacturing uses shall be allowed but limited to 10,000 square feet of gross floor area.		
	The development standards shall be the same as the M-1 zone except that the setback between any adjacent residential use and industrial work/live may be relaxed at the discretion of the zoning administrator.		



To encourage quality work/live development, Sacramento should adopt Work/Live Implementation Principles. These principles should be advisory (not mandatory) and should complement the General Plan and zoning code. This approach will provide additional guidance to developers while maintaining flexibility. A summary of the recommended principles are included below, organized by three general goals: encourage small business, protect the safety and privacy of residents, and fit work/live into its context.

Table 5: Summary of Recommended Implementation Principles

Goal	Principle	Implementation
Encourage small business	Amenities should be provided in each work/live complex to support the small businesses located there and help the development serve as a small business incubator.	Amenities may include a business community room with shared equipment, shared secretarial services, a lunchroom, commercial kitchen, or any other technical equipment needed for the execution of the work performed there.
Protect the safety and privacy of residents	The private, public, and crossover spaces within the work/live suites should be carefully reviewed.	The development review process should include an examination of doors, gates, paths, windows, courtyards, and patios. Windows should be oriented to protect the privacy of the residents and have appropriate coverings.
	The private, public, and crossover spaces within the work/live complex should be carefully reviewed.	The development review process should include an examination of shared doors, gates, pathways, and corridors. If areas are to be shared between customers and residents, provisions should be made to secure them when necessary, such as after business hours.
Fit work/live into its context	Special attention should be paid to amenities in and nearby work/live complexes	If there are no parks or schools in the vicinity, a play area for children should be provided on-site. If the complex is large enough, the provision of a childcare facility on-site is encouraged.
	Providing access to transit and encouraging alternative means of transportation are priorities for work/live development	Pedestrian and bicycle routes to transit and places of employment should be reviewed and improved if necessary.
	New construction of work/live in industrial or heavy commercial areas should be carefully evaluated.	It should only be approved in locations where there is already a combination of uses in place, it can act as a buffer between uses, or where the city is already planning for a transition from industrial or heavy commercial to other uses. To reduce the likelihood that work/live suites will revert to residential use only, design the work portion to be suitable only for work, not as living space.

Call for Future Research - Work/Live as an Affordable Housing Strategy

I recommend that Sacramento research the potential for using work/live suites as a tool to reach affordable housing goals and encourage small businesses in lower income communities. In Sacramento, approximately 18% of households are considered low income and almost 20% of households fall into the moderate income category.¹⁰⁹ These residents would be well served by the work/live approach, which would provide economic opportunity along with housing. Despite this potential demand, there is a major constraint to affordable work/live development.

At this time, the funding sources used for affordable housing do not align well with work/live. In government subsidized housing, the monthly rent or mortgage payment must be no more than 30% of the household's monthly income. It is very likely that work/live development would cost more than that the maximum if it is to contain both work and living spaces as discussed in this research. As a result, residents of work/live that pay more than 30% of their income for their rent or mortgage would not be eligible for government subsidy. However, it is possible to use Redevelopment general tax increment (not from the low and moderate-income housing fund¹¹⁰) and Community Development Block Grant money to fund affordable work/live projects if there is political will to do so.

Sacramento should conduct research into the available sources of funding for affordable work/live housing to confirm whether they could be used for this innovative type of development. In particular, the research should consider the following potential funding sources: tax credits, redevelopment housing set aside, HOME, affordable housing trusts (if any), and economic development grants. If any of these sources are deemed suitable, affordable work/live could become a reality in Sacramento for low and moderate-income households.

¹⁰⁹ City of Sacramento, *General Plan*, Housing Element, 3.3-7.

¹¹⁰ The Redevelopment low and moderate income housing fund is also know as the "housing set-aside" or "20% set aside."



Closing Thoughts

Sacramento is an ideal location to make work/live a reality for the following reasons: alternative housing types are gaining acceptance, there are many vacant or underutilized properties available, the City has expressed a commitment to infill development, and a General Plan update is underway. It will take only minimal changes, as described in this report, to encourage work/live in Sacramento.

Work/live will be another tool for Sacramento to reach its goals. It is based on a solid foundation: mixed-use development, innovative housing, small business expansion, and neighborhood revitalization. These are concepts Sacramento already supports. Work/live combines them and takes it a step further. It has the potential to reduce commuting, allow households to operate small businesses that would otherwise not have a chance, and help stabilize neighborhoods since the occupants would live and work there.

Now is an ideal time for a new approach to housing and small business in Sacramento: work/live.

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8. Appendix: Planning Agencies in Sacramento

The **Planning Division** of the Development Services Department includes three basic sections: current planning, which processes applications for planning entitlements; environmental planning, which ensures compliance with environmental laws; and long range planning, which develops policies and plans to meet the City's long term goals.¹¹¹

The **Economic Development Department's** primary role is to facilitate private investment in the City of Sacramento. The Department has two divisions, one that focuses on downtown, and one that works throughout the City. The Downtown Development Division administers two redevelopment project areas in the downtown area. The Citywide Development Group oversees commercial corridor revitalization, business retention and expansion efforts, and overall economic development policy.¹¹²

Sacramento Housing and Redevelopment Agency (SHRA) is a joint powers authority of the City of Sacramento and Sacramento County. It acts as administrator for 10 redevelopment project areas and as the local housing authority. SHRA engages in public-private partnerships with housing developers, oversees revitalization projects, and provides assistance for first time home buyers. Additionally, SHRA is the authority that administers the Community Development Block Grant (CDBG) funds and Housing Choice Voucher Program (commonly known as Section 8).¹¹³

Capitol Area Development Authority (CADA) oversees development on State-owned land in the area surrounding the Capitol. Development on State-owned properties is exempt from City of Sacramento ordinances and must comply with CADA policies. CADA staff oversees implementation of a master plan to encourage a vibrant, mixed use community in the Capitol area.¹¹⁴

¹¹¹ City of Sacramento, *Planning*, <<http://www.cityofsacramento.org/dsd/planning/>> [9 April 2006].

¹¹² City of Sacramento, Economic Development Department, *About Us*, <http://www.cityofsacramento.org/econdev/msc/about_us.html> [9 April 2006].

¹¹³ City of Sacramento, *General Plan Technical Background Report*, June 2005, 2.2-12.; Sacramento Housing and Redevelopment Agency, *About*, <<http://www.shra.org/Content/AboutSHRA/About.htm>> [8 April 2006.]

¹¹⁴ City of Sacramento, *General Plan Technical Background Report*, June 2005, 2.2-34.

